



# Northern Health School

## ANNUAL REPORT AND FINANCIAL STATEMENTS 2018



School	<b>Northern Health School</b>
Institution number	1210
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# CONTENTS

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<b>2</b>	<b><u>OUR SCHOOL</u></b>
<b>3</b>	<b><u>CHAIRPERSON'S REPORT</u></b>
<b>4</b>	<b><u>PRINCIPAL'S REPORT</u></b>
<b>6</b>	<b><u>BOARD AND STAFF</u></b>
<b>11</b>	<b><u>NORTHERN HEALTH SCHOOL CHARTER GOALS AND TARGETS ANALYSIS OF VARIANCE 2018</u></b>
<b>12</b>	<b><u>MISSION STATEMENT AND VALUES</u></b>
<b>13</b>	<b><u>SPECIAL CHARACTER STATEMENT</u></b>
<b>14</b>	<b><u>VARIANCE REPORT</u></b>
<b>25</b>	<b><u>ANNUAL ACCOUNTS 2018</u></b>
<b>26</b>	AUDITOR'S REPORT
<b>29</b>	STATEMENT OF RESPONSIBILITY
<b>30</b>	STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
<b>31</b>	STATEMENT OF CHANGES IN NET ASSETS/EQUITY
<b>32</b>	STATEMENT OF FINANCIAL POSITION
<b>33</b>	STATEMENT OF CASH FLOWS
<b>34</b>	NOTES TO THE FINANCIAL STATEMENTS

# OUR SCHOOL

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Northern Health School is one of three special state schools set up by the Ministry of Education to provide education support for students with high health needs. Our geographic region stretches from Ohakune to North Cape, including New Plymouth and Gisborne and areas to the south of both cities.

## OUR SERVICE

Once a student is admitted to our roll, our teachers develop an ILP (Individual Learning Plan) in consultation with the student, the student's regular teacher, parents, medical personnel and any other relevant people.

Students remain on the roll of their regular school while receiving assistance from NHS personnel. In most cases we also assist students with transition back to school as their medical situation improves.

We work with students in hospital, in their homes and in our own student support centres based at our various units. During the student's transition back to school process, we will sometimes work with them in their regular classroom for short periods in association with their class teacher.

## ELIGIBILITY

Students from years 1–13 who have been, or are expected to be, away from their regular school because of serious illness can receive support from Northern Health School teachers. If a student is not in hospital, their application for admission must be supported by a medical certificate from a registered medical practitioner.

## ENQUIRIES

Our Auckland office can be contacted by telephone on 09 520 3531 or, if you are out of Auckland, on 0800 153 002. Our postal address is Private Bag 99907, Newmarket, Auckland 1149. Our email address is [admin@nhs.school.nz](mailto:admin@nhs.school.nz). Each of our units can be contacted by telephone as listed below.

## LOCATION

Our administrative base is located at University of Otago House, 385 Queen Street (Level 6), Auckland City and our principal and deputy principal work from offices there. Our school extends across 18 locations, with two units based in major hospitals, some on the sites of local schools and others in commercial premises leased by the Ministry of Education. Most of our units include a student support centre where teachers can work with individuals or groups.

We have staff located at:

Auckland	University of Otago House, 385 Queen Street	(09) 520 3531 or 0800 153 002
Auckland	Auckland North Unit, Rosedale	(09) 520 7750
Auckland	Auckland Central Unit, Queen Street	(09) 520 3531 or 0800 153 002
Auckland	Auckland South Unit, Takanini	(09) 250 4567
Auckland	Child & Family Unit, Auckland Hospital	(09) 307 4949 ext 22515
Auckland	Ronald McDonald House, Auckland Hospital	(09) 303 1365 ext 866
Auckland	Starship, Auckland Hospital	(09) 309 7869
Auckland	Wilson Centre, Devonport	(09) 489 6526
Gisborne	c/o Kaiti School, Kaiti	(06) 868 9754
Northland	Rathbone Street, Whangarei	(09) 459 6068
Rotorua	Hinemoa Street	(07) 343 9921
Taranaki	Bonithon Avenue, New Plymouth	(06) 757 9245
Taupo	c/o Mountview School	(07) 378 5395
Tauranga	Fraser Street	(07) 578 2635
Thames	Mackay Street	(09) 520 3531
Waikato	King Street, Frankton, Hamilton	(07) 839 0516
Whakatane	c/o Apanui School	(07) 308 2526
Te Kahu Toi	Church Street, Penrose, Auckland	(09) 520 7706



# CHAIRPERSON'S REPORT

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The year has been both busy and rewarding, with the ongoing challenges of providing quality education to a steadily increasing student roll, year on year. The education sector has been under review by the new government and the challenges to the health sector, in terms of demand from students in the area of mental health, are still present. The change in government has seen some significant changes in direction and priorities with the Ministry of Education setting new targets and initiatives. The Board is committed to meeting these new priorities and ensuring our strategic plan incorporates this.

We have continued our partnership with the Ministry of Education in delivering the Te Kahu Toi programme. An external review of this service has been completed and the results reflect positively on the staff and leadership of the team. The challenges with resourcing and recruitment of suitably qualified staff with experience have been achieved with a stable team the result. The issue remains with getting more referral numbers through to the unit.

The Te Kahu Toi name was used by a number of other Ministry of Education units, so we sought advice and collaborations to create the new name called Te Awa, which was marked by a celebration event at the unit with key stakeholders present.

The board, as in previous years, includes meetings outside of the NHS main offices. This year the board visited Taupo and Rotorua teaching units. This provided opportunities for new and current trustees to familiarise themselves with NHS regional units and valuable opportunities for them to meet with principals and staff of host schools. I wish to commend staff of the sites visited this year for their hospitality and commitment in providing quality education.

The board, as part of its strategic plan and direction, reviewed and created a mission statement, ***Te Puna Whakatipu – a place to grow and thrive***. The board is particularly proud of the consultative process that led to the change and feel this statement represents its aspirations for the school.

There have been numerous networking and collaborations throughout the year, with the combined health schools board chairs and principals connecting regularly by teleconferences. Their annual conference provides opportunities for the three health schools boards to share and debate issues of common interest and/or concerns, plus any innovations each school has undertaken. The board sent four members to the annual School Trustee Association conference, held this year in Rotorua. This was a great opportunity to learn from the variety of presenters with topics including governance, education, best practice, board training, case studies and technical issues, as well as meeting other school board members and spreading the word about Northern Health School and what we do.

During the year the board reviewed its membership and especially the skills represented. Details of these needs were sent to the Ministry to assist in the Minister's decision-making in regard to the board appointment process. The Ministry advised that the board could make no further co-options, so the membership remains unchanged from last year.

I wish to give thanks to the strong leadership displayed by principal, Richard Winder, and to his senior management team and all NHS staff for their commitment and hard work throughout the year and acknowledge the valuable contribution of the school's administration team led by Business Manager, Jan Carlson. I also wish to gratefully acknowledge the resource, knowledge and skills displayed by my fellow trustees with their sound decisions made at governance level.



**MICHAEL STOWERS**  
Board Chair

**TAGALOA MICHAEL STOWERS cā**  
Board Chair

# PRINCIPAL'S REPORT

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2018 has been a challenging as well as a positive year. We have managed to live within our means in terms of the budget and staffing and a larger than ever cohort of young people were supported by our ever growing team of teachers, psychologists and support staff.

