

# **KAIKORAI PRIMARY SCHOOL**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

|                        |                                      |
|------------------------|--------------------------------------|
| School Address:        | 22 Tyne Street, Roslyn, Dunedin 9010 |
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| Ministry Number:       | 3753                                 |

# **KAIKORAI PRIMARY SCHOOL**

Financial Statements - For the year ended 31 December 2017

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# Kaikorai 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.

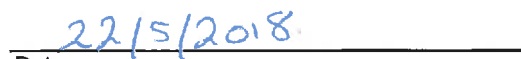
  
Full Name of Board Chairperson

  
Full Name of Principal

  
Signature of Board Chairperson

  
Signature of Principal

  
Date:

  
Date:

## Kaikorai Primary School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

|   | Notes | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| <b>Revenue</b>  |       |                      |                                     |                      |
| Government Grants   | 2     | 1,920,637            | 2,047,672                           | 2,014,563            |
| Locally Raised Funds  | 3     | 105,580              | 53,269                              | 94,163               |
| Interest Earned   |       | 20,398               | 13,500                              | 15,602               |
|   |       | <u>2,046,615</u>     | <u>2,114,441</u>                    | <u>2,124,328</u>     |
| <b>Expenses</b>   |       |                      |                                     |                      |
| Locally Raised Funds  | 3     | 66,172               | 18,000                              | 89,969               |
| Learning Resources  | 4     | 1,511,733            | 1,648,278                           | 1,502,511            |
| Administration  | 5     | 77,229               | 91,115                              | 77,237               |
| Finance   |       | 3,875                | -                                   | 6,222                |
| Property  | 6     | 227,292              | 321,440                             | 320,595              |
| Depreciation  | 7     | 53,635               | 37,750                              | 54,684               |
|   |       | <u>1,939,936</u>     | <u>2,116,583</u>                    | <u>2,051,218</u>     |
| <b>Net Surplus / (Deficit) for the year</b>                 |       | 106,679              | (2,142)                             | 73,110               |
| Other Comprehensive Revenue and Expenses                    |       | -                    | -                                   | -                    |
| <b>Total Comprehensive Revenue and Expense for the Year</b> |       | <u>106,679</u>       | <u>(2,142)</u>                      | <u>73,110</u>        |

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



**Kaikorai Primary School**  
**Statement of Changes in Net Assets/Equity**  
 For the year ended 31 December 2017

|  | Actual<br>2017<br>\$ | Budget<br>(Unaudited)<br>2017<br>\$ | Actual<br>2016<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| <b>Balance at 1 January</b>                          | <u>917,377</u>       | <u>241,408</u>                      | <u>833,366</u>       |
| Total comprehensive revenue and expense for the year | 106,679              | (2,142)                             | 73,110               |
| Capital Contributions from the Ministry of Education |                      |                                     |                      |
| Contribution - Furniture and Equipment Grant         | -                    | -                                   | 10,901               |
| <b>Equity at 31 December</b>                         | <u>1,024,056</u>     | <u>239,266</u>                      | <u>917,377</u>       |
| Retained Earnings                                    | 1,024,056            | 239,266                             | 917,377              |
| Reserves   | -                    | -                                   | -                    |
| <b>Equity at 31 December</b>                         | <u>1,024,056</u>     | <u>239,266</u>                      | <u>917,377</u>       |

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



# Kaikorai Primary School

## Statement of Financial Position

As at 31 December 2017

|   | Notes | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| <b>Current Assets</b>                     |       |                      |                                     |                      |
| Cash and Cash Equivalents                 | 8     | 320,952              | 239,266                             | 241,408              |
| Accounts Receivable                       | 9     | 86,963               | -                                   | 102,846              |
| GST Receivable                            |       | 11,719               | -                                   | 5,203                |
| Inventories                               | 10    | 2,527                | -                                   | 2,013                |
| Investments                               | 11    | 534,689              | -                                   | 446,483              |
|   |       | <u>956,850</u>       | <u>239,266</u>                      | <u>797,953</u>       |
| <b>Current Liabilities</b>                |       |                      |                                     |                      |
| Accounts Payable                          | 13    | 83,275               | -                                   | 83,567               |
| Provision for Cyclical Maintenance        | 14    | -                    | -                                   | 64,882               |
| Finance Lease Liability - Current Portion | 15    | 12,437               | -                                   | 7,203                |
| Funds held in Trust                       | 16    | 123,261              | -                                   | -                    |
| Funds held for Capital Works Projects     | 17    | 26,630               | -                                   | 26,630               |
|   |       | <u>245,603</u>       | <u>-</u>                            | <u>182,282</u>       |
| <b>Working Capital Surplus/(Deficit)</b>  |       | 711,247              | 239,266                             | 615,671              |
| <b>Non-current Assets</b>                 |       |                      |                                     |                      |
| Property, Plant and Equipment             | 12    | 332,762              | -                                   | 320,144              |
|   |       | <u>332,762</u>       | <u>-</u>                            | <u>320,144</u>       |
| <b>Non-current Liabilities</b>            |       |                      |                                     |                      |
| Finance Lease Liability                   | 15    | 19,953               | -                                   | 18,438               |
|   |       | <u>19,953</u>        | <u>-</u>                            | <u>18,438</u>        |
| <b>Net Assets</b>                         |       | <u>1,024,056</u>     | <u>239,266</u>                      | <u>917,377</u>       |
| <b>Equity</b>                             |       | <u>1,024,056</u>     | <u>239,266</u>                      | <u>917,377</u>       |

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



# Kaikorai Primary School

## Statement of Cash Flows

For the year ended 31 December 2017

|   | 2017             | 2017           | 2016           |
|---|------------------|----------------|----------------|
| Note  | Actual           | Budget         | Actual         |
|   | \$               | (Unaudited)    | \$             |
|   |                  | \$             |                |
| <b>Cash flows from Operating Activities</b>                 |                  |                |                |
| Government Grants   | 453,897          | 433,672        | 494,355        |
| Locally Raised Funds  | 103,544          | 53,269         | 95,351         |
| Goods and Services Tax (net)                                | (6,517)          | -              | (529)          |
| Payments to Employees                                       | (176,280)        | (205,193)      | (158,186)      |
| Payments to Suppliers                                       | (284,016)        | (252,640)      | (287,549)      |
| Cyclical Maintenance Payments in the year                   | -                | (7,000)        | -              |
| Interest Paid   | (3,875)          | -              | -              |
| Interest Received   | 15,203           | 13,500         | 13,809         |
| Net cash from / (to) the Operating Activities               | 101,956          | 35,608         | 157,251        |
| <b>Cash flows from Investing Activities</b>                 |                  |                |                |
| Purchase of PPE (and Intangibles)                           | (47,181)         | (37,750)       | (20,386)       |
| Purchase of Investments                                     | (88,206)         | -              | (92,960)       |
| Net cash from / (to) the Investing Activities               | (135,387)        | (37,750)       | (113,346)      |
| <b>Cash flows from Financing Activities</b>                 |                  |                |                |
| Furniture and Equipment Grant                               | -                | -              | 10,901         |
| Finance Lease Payments                                      | (10,287)         | -              | (12,614)       |
| Funds Administered on Behalf of Third Parties               | 123,261          | -              | -              |
| Net cash from Financing Activities                          | 112,974          | -              | (1,713)        |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>79,543</b>    | <b>(2,142)</b> | <b>42,192</b>  |
| Cash and cash equivalents at the beginning of the year      | 8 241,409        | 241,408        | 199,216        |
| <b>Cash and cash equivalents at the end of the year</b>     | <b>8 320,952</b> | <b>239,266</b> | <b>241,408</b> |

