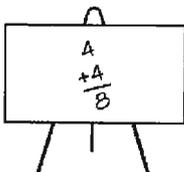


WINTON SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address: 16 Eglinton St
School Postal Address: P O Box 4 Winton
School Phone: 03 236 7238
School Email: admin@winton.school.nz
Ministry Number: 4052



**EDUCATION
FINANCE**

www.educationfinance.co.nz
0800 333 462

WINTON SCHOOL

Financial Statements - For the year ended 31 December 2017

Index

Page	Statement
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 10</u>	Statement of Accounting Policies
<u>11- 18</u>	Notes to the Financial Statements

Winton 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.

Shaun Neeley

Full Name of Board Chairperson


Signature of Board Chairperson

30/5/18

Date:

Stephen Wadsworth

Full Name of Principal


Signature of Principal

30/5/18

Date:

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

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	2,293,061	2,222,000	2,174,405
Locally Raised Funds	3	140,906	106,500	198,480
Interest Earned		2,679	10,000	1,719
		<hr/>	<hr/>	<hr/>
		2,436,646	2,338,500	2,374,605
Expenses				
Locally Raised Funds	3	98,257	67,500	84,621
Learning Resources	4	1,598,332	1,576,700	1,579,477
Administration	5	123,562	120,650	123,811
Finance		647	-	-
Property	6	610,798	561,600	530,995
Depreciation	7	43,405	32,000	36,293
Loss on Disposal of Property, Plant and Equipment		-	-	407
		<hr/>	<hr/>	<hr/>
		2,475,001	2,358,450	2,355,604
Net Surplus / (Deficit) for the year		(38,355)	(19,950)	19,001
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(38,355)	(19,950)	19,001

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



Winton 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	379,856	379,856	360,855
Total comprehensive revenue and expense for the year	(38,355)	(19,950)	19,001
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	-
Equity at 31 December	341,501	359,906	379,856
Retained Earnings	341,501	359,906	379,856
Reserves	-	-	-
Equity at 31 December	341,501	359,906	379,856

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



Winton School
Statement of Financial Position
As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	8	359,641	93,628	125,491
Accounts Receivable	9	75,662	90,000	84,236
GST Receivable		-	12,875	12,875
Funds held in Trust		-	5,000	5,000
Prepayments		7,134	6,748	6,748
Inventories	10	-	1,700	1,700
Funds due from MOE		-	-	9,827
		<u>442,437</u>	<u>209,951</u>	<u>245,877</u>
Current Liabilities				
GST Payable		22,848	-	-
Accounts Payable	11	133,712	120,000	150,975
Finance Lease Liability - Current Portion	13	12,534	12,184	12,184
Funds held in Trust	14	5,000	5,000	5,000
Funds held for Capital Works Projects	15	197,729	-	-
		<u>371,823</u>	<u>137,184</u>	<u>168,159</u>
Working Capital Surplus/(Deficit)		70,614	72,767	77,718
Non-current Assets				
Property, Plant and Equipment	10	343,829	366,924	368,923
		<u>343,829</u>	<u>366,924</u>	<u>368,923</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	12	69,143	67,505	49,505
Finance Lease Liability	13	3,199	11,680	16,680
Funds held in Trust	14	600	600	600
		<u>72,942</u>	<u>79,785</u>	<u>66,785</u>
Net Assets		<u>341,501</u>	<u>359,906</u>	<u>379,856</u>
Equity		<u>341,501</u>	<u>359,906</u>	<u>379,856</u>

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



Winton 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		478,150	452,000	464,685
Locally Raised Funds		140,906	90,000	184,397
Goods and Services Tax (net)		35,723	(12,875)	(2,362)
Payments to Employees		(251,242)	(219,450)	(274,430)
Payments to Suppliers		(355,457)	(326,365)	(281,854)
Cyclical Maintenance Payments in the year		-	-	-
Interest Paid		(647)	-	-
Interest Received		2,679	10,000	1,719
Net cash from / (to) the Operating Activities		50,112	(6,690)	92,155
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(18,311)	(30,000)	(111,715)
Movement of Investments		-	-	-
Net cash from / (to) the Investing Activities		(18,311)	(30,000)	(111,715)
Cash flows from Financing Activities				
Finance Lease Payments		(4,306)	(5,000)	(9,900)
Contribution by MOE -Furniture & Equipment		-	-	-
Funds Held for Capital Works Projects		206,655	9,827	(9,827)
Net cash from Financing Activities		202,349	4,827	(19,727)
Net increase/(decrease) in cash and cash equivalents		234,150	(31,863)	(39,287)
Cash and cash equivalents at the beginning of the year	8	125,491	125,491	164,778
Cash and cash equivalents at the end of the year	8	359,641	93,628	125,491

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.