## STAFFING, ROLLS AND LEADERSHIP

Once again we comment that the school roll has risen and that we have more students on the roll with mental health diagnoses than ever before. 2018 is no different and the increase in student numbers continues as before. In previous years some units numbers remained static while others rose. In 2018 all community units have seen some growth and this has led to challenges in terms of space and staffing.

Each year a key goal in our charter is to be prepared for the annual doubling of the roll. This year the preparation has been hampered by the teacher shortage, especially in Auckland. In past years we have always had a strong field of applicants for any job, anywhere in the school, but in the second half of 2018, this was not the case in Auckland where we have struggled to find staff to meet the growing roll numbers.

Our senior management team has been augmented this year by the appointment of deputy leaders and in some cases an extra deputy leader for the second half of the year. This has given support to our larger units and especially to the leaders of those teams. My thanks goes to our teaching staff whose flexibility makes it possible to offer a high level of service to students and to the leaders who make it happen.



**RICHARD WINDER**  
NHS Principal

## STUDENT PROGRESS

One measure of the effectiveness of the school is to compare the achievement of our students with the national average for NCEA. This year the results again show that despite being unwell, our students achieve at the same or usually a higher rate than their peers. Changes to our school database have made it possible to import NZQA data and use the power of the database to manipulate it. This has made the role of the principal's nominee much easier.

## INFRASTRUCTURE

2018 saw the school consolidate our IT network and start to take advantage of the improvements made last year. We are now using OneNote and Teams to provide a backbone of communication and secure on-line storage for the school. It has been interesting to see the early adopters in the school finding all sorts of interesting and creative uses for these resources.

## PROFESSIONAL DEVELOPMENT

Kerry Watkins continues to lead the school's professional development programme which has included two Ministry of Education professional development contracts. These have seen outside facilitators working with our staff across the school. The challenge here has been to meet the needs of the staff in so many different locations but, with some travel and plenty of good will, the contracts have worked well.

Our in-house professional development programme has continued with all staff coming to Auckland for a comprehensive programme early in the year and a series of regional programmes later in the year.

We have successfully instituted a school wide appraisal system based on an inquiry based model. This is in part based upon the THRiLs groups of last year and sees teachers using inquiry to improve their practice.

## PROPERTY

Progress with property has been frustratingly slow and while we now have a new home in Kaitia, the Whakatane, Tauranga and Whangarei teams are still in the same overcrowded conditions they had before, but with more students and staff. The board and I would like to thank the staff in these teams for their perseverance and patience.

Our thanks also to the board and staff of Kaitia Intermediate School for making us feel welcome. We love the new space and look forward to seeing it fitted out during 2019.

## **TE AWA**

This year has seen the Te Kahu Toi unit change its name to Te Awa, to differentiate it from the Ministry wraparound Te Kahu Toi programme. The unit underwent an external review and the results of this have been positive and pleasing. It has been great to see the young people in the unit growing in confidence and moving back into mainstream schooling.

## **COLLABORATION**

The three health schools continue to work closely together, with a combined boards conference each year hosted by each school in turn and regular meetings of senior staff. This gives us the ability to share innovations and to collaborate in ways other schools struggle to match.

## **THE BIGGER PICTURE**

It has been a challenging year with a range of reviews across the sector as well as the first industrial action by teachers for some time. This last has again highlighted the way health schools differ from the mainstream in that we employ staff on both the primary and secondary collective agreements.

It has been interesting looking in depth at the way the system works and how we fit into it, through each of these reviews. We look forward to seeing what changes are proposed and to improving outcomes for learners.

2019 will see a new board appointed so my grateful thanks to the board for your support and to the staff for the professional way the team works to provide education support for our students.

## **RICHARD WINDER**

**Principal**



# BOARD AND STAFF

## BOARD OF TRUSTEES 2018

POSITION	NAME OF TRUSTEE	STATUS	TERM EXPIRES	OCCUPATION
Chairperson	Michael Stowers	Ministerial appointment	May 2019	Chartered Accountant
BOT member	Richard Winder	Principal	Ongoing	Northern Health School
BOT member	Rachael Mason	Ministerial appointment	May 2019	Director of Human Resources
BOT member	Margi Watson	Ministerial appointment	May 2019	Local Body Councillor
BOT member	Rosemary Gormack	Staff appointed	May 2019	Teacher
BOT member	Polly Smith	Co-opted	May 2019	Tertiary Student
BOT member	Raj Kershaw	Co-opted	May 2019	Chartered Accountant



**MICHAEL STOWERS**  
Chairperson



**RICHARD WINDER**  
Principal



**RACHAEL MASON**  
Trustee



**MARGI WATSON**  
Trustee



**ROSEMARY GORMACK**  
Staff Trustee



**POLLY SMITH**  
Trustee



**RAJ KERSHAW**  
Trustee



## STAFF MEMBERS 2018

NAME	POSITION	LOCATION/UNIT
Richard Winder	Principal	Queen Street
Kerry Watkins	Deputy Principal	Queen Street
<b>SUPPORT STAFF</b>		
Jan Carlson	Business Manager	Queen Street
Christine MacKenzie	Administration support	Queen Street
Francis Kerrigan	Administration support	Queen Street
Lucy Wongso	Roll administrator	Queen Street
Lynda Lindsay	Administration support	Queen Street
Tracy Grieve	Administration support	Queen Street
Alison Wells	Teacher aide / administration support	Auckland Central
Lin Song	Teacher aide / administration support	Auckland Central
Suzie Thomson	Teacher aide / administration support	Auckland Central
Rachel Brabant	Teacher aide / administration support	Auckland North
Sharon Henaghan	Teacher aide / administration support	Child & Family
Kylie Taylor	Teacher aide / administration support	Gisborne
Louise O'Hagan	Teacher aide / administration support	Northland
Virginia Whittle	Teacher aide / administration support	Northland
Jocelyn Eaddy	Teacher aide / administration support	Ronald McDonald House
Janene Arden	Teacher aide / administration support	Rotorua
Mary O'Carroll	Teacher aide / administration support	South Auckland Unit
Karen Brumfit	Teacher aide / administration support	Starship
Kelly Redman	Teacher aide / administration support	Starship
April Leng	Teacher aide / administration support	Taranaki
Carla McKenna	Teacher aide / administration support	Taupo
Heather Spalding	Teacher aide / administration support	Tauranga
Janine Henderson	Teacher aide / administration support	Tauranga
Jocelyn Coppins	Administration support	Te Kahu Toi
Lindsay MacGilvray	Teacher aide	Te Kahu Toi
Puriri Koria	Teacher aide	Te Kahu Toi
Stephanie Hinson	Teacher aide / administration support	Thames
Carmel Jesney	Teacher aide / administration support	Waikato
Elizabeth Allan	Teacher aide / administration support	Waikato
Bronwyn Kamphorst	Teacher aide / administration support	Whakatane
Lara Ross	Teacher aide / administration support	Wilson Unit
<b>AUCKLAND CENTRAL</b>		
Jane Marsden	Associate Principal	
Alison Bowden	Teacher	
Ann Tucker	Teacher	
Bernadette Phillips	Teacher	
Cushla Brown	Teacher	
Elaine Costello	Teacher	
Felicity Timings	Teacher	
Fiona McKinlay	Deputy Leader	
Gillian Holdcroft	Teacher	
Hannah Macfarlane	Teacher	
Ian Hunter	Teacher	
Natalie Paltridge	Teacher	
Nicola Maddox	Teacher	