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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



## Kaikorai Primary School

### Notes to the Financial Statements

## 1. Statement of Accounting Policies

For the year ended 31 December 2017

#### **a) Reporting Entity**

Kaikorai School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

#### **b) Basis of Preparation**

##### **Reporting Period**

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

##### **Basis of Preparation**

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

##### **Financial Reporting Standards Applied**

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

##### **PBE Accounting Standards Reduced Disclosure Regime**

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

##### **Measurement Base**

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

##### **Presentation Currency**

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

##### **Specific Accounting Policies**

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

##### **Critical Accounting Estimates And Assumptions**

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

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





***Useful lives of property, plant and equipment***

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

***Critical Judgements in applying accounting policies***

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

***Classification of leases***

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

***Recognition of grants***

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

**c) Revenue Recognition*****Government Grants***

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

***Other Grants***

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

***Donations, Gifts and Bequests***

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

***Interest Revenue***

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

**d) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

**e) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.



**f) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

**g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

**h) Accounts Receivable**

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

**i) Inventories**

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

**j) Investments**

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

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.

**k) Property, Plant and Equipment**

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

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

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

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

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



**Leased Assets**

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

**Depreciation**

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

The estimated useful lives of the assets are:

|   |             |
|---|-------------|
| Building improvements to Crown Owned Assets | 15-50 years |
| Furniture and equipment                     | 5-25 years  |
| Information and communication technology    | 5 years     |
| Leased assets held under a Finance Lease    | 3-6 years   |
| Library resources                           | 10 years    |

**l) Intangible Assets****Software costs**

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

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

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

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

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

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

**Non cash generating assets**

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

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

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

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



**n) Accounts Payable**

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

**o) Employee Entitlements***Short-term employee entitlements*

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

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

**p) Funds Held in Trust**

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

**q) Shared Funds**

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

**r) Provision for Cyclical Maintenance**

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

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

**s) Financial Assets and Liabilities**

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

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.

**t) 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.

**u) Budget Figures**

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

**v) Services received in-kind**

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



**2. Government Grants**

|                                  | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|----------------------------------|----------------------|-------------------------------------|----------------------|
| Operational grants               | 417,766              | 399,272                             | 452,946              |
| Teachers' salaries grants        | 1,298,180            | 1,410,000                           | 1,314,365            |
| Use of Land and Buildings grants | 168,560              | 204,000                             | 204,032              |
| Other MoE Grants                 | 3,469                | -                                   | 2,122                |
| Other government grants          | 32,662               | 34,400                              | 41,098               |
|                                  | <u>1,920,637</u>     | <u>2,047,672</u>                    | <u>2,014,563</u>     |

**3. Locally Raised Funds**

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

|  | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| <b>Revenue</b>                                   |                      |                                     |                      |
| Donations  | 52,211               | 46,000                              | 29,121               |
| Trading  | 7,586                | 300                                 | 5,175                |
| Activities                                       | 45,783               | 6,969                               | 59,867               |
|  | <u>105,580</u>       | <u>53,269</u>                       | <u>94,163</u>        |
| <b>Expenses</b>                                  |                      |                                     |                      |
| Activities                                       | 23,592               | 7,000                               | 46,104               |
| Trading  | 5,304                | -                                   | 3,456                |
| Other Locally Raised Funds Expenditure           | 37,276               | 11,000                              | 40,409               |
|  | <u>66,172</u>        | <u>18,000</u>                       | <u>89,969</u>        |
| <i>Surplus for the year Locally raised funds</i> | <u>39,408</u>        | <u>35,269</u>                       | <u>4,194</u>         |

**4. Learning Resources**

|  | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Curricular                               | 23,989               | 37,300                              | 20,358               |
| Information and communication technology | 14,055               | 18,000                              | 10,053               |
| Library resources                        | 760                  | -                                   | 1,140                |
| Employee benefits - salaries             | 1,460,243            | 1,575,978                           | 1,455,321            |
| Staff development                        | 12,686               | 17,000                              | 15,639               |
|  | <u>1,511,733</u>     | <u>1,648,278</u>                    | <u>1,502,511</u>     |



**5. Administration**

|  | 2017          | 2017          | 2016          |
|--|---------------|---------------|---------------|
|  | Actual        | Budget        | Actual        |
|  | \$            | (Unaudited)   | \$            |
|  |               | \$            |               |
| Audit Fee                                      | 2,803         | 5,000         | 2,759         |
| Board of Trustees Fees                         | 3,130         | 5,000         | 3,125         |
| Board of Trustees Expenses                     | 3,133         | 3,300         | 5,455         |
| Communication                                  | 3,306         | 3,500         | 2,887         |
| Consumables                                    | 9,340         | 21,000        | 7,772         |
| Operating Lease                                | 1,281         | -             | 3,565         |
| Other  | 8,296         | 9,600         | 6,383         |
| Employee Benefits - Salaries                   | 39,590        | 39,215        | 39,250        |
| Insurance                                      | 3,330         | 4,000         | 3,331         |
| Service Providers, Contractors and Consultancy | 3,020         | 500           | 2,710         |
|  | <u>77,229</u> | <u>91,115</u> | <u>77,237</u> |