Winton School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Winton 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 10.

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 13.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

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) 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 of the Education Act 1989 in relation to the acquisition of investment securities.

j) Property, Plant and Equipment

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

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

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	20–50 years
Furniture and equipment	5–10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	3 years
Leased assets held under a Finance Lease	5 years
Library resources	12.5% Diminishing value

k) Impairment of property, plant, and equipment

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 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.

l) 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.

m) 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.

n) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

o) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Crown. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Crown and is based on the Board's ten year property plan (10YPP).

p) 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.

q) 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.

r) Budget Figures

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

s) 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.

B. Government Grants

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	434,278	415,000	419,736
Teachers' salaries grants	1,350,154	1,350,000	1,287,013
Use of Land and Buildings grants	458,890	420,000	422,707
Other MoE Grants	46,753	37,000	44,949
Other government grants	2,986	-	-
	<u>2,293,061</u>	<u>2,222,000</u>	<u>2,174,405</u>

C. Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	25,780	22,000	87,654
Other revenue	19,229	-	-
Trading	3,550	2,000	3,040
Activities	92,347	82,500	107,786
	<u>140,906</u>	<u>106,500</u>	<u>198,480</u>
Expenses			
Activities	91,731	65,500	82,023
Trading	6,526	2,000	2,598
	<u>98,257</u>	<u>67,500</u>	<u>84,621</u>
<i>Surplus for the year Locally raised funds</i>	<u>42,649</u>	<u>39,000</u>	<u>113,859</u>

D. Learning Resources

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Curricular	44,801	53,000	54,423
Employee benefits - salaries	1,547,885	1,517,700	1,520,029
Staff development	5,646	6,000	5,025
	<u>1,598,332</u>	<u>1,576,700</u>	<u>1,579,477</u>



Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	2,952	3,000	4,000
Board of Trustees Fees	4,304	4,000	3,535
Board of Trustees Expenses	5,928	4,500	9,100
Communication	4,709	4,700	4,190
Consumables	5,716	15,250	10,678
Operating Lease	22,008	25,000	28,069
Other	16,071	11,500	12,314
Employee Benefits - Salaries	52,922	43,000	42,383
Insurance	3,252	4,000	3,842
Service Providers, Contractors and Consultancy	5,700	5,700	5,700
	<u>123,562</u>	<u>120,650</u>	<u>123,811</u>

Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	37,534	39,500	36,430
Consultancy and Contract Services	1,498	1,500	1,498
Cyclical Maintenance Expense	19,638	18,000	(4,055)
Grounds	16,614	20,800	11,892
Heat, Light and Water	30,389	33,800	30,233
Rates	9,849	8,000	9,101
Repairs and Maintenance	25,262	10,000	14,040
Use of Land and Buildings	458,890	420,000	422,707
Security	2,618	1,000	859
Employee Benefits - Salaries	8,506	9,000	8,290
	<u>610,798</u>	<u>561,600</u>	<u>530,995</u>

The use of land and buildings figure represents 8% of the school's total property value, as used for rating purposes. This is used as a 'proxy' for the market rental yield on the value of land and buildings.

Depreciation

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	12,125	5,000	9,447
Furniture and Equipment	17,833	13,000	16,314
Information and Communication Technology	7,797	12,000	9,123
Leased Assets	4,059	-	-
Library Resources	1,591	2,000	1,409
	<u>43,405</u>	<u>32,000</u>	<u>36,293</u>



B. Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Westpac Cheque Account	51,134	53,628	59,687
Westpac Savings Account	308,487	40,000	65,784
Petty Cash	20	-	-
Cash equivalents and bank overdraft for Cash Flow Statement	359,641	93,628	125,491

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

The following notes should be used where applicable:

Of the \$359,641 Cash and Cash Equivalents, \$197,729 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.

B. Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Teacher Salaries Grant Receivable	75,662	90,000	84,236
Receivables from Exchange Transactions	-	-	-
Receivables from Non-Exchange Transactions	75,662	90,000	84,236

10. Property, Plant and Equipment

2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	172,110	-	-	-	(10,545)	161,565
Furniture and Equipment	65,378	12,033	-	-	(17,833)	59,578
Information and Communication	13,739	6,278	-	-	(7,797)	12,220
House	59,776	-	-	-	(1,580)	58,196
Land	33,000	-	-	-	-	33,000
Leased Assets	12,190	-	-	-	(4,059)	8,131
Library Resources	12,730	-	-	-	(1,591)	11,139
Balance at 31 December 2017	368,923	18,311	-	-	(43,405)	343,829

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	218,991	(57,426)	161,565
Furniture and Equipment	263,425	(203,847)	59,578
Information and Communication	110,957	(98,737)	12,220
House	79,000	(20,804)	58,196
Land	33,000	-	33,000
Leased Assets	12,190	(4,059)	8,131
Library Resources	49,599	(38,460)	11,139
Balance at 31 December 2017	767,162	(423,333)	343,829

2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	105,797	74,180	-	-	(7,867)	172,110
Furniture and Equipment	70,276	11,416	-	-	(16,314)	65,378
Information and Communication Technology	23,269	-	(407)	-	(9,123)	13,739
House	61,356	-	-	-	(1,580)	59,776
Land	33,000	-	-	-	-	33,000
Leased Assets	-	12,190	-	-	-	12,190
Library Resources	11,010	3,129	-	-	(1,409)	12,730
Balance at 31 December 2016	304,708	100,915	(407)	-	(36,293)	368,923

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	218,991	(46,881)	172,110
Furniture and Equipment	251,392	(186,014)	65,378
Information and Communication Technology	104,679	(90,940)	13,739
House	79,000	(19,224)	59,776
Land	33,000	-	33,000
Leased Assets	12,190	-	12,190
Library Resources	49,599	(36,869)	12,730
Balance at 31 December 2016	748,851	(379,928)	368,923

11. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	50,095	30,000	28,400
Accruals	3,500	-	13,887
Banking staffing overuse	1,898	-	21,895
Employee Entitlements - salaries	75,662	90,000	84,236
Employee Entitlements - leave accrual	2,557	-	2,557
	133,712	120,000	150,975
Payables for Exchange Transactions	133,712	120,000	150,975
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	133,712	120,000	150,975

The carrying value of payables approximates their fair value.



13. Provision for Cyclical Maintenance

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	49,505	49,505	53,560
Increase to the Provision During the Year	19,638	18,000	(4,055)
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>69,143</u>	<u>67,505</u>	<u>49,505</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	69,143	67,505	49,505
	<u>69,143</u>	<u>67,505</u>	<u>49,505</u>

13. 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	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	12,534	12,184	12,184
Later than One Year and no Later than Five Years	3,199	11,680	16,680
Later than Five Years	-	-	-
	<u>15,733</u>	<u>23,864</u>	<u>28,864</u>

14. Funds held in Trust

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Held in Trust on Behalf of Third Parties - Current	5,000	5,000	5,000
Funds Held in Trust on Behalf of Third Parties - Non-current	600	600	600
	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>

These funds are held where the school is an agent for International Student homestay fees and therefore these are not included in the Statement of Comprehensive Revenue and Expense.



15. 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/ (To Asset)	Closing Balances
		\$	\$	\$		\$
Classroom	<i>Complete</i>	(10,790)	10,790	-	-	-
Fire	<i>Complete</i>	963	-	963	-	-
Technology Block Upgrade	<i>In Progress</i>	-	219,261	21,532	-	197,729
Totals		(9,827)	230,051	22,495	-	197,729

Represented by:

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

197,729

-

197,729

	2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Classroom	<i>In Progress</i>	-	174,331	185,121	-	(10,790)
Fire	<i>In Progress</i>	-	27,000	26,037	-	963
Totals		-	201,331	211,158	-	(9,827)

16. 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.