NAME	POSITION	LOCATION/UNIT
<b>AUCKLAND CENTRAL continued</b>		
Phyllis Walker	Teacher	
Piali Dasgupta	Teacher	
Sharon Holderness	Teacher	
Shelley Scarlett	Teacher	
Stephanie Todman	Teacher	
Stuart Frost	Teacher	
<b>AUCKLAND NORTH</b>		
Joanne Anderson	Associate Principal	
Anna Benton-Guy	Teacher	
Chrissy Marshall	Teacher	
Craig Halonen	Deputy Leader	
Erin Norris	Teacher	
Hannah Terstappen	Teacher	
Jody Grasby	Teacher	
Julie Brown	Teacher	
Kiri Fitt	Teacher	
Raewyn Quist	Teacher	
Sherida Penman Walters	Teacher	
<b>CHILD &amp; FAMILY</b>		
Gaynor Brown	Senior Teacher	
Stuart Frost	Teacher	
<b>GISBORNE</b>		
Rebecca Cowper	Teacher – Unit Leader	
<b>NORTHLAND</b>		
Karen Abel	Associate Principal	
Ann Reina Cabrera	Teacher	
Guy Muller	Teacher	
Ian Woon	Teacher	
Jenny Sergeant	Teacher	
Jo Reddy	Teacher	
Joanna Mandeno	Teacher	
Kelly Middleton	Teacher – Deputy Leader	
Kirstie Andrews	Teacher	
Linda Nash	Teacher	
Lynette Cohen	Teacher	
Monique Cross	Teacher	
Muriel Willem	Teacher	
Robyn Bint	Teacher	
Roz O'Shea	Teacher	
Tasma Skinner	Teacher – Deputy Leader	
Terrienne Duff	Teacher	
Valarie Carter	Teacher	
<b>RONALD MCDONALD HOUSE</b>		
Marion Nevin	Team Leader	
<b>ROTORUA</b>		
Karen Gillespie	Senior Teacher	
Jo van der Maas	Teacher	
Karen Archer	Teacher	
Mary Carroll-Jones	Teacher	
Vicki Whibley	Teacher	

NAME	POSITION	LOCATION/UNIT
<b>SOUTH AUCKLAND</b>		
Estelle Hunter	Associate Principal	
Briar Palmer	Teacher	
Esther Williams	Teacher	
Hinemoa McCawe	Teacher	
Janet Walter-Kerr	Teacher	
Samoa Meyer	Teacher	
<b>STARSHIP</b>		
Jan Melbourne	Associate Principal	
Emma Hopner	Teacher	
Jennifer O’Leary	Teacher	
Joanna Shanks		
Laura Webster	Teacher	
Marianne Senn	Teacher	
Rosemary Gormack	Teacher	
<b>TARANAKI</b>		
Viv Clark	Teacher – Unit Leader	
Kathleen Saso	Teacher	
Kumari King	Teacher	
Rachel Roberts	Teacher	
Richard Meikle	Teacher	
Tracey Cocker	Teacher	
<b>TAUPO</b>		
Maaike Clapcott	Team Leader	
Christine Clapcott	Teacher	
Clare Webber	Teacher	
Kate Fowler	Teacher	
<b>TAURANGA</b>		
Robyn Meikle	Associate Principal	
Abbey Honey	Teacher – Deputy Leader	
Bronwyn Waterhouse	Teacher	
Christine Mason	Teacher	
Jordana Phillips	Teacher	
Karla Revel	Teacher	
Kiely Cummings	Teacher	
Lee Palmer	Teacher	
Margaret O’Donnell	Teacher	
Sharlene Petersen	Teacher – Deputy Leader	
Shona Woodhead	Teacher – Senior Leadership	
Tanya Gray	Teacher	
Tui Hambrook	Teacher	
Wendy Hamilton	Teacher	
<b>THAMES</b>		
Megan Smith	Team Leader	
Yvonne Tingle	Teacher	
<b>WAIKATO</b>		
Michelle Hamilton	Associate Principal	
Alison Hepburn	Teacher	
Cheryll Robertson	Teacher	
Heather-anne Lang	Teacher	

NAME	POSITION	LOCATION/UNIT
<b>WAIKATO continued</b>		
Janie Meyer	Teacher	
Jenna van Rijen	Teacher	
Jenny Macdonald	Teacher	
Les Davidson	Teacher	
Meika King	Teacher	
Melissa Donaldson Seath	Teacher	
Miriam Deuschle	Teacher	
Nicola Lumsden	Teacher	
Rosemary Skelton	Teacher	
Sarah Neal	Teacher	
Sue McLeish	Teacher	
Tracey Bourke	Teacher	
<b>WHAKATANE</b>		
Beth Radcliffe	Team Leader (acting)	
Christine Hennessy-Prinz	Teacher	
Kuratu Hingston	Teacher	
Rochelle Salt	Teacher	
Ruth Vullings	Teacher	
Trudie John	Teacher	
<b>WILSON</b>		
Annette Mitchell	Teacher	
Lynn Godfrey	Teacher	
<b>TE KAHU TOI</b>		
Mia Dabbous	Unit Manager	
Ashwin Mathur	Psychologist	
Deborah Saxon	Psychologist	
Erin Zhai	Facilitator	
Kate Silby	Teacher	
Karena Korcia	Facilitator	
Lara Morton	Facilitator	
Pineio Diamanti	Psychologist	
Rona Linde	Psychologist	
Rose Down	Teacher	
Rosie Curwen	Facilitator	

## GOOD EMPLOYER REPORT

The Board's employment policy and procedures have been followed with all appointments made during the year. Staff have been selected with a view to the best person to meet the needs of the unit and the students. All units have started the year with a minimum of 80% permanent teaching staff and this has been reviewed and positions advertised and filled as per the policy. The Board's EEO procedures have been followed and a fair and transparent process has been used for all appointments.



## Northern Health School

CHARTER GOALS AND TARGETS

ANALYSIS OF VARIANCE

2018

# MISSION STATEMENT

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Through partnership and innovation we inspire and enrich quality continuous individualised learning.

# VALUES

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**COMMITMENT** to learning and the learner

**COMPASSION** inherent in all that we do

**ACHIEVEMENT** through setting and achieving learner centred goals

**RESPECT** for culture, diversity and each other

**EQUITY** of opportunity for all learners

# VISION

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The learner is the reason and the focus of all we do.

Every learner receives an education, no matter what their illness, where they live, or what path they want to follow.

The learners' voices and choices are central to everything.

High quality staff deliver consistency and cohesiveness across the school.



# SPECIAL CHARACTER STATEMENT

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Northern Health School (NHS) is governed by a Ministerially appointed Board of Trustees and provides education for school-aged learners unable to attend their school of enrolment due to serious illness. Learners are admitted to NHS while remaining enrolled at their School of Enrolment (SE).

