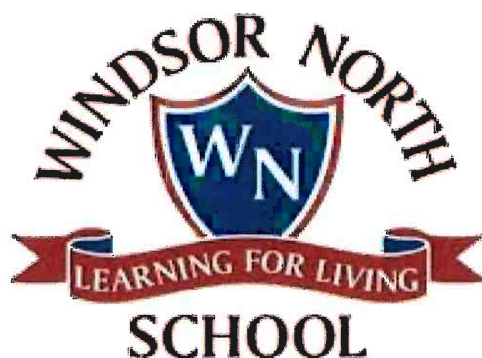


WINDSOR NORTH SCHOOL



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	91 Chelmsford Street, Windsor, Invercargill
School Postal Address:	91 Chelmsford Street, Windsor, Invercargill, 9810
School Phone:	03 217 8819
School Email:	office@windsornorth.school.nz
Ministry Number:	3967

WINDSOR NORTH SCHOOL

Financial Statements - For the year ended 31 December 2017

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Windsor North 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.

Krista Mary Sim

Full Name of Board Chairperson



Signature of Board Chairperson

25/5/18

Date:

Andrew James Smith

Full Name of Principal



Signature of Principal

25/5/18

Date:

Windsor North School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	2,282,858	2,073,957	2,162,951
Locally Raised Funds	3	109,615	131,850	101,200
Interest Earned		11,979	6,500	10,366
		<u>2,404,452</u>	<u>2,212,307</u>	<u>2,274,517</u>
Expenses				
Locally Raised Funds	3	38,998	44,887	44,313
Learning Resources	4	1,604,173	1,503,279	1,517,466
Administration	5	102,140	100,443	100,782
Finance Costs		1,624	-	979
Property	6	528,165	467,921	561,130
Depreciation	7	68,801	67,220	65,299
Loss on Disposal of Property, Plant and Equipment		3,027	-	5,243
		<u>2,346,928</u>	<u>2,183,750</u>	<u>2,295,212</u>
Net Surplus / (Deficit)		57,524	28,557	(20,694)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>57,524</u>	<u>28,557</u>	<u>(20,694)</u>

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



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Windsor North 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	530,486	530,486	541,400
Total comprehensive revenue and expense for the year	57,524	28,557	(20,694)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	9,780
Equity at 31 December	588,010	559,043	530,486
Retained Earnings	588,010	559,043	530,486
Equity at 31 December	588,010	559,043	530,486

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



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Windsor North School
Statement of Financial Position
As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	72,730	(82,051)	22,172
Accounts Receivable	9	98,180	363,099	363,099
GST Receivable		7,163	-	-
Prepayments		6,914	1,003	1,003
Inventories	10	643	477	477
Investments	11	334,834	323,207	323,207
		<u>520,464</u>	<u>605,735</u>	<u>709,958</u>
Current Liabilities				
GST Payable		-	19,510	19,510
Accounts Payable	13	118,575	116,462	116,462
Revenue Received in Advance	14	382	1,368	1,368
Provision for Cyclical Maintenance	15	79,618	50,339	50,339
Finance Lease Liability - Current Portion		14,135	4,856	4,856
Funds held for Capital Works Projects	17	10,530	209,963	209,963
		<u>223,240</u>	<u>402,498</u>	<u>402,498</u>
Working Capital Surplus/(Deficit)		297,224	203,237	307,460
Non-current Assets				
Property, Plant and Equipment	12	376,067	456,130	323,350
		<u>376,067</u>	<u>456,130</u>	<u>323,350</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	63,758	93,548	93,548
Finance Lease Liability		21,523	6,776	6,776
		<u>85,281</u>	<u>100,324</u>	<u>100,324</u>
Net Assets		<u>588,010</u>	<u>559,043</u>	<u>530,486</u>
Equity		<u>588,010</u>	<u>559,043</u>	<u>530,486</u>