17. Remuneration

Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	4,304	3,535
Full-time equivalent members	0.23	0.21
<i>Leadership Team</i>		
Remuneration	225,987	222,725
Full-time equivalent members	2	2
Total key management personnel remuneration	230,291	226,260
Total full-time equivalent personnel	2.23	2.21

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

Principal

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

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	130-140
Benefits and Other Emoluments	0-10	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2017 FTE Number	2016 FTE Number
100-110	-	-
	0.00	0.00

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

18. 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	-	-

19. Contingencies

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



20. Commitments

(a) Capital Commitments

(a) Contract for Classroom Upgrade to be completed in 2018, which will be fully funded by the Ministry of Education. \$219,261 has been received of which \$21,532 has been spent on the project to date;

As at 31 December 2017 there are no other Capital Commitments

(Capital commitments at 31 December 2016: nil)

(b) Operating Commitments

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

Nil

	2017 Actual \$	2016 Actual \$
No later than One Year	10,238	14,654
Later than One Year and No Later than Five Years	1,487	11,546
Later than Five Years	-	-
	<u>11,725</u>	<u>26,200</u>

21. 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.

22. 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	359,641	93,628	125,491
Receivables	75,662	90,000	84,236
Total Loans and Receivables	<u>435,303</u>	<u>183,628</u>	<u>209,727</u>

Financial liabilities measured at amortised cost

Payables	133,712	120,000	150,975
Finance Leases	15,733	23,864	28,864
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>149,445</u>	<u>143,864</u>	<u>179,839</u>

23. Events After Balance Date

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



WINTON SCHOOL BOARD OF TRUSTEES 2017

Name	Position	How Position on Board was gained	Term Expires	Occupation
FIONA SMITH	<i>Board Chair</i>	<i>Re-elected May 2016</i>	<i>Resigned February 2017</i>	
SHAUN NEELEY	<i>Board Chair from February 2017</i>	<i>Elected May 2016</i>	<i>March 2019</i>	<i>Operations Manager</i>
AMBER OSBORN	<i>Staff Rep</i>	<i>Elected May 2016</i>	<i>March 2019</i>	<i>Teacher</i>
SIMON ELLIS	<i>Parent rep</i>	<i>Elected May 2016</i>	<i>March 2019</i>	<i>Electrician</i>
ASHLEE KEITH	<i>Parent rep</i>	<i>Elected May 2016</i>	<i>March 2019</i>	<i>Retail Asst</i>
TONY MEECHANG	<i>Parent rep</i>	<i>Re-elected May 2016</i>	<i>March 2019</i>	<i>Teacher</i>
STEVE WADSWORTH	<i>Principal</i>	<i>Appointed January 2004</i>		
JANET ANDERSON	<i>Parent Rep</i>	<i>Selected June 2017</i>	<i>March 2019</i>	--



Kiwisport Funding 2017

Kiwisport is a Government initiative to support students' participation in organised sport.

In 2017 Winton School received total Kiwisport funding of \$3,970.58 (excluding GST)

The funding was spent on:

- Swimming instruction for all students (in association with REAP).
- Purchase of various sporting equipment for Sports Shed.
- Bus costs to transport students to Cross Country and other sporting events.
- Bus costs to transport students to 2017 Sports Day at Stadium Southland.

The number of students participating in organised sport remains at 100%.

2017 ANALYSIS OF VARIANCE

CURRICULUM AREA : READING

Year Group Student Achievement Target: For the group of **10 Year 8 students** identified at the start of 2017 as Below or Well Below to make more than one year's progress in relation to the National Standards. 3 of these students are Māori.
Māori Student Achievement Target: For the group of **10 Māori students** school-wide identified at the start of 2017 as Below or Well Below to make more than one year's progress in relation to the National Standards.

Baseline Year Group Student Achievement Data (End of 2016):
 34% (10/30) of Year 7 students are not meeting the standard for Reading. The breakdown being 27% (8/30) are 'Below' and 7% (2/30) are 'Well Below'. 3 of these students are Māori.

Baseline Māori Student Achievement Data (End of 2016):
 29% (12/42) of Māori students school-wide are not meeting the standard for Reading. 14% (6/42) are 'Below' and 14% (6/42) are 'Well Below.'