The school also has responsibility for students with behavioural challenges through the Te Kahu Toi initiative in Auckland.

NHS teachers provide learning programmes from years 1 to 13 in homes, hospitals, support centres and other suitable environments. An individual learning plan (ILP) is developed in association with the learner's regular school, medical teams, caregivers and other interested parties. Full curriculum coverage is not always appropriate due to the effects of illness. The focus is on the learner's education progress and transition to school, employment or tertiary study, while taking into account relevant health factors.

It is the responsibility of the school at which the individual learners are enrolled to report on their progress and achievement in relation to National Standards or Ngā Whanaketanga Rumaki Māori. NHS teachers provide assessment information to assist the school of enrolment in meeting these requirements.

Reporting on progress to learners, parents and the regular school, is through the ILP, while aggregated information is prepared for the Northern Health School Board of Trustees. As health conditions and time on the roll vary greatly, it is not possible for NHS to report on progress in relation to a school-wide age or year level cohort. NHS measures student progress against the achievement of their individual ILP curriculum goals and national norms and averages.

## NHS EMBRACES THE PRINCIPLES OF THE TREATY OF WAITANGI

The Northern Health School aims to provide programmes that reflect and include Te Reo Maori and Tikanga Maori, and which include reference to New Zealand's unique cultural heritage and diversity. The Northern Health School aims to accommodate students who are enrolled in bilingual classroom situations and full immersion Kura Kaupapa.

Where students have been instructed in Te Reo Maori at their school of enrolment, NHS staff will take all reasonable steps to facilitate this. These steps may include the use of programmes provided by Te Kura (the Correspondence School), the student's school of enrolment and our own staff and learning resources.

School community consultation is undertaken at an individual family level, alongside the ILP process. Individual goals and programmes that meet the needs of the student educationally, culturally and in terms of their illness are agreed.

NHS staff participate in professional development, including the Ka Hikitia strategy. NHS employs staff with specific responsibility for this area, to increase their awareness and skill in making programmes of work and their delivery culturally appropriate.

# VARIANCE REPORT

## Strategic Area 1: PEDAGOGY, LEARNING AND THE CURRICULUM

### KEY STRATEGIC THREE YEAR GOAL:

The Board supports the staff in the provision of high quality learning outcomes for all students.

### LONG TERM GOAL 1

All programmes are learner focused.

PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Identify best practice across the three health schools and share with all staff.	SMT	Reported Dec 2018	February: Discussions planned with the other two health schools regarding shared PD. March: Three principals and DPs discussed sharing expertise. Three DPs will coordinate a plan. August: Shared professional development plan at Combined Boards Conference.	Planning is well advanced between the three schools to allow collaboration and professional sharing across the three schools. This will include attendance at each school's PD from the selected staff from the other two.
Identify ways to improve students' participation in transition goal setting.	Principal	Term 3 2018	Data being collected through the student satisfaction survey.	Transition goal setting responses from the student satisfaction survey show more than 50% of students believe they have at least an equal role in setting goals with their NHS teacher.
Coordinate professional development to support learner-focused programmes.	DP	Reported Dec 2018		This has been facilitated through the LPF MoE contract, as well as whole school and regional PD sessions across the school.
OPERATIONAL TARGETS				
<b>Targets 2018</b>	Student data shows they perceive themselves having more than 60% input into programme planning.			Overall 64% of student responses show students have at least 50% input into the setting of goals for their programme.
	There is programme consistency across the school.			
<b>Evaluation and Future Directions</b>	<p>Best practice is being shared across the Northern Health School and between the three health schools, using a combination of online and face-to-face methods. It has been agreed that attendance at professional development sessions offered by each school will be open to the other schools during 2019.</p> <p>Student goal setting continues to show a high level of engagement from students and the target of students believing they have at least an equal share in the process has been met.</p> <p>A combination of Ministry contracted PLD and our own programmes has been used to provide a coordinated focus on development. There are some hours of Ministry funding that we are able to carry over into 2019 and intend to make use of these across the school.</p>			

LONG TERM GOAL 2				
Innovation is encouraged and best practice shared.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Collect and share ways of using on-line learning tools more effectively.	Specific MU holders	Reported Dec 2018	September: A small THRils team are working on using Skype for Business, Google hangouts and facetime to support student learning.	A number of THRils teams have worked on sharing and developing on-line learning skills. There are a range of tools being used, including Skype for Business, Google Hangouts and Facetime.
Develop new ways of sharing best practice.	SMT	Reported Dec 2018	Face-to-face senior staff meeting and THRils team are working well in this regard. Development of the curriculum section in Teams is well advanced.	Ministry PLD contracts, THRils, senior staff face-to-face sessions and Teams have all been used to facilitate the sharing of ideas from within the school and from outside facilitators.
Provide staff development in the use of Skype for Business to enhance learning and increase teacher contact time.	Senior Staff	Reported Dec 2018	The Thrills team are sharing their skills with others in their teams and across the school.	Support and specific sessions have been provided to staff as well as an expectation that we will use these for admin purposes as well as for student learning. Teacher confidence and capability seems to have increased.
LONG TERM GOAL 3				
Transition planning informs learning programmes				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Report against transition goals set with/by students.	Principal and DP	Reported Dec 2018	February: Discussions with eTAP under way to provide a template.	August: Draft report format presented to the Board. A full report will be included in the annual curriculum reporting to the Board.
Collect and share transition stories across the school.	SMT	Term 2	Term 3: Units collecting transition stories and recording in Teams.	There is now a document in Teams where staff are adding good transition stories with notes on the strategies which were successful.
LONG TERM GOAL 4				
Learning systems are enhanced and expanded, improving student opportunities for digital learning.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Improve staff skill and confidence in the use of tablet technology.	MU holder	Reported Dec 2018		Touch-enabled laptops/tablets have been deployed as older laptops are replaced. More staff are now taking these devices on the road and to meetings, including senior staff meetings.
Transition the school to Office 365.	SMT and MU holders	Reported Dec 2018	February: OneNote set as the platform for appraisal in Office 365. March: Whole school PD focus on OneNote for appraisal and Teams for collaboration.	All staff have their personal drives in Office 365. OneNote is the vehicle for all appraisal across the school and Teams is being used for school-wide collaboration and communication. The staff drive has also been relocated to Teams and is called Whakahaerenga. All school-wide documentation is now stored in this way.

LONG TERM GOAL 4 continued				
Develop school-wide systems using Teams.	SMT and Unit holders	Reported Dec 2018	March: Teams shared with staff at PD. Teams established for all staff, senior management team and administration.	Term 3: Senior staff, whole staff and various curriculum, PD and leadership teams established. The staff drive, admin drive and all personal drives are now in Teams.
Develop more effective assessment and recording systems.		Reported Dec 2018	March: Assessment contract under way. Focus on learning progressions.	LPF training has focused on assessment and the progressions.
CURRICULUM TARGETS (NHS curriculum targets only apply to students well enough or on the roll long enough to be assessed.)				
<b>Targets 2018</b>	All teaching staff can use Office 365.			Met
	80% of Y 1-8 students show progress greater than their increase in age on standardised assessment in English and Maths.			Met
	Y 1-8 section 9 students have National Standards reporting included in their ILP.			Not applicable: National Standard reporting is no longer a requirement for schools.
	Schools of Enrolment for dual enrolled students in Y 1-8 receive data to assist in National Standards reporting.			Not applicable: National Standard reporting is no longer a requirement for schools.
	NCEA results are equal to or better than the national average for the subject.			Met
	Maori and Pasifika NCEA results are better than the national average and equal to European students' achievement.			Maori and Pasifika results are above the national average and closer to those of European students on the roll.
<b>Evaluation and Future Directions</b>	<p>The set of online tools available to staff has been increased and staff are more able to make use of them to support the learning of students across the school. Online learning is becoming a much more embedded part of Te Kura programmes and this has helped staff to expand their skills in this area.</p> <p>Skype for Business and Teams are becoming more embedded in the way the school operates and most staff are now able to make use of Teams, but there is more work to be done in this area.</p> <p>A transition goal-reporting mechanism has been developed and this has highlighted the need to work on more consistency of transition goals across the school. The LPF Ministry contract has led to more understanding of the progressions and for 2019 we will appoint a curriculum leader to progress this further.</p>			

## Strategic Area 2: **CULTURAL**

### KEY STRATEGIC THREE YEAR GOAL:

Maori and Pasifika achievement is at least as high as achievement from other ethnic groups.

*Ministry of Education Priority One: Improving education outcomes for Maori and Pasifika students.*

### LONG TERM GOAL 1

Maori and Pasifika staff recruited.

PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Recruit staff with appropriate qualifications through community consultation.	Principal	Reported Dec 2018	March: AKN and AKC advertised for maths and science skills. Term 2 and 3: Staff recruited to respond to roll increases in all the large units.	Despite up to 40% roll growth in some places, all units have been able to increase their staffing, although this has been challenging. In term 3, decisions have been initiated regarding unit staffing needs for 2019 and advertising for permanent and fixed-term staffing commenced earlier than in past years. November: Appointments have been finalised for 2019 staffing across the school.

### LONG TERM GOAL 2

A balance of Board members maintained.

PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Review the balance of ethnicity, gender, regional representation and skills and co-opt as necessary.	Board	Term 1		Term 2: Decision made not to recruit any further Board members.

### OPERATIONAL TARGETS

<b>Targets 2018</b>	There is a balance of ethnicity within the Board.			Met
	There is a gender balance within the Board.			Met
	The Board contains a range of experience and skill.			Met
<b>Evaluation and Future Directions</b>	Despite the challenges inherent in the Auckland region in terms of staff availability, the school has been fully staffed for the year. Advertising has included skills and experience identified for the team concerned. The Board have reviewed the composition and skills balance of members and have provided the Ministry with areas for consideration during the 2019 appointment process. Following advice from STA and the Ministry it was decided not to co-opt any further members during the year as this would not meet the requirements of the Act.			

### LONG TERM GOAL 3

Learning needs for each student are met in a culturally appropriate manner.

PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Develop staff capability through school-wide PD.	Principal and DP	Reported Dec 2018	March: The idea of a school waka as an analogy for what we do, shared with the school and the Board.	Waka concept has been discussed and refined and artistic possibilities for its depiction are in place. Whole school PD included cultural practice as well as new learning.
Embed cultural practice in the way the school operates.	SMT and Unit Holder	Reported Dec 2018	Term 3: All school-related PD and other meetings opened and closed with karakia.	All formal meetings across the school include culturally appropriate opening, closing and blessings. All staff have personal goals to improve their capability.
Develop resources for staff working with Maori and Pasifika students and evaluate the effectiveness of these resources.	MU holder	Reported Dec 2018		Resources have been collected and shared with staff. This material has been included in the new Teams format for easy access by staff.

### Strategic Area 3: PEOPLE AND PROPERTY

#### KEY STRATEGIC THREE YEAR GOAL:

High quality staff, leadership and infrastructure provide for the cultural and achievement needs of learners.

#### LONG TERM GOAL 1

##### National and international relationships maintained and extended.

PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Continue professional development and dialogue nationally and internationally.	Principal and DP	Reported Dec 2018		NHS has positive relationships with schools, people and organisations across the world. These include HELP, HOPE and a range of professionals from Europe, Australasia and within New Zealand. Relationships between the three NZ health schools are closer than in the past and the Principals and deputy leadership staff are actively working together in a number of important areas.
Senior staff participate in HOPE Conference.	Principal and DP	April 2018	HOPE Conference bookings under way.	Term 2: Principal attended the HOPE Congress and report presented to the Board. In term 3 conference findings have been the basis of the Principal's meetings with each unit across the school.
Participate in the development of an academic journal to publish research in the field of education of students with illness.	Principal and DP	Term 3	February: Final draft of proposal for the journal ready for publishers.	Term 2: Professional organisations from several countries have agreed to fund the journal and an agreement drafted and signed.
Develop and maintain positive relationships with MoE, Te Kura and TKT partners.	Principal, EMT	Reported Dec 2018	September: A new MoE liaison person has been assigned.	Relationships with these agencies remain positive. TKT and MoE have collaborated on the review response. Health schools now have dedicated property officers from the Ministry and there is a very positive relationship between NHS and our School Property Advisor, as well as Ministry leasing and property procurement staff. Relationships with Te Kura remain positive and professional.



LONG TERM GOAL 2				
The school is staffed in a flexible and effective way.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Review and maintain the balance of permanent staff at each unit in relation to changes in roll numbers.	Principal and DP	Term 1	February: All units except AKC and Waikato have 80% or better permanent staffing. Term 3: Planning for start of year staffing 2019 under way.	September: Review of permanent staffing in each unit completed in consultation with unit leadership.
Recruit permanent staff where necessary to bring the base staffing for all units to a minimum of 80%.	Principal and DP	Term 1	March: Two part-time permanent roles advertised in Waikato following the retirement of the AP.	The review resulted in advertising for extra permanent staff in selected units. All units will start 2019 with 80% or more permanent staff. November: Appointment for 2019 completed and includes the provision of permanent positions.
NHS units prepared to staff roll growth in advance.	SMT	Reported Dec 2018	2018 has been challenging with the level of growth experienced. Senior unit staff are sharing ideas and planning to be able to meet the need should this happen again in 2019.	November: Although staffing has been deployed and banked staffing used effectively, there are some Auckland-based units where allocated staffing has not been deployed. This is due in large part to the shortage of teaching staff in the Auckland region.
OPERATIONAL TARGETS				
Targets 2018	The school is flexibly staffed.			Met
	The school operates within its staffing entitlement.			Met
Evaluation and Future Directions	<p>The school is an integral part of an international network of organisations. The HOPE congress was attended and key findings shared with the Board and staff. The HELP Association continues to be a source of valuable professional development and the school has received several visits from educators from overseas. The online journal is now established and it is hoped that this will become a resource that teachers can use to extend their understanding of the students we work with.</p> <p>The school's annual review of staff requirements in units was conducted and the goal of 80% permanent starting staff for each unit has been met with the appointment of some additional permanent staff.</p> <p>Units across the school have been able to respond to increases in the roll, but this has been challenging in Auckland, probably because of the teacher shortage. Senior staff are working to find ways of providing flexibility and to identify teachers before the roll rises for 2019.</p>			
LONG TERM GOAL 3				
Staff have the specific knowledge and skill required to meet learners' needs.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Identify curriculum needs in units prior to recruitment of new staff.	Principal and DP	As appointments are required	All appointment processes include the identification of unit curriculum needs.	November: Each appointment process across the school has included the identification of skills and needs within the unit. Staff have been actively sought for these skills.
Investigate the possibility of sharing subject expertise across the three health schools.	Principal, DP and MU holders	Reported Dec 2018	Health School DP team working on a plan for 2019.	The three schools have shared PD opportunities across the three schools for 2019 and opportunities will be offered to staff from other schools.

