

# MASTERTON INTERMEDIATE SCHOOL



**MASTERTON**  
INTERMEDIATE SCHOOL

## FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2017**

School Address: 38 Intermediate Street, Masterton

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Ministry Number: 2909

# MASTERTON INTERMEDIATE SCHOOL

Financial Statements - For the year ended 31 December 2017

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# Masterton Intermediate School

## Statement of Responsibility

For the year ended 31 December 2017

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

\_\_\_\_\_  
Full Name of Board Chairperson

\_\_\_\_\_  
Full Name of Principal

\_\_\_\_\_  
Signature of Board Chairperson

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

# Masterton Intermediate School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Revenue</b>				
Government Grants	2	3,113,535	3,351,493	2,934,027
Locally Raised Funds	3	292,425	106,660	248,476
Interest Earned		595	-	2,310
Gain on Sale of Property, Plant and Equipment		-	-	1,114
		<u>3,406,555</u>	<u>3,458,153</u>	<u>3,185,928</u>
<b>Expenses</b>				
Locally Raised Funds	3	232,748	15,000	190,323
Learning Resources	4	2,298,267	2,364,158	1,911,565
Administration	5	173,980	208,240	198,200
Finance Costs		6,877	-	1,930
Property	6	718,344	695,487	721,295
Depreciation	7	56,500	-	34,681
Loss on Disposal of Property, Plant and Equipment		888	-	-
Transport		-	-	-
		<u>3,487,604</u>	<u>3,282,885</u>	<u>3,057,995</u>
<b>Net (Deficit) / Surplus</b>		(81,049)	175,268	127,933
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(81,049)</u>	<u>175,268</u>	<u>127,933</u>

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

# Masterton Intermediate School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
<b>Balance at 1 January</b>	553,521	553,521	421,984
Total comprehensive revenue and expense for the year	(81,049)	175,268	127,933
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	3,604
<b>Equity at 31 December</b>	472,472	728,789	553,521
Retained Earnings	472,472	728,789	553,521
<b>Equity at 31 December</b>	472,472	728,789	553,521

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

# Masterton Intermediate School Statement of Financial Position

As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	334,631	647,230	471,963
Accounts Receivable	9	117,174	99,096	99,096
GST Receivable		23,091	21,041	21,041
Prepayments		6,339	7,411	7,411
Inventories	10	-	678	678
Funds owing for Capital Works Projects	15	18,619	4,418	4,418
		<u>499,854</u>	<u>779,874</u>	<u>604,606</u>
<b>Current Liabilities</b>				
Accounts Payable	12	156,143	151,860	151,860
Finance Lease Liability - Current Portion		30,505	8,151	8,151
Funds held for Capital Works Projects	15	12,344	10,200	10,200
		<u>198,992</u>	<u>170,211</u>	<u>170,211</u>
<b>Working Capital Surplus/(Deficit)</b>		300,862	609,663	434,395
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	273,805	173,657	173,657
		<u>273,805</u>	<u>173,657</u>	<u>173,657</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	72,750	45,000	45,000
Finance Lease Liability		29,445	9,531	9,531
		<u>102,195</u>	<u>54,531</u>	<u>54,531</u>
<b>Net Assets</b>		<u>472,472</u>	<u>728,789</u>	<u>553,521</u>
<b>Equity</b>		<u>472,472</u>	<u>728,789</u>	<u>553,521</u>

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

# Masterton Intermediate School Statement of Cash Flows

For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		750,879	788,706	735,698
Locally Raised Funds		290,836	114,944	256,761
Goods and Services Tax (net)		(2,050)	(11,217)	(11,216)
Payments to Employees		(417,851)	(210,881)	(238,505)
Payments to Suppliers		(597,788)	(440,369)	(557,622)
Cyclical Maintenance Payments in the Year		(27,750)	(20,000)	-
Interest Received		595	(2)	2,309
Net cash from / (to) the Operating Activities		(3,129)	221,181	187,425
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		-	-	1,114
Purchase of PPE (and Intangibles)		(91,267)	(45,509)	(55,523)
Net cash from / (to) the Investing Activities		(91,267)	(45,509)	(54,409)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	3,604
Finance Lease Payments		(30,878)	17,682	(8,915)
Funds Held for Capital Works Projects		(12,058)	(18,087)	(18,087)
Net cash from Financing Activities		(42,936)	(405)	(23,398)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(137,332)</b>	<b>175,267</b>	<b>109,618</b>
Cash and cash equivalents at the beginning of the year	8	471,963	471,963	362,345
<b>Cash and cash equivalents at the end of the year</b>	8	<b>334,631</b>	<b>647,230</b>	<b>471,963</b>

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

# Masterton Intermediate School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2017

#### 1.1. Reporting Entity

Masterton Intermediate 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 11.