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



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Windsor North 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		491,334	447,797	444,403
Locally Raised Funds		111,606	131,850	97,611
Goods and Services Tax (net)		(26,673)	-	27,025
Payments to Employees		(230,526)	(216,465)	(206,138)
Payments to Suppliers		(257,292)	(273,905)	(338,696)
Cyclical Maintenance Payments in the Year		(7,823)	-	-
Interest Received		11,965	6,500	11,544
Net cash from / (to) the Operating Activities		92,591	95,777	35,749
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(92,372)	(200,000)	(47,999)
Purchase of Investments		(11,627)	-	(109,961)
Net cash from / (to) the Investing Activities		(103,999)	(200,000)	(157,960)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	9,780
Finance Lease Payments		(10,227)	-	(4,312)
Funds Administered on Behalf of Third Parties		-	-	(25,837)
Funds Held for Capital Works Projects		71,737	-	-
Net cash from Financing Activities		61,510	-	(20,369)
Net increase/(decrease) in cash and cash equivalents		50,102	(104,223)	(142,580)
Cash and cash equivalents at the beginning of the year	8	22,172	22,172	164,752
Cash and cash equivalents at the end of the year	8	72,274	(82,051)	22,172

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.



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Windsor North School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

1.1. Reporting Entity

Windsor North 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.

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 16.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to 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.

1.3. 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. 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.



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1.8. 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.

1.9. 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.

1.10. 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 securities.

1.11. Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

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



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 – Crown	10–75 years
Furniture and equipment	5–15 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	3–4 years
Library resources	12.5% Diminishing value

1.12. 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.

1.13. 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.

1.14. Employment 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



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1.15. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

1.16. 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).

1.17. 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, and, finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

1.18. 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.

1.19. Budget Figures

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

1.20. Services received in-kind

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



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2. Government Grants

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational grants	449,312	414,245	395,999
Teachers' salaries grants	1,393,368	1,300,000	1,337,357
Use of Land and Buildings grants	397,026	326,160	379,609
Other MoE Grants	43,152	14,752	36,797
Other government grants	-	18,800	13,190
	<u>2,282,858</u>	<u>2,073,957</u>	<u>2,162,951</u>

3. Locally Raised Funds

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

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	51,713	88,700	50,880
Other revenue	26,029	10,800	10,830
Trading	3,868	5,400	4,150
Activities	28,005	26,950	35,339
	<u>109,615</u>	<u>131,850</u>	<u>101,200</u>
Expenses			
Activities	35,470	39,487	40,115
Trading	3,528	5,400	4,198
	<u>38,998</u>	<u>44,887</u>	<u>44,313</u>
<i>Surplus for the year Locally raised funds</i>	<u>70,617</u>	<u>86,963</u>	<u>56,888</u>

4. Learning Resources

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	86,284	96,164	88,942
Equipment repairs	5,810	7,000	10,259
Employee benefits - salaries	1,512,079	1,400,115	1,418,264
	<u>1,604,173</u>	<u>1,503,279</u>	<u>1,517,466</u>



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5. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	2,536	2,600	2,499
Board of Trustees Fees	3,280	6,800	3,240
Board of Trustees Expenses	3,430	-	5,802
Communication	3,353	3,680	3,957
Consumables	2,352	2,900	1,900
Operating Lease	2,097	3,500	4,844
Other	2,682	2,250	2,271
Employee Benefits - Salaries	75,103	72,200	70,318
Insurance	4,352	4,013	3,926
Service Providers, Contractors and Consultancy	2,955	2,500	2,025
	<u>102,140</u>	<u>100,443</u>	<u>100,782</u>

6. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	7,679	9,300	9,846
Consultancy and Contract Services	21,685	21,685	29,603
Cyclical Maintenance Provision	23,319	-	23,623
Adjustment to the Provision	(15,496)	-	(13,248)
Grounds	5,614	5,400	5,618
Heat, Light and Water	18,269	20,400	18,811
Rates	2,555	2,450	2,403
Repairs and Maintenance	24,106	38,376	59,401
Use of Land and Buildings	397,026	326,160	379,609
Employee Benefits - Salaries	43,408	44,150	45,464
	<u>528,165</u>	<u>467,921</u>	<u>561,130</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	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	10,865	8,500	10,543
Furniture and Equipment	36,502	37,600	34,590
Information and Communication Technology	11,031	18,000	14,361
Textbooks	16	-	18
Leased Assets	8,096	20	3,325
Library Resources	2,291	3,100	2,462
	<u>68,801</u>	<u>67,220</u>	<u>65,299</u>



BDO INVERCARGILL

8. Cash and Cash Equivalents

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Current Account	72,730	(82,051)	22,172
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	72,730	(82,051)	22,172