LONG TERM GOAL 3 continued				
Individual staff identify a curriculum area to improve through the appraisal process.	Principal and DP	Reported Dec 2018		All staff have identified curriculum development areas and are working with their appraisers to improve.
Improve the induction process across the school.	SMT	Reported Dec 2018		Each unit team has reviewed the way they induct new staff and identified key personnel to drive the process. In the larger units this has included deputy leaders and in smaller ones the DP has been involved.
Deploy OneNote based appraisal system across the school.	MU holders	Reported Dec 2018	February: Senior staff and unit leaders shown how to set up and use the system. March: All staff shown how to use the system.	All staff have access to the appraisal system and are using OneNote.
LONG TERM GOAL 4				
Leadership within the school is effective.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Widen the range of leadership opportunities available to staff.	Principal and DP	Reported Dec 2018	Term 3: Review of possible roles with SMT under way.	Extra deputy leaders have been put in place for the second half year in units experiencing the largest growth. A review of the staffing for 2019 has included leadership in each unit. A range of deputy, curriculum and school change management opportunities have been identified for staff to apply for, as well as opportunities to self-identify.
Develop leadership skills through MoE-funded PLD programme.	Team Solutions, Principal and DP	Reported Dec 2018	March: Leadership work undertaken with all of the senior management team.	November: An end of year review of the contract and milestone reports have been completed. The feedback from staff taking part has been very positive.
Review the management structure of the school.	Principal and DP	Term 1	Term 2: Additional deputy leader roles established in units with roll growth.	A review of the staffing for 2019 has included leadership in each unit. A range of deputy, curriculum and school change management opportunities have been identified for staff to apply for, as well as opportunities to self-identify. October: Appointed a school-wide curriculum pedagogical leader for 2019.
Provide opportunities for staff to present ideas, research and innovations to the Board.			March: Two staff presenting assessment ideas to the Board.	The Board have received presentations in the areas of assessment and curriculum reporting from staff.
LONG TERM GOAL 5				
Welfare of staff and students is a high priority.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Include systems for supporting staff welfare in the appraisal system.	Principal and DP	Term 2	Term 2: Appraisal system upgraded to include a pastoral care area.	Appraisal system upgraded to include a pastoral care area.

## Strategic Area 4: ORGANISATION AND SUSTAINABILITY

### KEY STRATEGIC THREE YEAR GOAL:

The school is organised and structured for sustainability and effectiveness.

### LONG TERM GOAL 1

The school's carbon footprint is reduced.

PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Include carbon emissions in vehicle purchase decisions.	Board and Principal	Reported Dec 2018	March: Replacement Prius vehicles ordered as best for fuel economy.	All vehicle purchases in 2018 have been hybrids and fuel economy/ CO <sub>2</sub> emissions have been taken into account.
Consider the viability of purchasing at least one all electric vehicle as a trial.	Principal	Reported Dec 2018		Cost of vehicles is prohibitive at the moment and not offset by fuel savings.

### OPERATIONAL TARGETS

<b>Targets 2018</b>	Fuel use is reduced on a per student basis by 10%.	Reduced by 16%.
<b>Evaluation and Future Directions</b>	<p>The appraisal system has been successfully conducted using OneNote and there are refinements of the system ready to put in place for the 2019 school year. Leadership across the school has been strengthened through the use of additional deputy leaders in several units as the roll has risen. In many places this has been for the second half year and has been a way of offering support to senior staff as the roll increases, as well as offering opportunities to staff to take on responsibility.</p> <p>Pastoral care discussions have been part of the appraisal system for 2018. It is intended that in 2019 a programme of peer support will be developed and trialled to further develop this area. While electric vehicles have not been viable, the average km travelled by students has reduced significantly through the use of small local support centres and careful planning of home visits.</p>	

### LONG TERM GOAL 2

Systems and processes enable the effective governance of the school and meet legislative requirement.

PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Review the school's strategic direction and goals with input from major stakeholders.	Board and Principal	November 2018	March: Discussions with the three health school principals regarding a review of the shared Mission Statement as a possibility for the 2018 Boards Conference.	Term 3: All staff have been involved in discussing the future direction of the school. October: Staff feedback presented to the Board.
Develop a new planning system based in the changes to the Education Act.	Board and Principal	November 2018	October: Strategic Board meeting planned to review the format as well as the content.	October: The Board agreed to maintain the current format.
Confirm a programme of Board self-review.	Board and Principal	Term 1		Term 1: 2019 self-review goals to be set.
Continue to refine a Board meeting programme that focuses more on strategic planning and review.	Board and Principal	Term 1		Board meeting schedule set and includes strategic and business meetings as well as travel to sites out of Auckland.

### OPERATIONAL TARGETS

<b>Targets 2018</b>	2018 Annual Plan targets are met.	
<b>Evaluation and Future Directions</b>	The school's strategic direction has been reviewed with staff and the Board and a new strategic plan implemented. The practice of separating business and strategic meetings for the Board has been successful and it is intended that this practice will continue into 2019.	

LONG TERM GOAL 3				
Learning outcomes are reported to the Board.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Update eTAP to export data directly to NZQA.	EMT	Term 2	Term 2: System trialled and in place. Term 3: Problems with data uploads to NZQA, system on hold. Term 3: eTAP working on the issue.	November: There have been several problems in terms of eTAP communicating with the NZQA database. There has been a lot of work done and it is expected that regular electronic updates will recommence this term.
Develop a reporting mechanism against transition goals in eTap.	SMT	Term 2		August: Draft transition goal report tabled.
Develop a recording and reporting mechanism around learning progressions.	Unit holders and SMT	Term 2	Term 3: Learning progressions are being recorded in eTAP.	Work in this area has been started and is progressing well.
Support provided in complex transition meetings by SMT.	SMT	Reported Dec 2018		The Principal and DP have provided support in challenging meetings across the school, both face-to-face at the meeting and in the planning stages before the meeting.
LONG TERM GOAL 4				
Parent/student/school of enrolment survey result satisfaction levels are high.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Community Satisfaction survey conducted.	Principal	2018	Survey under way.	Satisfaction ratings of 90% or above have been achieved.
Leadership effectiveness survey conducted.	Principal	2018	Term 3: Review of the survey undertaken with delegated Board member.	Decision taken to develop a new tool for 2019
Staff Satisfaction survey conducted.	Principal	2019		
Obtain feedback from 50% of withdrawn students and their schools.	Board and Principal	Reported Dec 2018		Response rates for students remain lower than for parents and schools of enrolment.
OPERATIONAL TARGETS				
Targets 2018	Satisfaction ratings are above 90%.			Met
Evaluation and Future Directions	The community satisfaction process has continued and results reflect the positive views the students, schools and parents have of the school. The leadership effectiveness survey has not been conducted and development work on a replacement tool has been postponed until 2019.			
LONG TERM GOAL 5				
Strategies and systems support the school in case of a disaster.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Review and update the school's risk management plans.	EMT	Term 3 2018	September: Plan reviewed by the Board.	October: Risk management plan updated and approved.
Migrate systems to the cloud to improve the school's data backup and safety systems.	EMT	Term 3 2018	Term 2: All staff personal drives migrated to OneDrive. Term 3: Staff and admin drives migrated to Teams.	October: Personal, staff and admin drives migrated to the cloud.