**6. Property**

|                                     | 2017           | 2017           | 2016           |
|-------------------------------------|----------------|----------------|----------------|
|                                     | Actual         | Budget         | Actual         |
|                                     | \$             | (Unaudited)    | \$             |
|                                     |                | \$             |                |
| Caretaking and Cleaning Consumables | 4,171          | 5,000          | 5,556          |
| Cyclical Maintenance Expense        | (64,882)       | 7,000          | 3,490          |
| Grounds                             | 58,258         | 59,000         | 61,186         |
| Heat, Light and Water               | 18,261         | 18,440         | 18,444         |
| Rates                               | 6,767          | 6,500          | 6,306          |
| Repairs and Maintenance             | 34,408         | 20,000         | 20,373         |
| Use of Land and Buildings           | 168,560        | 204,000        | 204,032        |
| Security                            | 1,749          | 1,500          | 1,208          |
|                                     | <u>227,292</u> | <u>321,440</u> | <u>320,595</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**

|  | 2017          | 2017          | 2016          |
|--|---------------|---------------|---------------|
|  | Actual        | Budget        | Actual        |
|  | \$            | (Unaudited)   | \$            |
|  |               | \$            |               |
| Building Improvements                    | 8,485         | -             | 8,512         |
| Furniture and Equipment                  | 14,151        | 33,750        | 18,840        |
| Information and Communication Technology | 16,776        | -             | 13,873        |
| Leased Assets                            | 11,060        | -             | 9,989         |
| Library Resources                        | 3,163         | 4,000         | 3,470         |
|  | <u>53,635</u> | <u>37,750</u> | <u>54,684</u> |



**8. Cash and Cash Equivalents**

|   | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|---|----------------------|-------------------------------------|----------------------|
| Cash on Hand  | 250                  | 200                                 | 200                  |
| Bank Current Account  | 237,829              | 185,030                             | 185,030              |
| Bank Call Account   | 193                  | 54,036                              | 56,178               |
| Short-term Bank Deposits                                    | 82,680               | -                                   | -                    |
| Cash equivalents and bank overdraft for Cash Flow Statement | <u>320,952</u>       | <u>239,266</u>                      | <u>241,408</u>       |

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

Of the **\$238,272** Cash and Cash Equivalents, **\$122,247-** is held by the School on behalf of the Community Trust of Otago. These funds are required to be spent in **2018** on ICT under the Hills Cluster.

**9. Accounts Receivable**

|  | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Receivables from the Ministry of Education | -                    | -                                   | 25,373               |
| Interest Receivable                        | 10,700               | -                                   | 5,505                |
| Teacher Salaries Grant Receivable          | 76,263               | -                                   | 71,968               |
|  | <u>86,963</u>        | <u>-</u>                            | <u>102,846</u>       |
| Receivables from Exchange Transactions     | 10,700               | -                                   | 5,505                |
| Receivables from Non-Exchange Transactions | 76,263               | -                                   | 97,341               |
|  | <u>86,963</u>        | <u>-</u>                            | <u>102,846</u>       |

**10. Inventories**

|                 | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|-----------------|----------------------|-------------------------------------|----------------------|
| Stationery      | 2,527                | -                                   | 771                  |
| School Uniforms | -                    | -                                   | 1,242                |
|                 | <u>2,527</u>         | <u>-</u>                            | <u>2,013</u>         |

**11. Investments**

The School's investment activities are classified as follows:

|                          | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|--------------------------|----------------------|-------------------------------------|----------------------|
| Current Asset            |                      |                                     |                      |
| Short-term Bank Deposits | 534,689              | -                                   | 446,483              |



## 12. Property, Plant and Equipment

|                                    | Opening<br>Balance (NBV) | Additions     | Disposals | Impairment | Depreciation    | Total (NBV)    |
|------------------------------------|--------------------------|---------------|-----------|------------|-----------------|----------------|
|                                    | \$                       | \$            | \$        | \$         | \$              | \$             |
| <b>2017</b>                        |                          |               |           |            |                 |                |
| Building Improvements              | 205,174                  | -             | -         | -          | (8,485)         | <b>196,689</b> |
| Furniture and Equipment            | 34,806                   | 25,500        | -         | -          | (14,151)        | <b>46,155</b>  |
| Information and Communication      | 41,285                   | 20,672        | -         | -          | (16,776)        | <b>45,181</b>  |
| Leased Assets                      | 24,165                   | 17,036        | -         | -          | (11,060)        | <b>30,141</b>  |
| Library Resources                  | 14,714                   | 3,045         | -         | -          | (3,163)         | <b>14,596</b>  |
| <b>Balance at 31 December 2017</b> | <b>320,144</b>           | <b>66,253</b> | <b>-</b>  | <b>-</b>   | <b>(53,635)</b> | <b>332,762</b> |

|                                    | Cost or<br>Valuation | Accumulated<br>Depreciation | Net Book<br>Value |
|------------------------------------|----------------------|-----------------------------|-------------------|
|                                    | \$                   | \$                          | \$                |
| <b>2017</b>                        |                      |                             |                   |
| Building Improvements              | 286,519              | (89,830)                    | <b>196,689</b>    |
| Furniture and Equipment            | 440,527              | (394,372)                   | <b>46,155</b>     |
| Information and Communication      | 213,643              | (168,462)                   | <b>45,181</b>     |
| Leased Assets                      | 51,190               | (21,049)                    | <b>30,141</b>     |
| Library Resources                  | 97,296               | (82,700)                    | <b>14,596</b>     |
| <b>Balance at 31 December 2017</b> | <b>1,089,175</b>     | <b>(756,413)</b>            | <b>332,762</b>    |

|   | Opening<br>Balance (NBV) | Additions     | Disposals | Impairment | Depreciation    | Total (NBV)    |
|---|--------------------------|---------------|-----------|------------|-----------------|----------------|
|   | \$                       | \$            | \$        | \$         | \$              | \$             |
| <b>2016</b>                                 |                          |               |           |            |                 |                |
| Building Improvements                       | 213,686                  | -             | -         | -          | (8,512)         | <b>205,174</b> |
| Furniture and Equipment                     | 53,646                   | -             | -         | -          | (18,840)        | <b>34,806</b>  |
| Information and Communication<br>Technology | 37,517                   | 17,641        | -         | -          | (13,873)        | <b>41,285</b>  |
| Leased Assets                               | -                        | 34,154        | -         | -          | (9,989)         | <b>24,165</b>  |
| Library Resources                           | 15,339                   | 2,845         | -         | -          | (3,470)         | <b>14,714</b>  |
| <b>Balance at 31 December 2016</b>          | <b>320,188</b>           | <b>54,640</b> | <b>-</b>  | <b>-</b>   | <b>(54,684)</b> | <b>320,144</b> |

|   | Cost or<br>Valuation | Accumulated<br>Depreciation | Net Book<br>Value |
|---|----------------------|-----------------------------|-------------------|
|   | \$                   | \$                          | \$                |
| <b>2016</b>                                 |                      |                             |                   |
| Building Improvements                       | 286,519              | (81,345)                    | <b>205,174</b>    |
| Furniture and Equipment                     | 415,027              | (380,221)                   | <b>34,806</b>     |
| Information and Communication<br>Technology | 192,971              | (151,686)                   | <b>41,285</b>     |
| Leased Assets                               | 34,154               | (9,989)                     | <b>24,165</b>     |
| Library Resources                           | 94,931               | (80,217)                    | <b>14,714</b>     |
| <b>Balance at 31 December 2016</b>          | <b>1,023,602</b>     | <b>(703,458)</b>            | <b>320,144</b>    |



**13. Accounts Payable**

|                                    | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|------------------------------------|----------------------|-------------------------------------|----------------------|
| Operating creditors                | 2,227                | -                                   | 7,049                |
| Accruals                           | 4,785                | -                                   | 4,550                |
| Employee Entitlements - salaries   | 76,263               | -                                   | 71,968               |
|                                    | <u>83,275</u>        | <u>-</u>                            | <u>83,567</u>        |
| Payables for Exchange Transactions | 83,275               | -                                   | 83,567               |
|                                    | <u>83,275</u>        | <u>-</u>                            | <u>83,567</u>        |

The carrying value of payables approximates their fair value.