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

Of the \$72,730 Cash and Cash Equivalents and Investments, \$10,530 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	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	5,153	7,000	7,000
Receivables from the Ministry of Education	-	271,170	271,170
Interest Receivable	2,356	2,342	2,342
Teacher Salaries Grant Receivable	90,671	82,587	82,587
	98,180	363,099	363,099
Receivables from Exchange Transactions	7,509	9,342	9,342
Receivables from Non-Exchange Transactions	90,671	353,757	353,757
	98,180	363,099	363,099

10. Inventories

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Stationery	643	-	-
Canteen	-	477	477
	643	477	477

11. Investments

The School's investment activities are classified as follows:

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	334,834	323,207	323,207



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12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Building Improvements	108,975	15,745	-	-	(10,865)	113,855
Furniture and Equipment	163,504	36,585	-	-	(36,502)	163,587
Information and Communication	21,873	11,052	-	-	(11,031)	21,894
Textbooks	127	-	-	-	(16)	111
Leased Assets	11,640	32,173	-	-	(8,096)	35,717
Library Resources	17,231	4,127	(3,027)	-	(2,291)	16,040
Work in Progress	-	24,863	-	-	-	24,863
Balance at 31 December 2017	323,350	124,545	(3,027)	-	(68,801)	376,067

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Building Improvements	254,465	(140,610)	113,855
Furniture and Equipment	560,499	(396,912)	163,587
Information and Communication	85,415	(63,521)	21,894
Textbooks	720	(609)	111
Leased Assets	47,138	(11,421)	35,717
Library Resources	41,203	(25,163)	16,040
Work in Progress	24,863	-	24,863
Balance at 31 December 2017	1,014,303	(638,236)	376,067

The net carrying value of equipment held under a finance lease is \$35,717 (2016: 11,640)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2016						
Building Improvements	111,694	7,824	-	-	(10,543)	108,975
Furniture and Equipment	176,280	21,815	-	-	(34,590)	163,505
Information and Communication	21,909	14,551	(227)	-	(14,361)	21,872
Textbooks	145	-	-	-	(18)	127
Leased Assets	-	14,965	-	-	(3,325)	11,640
Library Resources	20,900	3,809	(5,016)	-	(2,462)	17,231
Balance at 31 December 2016	330,928	62,964	(5,243)	-	(65,299)	323,350

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2016			
Building Improvements	238,720	(129,745)	108,975
Furniture and Equipment	523,915	(360,411)	163,505
Information and Communication	89,367	(67,494)	21,872
Textbooks	720	(593)	127
Leased Assets	14,965	(3,325)	11,640
Library Resources	44,977	(27,746)	17,231
Balance at 31 December 2016	912,664	(589,314)	323,350



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13. Accounts Payable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating creditors	15,392	28,059	28,059
Banking staffing overuse	8,340	-	-
Employee Entitlements - salaries	90,930	82,587	82,587
Employee Entitlements - leave accrual	3,913	5,816	5,816
	<u>118,575</u>	<u>116,462</u>	<u>116,462</u>
Payables for Exchange Transactions	118,575	116,462	116,462
	<u>118,575</u>	<u>116,462</u>	<u>116,462</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	-	1,130	1,130
Other	382	238	238
	<u>382</u>	<u>1,368</u>	<u>1,368</u>

15. Provision for Cyclical Maintenance

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	143,887	143,887	142,982
Increase to the Provision During the Year	23,319	-	23,623
Adjustment to the Provision	-	-	(13,248)
Use of the Provision During the Year	(23,830)	-	(9,470)
Provision at the End of the Year	<u>143,376</u>	<u>143,887</u>	<u>143,887</u>
Cyclical Maintenance - Current	79,618	50,339	50,339
Cyclical Maintenance - Term	63,758	93,548	93,548
	<u>143,376</u>	<u>143,887</u>	<u>143,887</u>

16. Finance Lease Liability

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	15,201	5,791	5,791
Later than One Year and no Later than Five Years	21,869	7,271	7,271
	<u>37,070</u>	<u>13,062</u>	<u>13,062</u>



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17. Funds Held for Capital Works

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 \$
Block D ILE (stage 2)	<i>In progress</i>		209,963	22,320	221,753	-	10,530
Totals			209,963	22,320	221,753	-	10,530

Represented by:

Funds Held on Behalf of the Ministry of Education

10,530
10,530

		2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Block M Roof Replacement	<i>Completed</i>		-	20,059	20,059	-	-
Block D ILE (stage 2)	<i>In progress</i>		-	235,800	25,837	-	209,963
Totals			-	255,859	45,896	-	209,963