**MOORE  
STEPHENS**



### ***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 14.

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

### **1.10. Investments**

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

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

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

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

### **1.11. Property, Plant and Equipment**

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

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

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

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

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

### **Leased Assets**

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

### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements – Crown	30 years
Furniture and equipment	3–18 years
Information and communication technology	3 years
Leased assets held under a Finance Lease	3 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*

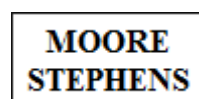
Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

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. Funds Held in Trust**

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

### **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, 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.

### **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	699,763	786,906	662,467
Teachers' salaries grants	1,864,626	2,100,000	1,691,785
Use of Land and Buildings grants	498,030	462,787	506,544
Other MoE Grants	40,414	1,800	56,619
Other government grants	10,702	-	16,612
	<u>3,113,535</u>	<u>3,351,493</u>	<u>2,934,027</u>

## 3. Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	11,144	8,660	9,966
Fundraising	11,556	18,000	9,157
Other revenue	8,934	26,000	8,514
Trading	1,123	2,000	3,174
Activities	254,265	51,000	217,665
Curriculum Recoveries	5,403	1,000	-
	<u>292,425</u>	<u>106,660</u>	<u>248,476</u>
<b>Expenses</b>			
Activities	229,074	11,000	181,961
Trading	2,500	2,000	7,314
Fundraising (costs of raising funds)	1,174	2,000	1,048
	<u>232,748</u>	<u>15,000</u>	<u>190,323</u>
<i>Surplus for the year Locally raised funds</i>	<u>59,677</u>	<u>91,660</u>	<u>58,153</u>

## 4. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	80,235	91,898	55,724
Information and communication technology	33,828	48,460	24,943
Library resources	51	4,000	108
Employee benefits - salaries	2,162,720	2,189,800	1,803,510
Staff development	21,433	30,000	27,281
	<u>2,298,267</u>	<u>2,364,158</u>	<u>1,911,565</u>

## 5. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,107	7,000	4,640
Board of Trustees Fees	2,400	4,000	3,105
Board of Trustees Expenses	-	500	3,651
Communication	3,674	8,100	8,989
Consumables	20,614	21,550	28,060
Operating Lease	36,532	69,290	29,486
Other	23,525	20,300	27,036
Employee Benefits - Salaries	78,831	75,000	86,519
Insurance	397	-	3,972
Service Providers, Contractors and Consultancy	3,900	2,500	2,741
	<u>173,980</u>	<u>208,240</u>	<u>198,200</u>

## 6. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	10,582	13,200	6,519
Consultancy and Contract Services	53,611	55,000	52,431
Cyclical Maintenance Provision	27,750	20,000	13,750
Grounds	9,017	10,000	7,841
Heat, Light and Water	34,531	31,500	37,001
Rates	9,987	10,000	-
Repairs and Maintenance	22,763	45,000	55,953
Use of Land and Buildings	498,030	462,787	506,544
Security	7,061	3,000	2,076
Employee Benefits - Salaries	45,012	45,000	39,179
	<u>718,344</u>	<u>695,487</u>	<u>721,295</u>

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

## 7. Depreciation of Property, Plant and Equipment

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	5,113	-	5,193
Furniture and Equipment	14,622	-	16,222
Information and Communication Technology	7,948	-	3,864
Leased Assets	26,068	-	6,460
Library Resources	2,749	-	2,942
	<u>56,500</u>	<u>-</u>	<u>34,681</u>

**8. Cash and Cash Equivalents**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	400	-	400
Bank Current Account	334,231	647,230	471,563
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>334,631</u>	<u>647,230</u>	<u>471,963</u>

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

Of the \$334,631 Cash and Cash Equivalents, \$12,344 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

**9. Accounts Receivable**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	1,589	-	-
Interest Receivable	2	2	2
Teacher Salaries Grant Receivable	115,583	99,094	99,094
	<u>117,174</u>	<u>99,096</u>	<u>99,096</u>
Receivables from Exchange Transactions	1,591	2	2
Receivables from Non-Exchange Transactions	115,583	99,094	99,094
	<u>117,174</u>	<u>99,096</u>	<u>99,096</u>

