

SALFORD SCHOOL



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	110 Lamond Street East, Rosedale, Invercargill
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SALFORD SCHOOL

Financial Statements - For the year ended 31 December 2017

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Salford 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.

Mary Foley
Full Name of Board Chairperson

Mary Foley
Signature of Board Chairperson

24/5/2018
Date:

ROBIN HARRIS
Full Name of Principal

Robin Harris
Signature of Principal

23/5/18
Date:

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

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	1,900,851	1,914,236	1,790,955
Locally Raised Funds	3	132,787	107,600	144,475
Interest Earned		3,692	2,000	3,515
International Students	4	14,109	2,000	12,978
		<u>2,051,439</u>	<u>2,025,836</u>	<u>1,951,923</u>
Expenses				
Locally Raised Funds	3	81,077	48,140	73,781
International Students	4	3,396	-	978
Learning Resources	5	1,337,112	1,329,516	1,268,986
Administration	6	133,001	140,250	134,751
Finance Costs		500	-	-
Property	7	449,999	459,830	447,432
Depreciation	8	37,596	20,000	26,017
Loss on Disposal of Property, Plant and Equipment		5,544	100	-
		<u>2,048,225</u>	<u>1,997,836</u>	<u>1,951,945</u>
Net Surplus / (Deficit)		3,214	28,000	(22)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>3,214</u>	<u>28,000</u>	<u>(22)</u>

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



Salford 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	184,422	184,422	184,444
Total comprehensive revenue and expense for the year	3,214	28,000	(22)
Equity at 31 December	187,636	212,422	184,422
Retained Earnings	187,636	212,422	184,422
Equity at 31 December	187,636	212,422	184,422



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

Salford School

Statement of Financial Position

As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	9	6,217	89,616	41,617
Accounts Receivable	10	76,349	67,367	67,367
GST Receivable		6,799	4,378	4,378
Prepayments		9,413	7,877	7,877
Inventories	11	1,277	1,302	1,302
Investments	12	93,813	46,579	46,579
		<u>193,868</u>	<u>217,119</u>	<u>169,120</u>
Current Liabilities				
Accounts Payable	14	112,254	87,121	87,121
Revenue Received in Advance	15	8,761	7,339	7,339
Provision for Cyclical Maintenance	16	40,390	28,236	28,236
Finance Lease Liability - Current Portion		2,344	2,134	2,134
		<u>163,749</u>	<u>124,830</u>	<u>124,830</u>
Working Capital Surplus/(Deficit)		30,119	92,289	44,290
Non-current Assets				
Property, Plant and Equipment	13	204,101	204,145	224,145
		<u>204,101</u>	<u>204,145</u>	<u>224,145</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	45,009	80,094	80,094
Finance Lease Liability		1,575	3,918	3,918
		<u>46,584</u>	<u>84,012</u>	<u>84,012</u>
Net Assets		<u>187,636</u>	<u>212,422</u>	<u>184,422</u>
Equity		<u>187,636</u>	<u>212,422</u>	<u>184,422</u>

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



Salford 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		436,615	450,000	432,728
Locally Raised Funds		132,931	107,600	124,493
International Students		15,805	2,000	20,044
Goods and Services Tax (net)		(2,421)	-	2,005
Payments to Employees		(243,053)	(235,700)	(288,209)
Payments to Suppliers		(298,534)	(277,901)	(285,158)
Cyclical Maintenance Payments in the Year		(7,069)	-	-
Interest Received		3,288	2,000	3,557
Net cash from / (to) the Operating Activities		<u>37,562</u>	<u>47,999</u>	<u>9,460</u>
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(23,095)	-	(38,073)
Purchase of Investments		(47,234)	-	18,421
Net cash from / (to) the Investing Activities		<u>(70,329)</u>	<u>-</u>	<u>(19,652)</u>
Cash flows from Financing Activities				
Finance Lease Payments		(2,633)	-	(754)
Net cash from Financing Activities		<u>(2,633)</u>	<u>-</u>	<u>(754)</u>
Net increase/(decrease) in cash and cash equivalents				
		<u>(35,400)</u>	<u>47,999</u>	<u>(10,946)</u>
Cash and cash equivalents at the beginning of the year	9	41,617	41,617	52,563
Cash and cash equivalents at the end of the year	9	<u>6,217</u>	<u>89,616</u>	<u>41,617</u>

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.