18. Related Party Transactions

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

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



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19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy and Assistant Principal.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,280	3,240
Full-time equivalent members	0.10	0.07
<i>Leadership Team</i>		
Remuneration	412,855	403,570
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	416,135	406,810
Total full-time equivalent personnel	4.10	4.07

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	3-4	0-10
Termination Benefits	0	0-0

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
110 - 120	-	-
100 - 110	-	-
	-	-

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

20. Compensation and Other Benefits Upon Leaving

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

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



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21. Contingencies

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

22. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has entered into 2 contract agreements for capital works. The Ministry approved work for an Archgola totalling \$60,805 and the Admin block alteration totalling \$52,000. These are both fully funded by the Board

(Capital commitments at 31 December 2016: nil)

(b) Operating Commitments

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

(a) operating lease of a photocopier, Phone System and Laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	3,483	4,639
Later than One Year and No Later than Five Years	7,733	428
Later than Five Years	-	-
	<u>11,216</u>	<u>5,067</u>

23. Managing Capital

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

24. Financial Instruments

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

Loans and Receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	72,730	(82,051)	22,172
Receivables	98,180	363,099	363,099
Investments - Term Deposits	334,834	323,207	323,207
Total Loans and Receivables	<u>505,744</u>	<u>604,255</u>	<u>708,478</u>

Financial liabilities measured at amortised cost

Payables	118,575	116,462	116,462
Finance Leases	35,658	11,632	11,632
Total Financial Liabilities Measured at Amortised Cost	<u>154,233</u>	<u>128,094</u>	<u>128,094</u>

25. Events After Balance Date

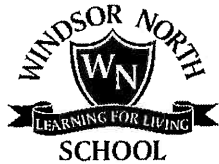
There were no significant events after the balance date that impact these financial statements.



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Windsor North School – Board of Trustees 2017

Name	Position on Board	Occupation
Krista Sim	Chairperson	Lawyer
Nic Raines	Finance Chair	Private Banker
Nathan Burdon	Member	Healthy Families Advisor
Haupai Te Wiki	Member	Team Leader
Phil Checketts	Draughtsman	Admore Designs
Andrew Smith	Principal	Principal
Pamela Chilton	Staff Representative	Teacher



Windsor North School - Kiwisport Funding 2017

Kiwisport is a Government funded initiative to support students' participation in organised sport. During 2017, the school received Kiwisport funding of \$4,775.24 (excluding GST) from the Ministry of Education.

This funding was spent on the following:

- Netballs / Netball Zone Tournament
- Jump Jam Programme
- Swimming gear
- Portable Goals
- Miniball Singlets
- Goalposts
- Entries to school golf competition
- Subsidy for students playing basketball
- Subsidy for students playing football
- Tough Kids Day Programme run by Sport Southland

2017 Analysis of Variance

Strategic Aim 1: To attain high levels of student achievement in numeracy and literacy in relation to National Standards

Baseline Data:

- Analysis of school-wide maths data in November 2016 identified there were a significant number of students at Year 4 (28%) who were Well Below and Below the National Standard for Maths.
- Gaps in knowledge and mastery of basic facts were identified as areas of concern. Retention and mastery of Basic facts are a major factor in lack of progress.
- The progression from Stage 5 (End of Year 4) to Early Stage 6 (End of Year 5) requires a sound times table knowledge-this was also identified an area of weakness.

Target 1

- Year 5 students who were Below the Maths Standard at the end of 2016 will make more than one year's progress and be At or Above in relation to the Standard at the end of 2017.

Actions to achieve targets

- Teachers identify which students (target groups) need support based on valid assessment data from 2016.
- Achievement data will be collated and reviewed each term using eTAP and will include planned actions for raising achievement for those achieving Well Below/Below (as well as catering for those Above) on Term Action Plan.
- Teachers collaboratively work with colleagues to share teaching practices likely to provide best outcomes for students i.e. learning technology.
- Groups in Years 5 will receive Numeracy Support from Numeracy Advisor.
- Provide Learning Support with a Teacher to work with groups of students.
- Provide materials (equipment) including digital devices & programmes to enhance new teaching strategies in all classes and at all levels to consolidate learning and ensure conceptual understanding.
- Classroom teachers will continue to use online applications to engage students and address gaps in knowledge/basic facts as well as concept development. i.e. Studyladder.
- Teachers will work with students and families/whanau to set goals and identify ways to support and raise the student engagement and achievement in maths.
- Teacher Appraisal/reflection and Professional Learning goals will focus on raising achievement in maths as well as using learning technologies to improve student outcomes.