**14. Provision for Cyclical Maintenance**

|  | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year                   | 64,882               | 64,882                              | 61,392               |
| Increase/(Decrease) to the Provision During the Year | (64,882)             | 7,000                               | 3,490                |
| Provision at the End of the Year                     | <u>-</u>             | <u>71,882</u>                       | <u>64,882</u>        |
| Cyclical Maintenance - Current                       | -                    | -                                   | 64,882               |
|  | <u>-</u>             | <u>-</u>                            | <u>64,882</u>        |

**15. Finance Lease Liability**

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

|  | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year                           | 15,442               | -                                   | 7,203                |
| Later than One Year and no Later than Five Years | 21,778               | -                                   | 18,438               |
|  | <u>37,220</u>        | <u>-</u>                            | <u>25,641</u>        |

**16. Funds held in Trust**

|  | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|--|----------------------|-------------------------------------|----------------------|
| Funds Held in Trust on Behalf of Third Parties - Current | 123,261              | -                                   | -                    |
|  | <u>123,261</u>       | <u>-</u>                            | <u>-</u>             |

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.



**17. Funds Held for Capital Works Projects**

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

|                   | 2017               | Opening Balances | Receipts from MoE | Payments | BOT Contribution/<br>(Write-off to R&M) | Closing Balances |
|-------------------|--------------------|------------------|-------------------|----------|---|------------------|
|                   |                    | \$               | \$                | \$       |   | \$               |
| Classroom Upgrade | <i>in progress</i> | 26,630           | -                 | -        | -                                       | 26,630           |
| Totals            |                    | 26,630           | -                 | -        | -                                       | 26,630           |

**Represented by:**

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

26,630

-

26,630

|                   | 2016               | Opening Balances | Receipts from MoE | Payments | BOT Contribution/<br>(Write-off to R&M) | Closing Balances |
|-------------------|--------------------|------------------|-------------------|----------|---|------------------|
|                   |                    | \$               | \$                | \$       |   | \$               |
| Classroom Upgrade | <i>in progress</i> | 26,630           | -                 | -        | -                                       | 26,630           |
| Totals            |                    | 26,630           | -                 | -        | -                                       | 26,630           |

**18. Related Party Transactions**

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

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



**19. Remuneration**

*Key management personnel compensation*

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

|   | <b>2017<br/>Actual<br/>\$</b> | <b>2016<br/>Actual<br/>\$</b> |
|---|-------------------------------|-------------------------------|
| <i>Board Members</i>                        |                               |                               |
| Remuneration                                | 3,130                         | 3,125                         |
| Full-time equivalent members                | 0.07                          | 0.11                          |
| <i>Leadership Team</i>                      |                               |                               |
| Remuneration                                | 472,966                       | 378,936                       |
| Full-time equivalent members                | 5.00                          | 4.00                          |
| Total key management personnel remuneration | 476,096                       | 382,061                       |
| Total full-time equivalent personnel        | 5.07                          | 4.11                          |

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:

|  | <b>2017<br/>Actual<br/>\$000</b> | <b>2016<br/>Actual<br/>\$000</b> |
|--|----------------------------------|----------------------------------|
| Salaries and Other Short-term Employee Benefits: |                                  |                                  |
| Salary and Other Payments                        | 130 - 140                        | 120-130                          |
| Benefits and Other Emoluments                    | 3-4                              | 3-4                              |

*Other Employees*

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

| <b>Remuneration<br/>\$000</b> | <b>2017<br/>FTE Number</b> | <b>2016<br/>FTE Number</b> |
|-------------------------------|----------------------------|----------------------------|
| 110-120                       | 0.00                       | 0.00                       |
| 100-110                       | 0.00                       | 0.00                       |
|                               | 0.00                       | 0.00                       |

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

**20. 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).



## 21. Commitments

### (a) Capital Commitments

As at 31 December 2017 the Board has not entered into contract agreements for capital works agreements

(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;

|                        | 2017<br>Actual<br>\$ | 2016<br>Actual<br>\$ |
|------------------------|----------------------|----------------------|
| No later than One Year | -                    | 1,419                |
|                        | -                    | 1,419                |
|                        | -                    | 1,419                |

## 22. 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.

## 23. Financial Instruments

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

### Loans and receivables

|                             | 2017<br>Actual<br>\$ | 2017<br>Budget<br>(Unaudited)<br>\$ | 2016<br>Actual<br>\$ |
|-----------------------------|----------------------|-------------------------------------|----------------------|
| Cash and Cash Equivalents   | 320,952              | 239,266                             | 241,408              |
| Receivables                 | 86,963               | -                                   | 102,846              |
| Investments - Term Deposits | 534,689              | -                                   | 446,483              |
| Total Loans and Receivables | 942,604              | 239,266                             | 790,737              |

### Financial liabilities measured at amortised cost

|  |         |   |         |
|--|---------|---|---------|
| Payables   | 83,275  | - | 83,567  |
| Finance Leases   | 32,390  | - | 25,641  |
| Total Financial Liabilities Measured at Amortised Cost | 115,665 | - | 109,208 |

## 24. Events After Balance Date

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



# KAIKORAI PRIMARY SCHOOL

## Board of Trustees

### As at 31 December 2017

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|  | Term Expires |
|--|--------------|
| <b>Chairperson</b><br>Dougal McGowan         | May 2019     |
| <b>Treasurer</b><br>Gene Ollerenshaw         | May 2019     |
| <b>Secretary</b><br>Sharon Fitzgerald        |              |
| <b>Principal</b><br>Simon Clarke             |              |
| <b>Staff Representative</b><br>Sarah Gilbert | May 2019     |
| <b>Members</b><br>Ros Allison                | May 2019     |
| Simon Hornal                                 | May 2019     |
| Malcolm Couling                              | May 2019     |

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE READERS OF KAIKORAI PRIMARY SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

The Auditor-General is the auditor of Kaikorai School (the School). The Auditor-General has appointed me, Philip Sinclair, using the staff and resources of Crowe Horwath, 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 Cash Flow Statement 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 22 May 2018. This is the date at which our opinion is expressed.

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

#### **Basis of opinion**

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

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

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

#### **Responsibilities of the Board of Trustees for the financial statements**

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

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

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

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the information included in the appendix, 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.



### **Philip Sinclair**

Crowe Horwath New Zealand Audit Partnership  
On behalf of the Auditor-General  
Dunedin, New Zealand



## Analysis of Variance - 2017 National Standards

Each year, the Kaikorai Primary School Board of Trustees set goals through the Charter that affect every aspect of the running of the school. These are reviewed annually in a variety of ways. Student achievement is the priority for the Kaikorai Primary School Board of Trustees and therefore places greater importance on its learning goals and reports these through the Analysis of Variance.

The Board sets measurable, but aspirational targets, as we wish to see all students achieve. We also recognise that academic achievement looks different for different students. The students are identified through the National Standards at the start of the year by ability and not by timing so that the Board and Management can truly identify at risk students and put in place the correct intervention. It is accepted that to improve a whole standard is a significant achievement, as students would have had to learn two years worth of learning in one. Therefore we consider any movement of 3-10% to be exceptional.

| Situation at start of 2017  | Target for 2017   | Outcome  | Reason for variations and Evaluation  |
|---|---|--|---|
| <p style="text-align: center;"><b>Reading</b></p> <p>Above = 28%</p> <p>At = 59%</p> <p>Below = 11%</p> <p>Well Below = 2%</p> <p style="text-align: center;"><b>Planned actions taken to improve outcomes.</b></p> <p>1. The Year 5 and 6 students in the below category will receive support from the parent reading programme.</p> | <p style="text-align: center;"><b>Reading</b></p> <p>At or Above = 90%</p> <p>Below or Well Below = 10%</p> | <p style="text-align: center;"><b>Reading</b></p> <p>Above = 32%</p> <p>At = 56%</p> <p>Below = 11%</p> <p>Well Below = 1%</p> | <p>The school did not achieve its aspirational goal of 90% in reading but data over time shows that we continue to move in that direction.</p> <p>The intervention and teaching programmes put in place have shown pleasing improvements and good overall results with 88% of the school reading at or above their chronological age. A 2% increase from the previous year.</p> <p>2015 = 85% At or Above</p> <p>2016 = 86% At or Above (1% improvement)</p> <p>2017 = 88% At or Above (2% improvement)</p> <p>The multi-layered support programme is benefiting the students to achieve this high rate of reading literacy.</p> <p>Students who are <b>well below</b> in Year 2 receive 2 hours per week of intensive 1:1 instruction from a highly qualified teacher.</p> |

|  |  |  |  |
|--|--|--|--|
| <p>Doc trial in 2016 which showed an increase in mileage and motivation to write.</p> <ol style="list-style-type: none"> <li>2. Use RTLB support for a Maori boy group</li> <li>3. The teacher intervention of a 0.6 employed teacher will continue.</li> <li>4. Four hours per week extension writing programme</li> <li>5. Action research project on using Hapara Workspace to increase student agency in writing.</li> </ol> |  |  | <p>especially pleasing was that the parents became more involved in their child's writing.</p> <p>Students in senior and middle classes had greater student agency in writing as they understood and worked towards their learning goals more effectively.</p> <p><a href="https://docs.google.com/document/d/14aDQ1fIHsTjh0EfkCRBzrM7ZwjzB19XVcl-oHcjyEZw/edit">https://docs.google.com/document/d/14aDQ1fIHsTjh0EfkCRBzrM7ZwjzB19XVcl-oHcjyEZw/edit</a></p> <p>The trial for the Google reader/writer software for dyslexic students didn't happen. The school doesn't have a clear plan and support for children with dyslexia other than being "dyslexic friendly" which means that teachers are aware of the issue, have had some professional development and what support is available.</p> |
|--|--|--|--|

**Recommendation for 2018** –Middles and Senior syndicate to receive 2 hour per day of specialist teacher intervention. Teacher aide time allocated to classrooms with students with severe writing difficulties. Use Hapara Workspace to increase student agency in their writing across all senior classes. The middles will develop student agency through greater use of student selected writing workshops and use Workspace.

The Year 2 classes will trial the use of workshops into their rooms to increase student agency and ownership of their learning goals.

The small group of Maori students who received support in 2017 will continue to be monitored closely and supported when needed.

The SENCO has spent considerable time on children with autism and has provided a professional development plan to shift her focus onto dyslexic students. Part of the plan is to develop a clearer plan for teachers and parents for working with children with dyslexia.

|  |   |  |   |
|--|---|--|---|
| <p style="text-align: center;"><b>Maori Achievement Reading</b></p> <p>Above = 30%</p> <p>At = 44%</p> <p>Below = 26%</p> <p>Well Below= 0%</p>  | <p style="text-align: center;"><b>Maori Achievement Writing</b></p> <p>Above = 22%</p> <p>At = 56%</p> <p>Below = 22%</p> <p>Well Below= 0%</p> | <p style="text-align: center;"><b>Maori Achievement Mathematics</b></p> <p>Above = 17%</p> <p>At = 57%</p> <p>Below = 22%</p> <p>Well Below = 3%</p> | <p>EASTTLE results which test students in Year 4-6 continue to show that Maori students at Kaikorai are able to perform highly</p> <p>Maori writing is better than their cohort but a greater gap has developed in reading and mathematics. A growing number of students in Year 1-3 are not progressing as expected.</p>   |
| <p><b>Recommendation for 2018</b> – Through our Whanau Hui we will share our Maori students results with whanau and discuss culturally appropriate ways we can work together to lift Maori achievement. All teachers will be aware of Maori students in their classroom and take part in school support programmes. Te Reo and Tikanga PD will still be a strategic focus as we solidify the work done in 2017.</p> <p>Consult with parents on ethnicity and update Edge and Easttle to ensure our data is accurate so that we can make a plan based upon valid information.</p> |   |  |   |
| <p style="text-align: center;"><b>Pasifika Achievement Reading</b></p> <p>At or Above = 66%</p> <p>Below or Well Below = 33%</p>   | <p style="text-align: center;"><b>Pasifika Achievement Writing</b></p> <p>At or Above = 34%</p> <p>Below or Well Below = 66%</p>                | <p style="text-align: center;"><b>Pasifika Achievement Mathematics</b></p> <p>At or Above = 17%</p> <p>Below or Well Below = 66%</p>                 | <p>Due to the fact that Kaikorai Primary School has very few Pasifika student’s privacy considerations prevent the school making further comment.</p>   |
| <p><b>Recommendation for 2018</b> – Consult with parents on ethnicity and update Edge and Easttle to ensure our data is accurate so that we can make a plan based upon valid information.</p>  |   |  |   |
| <p style="text-align: center;"><b>Year 6 Mathematics</b></p> <p>Above = 14%</p> <p>At = 53%</p> <p>Below = 31%</p> <p>Well Below = 2%</p> <p style="text-align: center;"><b>Planned actions taken to improve outcomes.</b></p>   | <p style="text-align: center;"><b>Year 6 Mathematics</b></p> <p>At or Above = 80%</p> <p>Below or Well Below = 20%</p>                          | <p style="text-align: center;"><b>Year 6 Mathematics</b></p> <p>Above = 23%</p> <p>At = 61%</p> <p>Below = 14%</p> <p>Well Below = 2%</p>            | <p>This resulted exceeded our expectations.</p> <p>Quality teaching with good support from teacher aides in the class as well as support programmes in basic facts, targeted math groups and an extension programme all contributed to this pleasing result.</p> <p>One class who trialed the Prime Mathematics programme found it to be very successful for their learners especially those who were getting confused by the myriad of strategies that are involved with the numeracy project.</p> |