Salford School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

1.1. Reporting Entity

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

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.



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 17.

Recognition of grants

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

1.3. Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. Use of Land and Buildings Expense

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

1.5. Operating Lease Payments

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

1.6. Finance Lease Payments

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

1.7. Cash and Cash Equivalents

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



1.8. Accounts Receivable

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

1.9. Inventories

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

1.10. Investments

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

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

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

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

1.11. Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$1000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

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



Depreciation

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

The estimated useful lives of the assets are:

Building improvements – Crown	35 years
Furniture and equipment	5-15 years
Information and communication technology	4-10 years
Textbooks	15 years
Leased assets held under a Finance Lease	3-4 years
Library resources	12.5% Diminishing value

1.12. Impairment of property, plant and equipment and intangible assets

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

Non cash generating assets

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

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

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

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

1.13. Accounts Payable

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

1.14. Employment Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows



1.15. Revenue Received in Advance

Revenue received in advance relates to fees received from international students and other revenue 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.

1.16. Provision for Cyclical Maintenance

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

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

1.17. Financial Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

1.18. Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

1.19. Budget Figures

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

1.20. Services received in-kind

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



2. Government Grants

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	362,191	380,000	337,352
Teachers' salaries grants	1,120,836	1,120,836	1,033,952
Use of Land and Buildings grants	343,400	343,400	337,842
Other MoE Grants	74,424	70,000	81,809
	<u>1,900,851</u>	<u>1,914,236</u>	<u>1,790,955</u>

3. Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	38,921	43,000	26,931
Fundraising	-	-	3,861
Other revenue	30,252	33,500	50,257
Trading	4,797	-	6,429
Activities	58,817	31,100	56,997
	<u>132,787</u>	<u>107,600</u>	<u>144,475</u>
Expenses			
Activities	48,542	22,340	42,050
Trading	5,056	-	6,835
Fundraising (costs of raising funds)	-	-	2,011
Other Locally Raised Funds Expenditure	27,479	25,800	22,885
	<u>81,077</u>	<u>48,140</u>	<u>73,781</u>
<i>Surplus for the year Locally raised funds</i>	<u>51,710</u>	<u>59,460</u>	<u>70,694</u>

4. International Student Revenue and Expenses

	2017	2017	2016
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	1	1	1
Revenue			
International student fees	14,109	2,000	12,978
Expenses			
International student levy	177	-	-
Other Expenses	3,219	-	978
	<u>3,396</u>	<u>-</u>	<u>978</u>
<i>Surplus for the year International Students</i>	<u>10,713</u>	<u>2,000</u>	<u>12,000</u>



5. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	33,102	34,680	29,901
Equipment repairs	1,678	500	-
Information and communication technology	14,620	8,500	7,658
Library resources	1,339	4,500	29
Employee benefits - salaries	1,280,370	1,265,836	1,220,023
Staff development	6,003	15,500	11,375
	<u>1,337,112</u>	<u>1,329,516</u>	<u>1,268,986</u>

6. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,283	3,500	3,209
Board of Trustees Fees	3,413	6,000	2,620
Board of Trustees Expenses	5,065	8,000	13,286
Communication	4,237	4,700	4,611
Consumables	8,775	10,800	7,816
Operating Lease	23,167	23,000	26,949
Other	12,408	9,750	5,548
Employee Benefits - Salaries	63,010	63,700	60,458
Insurance	7,282	8,200	8,017
Service Providers, Contractors and Consultancy	2,361	2,600	2,237
	<u>133,001</u>	<u>140,250</u>	<u>134,751</u>

7. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	7,973	8,500	8,363
Consultancy and Contract Services	27,235	29,500	27,040
Cyclical Maintenance Provision	7,069	-	7,069
Grounds	4,015	4,000	3,739
Heat, Light and Water	19,101	19,500	18,415
Rates	2,931	3,180	2,755
Repairs and Maintenance	10,682	22,750	16,492
Use of Land and Buildings	343,400	343,400	337,842
Security	2,232	2,000	2,987
Employee Benefits - Salaries	25,361	27,000	22,730
	<u>449,999</u>	<u>459,830</u>	<u>447,432</u>

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



8. Depreciation of Property, Plant and Equipment

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	7,183	5,000	6,343
Furniture and Equipment	15,860	7,000	9,130
Information and Communication Technology	11,085	6,000	8,568
Leased Assets	2,269	1,000	801
Library Resources	1,199	1,000	1,175
	<u>37,596</u>	<u>20,000</u>	<u>26,017</u>

9. Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	5,501	89,616	20,942
Bank Call Account	716	-	20,675
Net cash and cash equivalents and bank overdraft for Cash Flow	<u>6,217</u>	<u>89,616</u>	<u>41,617</u>

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

10. Accounts Receivable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	7,248	7,668	7,668
Interest Receivable	480	76	76
Teacher Salaries Grant Receivable	68,621	59,623	59,623
	<u>76,349</u>	<u>67,367</u>	<u>67,367</u>
Receivables from Exchange Transactions	7,728	7,744	7,744
Receivables from Non-Exchange Transactions	68,621	59,623	59,623
	<u>76,349</u>	<u>67,367</u>	<u>67,367</u>

11. Inventories

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	1,277	1,302	1,302
	<u>1,277</u>	<u>1,302</u>	<u>1,302</u>

12. Investments

The School's investment activities are classified as follows:

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	93,813	46,579	46,579



13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	105,529	-	(1,300)	-	(7,183)	97,046
Furniture and Equipment	70,397	16,209	(1,407)	-	(15,860)	69,339
Information and Communication	33,990	4,087	-	-	(11,085)	26,992
Leased Assets	6,005	-	-	-	(2,269)	3,736
Library Resources	8,224	2,942	(2,979)	-	(1,199)	6,988
Balance at 31 December 2017	224,145	23,238	(5,686)	-	(37,596)	204,101

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	224,863	(127,817)	97,046
Furniture and Equipment	371,996	(302,657)	69,339
Information and Communication	276,674	(249,682)	26,992
Leased Assets	6,806	(3,070)	3,736
Library Resources	59,056	(52,068)	6,988
Balance at 31 December 2017	939,395	(735,294)	204,101

The net carrying value of equipment held under a finance lease is \$3,736 (2016: \$6,005)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Building Improvements	111,872	-	-	-	(6,343)	105,529
Furniture and Equipment	62,355	17,172	-	-	(9,130)	70,397
Information and Communication	22,517	20,041	-	-	(8,568)	33,990
Leased Assets	-	6,806	-	-	(801)	6,005
Library Resources	8,538	861	-	-	(1,175)	8,224
Balance at 31 December 2016	205,282	44,880	-	-	(26,017)	224,145

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Building Improvements	226,548	(121,019)	105,529
Furniture and Equipment	418,915	(348,517)	70,397
Information and Communication	292,030	(258,040)	33,990
Leased Assets	6,806	(801)	6,005
Library Resources	40,489	(32,265)	8,224
Balance at 31 December 2016	984,788	(760,643)	224,145



14. Accounts Payable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating creditors	19,659	4,090	4,090
Accruals	2,714	7,000	7,000
Employee Entitlements - salaries	88,461	75,441	75,441
Employee Entitlements - leave accrual	1,420	590	590
	<u>112,254</u>	<u>87,121</u>	<u>87,121</u>
Payables for Exchange Transactions	112,254	87,121	87,121
	<u>112,254</u>	<u>87,121</u>	<u>87,121</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees	8,761	7,065	7,065
Other	-	274	274
	<u>8,761</u>	<u>7,339</u>	<u>7,339</u>

16. Provision for Cyclical Maintenance

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	108,330	108,330	101,261
Increase to the Provision During the Year	7,069	-	7,069
Use of the Provision During the Year	(30,000)	-	-
Provision at the End of the Year	<u>85,399</u>	<u>108,330</u>	<u>108,330</u>
Cyclical Maintenance - Current	40,390	28,236	28,236
Cyclical Maintenance - Term	45,009	80,094	80,094
	<u>85,399</u>	<u>108,330</u>	<u>108,330</u>



17. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	2,634	2,633	2,633
Later than One Year and no Later than Five Years	1,646	4,281	4,281
Later than Five Years	-	-	-
	4,280	6,914	6,914

18. Funds Held for Capital Works

During the year the School received and applied funding from the Ministry of Education for the following capital works projects: No MOE projects in 2017

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
North Boundary Fence	<i>Completed</i>	-	12,165	12,840	675	-
Block B Floor Coverings	<i>Completed</i>	-	10,353	10,778	425	-
Totals		-	22,518	23,618	1,100	-

19. 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.