Results

Year Level	5	
	End of 2016	Nov 2017
At		5
Below	11	7
Well Below	1	

Analysis

- Five children have made excellent progress to now be achieving the required standard.
- Those Below the Standard have still made measurable progress i.e. have moved sublevels.
- Seven members are almost achieving at the required standard, currently graded at the end of level 2. They need to be at the beginning of level 3.

Reasons for Variance

- Those children in the Numeracy Support groups all made significant progress.
- Some of this group have learning issues in a number of areas and have received support over a number of years.
- Students not meeting the Standard are achieving in addition/subtraction but can struggle more with multiplication/divisions, proportions and ratios.
- Interpreting word problems can be difficult for many as well as selecting the right strategies to solve them.

Evaluation/Future Actions

- We will continue provide extra support for children at risk of not meeting the standard. This may be extra teacher time and/or help from a Numeracy teacher.
- Smaller classes in the senior school next year will allow for more time to be spent with children at risk of not achieving the Standard.

Target 2

- Year 6 students who were Below the Writing Standard at the end of 2016 will make more than one year's progress and be At or Above in relation to the Standard at the end of 2017.

Baseline data

- Analysis of school-wide writing data in November 2016 identified there were a significant number of students at Year 5 (22%) who were Well Below and Below the National Standard for Writing.

Actions to achieve targets

- Achievement data will be collated and reviewed each term using eTAP and will include planned actions for raising achievement for those achieving Well Below/Below (as well as catering for those Above) on Term action plan.
- Teachers will target areas of concern through explicit acts of teaching i.e. mastery of spelling lists, punctuation, sentence structure, paragraphing.
- Provide Learning Support where possible either with a Teacher or Teacher's Aide. Review term by term based on quality assessment data.
- Use GATE teacher to work with more able students to allow classroom teachers more time to work with those not meeting the Standard.
- Teachers make planned writing assessments (including eASttle) and moderations to analyse areas of need for students.
- Continue to integrate learning technology to engage writers and to provide different ways of presenting writing to an audience, i.e blogs, Google docs, to improve the quality of writing.
- Work with students, families/whanau to set goals and identify ways to support students' writing and achievement.
- Undertake quality professional development as appropriate linked to staff appraisal and Performance Management.

Results

Year Level	6	
	End of 2016	Nov 2017
At		1
Below	8	10
Well Below	4	1

Analysis

- Results show 1 (out of 12) made significant progress to now be achieving At the Standard.
- Although still Below the Standard 3 pupils progressed from Well Below.

Reasons for Variance

- Much of the progress made by this group can be attributed to extra teacher time allowing the opportunity for teachers to work with smaller groups so they can really target areas of weakness.
- Of the pupils achieving Well Below/Below 5 have significant learning needs i.e attendance, cognitive and/or health issues.
- Most have received Learning Support over a number of years in a range of curriculum areas.
- For those who are not achieving at the standard the main concerns are:
 - ideas are often presented in a basic form-Year 6 standard requires more
 - they have difficulty managing the surface features of spelling, full-stops and capital letters.
 - fluency of ideas-linking them in a coherent way

Evaluation/Future Actions

- The Term Action Plans are one of the more important documents teachers have-it focusses them on where their students are at-therefore what's important for them to learn.

- Additional teacher time and Teacher Aide time for these pupils was very effective-smaller classes next year will allow for more time to be spent with children at risk.
- Some children will be eligible also for extra support from the Resource Teacher of Literacy in 2018
- Spelling achievement can mean some children don't quite meet the Standard but an emphasis on mastery of basic lists is helping to address this.



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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WINDSOR NORTH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Auditor-General is the auditor of Windsor North School (the School). The Auditor-General has appointed me, G N Thomas, using the staff and resources of BDO Invercargill, to carry out the audit of the financial statements of the School on his behalf.

Opinion

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

In our opinion the financial statements of the School:

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

Our audit was completed on May 25 2018. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so. The Board of Trustees' responsibilities arise from the Education Act 1989.



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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.



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Other information

The Board of Trustees is responsible for the other information. The other information comprises the analysis of variance, kiwisport paragraph and BOT listing included on pages 19 to 23, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

G N Thomas
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand