

KOROKORO SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018



School Address:	79 Korokoro Rd, Korokoro, Lower Hutt 5012
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Ministry Number:	2883
Accounting Provider:	Accounting for Schools Limited

KOROKORO SCHOOL

Annual Report - For the year ended 31 December 2018

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KOROKORO SCHOOL
Statement of Responsibility
For the year ended 31 December 2018

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 2018 fairly reflects the financial position and operations of the School.

The School's 2018 financial statements are authorised for issue by the Board.

James Postrett
Full Name of Board Chairperson

Melissa Lilley (acting Principal)
Full Name of Principal

[Signature]
Signature of Board Chairperson

[Signature]
Signature of Principal

16/5/19
Date:

16/5/19
Date:

KOROKORO SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	1,315,566	1,176,000	1,240,907
Locally Raised Funds	3	98,224	59,150	85,041
Interest Earned		3,105	2,000	3,952
		<hr/>	<hr/>	<hr/>
		1,416,895	1,237,150	1,329,900
Expenses				
Locally Raised Funds	3	37,358	3,000	40,415
Learning Resources	4	869,447	778,700	818,505
Administration	5	112,095	100,350	104,805
Property	6	324,680	305,250	311,274
Depreciation	7	29,749	40,000	38,634
		<hr/>	<hr/>	<hr/>
		1,373,329	1,227,300	1,313,633
Net Surplus		43,566	9,850	16,267
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		43,566	9,850	16,267

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

KOROKORO SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2018

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Balance at 1 January	229,354	229,353	213,087
Total comprehensive revenue and expense for the year	43,565	9,850	16,267
Equity at 31 December	272,919	239,203	229,354
Retained Earnings	272,919	239,203	229,354
Equity at 31 December	272,919	239,203	229,354

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

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KOROKORO SCHOOL
Statement of Financial Position
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	160,730	314,566	297,213
Accounts Receivable	9	51,277	46,350	46,490
Inventories	10	-	-	1,670
Prepayments		5,133	4,500	4,487
		<u>217,140</u>	<u>365,416</u>	<u>349,860</u>
Current Liabilities				
Accounts Payable	12	68,527	62,300	62,381
GST Payable		6,051	1,200	1,159
Finance Lease Liability - Current Portion	15	5,164	5,000	4,869
Funds held for Capital Works Projects	16	4,565	162,000	161,987
Provision for Cyclical Maintenance	14	5,455	5,400	5,400
Revenue Received in Advance	13	1,000	9,000	9,000
		<u>90,762</u>	<u>244,900</u>	<u>244,796</u>
Working Capital Surplus/(Deficit)		126,378	120,516	105,064
Non-current Assets				
Property, Plant and Equipment	11	180,856	154,750	154,409
		<u>180,856</u>	<u>154,750</u>	<u>154,409</u>
Non-current Liabilities				
Finance Lease Liability	15	1,565	5,500	5,556
Provision for Cyclical Maintenance	14	32,750	30,563	24,563
		<u>34,315</u>	<u>36,063</u>	<u>30,119</u>
Net Assets		<u>272,919</u>	<u>239,203</u>	<u>229,354</u>
Equity		<u>272,919</u>	<u>239,203</u>	<u>229,354</u>

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

KOROKORO SCHOOL

Statement of Cash Flows

For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		275,106	266,000	248,607
Locally Raised Funds		90,224	59,150	92,041
Goods and Services Tax (net)		4,890	40	(5,849)
Payments to Employees		(109,644)	(95,994)	(104,349)
Payments to Suppliers		(183,089)	(173,568)	(190,762)
Interest Received		3,344	1,978	3,623
Net cash from / (to) the Operating Activities		80,831	57,606	43,311
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(54,506)	(40,319)	(24,855)
Net cash from / (to) the Investing Activities		(54,506)	(40,319)	(24,855)
Cash flows from Financing Activities				
Finance Lease Payments		(5,386)	53	(6,827)
Funds Held for Capital Works Projects		(157,422)	13	157,959
Net cash from Financing Activities		(162,808)	66	151,132
Net increase/(decrease) in cash and cash equivalents		(136,483)	17,353	169,588
Cash and cash equivalents at the beginning of the year	8	297,213	297,213	127,625
Cash and cash equivalents at the end of the year	8	160,730	314,566	297,213

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

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

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Korokoro 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 2018 to 31 December 2018 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 11.

KOROKORO SCHOOL

Notes to the Financial Statements For the year ended 31 December 2018

1. Statement of Accounting Policies

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.

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

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 bank term deposits are measured at amortised cost using the effective interest method less impairment.

The School has met the requirements under Schedule 6 Paragraph 28 of the Education Act 1989 in relation to the acquisition of 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.

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

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:

Audio Visual and Computer Equipment	3 - 10 years
Building improvements – Crown	10 - 20 years
Furniture and equipment	5 - 10 years
Grounds Equipment	5 - 10 years
Library resources	12.5% Diminishing value
Teaching Equipment	5 - 10 years

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.

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

n) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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, 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).

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.

t) Comparatives

To ensure consistency with the current year presentation, certain comparative figures have been reclassified.

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational Grants	260,825	260,000	241,816
Other MoE Grants	14,281	6,000	17,954
Teachers' Salaries Grants	792,803	680,000	741,067
Use of Land and Buildings grants	247,657	230,000	240,070
	<u>1,315,566</u>	<u>1,176,000</u>	<u>1,240,907</u>

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Activities	30,409	2,900	35,932
Donations	42,116	42,000	34,543
Fundraising	20,171	11,000	9,031
Hire of Facilities	1,765	2,000	1,941
Sundry Revenue	191	500	1,239
Trading	3,572	750	2,355
	<u>98,224</u>	<u>59,150</u>	<u>85,041</u>
Expenses			
Activities	31,900	-	35,590
Fundraising (costs of raising funds)	2,237	3,000	2,287
Trading	3,221	-	2,538
	<u>37,358</u>	<u>3,000</u>	<u>40,415</u>
<i>Surplus for the year Locally raised funds</i>	<u>60,866</u>	<u>56,150</u>	<u>44,626</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	21,907	34,500	25,729
Employee Benefits - Salaries	835,985	718,700	780,873
Information and Communication Technology	3,757	7,500	3,833
Library Resources	1,943	1,000	465
Staff Development	5,855	17,000	7,605
	<u>869,447</u>	<u>778,700</u>	<u>818,505</u>

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KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Audit Fee	5,009	5,500	8,251
Board of Trustees Expenses	-	1,500	-
Board of Trustees Fees	4,380	4,050	4,050
Communication	19,553	15,000	11,192
Employee Benefits - Salaries	66,449	57,250	64,949
Insurance	3,387	3,000	3,569
Other	7,185	8,000	7,062
Service Providers, Contractors and Consultancy	6,132	6,050	5,732
	<u>112,095</u>	<u>100,350</u>	<u>104,805</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Caretaking and Cleaning Consumables	12,706	7,500	9,059
Consultancy and Contract Services	29,195	26,000	27,911
Cyclical Maintenance Provision	8,242	6,000	6,731
Grounds	7,902	3,250	2,881
Heat, Light and Water	9,738	9,500	9,297
Rates	654	2,000	158
Repairs and Maintenance	5,699	17,500	12,747
Security	2,887	3,500	2,420
Use of Land and Buildings	247,657	230,000	240,070
	<u>324,680</u>	<u>305,250</u>	<u>311,274</u>

The use of land and buildings figure represents 8% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Depreciation of Property, Plant and Equipment

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Audio Visual	2,452	300	1,839
Building Improvements - Crown	2,332	1,000	1,896
Furniture and Equipment	4,958	3,700	4,288
Grounds	1,854	2,800	2,505
Information Technology	5,800	21,300	15,135
Leased Assets	5,463	2,400	5,001
Library Resources	562	500	427
Office Equipment	3,119	4,300	4,030
Teaching Furniture & Equipment	3,209	3,700	3,513
	<u>29,749</u>	<u>40,000</u>	<u>38,634</u>

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	17,579	228,466	210,503
Bank Call Account	9,712	10,000	9,529
Cash on Hand	100	100	100
Savings Cyclical Maintenance	32,977	26,000	26,317
Short-term Bank Deposits	100,362	50,000	50,764
Net cash and cash equivalents for Cash Flow Statement	<u>160,730</u>	<u>314,566</u>	<u>297,213</u>

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

Of the \$160,730 Cash and Cash Equivalents, \$4,565 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan (2017: \$161,987).

9. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Interest Receivable	88	350	328
Teacher Salaries Grant Receivable	51,189	46,000	46,162
	<u>51,277</u>	<u>46,350</u>	<u>46,490</u>
Receivables from Exchange Transactions	88	350	328
Receivables from Non-Exchange Transactions	51,189	46,000	46,162
	<u>51,277</u>	<u>46,350</u>	<u>46,490</u>

10. Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	-	-	1,670
	<u>-</u>	<u>-</u>	<u>1,670</u>

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Audio Visual	10,418	-	-	-	(2,452)	7,966
Building Improvements	35,821	28,064	-	-	(2,332)	61,553
Furniture and Equipment	32,820	8,872	-	-	(4,958)	36,734
Grounds	12,318	1,698	-	-	(1,854)	12,162
Information Technology	15,680	15,188	-	-	(5,800)	25,068
Leased Assets	10,457	1,690	-	-	(5,463)	6,684
Library Resources	2,985	684	-	-	(562)	3,107
Office Furniture	16,054	-	-	-	(3,119)	12,935
Teaching Equipment	17,856	-	-	-	(3,209)	14,647
Balance at 31 December 2018	154,409	56,196	-	-	(29,749)	180,856

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Audio Visual	29,747	(21,781)	7,966
Building Improvements	67,012	(5,459)	61,553
Furniture and Equipment	60,531	(18,839)	41,692
Grounds	38,191	(26,029)	12,162
Information Technology	133,959	(108,891)	25,068
Leased Assets	25,668	(18,984)	6,684
Library Resources	69,125	(66,018)	3,107
Office Furniture	73,066	(65,089)	7,977
Teaching Equipment	93,164	(78,517)	14,647
Balance at 31 December 2018	590,464	(409,608)	180,856

The net carrying value of equipment held under a finance lease is \$6,684 (2017: \$10,457).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Audio Visual	-	12,257	-	-	(1,839)	10,418
Building Improvements	37,717	-	-	-	(1,896)	35,821
Furniture and Equipment	35,311	1,797	-	-	(4,288)	32,820
Grounds	10,711	4,112	-	-	(2,505)	12,318
Information Technology	26,436	4,379	-	-	(15,135)	15,680
Leased Assets	5,237	10,221	-	-	(5,001)	10,457
Library Resources	2,172	1,240	-	-	(427)	2,985
Office Furniture	20,084	-	-	-	(4,030)	16,054
Teaching Equipment	20,299	1,070	-	-	(3,513)	17,856
Balance at 31 December 2017	157,967	35,076	-	-	(38,634)	154,409

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

11. Property, Plant and Equipment (Cont.)

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Audio Visual	29,747	(19,329)	10,418
Building Improvements	38,948	(3,127)	35,822
Furniture and Equipment	51,660	(18,840)	32,820
Grounds	36,493	(24,175)	12,318
Information Technology	118,771	(103,091)	15,680
Leased Assets	23,978	(13,521)	10,457
Library Resources	68,442	(65,457)	2,985
Office Furniture	73,066	(57,013)	16,053
Teaching Equipment	93,164	(75,308)	17,856
Balance at 31 December 2017	534,270	(379,861)	154,409

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	8,628	6,400	6,357
Accruals	5,179	6,400	6,318
Employee Entitlements - salaries	51,189	46,000	46,162
Employee Entitlements - leave accrual	3,531	3,500	3,544
	68,527	62,300	62,381
Payables for Exchange Transactions	64,996	61,158	58,837
Payables for Non-exchange Transactions - Other	3,531	1,142	3,544
	68,527	62,300	62,381

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Student Fees	1,000	-	-
Community Grants (Hutt Mana and Pelorus Trust)	-	9,000	9,000
	1,000	9,000	9,000

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KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	29,963	29,963	23,232
Increase to the Provision During the Year	8,242	6,000	6,731
Provision at the End of the Year	<u>38,205</u>	<u>35,963</u>	<u>29,963</u>
Cyclical Maintenance - Current	5,455	5,400	5,400
Cyclical Maintenance - Term	32,750	30,563	24,563
	<u>38,205</u>	<u>35,963</u>	<u>29,963</u>

15. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	5,164	1,856	4,869
Later than One Year and no Later than Five Years	1,565	1,237	5,556
	<u>6,729</u>	<u>3,093</u>	<u>10,425</u>

16. 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:

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
M Block Classroom	<i>Completed</i>	4,162	-	-	(4,162)	-
Roof & Classroom Project	<i>Completed</i>	157,825	17,898	(203,787)	28,064	-
Retaining Wall Project	<i>In progress</i>	-	31,500	(26,935)	-	4,565
Watermain Project	<i>Completed</i>	-	22,320	(22,320)	-	-
Totals		<u>161,987</u>	<u>71,718</u>	<u>(253,041)</u>	<u>23,902</u>	<u>4,565</u>

Represented by:

Funds Held on Behalf of the Ministry of Education

4,565

Funds Due from the Ministry of Education

-

4,565

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KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

16. Funds Held for Capital Works Projects (Cont.)

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
M Block Classroom	<i>In progress</i>	4,162	-	-	-	4,162
Roof & Classroom Project	<i>In progress</i>	(135)	568,499	(410,539)	-	157,825
Totals		4,027	568,499	(410,539)	-	161,987

17. 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.

18. Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	4,380	4,050
Full-time equivalent members	0.15	0.14
<i>Leadership Team</i>		
Remuneration	299,031	292,623
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	303,411	296,673
Total full-time equivalent personnel	3.15	3.14

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.

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

18. Remuneration (Cont.)

Principal

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

	2018	2017
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	3 - 4	3 - 4

Other Employees

There were no other employees with remuneration greater than \$100,000 (2017: nil).

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

19. 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:

	2018	2017
	Actual	Actual
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

KOROKORO SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2018

21. Commitments

(a) Capital Commitments

As at 31 December 2018 the Board has not entered into any contractual agreements for capital works.

(Capital commitments at 31 December 2017: \$616,048 for Roof Replacement, of which \$410,539 has been spent to date)

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) Photocopier lease;

	2018 Actual \$	2017 Actual \$
No later than One Year	5,006	6,243
Later than One Year and No Later than Five Years	5,840	10,846
	<u>10,846</u>	<u>17,089</u>

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:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Loans and receivables			
Cash and Cash Equivalents	160,730	314,566	297,213
Receivables	51,277	46,350	46,490
Total Cash and Receivables	<u>212,007</u>	<u>360,916</u>	<u>343,703</u>
Financial liabilities measured at amortised cost			
Payables	68,527	62,300	62,381
Finance Leases	6,729	10,500	10,425
Total Financial Liabilities Measured at Amortised Cost	<u>75,256</u>	<u>72,800</u>	<u>72,806</u>

24. Events After Balance Date

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

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Members of the Board of Trustees

For the year ended 31 December 2018

Name	Position	How position on Board gained	Occupation	Term expired/expires
James Poskitt	Chairperson, Parent Rep	Elected May 2016. Voted Chairperson by board Feb 2018	Project Manager	May 2019
Martin Hookham	Principal	Appointed	Principal	
Simon Annear	Parent Rep - Treasurer	Co-opted 2014, re- elected May 2016	IT Consultant	May 2019
Kelly Forster	Parent Rep	Co-opted June 2018	Public Servant	May 2019
Karen Houghton	Staff Rep	Elected May 2015, re-elected May 2016	Teacher	May 2019
Sam Poynter	Parent Rep - Policies	Elected May 2013, re-elected May 2016	IT Sales	May 2019
Rodney Sampson	Parent Rep - Health & Safety	Elected May 2016	Architect	May 2019

KOROKORO SCHOOL

Kiwisport Statement

For the year ended 31 December 2018

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

Included in the operations grant for 2018 was \$2,379 (2017: \$2,190) key funding support to enhance student opportunities to participate in sport.

The funding subsidises participation in whole school swimming lessons, the Get-Set-Go programme, the Run-Jump-Throw programme and student participation in zone and recreational sports activities which are organised through the Lower Hutt Primary School Sports Association.

Annual Achievement Summary

2018 has been an exciting year for our students across the school. There has been a large number of activating opportunities to engage students in their learning. Beyond the core subjects, all students have experienced; field trips, science kits, guest experts, access to a range of clubs, school sport, interschool sport, art, drama, enviro studies, technology, health and music.

The school roll has continued to climb and we have worked on new systems that improve our ability to identify and monitor those students who need further support.

All students are discussed regularly at syndicate meetings and teachers have a number of assessment tools, anecdotal observations and in-class opportunities to gauge the academic rate of progress. Just as importantly we have used these methods to evaluate social and emotional development of children as described in the key competencies of learning.

Measurement of student performance in the core learning areas shows that the vast majority of our students are operating comfortably within and many beyond their year group curriculum band. We believe that this data translates similarly to National Standards achievement data from the last couple of years.

We note the increasing influence that our senior students play in supporting younger students. The interplay between cohorts of children has provided a number of tangible benefits to both older and younger kids. Pukeko Pals, buddy reading, student led sports days, road patrols, enviro monitors, PE monitors not only give ownership and responsibility to older children but also provide an increased sense of security, care and belonging to our younger students.

Teachers have made regular contact with families and (depending on the situation) this has been formal, informal or simply via newsletters/Seesaw. We have put a high emphasis on Seesaw and its ability to keep parents connected to the learning activities of their children. Connecting to families leads to better alignment between home and school. It adds support and consistency for learners and facilitates better understanding of any factors that might affect the wellbeing and learning potential of students.

Our TRIBE values continue to be a consistent and common tool for students to learn about those behaviours/traits that lead to lifelong learning, happiness and success. We believe that the mantra of TRIBE connects all students and is a kid friendly way to digest some complex concepts. Although we don't have any hard data by way of numbers, we can with some confidence, note the improved culture of learning across the years of TRIBE and observe increasingly engaged and motivated students.

In response to the increasing cultural diversity of our students we introduced a "Cultural Day" this year. This proved to be an important first step toward building richer relationships between the school and some of our new migrant families. To be a successful learner kids need to feel that they belong. We feel there is still plenty of room to achieve further in this space and in particular to grow the confidence and capability of staff in te Reo and Tikanga.

2018 has cemented the value of play based learning. The reception class is a rich and vibrant place providing an important bridge between preschool and school. Many of our school starters have critical gaps in their "readiness for school" and our work to address this has been timely. Teachers, alongside parents have sometimes had to revision what good learning looks like and we have enjoyed the robust dialogue and debate around the optimum level of "play" vs "traditional learning" as children move through the curriculum levels.

STRATEGIC AIM:

All Students progress and achieve in literacy and numeracy as demonstrated by achievement against the curriculum for Reading, Writing and Mathematics.

Reading

Reading Target for 2018: *“To accelerate progress of 11 students who are operating well below the expectations of their year level in the NZ Curriculum”*

Note: The original target estimate was 10 students.

Summary of Outcome

Junior Students (Years 1 – 3)

We have been monitoring 5 children in Reading:

2 of these students have made steady progress this year. Three children have made some progress but still need to be Priority Learners next year.

2 are now working at the expected part of the curriculum level, but these students will continue to be monitored, as part of the classroom programme, but not identified as Priority Learners in Reading.

Senior Students (Years 4 – 8)

We have been monitoring 6 students in reading - two of these students were well below the expected curriculum level and although have made steady progress throughout the year and are accessing the appropriate curriculum level with support, are still needing close monitoring and support - they will continue to be identified as Priority Learners.

The other 4 students have made steady progress and are now working well within Level 2 (the expected level). These students will need to continue to be monitored closely next year as they head into Level 3 of the curriculum.

Writing

Writing Target for 2018: *“To accelerate progress of 22 students who are operating below the expectations of their year level in the NZ Curriculum”*

Note: The original target estimate was 27 students.

Summary of Outcome

Junior Students (Years 1 – 3)

We have been monitoring 4 children in Writing:

1 of these students has made steady progress this year. Two children have made good progress but still need to be Priority Learners next year. One child still needs lots of help in this area.

1 child is now working at the expected part of the curriculum level, but will continue to be monitored but not identified as Priority Learners in Writing

We have also been monitoring 2 children in Year 1 - this is across all areas.

1 child has made good progress and will not be identified as a Priority Learner in 2019.

1 child has made good progress but will continue to be a Priority Learner in 2019.

Senior Students (Years 4 – 8)

We have been monitoring 18 students in writing in the Senior School.