20. Remuneration

Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,413	2,620
Full-time equivalent members	0.16	0.26
<i>Leadership Team</i>		
Remuneration	454,864	388,357
Full-time equivalent members	5.00	4.00
Total key management personnel remuneration	458,277	390,977
Total full-time equivalent personnel	5.16	4.26

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 - Principal 1	120 - 130	90-100
Salary and Other Payments - Principal 2	0 - 0	30-40
Benefits and Other Emoluments	3 - 4	0 - 0
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2017 FTE Number	2016 FTE Number
110 - 120	-	-
100 - 110	-	-
	-	-

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

21. 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	-	-



22. Contingencies

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

23. Commitments

(a) Capital Commitments

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

(Capital commitments at 31 December 2016: nil)

(b) Operating Commitments

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

(a) operating lease of photocopiers and Laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	11,742	20,111
Later than One Year and No Later than Five Years	10,464	21,000
Later than Five Years	-	-
	<u>22,206</u>	<u>41,111</u>

24. 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.

25. 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	6,217	89,616	41,617
Receivables	76,349	67,367	67,367
Investments - Term Deposits	93,813	46,579	46,579
Total Cash and Receivables	<u>176,379</u>	<u>203,562</u>	<u>155,563</u>

Financial liabilities measured at amortised cost

Payables	112,254	87,121	87,121
Finance Leases	3,919	6,052	6,052
Total Financial Liabilities Measured at Amortised Cost	<u>116,173</u>	<u>93,173</u>	<u>93,173</u>

26. Events After Balance Date

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



Analysis of Variance Reporting 2017 – GOAL 1 WRITING

School name: Salford

School number: 4014

Strategic Aim: ENHANCE STUDENT ACHIEVEMENT

Annual Objective: To increase the number of students achieving at or above the national standard in reading.

Target: Increase the number of students achieving at or above the national standard in Writing to 85%.

Baseline data: At the end of 2016, 77% were achieving at or above the national standard. The year levels with the lowest achievement were – after 2 yrs (70%), Y4 (74%) and Y5 (59%). There were 38 boys and 16 girls below or well below standard in writing. 30% of boys were below or well below standard in writing. 53% of Maori boys were at or above standard.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance
<ol style="list-style-type: none"> 1. Identified target children. Reviewed achievement information from previous year's teachers and identified the specific learning needs of target students. 2. Made contact with families of the "target" children to advise them how they can support their children's learning in this area. 3. Differentiated instruction and teaching specific skills required by each group. 4. Writing assessment rubric used to identify learning needs and monitor progress. Assessment information shared with the children. 5. Use of technology to reduce barriers to success e.g. with presentation and spelling. 6. Ensured children are getting plenty of writing "mileage" . 7. Ensured that children were writing for a real audience and sharing their work. 8. Intervention with Accelerated Literacy Learning (ALL) programme for selected children (19) in Y3-6 classes. 	<p>Overall the percentage of children at/above increased from 77% in 2016 to 78% in 2017, a very slight improvement.</p> <p>While this is disappointing in regards to national standards results, significant progress was made by the 19 children involved in the ALL programme – e.g.</p> <ul style="list-style-type: none"> • Y3 students made an average gain of 98 scale score points compared to the expected 93 (from Assessment Resources Map • Y4 students average gain of 95 compared to 65 • Y5 students average gain of 95 compared to 51 • Y6 students average gain of 71 compared to 42 	<p><i>Why did we not achieve the 85% target?</i></p> <p>In essence, we underestimated the amount of progress required by many children to reach standard. The gap between current achievement and the national standard level was just too great for many children.</p> <p><i>What did work?</i></p> <p>Intervention with the Accelerated Literacy Learning (ALL) programme for selected children (19) in Y3-6 classes was successful for nearly all children involved.</p>
<p>Evaluation (where to next?) Planning for next year: Ensure children maintain progress by</p> <ul style="list-style-type: none"> - continuing with ALL on the same basis as for 2017 while extending from 5 to 6 classes - include children in ALL who have already demonstrated their commitment to improving their ability in writing - start a new intervention in writing which targets Y2/3 children and try to bridge the gap earlier 		

Analysis of Variance Reporting 2016 – GOAL 2 - MATHEMATICS

School name: Salford

School number: 4014

Strategic Aim: ENHANCE STUDENT ACHIEVEMENT**Annual Objective:** To increase the number of students achieving at or above the national standard in Mathematics.**Target:** Increase the percentage of Y6 (2017) students achieving at or above the national standard in Mathematics to 85%.**Baseline data:** 73% of Year 5 (2016) students achieved at or above the national standard. 9 children were below and 2 children were well below.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance
<ol style="list-style-type: none"> 1. Identified target children. Reviewed achievement information from previous year's teachers and identified the specific learning needs of target students. 2. Made contact with families of the "target" children to advise them how they can support their children's learning in this area. 3. Differentiated instruction and teaching specific skills required by each group. 4. Assessment information shared with the children. 5. Introduced Mathletics computer programme as part of the classroom and homework programme to raise student achievement. 6. Intervention with Accelerated Learning in Mathematics programme for selected children. This involved children being withdrawn for small group instruction in addition to their normal Mathematics programme. 	<p>The percentage of children at/above increased from 73% in 2016 to 86% in 2017.</p>	<ul style="list-style-type: none"> • Close attention to children's learning needs in the classroom programme • Additional learning opportunities through the ALIM programme for 8 children. • ALIM children were taught as small withdrawal groups and therefore had the full attention of the teacher and the environment to focus fully on their learning • Mathletics programme provided opportunities for ongoing practice. • Provision and use of helpful equipment made learning more visible and memorable
<p>Evaluation (where to next?) Planning for next year:</p> <ol style="list-style-type: none"> 1. Extend ALIM programme in 2018 in Term 3 to all Y3-6 classes. 2. Mathematics is our major PDL focus in 2018 and, under the guidance of our facilitator and our own Maths leadership staff, we aspire to improve our teaching in Mathematics in all classrooms. 		

SALFORD SCHOOL

BOARD OF TRUSTEES 2017

Name	Position	How Position on Board was gained	Term Expires	Occupation
Robin Harris	<i>Principal</i>	<i>Appointed May 2016</i>	<i>ongoing</i>	<i>Principal</i>
Mary Foley	<i>Board Chair</i>	<i>Elected June 2016</i>	<i>June 2019</i>	<i>Lawyer</i>
Darren Schwass	<i>Parent rep</i>	<i>Elected June 2016</i>	<i>June 2019</i>	<i>Production Manager</i>
Nicola Wills	<i>Parent rep</i>	<i>Elected June 2016</i>	<i>June 2019</i>	<i>Business Development Manager</i>
Sreeraj Balachandran	<i>Parent rep</i>	<i>Re-elected May 2013</i>	<i>June 2019</i>	<i>Chemical Engineer</i>
Greig Stephens	<i>Parent rep</i>	<i>Appointed April 2014</i>	<i>June 2019</i>	<i>Health & Safety Advisor/HR Consultant/Support</i>
Nicole Dawson	<i>Staff Rep</i>	<i>Elected June 2016</i>	<i>June 2019</i>	<i>Teacher</i>

Salford School



KIWISPORT – 2017

All Students at Salford School participated in organised sport during 2017 in a variety of forms i.e. through classroom programmes, visiting coaches, students visiting from a local secondary school facilitating a variety of sports for students to experience different sporting options.

Sports students have entered during 2017:

- Athletics
- X-Country
- Water polo
- Summer Football
- Cricket
- Touch
- Netball
- Miniball
- Volleyball
- Table Tennis
- Futsal
- Whack n Run (Squash)
- Golf
- Teeball/Softball
- Gymsports
- Badminton

In 2017 the school received Kiwi sport funding of \$3,434.96 (2016 \$3,271.93).

The funding was spent on:

Primary School Championship sport entries	287.82
Transport to Athletics venues and marking for field for Athletics events	883.49
Replacement sports equipment for classroom/student use	2514.13
Total expenditure	\$ 3,685.44