**10. Inventories**

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	-	678	678
	<u>-</u>	<u>678</u>	<u>678</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2017</b>						
Building Improvements	29,172	1,992	-	-	(5,113)	<b>26,051</b>
Furniture and Equipment	80,966	102,508	-	-	(14,622)	<b>168,852</b>
Information and Communication	5,113	4,084	-	-	(7,948)	<b>1,249</b>
Leased Assets	18,207	66,269	-	-	(26,068)	<b>58,408</b>
Library Resources	19,622	3,260	(888)	-	(2,749)	<b>19,245</b>
Work in Progress	20,577	-	(20,577)	-	-	<b>-</b>
<b>Balance at 31 December 2017</b>	<b>173,657</b>	<b>178,113</b>	<b>(21,465)</b>	<b>-</b>	<b>(56,500)</b>	<b>273,805</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2017</b>			
Building Improvements	78,521	(52,470)	<b>26,051</b>
Furniture and Equipment	312,623	(143,771)	<b>168,852</b>
Information and Communication	19,496	(18,247)	<b>1,249</b>
Leased Assets	90,936	(32,528)	<b>58,408</b>
Library Resources	60,109	(40,864)	<b>19,245</b>
<b>Balance at 31 December 2017</b>	<b>561,685</b>	<b>(287,880)</b>	<b>273,805</b>

The net carrying value of equipment held under a finance lease is \$58,408 (2016: \$18,206)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2016</b>						
Building Improvements	34,365	-	-	-	(5,193)	<b>29,172</b>
Furniture and Equipment	64,630	32,558	-	-	(16,222)	<b>80,966</b>
Information and Communication	8,977	-	-	-	(3,864)	<b>5,113</b>
Leased Assets	-	24,666	-	-	(6,460)	<b>18,207</b>
Library Resources	20,174	3,362	(973)	-	(2,942)	<b>19,622</b>
Work in Progress	-	20,577	-	-	-	<b>20,577</b>
<b>Balance at 31 December 2016</b>	<b>128,148</b>	<b>81,163</b>	<b>(973)</b>	<b>-</b>	<b>(34,681)</b>	<b>173,657</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2016</b>			
Building Improvements	76,528	(47,356)	<b>29,172</b>
Furniture and Equipment	206,032	(125,066)	<b>80,966</b>
Information and Communication	19,496	(14,383)	<b>5,113</b>
Leased Assets	24,667	(6,460)	<b>18,207</b>
Library Resources	59,543	(39,921)	<b>19,622</b>
Work in Progress	20,577	-	<b>20,577</b>
<b>Balance at 31 December 2016</b>	<b>406,843</b>	<b>(233,186)</b>	<b>173,657</b>



**12. Accounts Payable**

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operating creditors	26,648	39,927	39,927
Accruals	5,240	8,253	8,253
Employee Entitlements - salaries	115,583	99,094	99,094
Employee Entitlements - leave accrual	8,672	4,586	4,586
	<u>156,143</u>	<u>151,860</u>	<u>151,860</u>
Payables for Exchange Transactions	156,143	151,860	151,860
	<u>156,143</u>	<u>151,860</u>	<u>151,860</u>

The carrying value of payables approximates their fair value.

**13. Provision for Cyclical Maintenance**

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	45,000	45,000	31,250
Increase to the Provision During the Year	27,750	-	13,750
Provision at the End of the Year	<u>72,750</u>	<u>45,000</u>	<u>45,000</u>
Cyclical Maintenance - Term	72,750	45,000	45,000
	<u>72,750</u>	<u>45,000</u>	<u>45,000</u>

**14. Finance Lease Liability**

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

	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual
	\$	\$	\$
No Later than One Year	35,712	10,941	10,941
Later than One Year and no Later than Five Years	31,591	10,137	10,137
Later than Five Years	-	-	-
	<u>67,303</u>	<u>21,078</u>	<u>21,078</u>

## 15. Funds Held for Capital Works

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

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
MOE Replace Boiler Heating	<i>In progress</i>	(4,418)	-	10,001	-	(14,419)
MOE Electrical Upgrade	<i>In progress</i>	10,200	-	-	-	10,200
Medical Room	<i>In progress</i>	-	-	4,200	-	(4,200)
Classroom Improvements	<i>Completed</i>	-	21,407	19,263	-	2,144
Totals		5,783	21,407	33,464	-	(6,275)

### Represented by:

Funds Held on Behalf of the Ministry of Education	12,344
Funds Due from the Ministry of Education	18,619
	<u>(6,275)</u>

	2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Staffroom Heat Upgrade	<i>Completed</i>	708	-	708	-	-
Accessible Bathroom, Boundary	<i>Completed</i>	23,162	505	23,667	-	-
MOE Replace Boiler Heating	<i>In progress</i>	-	-	4,418	-	(4,418)
MOE Electrical Upgrade	<i>In progress</i>	-	37,887	27,687	-	10,200
Totals		23,870	38,392	56,480	-	5,783

## 16. Related Party Transactions

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

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

## 17. Remuneration

### Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	2,400	3,105
Full-time equivalent members	0.11	0.19
<i>Leadership Team</i>		
Remuneration	314,137	294,685
Full-time equivalent members	3.00	2.78
Total key management personnel remuneration	316,537	297,790
Total full-time equivalent personnel	3.11	2.97

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

### Principal

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

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	120-130
Benefits and Other Emoluments	1-2	1-2
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.

## 18. Compensation and Other Benefits Upon Leaving

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

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

## 19. Contingencies

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

## 20. 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 a photocopier;

	2017 Actual \$	2016 Actual \$
No later than One Year	15,045	27,961
Later than One Year and No Later than Five Years	-	15,045
Later than Five Years	-	-
	<u>15,045</u>	<u>43,006</u>

## 21. Managing Capital

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

## 22. Financial Instruments

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

### Loans and Receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	334,631	647,230	471,963
Receivables	117,174	99,096	99,096
Total Cash and Receivables	<u>451,805</u>	<u>746,326</u>	<u>571,059</u>

### Financial liabilities measured at amortised cost

Payables	156,143	151,860	151,860
Finance Leases	59,950	17,682	17,682
Total Financial Liabilities Measured at Amortised Cost	<u>216,093</u>	<u>169,542</u>	<u>169,542</u>

## 23. Events After Balance Date

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

MEMBERS OF THE BOARD OF TRUSTEES:

As at 31 December 2017

NAME	POSITION	HOW WAS POSITION GAINED	TERM EXPIRY DATE
Matthew BOGGS	Chairperson	Elected 2016	May 2019
Matthew SMITH	Treasurer	Elected 2016	May 2019
Jo DEAN	Human Resources	Elected 2016	May 2019
Garry BARTLETT	Health & Safety	Elected 2016	May 2019
Andrew FREEMAN	Property	Elected 2016	May 2019
Russell THOMPSON	Principal		
Amanda JOLLIFFE	Staff Representative	Staff elected	May 2019
Cam MAUNDER	Minutes Secretary		May 2019



## MASTERTON INTERMEDIATE SCHOOL: USE OF KIWI SPORT FUNDING 2017

There is a huge focus on increasing the number of students who are positively involved in sporting activities throughout their time here at Masterton Intermediate School. Use of the Kiwi Sport funding has enabled our school to involve teams in various sports and some Saturday competitions including:

- Cricket
- Netball
- Tennis
- Softball
- Ki O Rahi
- Canoe polo
- Soccer
- Hockey
- Rugby
- Volleyball
- Basketball
- Cross country

Funding was used towards our annual sports exchange with Havelock North Intermediate School which was hosted here in Masterton. Costs included hireage of a number of venues.

The funding was also allocated to Options Two programmes which include a sporting focus such as cricket, Ki O Rahi, Sports Alive and Tennis which allows students to try a wide range of sporting activities and bringing in specialist coaches for some of the sports.

Our school certainly appreciates the Kiwi Sport funding grant each year and we will continue to strengthen the number of students participating in a wide range of codes. We are also looking at ways in which our teams can achieve maximum levels of success in all competitions.

Kiwisport is a Government funding initiative to support students' participation in organised sport. During 2017, the school received total Kiwisport funding of \$5,738.00.