4 of these students were identified at the beginning of the year as being well below the expected curriculum level. These students all have diagnosed (or suspected) specific learning difficulties including dyslexia and global learning difficulties. These students remain well below the expected level but have all made good progress. They are more confident in recording ideas and feel that they themselves have made good progress. STEPs spelling has helped their spelling knowledge and confidence when attempting spelling words.

The remaining students have all made steady progress and most are working well within the curriculum area that is expected. Ongoing monitoring and support next year will be important for these students to ensure they are writing across different structures at the appropriate levels. As above, the Priority students that were using STEPs have made good progress with spelling - now they need to apply this more consistently in their writing.

Mathematics

Mathematics Target for 2018:

“To accelerate progress of 17 students who are operating below the expectations of their year level in the NZ Curriculum”

Summary of Outcome

Junior Students (Years 1 – 3)

We have been monitoring 3 children in Maths:

2 of these students have made steady progress this year. One child has made some progress but still needs to be a Priority Learner next year.

2 are now working at the expected part of the curriculum level, but these students will continue to be monitored but not identified as Priority Learners in Maths.

Senior Students (Years 4 – 8)

We have been monitoring 14 children in Maths

3 of these students were identified as being well below expected curriculum level. All 3 of these students have made considerable progress in their maths knowledge and most importantly in their attitudes towards maths. The biggest barrier now seems to be retention of number knowledge and strategies - possible signs of dyscalculia.

The remaining students have all made steady progress, and are working within the expected curriculum level. They will however need to continue to be closely monitored as priority students next year.

Next Steps / Recommendations Junior School

- Writing focus/ phonics/handwriting – Yolanda Sorryl training for new teachers.
- What does literacy and mathematics look like in a Play Based Learning environment? - refer to Longworth Education PD
- Syndicate discussions re how to engage all children in writing - looking back at Murray Gadd PD session notes.
- Maths - spend time revising Level 1 and Level 2 curriculum levels in Strand and how this relates to the Junior Assessment in Maths we currently use.
- Upskill new members of Junior Team in 2019 - especially with regards to assessment and reporting
- On going small group work and individual work in targeted areas - use of Junior Support teacher to be allocated to classes according to needs/number of Priority Learners.

A very small number of additional students across the junior school have been identified as needing monitoring in Maths & Writing as we move through into 2019 that were not highlighted this year. This is possibly because of a developmental stage and they need time to consolidate current knowledge and progress - or are finding things more difficult as curriculum levels become more challenging. We will monitor these students closely.

Next Steps / Recommendations Senior School

Reading:

- ongoing small group reading sessions - focusing on fluency and reading comprehension, through discussion.
- Buddy reading to encourage reading mileage with younger students.
- Interest based reading, eg, magazines, comics, books etc.

Writing:

- STEP's Web online spelling programme for all students in the senior school (with exception of capable spellers). PL writers will also use the STEP's activity books and receive ongoing TA support.
- Small group writing sessions in the class for extra support. Possible introduction of writing goals that students specifically work on to help develop own writing. (Sheena Cameron Writing Book) Good to support PLs and extend more capable writers.
- Use of part-time teacher & / TA to support priority learners.
- Explore and discuss ways of engaging PL student interest in writing - particularly boys

Maths:

- Ongoing use of small group teaching / explore mixed ability group activities
- Ongoing specific teaching and practicing of number knowledge concepts, eg, place value, basic facts, etc.
- Problem solving - application of strategy knowledge - in real life situations.
- Use of part-time teacher & / TA to support priority learners.
- PLD on how to best structure maths programmes to balance and implement all elements of maths - number knowledge and strategy / strand and problem solving.

A very small number of additional students across the senior school have been identified as needing monitoring in Maths & Writing as we move through into 2019 that were not highlighted this year. This is possibly because of a developmental stage and they need time to consolidate current knowledge and progress - or are finding things more difficult as curriculum levels become more challenging. We will monitor these students closely.

School targets for 2019

Mathematics Target: "To accelerate progress of **21** students who are operating below the expectations of their year level in the NZ Curriculum"

Reading Target: "To accelerate progress of **25** students who are operating below the expectations of their year level in the NZ Curriculum"

Writing Target: "To accelerate progress of **37** students who are operating below the expectations of their year level in the NZ Curriculum"