|   |   |  |  |
|---|---|--|--|
| <p>3. Regular monitoring and reporting to Board.</p>  |   |  | <p>In education it is very hard in any area to identify the one reason why you have improvement but this comprehensive teaching style and the support that was provided by the SENCO and teacher aides was critical to the success of the programme.</p>   |
| <p><b>Recommendation for 2018</b> – Inform their next school on what we have been working on as they are no longer at Kaikorai School.</p> <p>Continue to embed this teaching practice in the senior classes and also into the middle syndicate.</p>  |   |  |  |
| <p><b>Year 2 Literacy</b></p> <p>Above = 4%</p> <p>At = 75%</p> <p>Below = 21%</p> <p>Well Below = 0%</p> <p><b>Planned actions taken to improve outcomes.</b></p> <ol style="list-style-type: none"> <li>2 hour per week with a specialist writing teacher employed by the school to target students needs, set goals, and support classroom teacher.</li> <li>Regular monitoring and reporting to Board.</li> <li>Work with the RTLB office to support a group of learners</li> <li>Implement quick 60 programme</li> </ol> | <p><b>Year 2 literacy</b></p> <p>At or Above = 85%</p> <p>Below or Well Below = 15%</p> | <p><b>Year 2 Literacy</b></p> <p>At or Above = 94%</p> <p>Below or Well Below = 6%</p> | <p>Students who are <b>well below</b> in Year 2 receive 2 hours per week of intensive 1:1 instruction from a highly qualified teacher. The Quick 60 programme was also in use to provide support to more children.</p> <p>Students have made some significant improvements in literacy and this is due to a number of factors.</p> <ol style="list-style-type: none"> <li>Quality teaching in class</li> <li>Support for students identified as below expectation. This has included RTLB, quick 60, phonics, speech therapy</li> <li>Timing - As Year 1 students identified in 2016 were below expectations due to how long they had been at school and adjusting to new routines.</li> </ol> <p>Greater emphasis has gone into moderation as we have had some unusual results over time where Year 2 results is placed higher than expected. A new system was introduced where senior teachers would evaluate in detail the teacher judgements. This identified some children were placed higher</p> |

# ***National Standards Data December 2017***

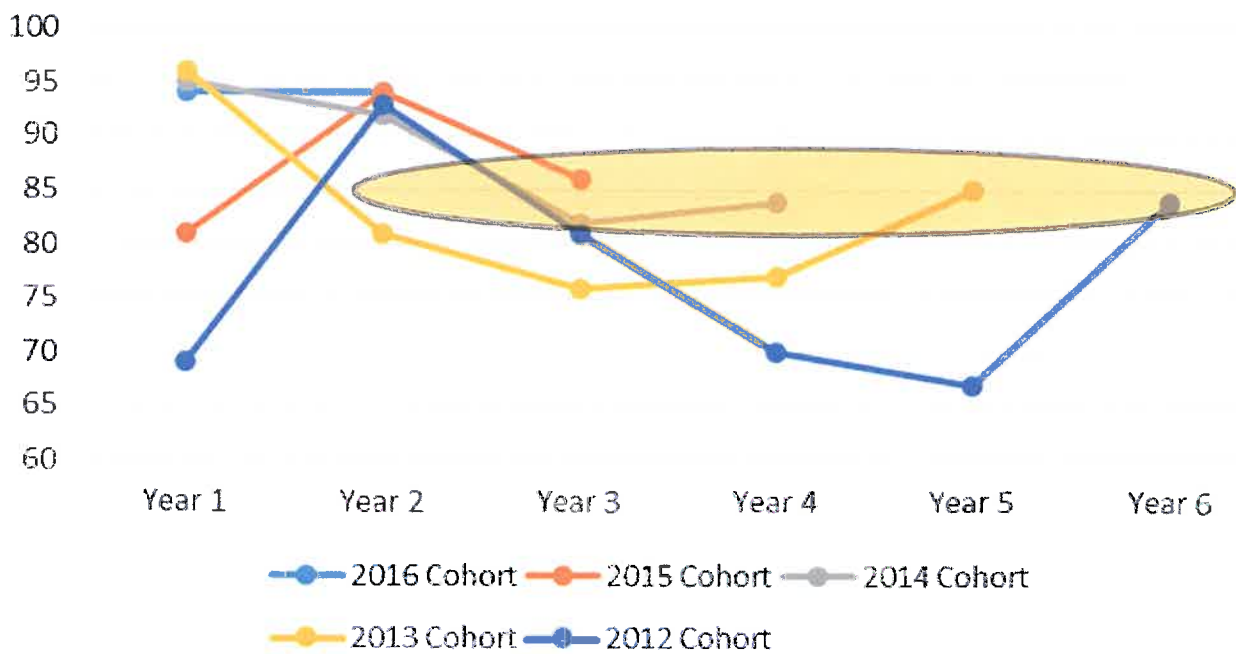
**We have a high expectation that children who attend Kaikorai Primary School achieve to a satisfactory level. The essential areas of literacy and numeracy will have a targeted success rate of 80-90% of the school.**

**Significant support will be provided for students with identified learning needs**

**The delivery of the New Zealand Curriculum will continue to be innovative, meaningful, authentic and set to the needs of our children and community.**

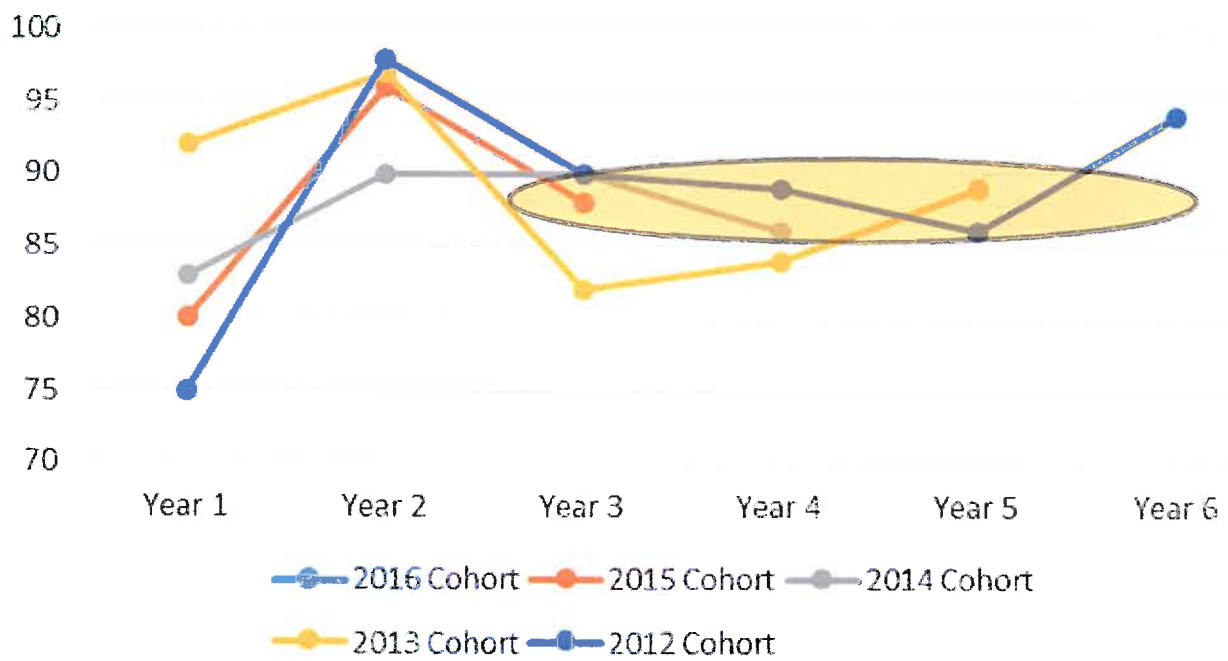
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## NS Results in Mathematics Over time



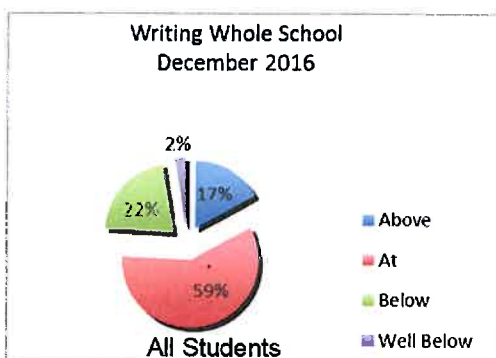
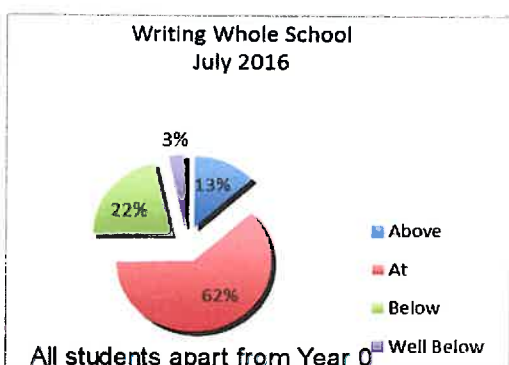
The next three graphs show our National Standards results over time. What is pleasing is that in 2017 the results for each year group are fairly close to each other which shows our moderation programme is getting better (highlighted circle). What is of concern is that all three graphs have roughly the same shape where the students start in Year 1 low (This is to be expected as they are learning to learn) jump to a very high mark in Year 2 and then drop again in Year 3 before a gradual climb until they leave in Year 6. The NS from Year 2 - 3 are a significant change as well as the timing issue are partly to blame for this dip. Our new moderation process has caused increased confidence in results going forward.

NS Results over time in Reading

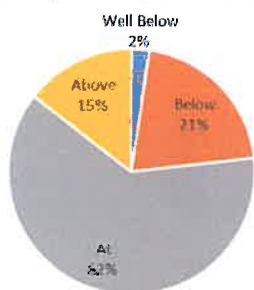


**Area Identified for Improvement**

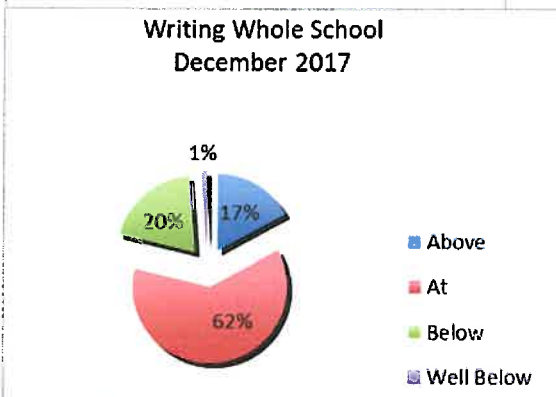
National Standard Goal -90% of students achieving At or Above in Writing



**Writing All School - July 2017**



All students apart from Year 0



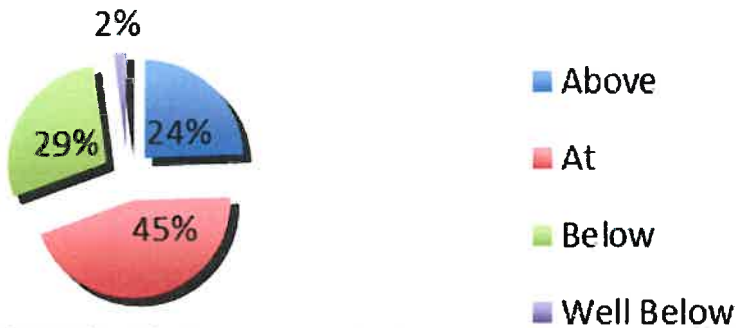
Similar result to this time last year - 79% AT or ABOVE  
Goal = Not Achieved



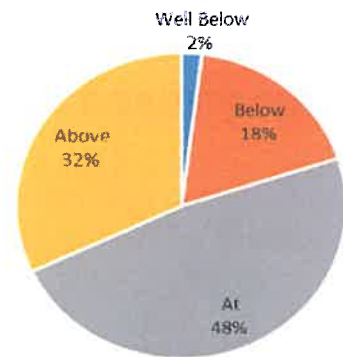
**Area Identified for Improvement**

National Standard Goal -80% of students achieving At or Above in Writing in Year 6