LONG TERM GOAL 6				
Suitable and safe environments are provided for staff and students.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Identify and report risks in each unit.	SMT	Each term	Term 1: Principal's unit visits focusing on risks in each unit as well as lockdown and evacuation procedures. Term 2: Risks identified in each unit reported to the Board.	Monthly reports have been provided to the Board and Principal visits to unit have included Health & Safety analysis.
Undertake H&S training for key unit staff.	Principal and DP	Term 1 2018		Deferred to 2019.
Benchmark home visit protocols against other similar organisations.	SMT	Term 2 2018	Protocols refined, benchmarked and staff/ BoT consulted.	Home visit protocols updated and inserted in the school procedures document for all staff.
OPERATIONAL TARGETS				
Targets 2018	Staff in all units have awareness of NHS safety procedures.			Target met – no variance
Evaluation and Future Directions	The school continues to focus on keeping staff and students safe. The review of our working in homes protocols has been completed in consultation with staff and with reference to other agencies and jurisdictions. Risks in each school unit are identified and action taken to mitigate the risks.			
LONG TERM GOAL 7				
Property provision is consistent and of high quality.				
PLANNED ACTIONS	LED BY	TIMEFRAME	PROGRESS	RESULT ACHIEVED
Monitor roll growth across the school and identify trends.	EMT	Ongoing; reported Dec 2018		Growth trends have been monitored and shared with the Board and the Ministry. Overall growth from 2017 is predicted to be 17%.
Identify property in Kaitaia for a new unit.	EMT	Term 1	February: Meeting with MoE to start the process with Kaitaia Intermediate School. August: Kaitaia Intermediate Board reported to be happy to accommodate NHS. September: NHS Principal presenting the Kaitaia Board with information about the school.	The two schools have agreed in principle to go ahead with the Kaitaia Intermediate property.
Manage the development of new units to best meet the needs of the students and staff.	SMT	Dec 2018	Northland, Tauranga, Te Kahu Toi, Kaitaia and Whakatane projects are under way and progressing slowly. September: Discussions with the MoE Auckland have identified two new school buildings that may be suitable locations in the wider Auckland area.	While progress has been made, only the te Kahu Toi property has been finalised. The others are still on-going and reliant on the Ministry to do the work required.

LONG TERM GOAL 7 continued				
Plan and implement relocation of Tauranga and Northland staff to new premises.	EMT	Reported Dec 2018		Northland Unit staff have moved into additional space in the Manaia House building.
Encourage and enable staff input into building projects across the school.	EMT, SMT	Reported Dec 2018		Staff in Tauranga, Northland and Te Kahu Toi have been involved in the development of fit-out plans.
OPERATIONAL TARGETS				
Targets 2018	There is a plan for future property development across the school.			Met, but Ministry has not met the targets agreed.
	New units are established within budget and on time.			Met for Kaitaia.
	Staff input into design is evident.			Met. Plans for Tauranga and Kaitaia contain staff input.
Evaluation and Future Directions	Property provision remains a challenge for the school with the Whangarei, Whakatane and Tauranga projects no further forward. The Kaitaia property is now agreed and staff are able to work from their own base. Roll trend data has been provided to the Ministry and is being used to inform planning for 2019.			

## GLOSSARY

EMT: Executive Management Team, consisting of Principal, Deputy Principal, Business Manager.

SMT: The Senior Management Team, consisting of Principal, Deputy Principal, Business Manager, Associate Principals, TKT Manager, Senior Teachers.

TKT: Te Kahu Toi, wrap-around behaviour unit.





# Northern Health School

ANNUAL ACCOUNTS

2018

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF NORTHERN HEALTH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Northern Health School (the School). The Auditor-General has appointed me, Melissa Youngson, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

#### Opinion

We have audited the financial statements of the School on pages 30 to 46, that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2018; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 24 May 2019. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

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

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

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

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

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

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

## Other information

The Board of Trustees is responsible for the other information. The other information comprises the information including the List of Board of Trustees, Statement of Responsibility, Analysis of Variance report and Kiwisport Report, but does not include the financial statements, and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Melissa Youngson  
for Deloitte Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand

## STATEMENT OF RESPONSIBILITY

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For the year ended 31 December 2018

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2018 fairly reflect the financial position and operations of the school.

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

Michael Alfred Stowers

Full Name of Board Chairperson

M Stowers

Signature of Board Chairperson

24/5/19

Date:

Richard Henry Under

Full Name of Principal

RH Under

Signature of Principal

24/05/2019

Date:

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 31 December 2018

	NOTE	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
<b>Revenue</b>				
Government Grants	2	12,336,868	9,347,160	10,963,848
Locally Raised Funds	3	89,526	85,700	98,955
Interest Earned		108,151	50,000	99,182
Gain on Sale of Property, Plant and Equipment		17,734	–	12,397
		<b>12,552,279</b>	<b>9,482,860</b>	<b>11,174,382</b>
<b>Expenses</b>				
Locally Raised Funds	3	17,663	14,480	36,230
Learning Resources	4	9,354,910	8,175,074	8,068,933
Administration	5	542,248	587,900	499,197
Finance Costs		6,027	–	4,241
Property	6	1,115,733	172,000	1,122,130
Depreciation	7	377,152	533,066	358,527
		<b>11,413,733</b>	<b>9,482,520</b>	<b>10,089,258</b>
<b>Net Surplus (Deficit) for the year</b>		1,138,546	340	1,085,124
Other Comprehensive Revenue and Expenses		–	–	–
<b>Total Comprehensive Revenue and Expense for the year</b>		<b>1,138,546</b>	<b>340</b>	<b>1,085,124</b>

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



## STATEMENT OF CHANGES IN NET ASSETS/EQUITY

For the year ended 31 December 2018

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Balance at 1 January	4,490,702	4,490,702	3,314,327
Total comprehensive revenue and expense for the year	1,138,546	340	1,085,124
Capital Contributions from the Ministry of Education Contribution – Furniture and Equipment Grant	–	–	91,251
<b>Equity at 31 December</b>	<b>5,629,248</b>	<b>4,491,042</b>	<b>4,490,702</b>
Retained Earnings	5,629,248	4,491,042	4,490,702
<b>Equity at 31 December</b>	<b>5,629,248</b>	<b>4,491,042</b>	<b>4,490,702</b>