Analysis

At the end of 2017:

Year Group Student Achievement Data

16% (5/32) of Year 8 students are not meeting the standard for Reading. This is a 18% positive shift. Of our 10 target students, 7 made accelerated progress. 6 from Below to At and 1 moved from Well Below to Below.

Māori Student Achievement Data

13% (7/54) of Māori students school-wide are not meeting the standard for Reading. This is a 16% (4 children) positive shift of students now achieving the standard. 1 child made accelerated progress from Well Below to Below.

Reason for Variance / Where to Next

Our Year 8 target group, who were withdrawn 3 to 4 times per week, received targeted intervention time with a specialist teacher. The classroom teacher constantly reflected on her practice and made changes to her programme delivery. Communication with the specialist teacher was constant and ensured that there were links between class and the small group intervention. All children who participated noted a huge increase in confidence and independent ability, which meant that they were reading more and developing transferable strategies.

There was a focus on explicit knowledge of personal goals and targets. This allowed the children to see their next steps and reflect on their progress. The specialist teacher noted factors such as withdrawal, plenty of encouragement, deliberate acts of teaching, relevant reading topics and whanau engagement contributing to the success of the programme.

CURRICULUM AREA : MATHS

Year Group Student Achievement Targets : For the group of **14 Year 8 students** identified at the start of 2017 as Below or Well Below to make more than one year's progress in relation to the National Standards. 3 of these students are Māori.

Māori Student Achievement Target: For the group of **13 Māori students** identified at the start of 2017 as Below or Well Below to make more than one year's progress in relation to the National Standards.

Baseline Year Group Student Achievement Data (End of 2016):

47% (14/30) of Year 7 students are not meeting the standard for Maths. The breakdown being 30% (9/30) 'Below' and 17% (5/30) 'Well Below' 5 of these students are Māori.

Baseline Māori Student Achievement Data (End of 2016):

38% (16/42) of Māori students school-wide are not meeting the standard for Maths. 21% (9/42) are 'Below' and 17% (7/42) are 'Well Below.'

Analysis

At the end of 2017:

Year Group Student Achievement Data

29% (9/32) Year 8 students are not meeting the standard for Maths. This is a 18% positive shift (5 students). 1 child also progressed from Well Below to Below

Māori Student Achievement Data

20% (11/54) Māori students school-wide are not meeting the standard for Maths. This is an 18% positive shift (5 children). There was also a shift of 2 students from Well Below to Below

Reason for Variance / Where to Next

Our Year 8 target group, who were withdrawn 3 times per week, received targeted intervention time ('Maths is Go') with a specialist teacher. This programme offered many opportunities for students to develop their confidence in their own ability. They received immediate positive feedback when they experienced success from the other students and the teacher.

Using a variety of mathematical equipment and materials was another key for students to understand new maths concepts. Small groups enabled the teacher to see who didn't understand new teaching or retain knowledge already learnt, and to present it another way with equipment to achieve success. Often these students needed more time exploring with equipment in a variety of ways so they could grasp new concepts.

Student voice using The Five Talk Moves was used to develop confidence in explaining their working out. It also required others to listen intently as they may have had to re-voice their strategy. This allowed time to agree or disagree and give their reason or example. Often there were misconceptions presented and other groups or individuals used a different strategy to solve.

Another useful strategy was using student's misconceptions and errors as building blocks for the next teaching step. Often lessons started with a real task that challenged their thinking. These were based around the student's interests or relevant happenings around the school to create interest and enthusiasm. This showed misconceptions and where the teaching needed to go next.

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Winton School (the School). The Auditor-General has appointed me, Michael Lee, 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 30th 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 arises 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 on pages 19 to 22, but does not include the financial statements, and our auditor's report thereon.

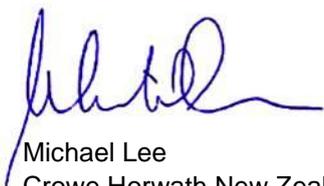
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.



Michael Lee
Crowe Horwath New Zealand Audit Partnership
On behalf of the Auditor-General
Invercargill, New Zealand