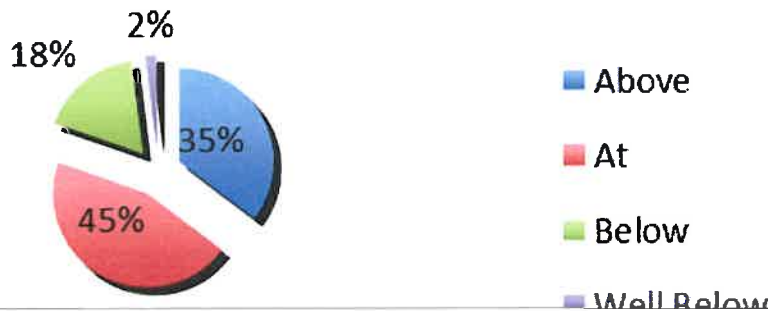
## Writing Year 5 - Dec 16



## Year 6 Writing July 2017



## Writing Year 6 -Dec 2017



**Goal = Achieved**

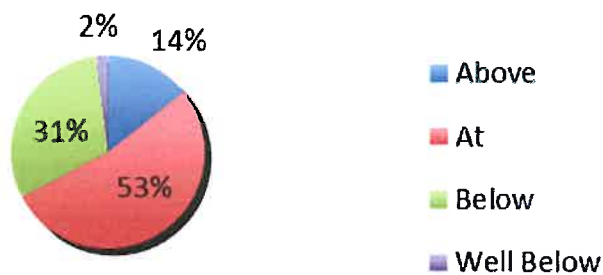
11% shift from Below/Well Below to At. Also a significant improvement in the Above category from Dec 16

**Area Identified for Improvement**

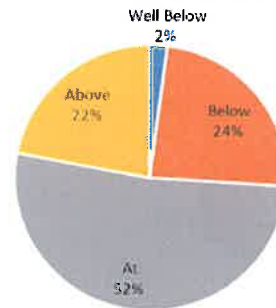
National Standard Goal -Year 6 Mathematics, -15% below school average in 2016

Target = Year 6 Mathematics – 80% At or Above

**Math Year 5- Dec 2016**



**Year 6 Mathematics July 2017**



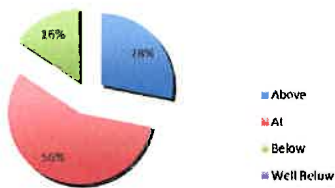
**Math Year 6 - Dec 15**



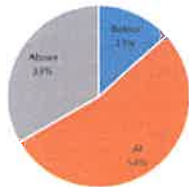
**Goal = Achieved - Exceeded expectations.**

**We have halved the amount of students in the below to well below category. Room 2 made good improvements in "Below" students through use of Prime Mathematics**

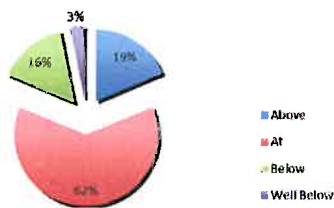
Reading Maori Achievement  
Dec 16



Maori Reading - July 2017



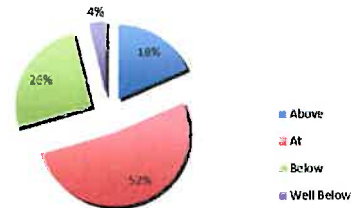
Math Maori Achievement  
Dec 16



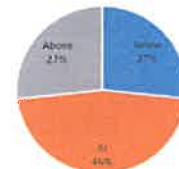
Maori Mathematics - July 2017



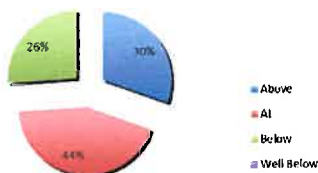
Writing Maori Achievement  
Dec 16



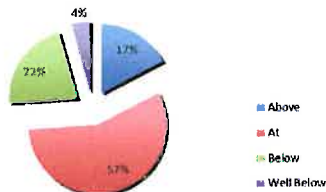
Maori Writing - July 2017



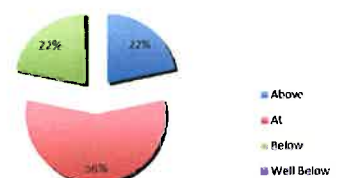
Reading Maori Achievement  
Dec 17



Math Maori Achievement  
Dec 17



Writing Maori Achievement  
Dec 17

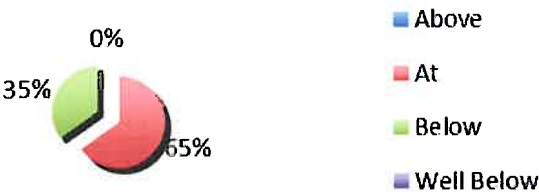


We cannot explain these results as the computer system is providing conflicting information. This includes 22 students but when we filter Maori students we only get 10 students and their results show Above =30%, At=50% and Below=20%. These results also don't reflect Easttle results.

# Goals for 2018

## Writing Year 1 - December

17



Year 2 Writing 14% below school average

## Reading Year 1 -December

17



Year 2 reading, -29% below school average

What else?

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**KAIKORAI SCHOOL  
BOARD OF TRUSTEES  
2017**

| <b>Name</b>             | <b>Position</b>    | <b>How Position on Board was gained</b> | <b>Term Expires</b> | <b>Occupation</b> |
|-------------------------|--------------------|---|---------------------|-------------------|
| <b>Dougal McGowan</b>   | <i>Board Chair</i> | <i>Re-elected June 2016</i>             | <i>June 2019</i>    |                   |
| <b>Ros Alison</b>       | <i>Parent rep</i>  | <i>Elected June 2016</i>                | <i>June 2019</i>    |                   |
| <b>Gene Ollerenshaw</b> | <i>Parent rep</i>  | <i>Re-elected June 2016</i>             | <i>June 2019</i>    |                   |
| <b>Simon Hornal</b>     | <i>Parent rep</i>  | <i>Re-elected June 2016</i>             | <i>June 2019</i>    |                   |
| <b>Malcolm Couling</b>  | <i>Parent rep</i>  | <i>Appointed June 2016</i>              | <i>June 2019</i>    |                   |
| <b>Simon Clarke</b>     | <i>Principal</i>   | <i>Appointed October 2011</i>           |                     |                   |
| <b>Sarah Gilbert</b>    | <i>Staff Rep</i>   | <i>Appointed June 2016</i>              | <i>June 2019</i>    |                   |

**KAIKORAI SCHOOL  
KIWISPORT  
2017**

Students participated in organised sport. In 2017 the school received Kiwisport funding of \$4,195 (2016 \$4,392(excluding GST)). The funding was spent on sports equipment, coaching of teams and providing a PMP Program for years 1 and 2.