Yours sincerely,

Russell Thompson  
Principal  
Masterton Intermediate School

# ANALYSIS OF VARIANCE REPORTING, 2017

SCHOOL NAME:	MASTERTON INTERMEDIATE	SCHOOL NUMBER:	2909
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STRATEGIC AIMS:	<ul style="list-style-type: none"><li>• To know our students, so they engage in learning, achieve success against National Standards and realise their potential</li><li>• To ensure that the Maori Culture is alive and well at Masterton Intermediate School</li><li>• To promote the unique character of Masterton Intermediate School</li></ul>
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ANNUAL  
AIM:

- That students at Masterton Intermediate are engaged and successful learners who achieve excellence and contribute positively to society. (Vision from our School Charter)



**ANNUAL  
TARGETS:**

**Targets set for all students 2017 were as follows:**

- 77% of our students achieving At or Above the National Standard in Reading
- 64% of our students achieving At or Above the National Standard in Writing
- 65% of our students achieving At or Above the National Standard in Mathematics

**Targets set for Maori students 2017 were as follows:**

- 70% of our Maori students achieving At or Above the National Standard in Reading
- 60% of our Maori students achieving At or Above the National Standard in Writing
- 60% of our Maori students achieving At or Above the National Standard in Mathematics

**Targets set for Pasifika students 2017 were as follows:**

- 70% of our Pasifika students achieving At or Above the National Standard in Reading
- 60% of our Pasifika students achieving At or Above the National Standard in Writing
- 60% of our Pasifika students achieving At or Above the National Standard in Mathematics

**NATIONAL  
STANDARDS  
RESULTS,  
2017:**

**Achievement against National Standards for all students: 471 in June and 481 in November, 2017 was as follows:**

- 31.60% of all students achieved At or Above the National Standard in Reading in June
- 70.30 of all students achieved At or Above the National Standard in Reading in November
- *This was an improvement of 38.70% from June to November, 2017*
  
- 19.50% of our students achieved At or Above the National Standard in Writing in June
- 53.00% of our students achieved At or Above the National Standard in Writing in November
- *This was an improvement of 33.50% from June to November, 2017*
  
- 27.20% of our students achieved At or Above the National Standard in Mathematics in June
- 64.10% of our students achieved At or Above the National Standard in Mathematics in November
- *This was an improvement of 36.90% from June to November, 2017*

**Achievement against National Standards for Maori students: 153 in June and 155 in November, 2017 was as follows:**

- 24.20% of our Maori students achieved At or Above the National Standard in Reading in June
- 58.70% of our Maori students achieved At or Above the National Standard in Reading in November
- *This was an improvement of 34.50% from June to November, 2017*
  
- 17.00% of our Maori students achieved At or Above the National Standard in Writing in June
- 40.70% of our Maori students achieved At or Above the National Standard in Writing in November
- *This was an improvement of 23.70% from June to November, 2017*
  
- 26.20% of our Maori students achieved At or Above the National Standard in Mathematics in June
- 54.20% of our Maori students achieved At or Above the National Standard in Mathematics in November
- *This was an improvement of 28.00% from June to November, 2017*

**Achievement against National Standards for Pasifika students: 22 in June and 23 in November, 2017 was as follows:**

- 13.60% of our Pasifika students achieved At or Above the National Standard in Reading in June
- 56.50% of our Pasifika students achieved At or Above the National Standard in Reading in November
- *This was an improvement of 32.90% from June to November, 2017*
  
- 18.20% of our Pasifika students achieved At or Above the National Standard in Writing in June
- 47.80% of our Pasifika students achieved At or Above the National Standard in Writing in November
- *This was an improvement of 29.60% from June to November, 2017*
  
- 18.20% of our Pasifika students achieved At or Above the National Standard in Mathematics in June
- 43.50% of our Pasifika students achieved At or Above the National Standard in Mathematics in November
- *This was an improvement of 25.30% from June to November, 2017*

## STRATEGIC AIM 1

To know our students, so they engage in learning, achieve success against National Standards and realise their potential

Actions What did we do?	Outcomes What happened?
Culturally Responsive Practice	Our school coordinated Lead Teacher Days for the Masterton Cluster in Terms One and Three, 2017
Future Focused Teaching and Learning	Ellie Francis and Kate Hamill attended FFT&L Lead Teacher Days each term in 2017
Mind Lab	Eight teachers successfully completed the Mind Lab programme in 2017
Pause, Breathe, Smile	Four class teachers worked with Lesley Forrest to introduce this programme in 2017
Raspberry Pi	Four class teachers introduced this programme to their students in 2017

STRATEGIC AIM 2 - To ensure that the Maori Culture is alive and well at Masterton Intermediate School

<p>Actions What did we do?</p>	<p>Outcomes What happened?</p>
<p>“E matahi ana, e mataara” (Work together and be on to it.)</p>	<p>This whakatauki is now displayed in the foyer entrance way and students have gained an understanding of its meaning and significance.</p>
<p>Assigned support was provided to staff from a number of teachers</p>	<p>Staff continued to gain increased levels of confidence and capability to integrate te reo Maori me ona tikanga into their classrooms. Accurate pronunciation of Maori vocabulary and simple phrases continues to increase within our staff.</p>
<p>The school haka “Ko Wairarapa” was taught and performed by all students.</p>	<p>The syndicate haka competition was held in term one on Friday, April 6th.</p>
<p>A basic Te Reo Maori programme was taught in all classes with a focus on one unit per term being taught well for all students. These programmes align with each terms Inquiry.</p>	

<p>Our Kapa Haka roopu continued to gain strength in numbers and performing abilities.</p>	<p>Our kapa haka roopu performed with much pride and enthusiasm. This included a large number of powhiri as well as successful cultural exchanges with Havelock North and Tawa Intermediates.</p>
<p>Nga Tama Toa</p>	<p>Selected students participated in this programme for two days in term one at Waimanaaki, Riversdale and for one day in terms two (Masteron Intermediate), ter three (Lakeview) and term four (Fernridge)</p>

## READING

Reasons for the variance Why did it happen?	Evaluation Where to next?
<p>Our targets in Reading were for:</p> <ul style="list-style-type: none"><li>- 77% of all students</li><li>- 70% of Maori students and</li><li>- 70% of Pasifika students</li></ul> <p>to be achieving At or Above the National Standard in Reading by November, 2017</p> <p>Results were:</p> <ul style="list-style-type: none"><li>- 70.30% of all students (481 students)</li><li>- 58.70% Maori (155 students)</li><li>- 56.50% Pasifika (23 students)</li></ul> <p>The whole school target was missed by 7%</p>	<p>We will continue the Rotarian Readers programme which provides one-on-one support for students who are well below or below the National Standard in reading.</p>

## WRITING

Reasons for the variance Why did it happen?	Evaluation Where to next?
<p>Our targets in Writing were for:</p> <ul style="list-style-type: none"><li>- 64% of all students</li><li>- 60% of Maori students and</li><li>- 60% of Pasifika students</li></ul> <p>to be achieving At or Above the National Standard in Writing by November, 2017</p> <p>Results were:</p> <ul style="list-style-type: none"><li>- 53.00% of all students (481 students)</li><li>- 40.7% Maori (155 students)</li><li>- 47.80% Pasifika (23 students)</li></ul> <p>The whole school target was missed by 11%</p>	<p>Writers' Camp will take place in term 4 for students who have a real interest and ability in writing. This camp has traditionally been held at Castlepoint but we will consider other venues in 2017.</p>



## MATHEMATICS

Reasons for the variance Why did it happen?	Evaluation Where to next?
<p>Our targets in Mathematics were for:</p> <ul style="list-style-type: none"><li>- 65% of all students</li><li>- 60% of Maori students and</li><li>- 60% of Pasifika students</li></ul> <p>to be achieving At or Above the National Standard in Writing by November, 2017</p> <p>Results were:</p> <ul style="list-style-type: none"><li>- 64.10% of all students (481 students)</li><li>- 54.20% Maori (155 students)</li><li>- 43.50% Pasifika (23 students)</li></ul> <p>The whole school target was missed by only 0.9 % and was the highest result in mathematics in the five years of National Standards assessments here at Masterton Intermediate.</p>	<p>Mathletics programme to be available for all students again in 2018 with professional development sessions provided for class teachers each term.</p>

## PLANNING FOR NEXT YEAR. 2018:

Our school will continue to focus on improving the practice of all staff with the following professional development to be provided in 2018 to enhance student achievement and learning.:

**To know our students, so they engage in learning, achieve success against National Standards and realise their potential**

- Future Focused Learning – 2 lead teachers

**To ensure that the Maori Culture is alive and well at Masterton Intermediate School**

- Culturally Responsive Practice – 4 staff leading this initiative within the Masterton Primary Schools cluster

- All staff working with Norm Hewitt as our Culture Coach each term

**To promote the unique character of Masterton Intermediate School**

We will continue to strengthen the many programmes that contribute to the unique character of our school to enable our students to be “engaged and self-managing learners who interact positively in our community and have a desire to achieve success.” This will include academic, arts, cultural, EOTC, musical, sporting and technology programmes.