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

# NORTHERN HEALTH SCHOOL

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	NOTE	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	539,193	746,236	682,782
Accounts Receivable	9	646,541	400,000	609,472
GST Receivable		–	15,000	14,250
Investments	10	4,100,000	2,700,000	2,627,863
		<b>5,285,734</b>	<b>3,861,236</b>	<b>3,934,367</b>
<b>Current Liabilities</b>				
GST Payable		56,988		
Accounts Payable	12	531,564	459,000	457,885
Revenue Received in Advance	13	125,558		52,808
Finance Lease Liability – Current Portion	14	39,162	23,042	26,844
		<b>753,272</b>	<b>482,042</b>	<b>537,537</b>
<b>Working Capital Surplus/(Deficit)</b>		<b>4,532,462</b>	<b>3,379,194</b>	<b>3,396,830</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	1,131,601	1,119,468	1,124,534
		<b>1,131,601</b>	<b>1,119,468</b>	<b>1,124,534</b>
<b>Non-current Liabilities</b>				
Finance Lease Liability	14	34,815	7,620	30,662
		<b>34,815</b>	<b>7,620</b>	<b>30,662</b>
<b>Net Assets</b>		<b>5,629,248</b>	<b>4,491,042</b>	<b>4,490,702</b>
<b>Equity</b>		<b>5,629,248</b>	<b>4,491,042</b>	<b>4,490,702</b>

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

# NORTHERN HEALTH SCHOOL

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	NOTE	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
<b>Cash Flows from Operating Activities</b>				
Government Grants		3,685,029	3,327,160	3,137,249
Locally Raised Funds		88,736	85,700	98,725
Goods and Services Tax (net)		71,238	22,000	22,267
Payments to Employees		(872,403)	(1,094,000)	(709,567)
Payments to Suppliers		(1,430,333)	(1,854,754)	(1,381,151)
Interest Paid		(6,027)	–	(4,241)
Interest Received		119,598	48,000	97,618
Net Cash from/(to) Operating Activities		<b>1,655,838</b>	<b>534,106</b>	<b>1,260,900</b>
<b>Cash Flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		126,087	(405,360)	125,706
Purchase of PPE (and Intangibles)		(441,154)	(269,295)	(536,945)
Purchase of Investments		(1,472,137)	(500,000)	(407,196)
Net Cash from/(to) Investing Activities		<b>(1,787,204)</b>	<b>(1,174,655)</b>	<b>(818,435)</b>
<b>Cash Flows from Financing Activities</b>				
Furniture and Equipment Grant		–	–	91,251
Finance Lease Payments		(12,223)	9,462	(5,876)
Net Cash from/(to) Financing Activities		<b>(12,223)</b>	<b>9,462</b>	<b>85,375</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(143,589)</b>	<b>(631,087)</b>	<b>527,840</b>
Cash and cash equivalents at the beginning of the year	8	682,782	1,377,323	154,942
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>539,193</b>	<b>746,236</b>	<b>682,782</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.

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes.*

# NOTES TO THE FINANCIAL STATEMENTS

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For the year ended 31 December 2018

## 1 STATEMENT OF ACCOUNTING POLICIES

### REPORTING ENTITY

Northern Health 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.

### BASIS OF PREPARATION

#### Reporting Period

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

#### Basis of Preparation

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

#### Financial Reporting Standards Applied

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

The School has early adopted PBE IFRS 9 Financial Instruments from the year ended 31 December 2018 (although not mandatory until periods beginning on or after 1 January 2022). This accounting standard introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment of assets, and rules for hedge accounting. The Board of Trustees is of the view that there is no material impact to the recognition or measurement of financial instruments and disclosure of the school's financial assets and liabilities for the current period and each prior period presented.

#### 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 judgments, 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.

#### **Critical Judgments in Applying Accounting Policies**

Management has exercised the following critical judgments 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 carry forward amounts unspent. The school believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

#### **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 is 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.

##### **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.

#### **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.

#### **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.

## **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 represents fair value.

## **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.

## **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.

## **INVESTMENTS**

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

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

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

The school has met the requirements under Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

## **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 \$300 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:

Furniture and equipment	3-9 years
Information and communication technology	3 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% diminishing value

## IMPAIRMENT OF PROPERTY, PLANT, AND EQUIPMENT

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

### *Non cash-generating assets*

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

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

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

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

## 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.

## EMPLOYEE ENTITLEMENTS

### *Short-term employee entitlements*

Employees 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, and 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.

## REVENUE RECEIVED IN ADVANCE

Revenue received in advance relates to revenue received for Te Kahu Toi Wrap Around Funding 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 this revenue received in advance, should the school be unable to provide the services to which they relate.

## **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.

## **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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

## **BUDGET FIGURES**

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

## **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

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Operational Grants	2,447,724	2,239,979	1,826,898
Teachers' Salaries Grants	7,706,247	6,020,000	6,629,762
Use of Land and Buildings Grants	1,009,581	–	1,022,213
Te Kahu Toi Grant	1,138,233	1,087,181	1,119,987
Other MoE Grants	35,083	–	364,988
	<b>12,336,868</b>	<b>9,347,160</b>	<b>10,963,848</b>

## 3 LOCALLY RAISED FUNDS

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
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Local funds raised within the school's community are made up of:

### Revenue

Donations	1,790	6,000	6,230
Activities	87,736	79,700	92,725
	<b>89,526</b>	<b>85,700</b>	<b>98,955</b>

### Expenses

Activities	17,663	14,480	36,230
	<b>17,663</b>	<b>14,480</b>	<b>36,230</b>

**Surplus for the year Locally Raised Funds**

	<b>71,863</b>	<b>71,220</b>	<b>62,725</b>
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## 4 LEARNING RESOURCES

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Curricular	101,128	135,500	96,754
Te Kahu Toi Expenditure	792,226	894,741	709,580
Information and Communication Technology	92,204	140,000	75,699
Extra-curricular Activities	35,458	77,833	31,689
Library Resources	–	12,000	–
Employee Benefits – Salaries	8,244,430	6,789,000	7,052,473
Staff Development	84,115	126,000	102,738
Overseas Travel	5,349	–	–
	<b>9,354,910</b>	<b>8,175,074</b>	<b>8,068,933</b>

## 5 ADMINISTRATION

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Audit Fee	5,802	4,700	5,365
Board of Trustees Fees	26,883	30,000	29,093
Board of Trustees Expenses	20,775	36,100	22,301
Communication	48,571	51,000	41,864
Consumables	43,629	70,000	48,826
Legal Fees	–	3,000	2,801
Other	19,747	27,000	18,605
Employee Benefits – Salaries	334,918	325,000	291,122
Insurance	34,531	33,600	31,972
Service Providers, Contractors and Consultancy	7,392	7,500	7,248
	<b>542,248</b>	<b>587,900</b>	<b>499,197</b>

## 6 PROPERTY

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Caretaking and Cleaning Consumables	48,789	50,000	41,842
Consultancy and Contract Services	14,841	75,000	15,311
Heat, Light and Water	40,827	44,000	40,222
Use of Land and Buildings	1,009,581	–	1,022,213
Security	1,695	3,000	2,542
	<b>1,115,733</b>	<b>172,000</b>	<b>1,122,130</b>

The Use of Land and Buildings figure represents 8% of the school's total property value. Property values are established as part of the nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year end reporting purposes.

## 7 DEPRECIATION

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Furniture and Equipment	72,980	125,506	81,819
Information and Communication Technology	106,255	176,560	113,797
Motor Vehicles	155,755	204,240	137,781
Leased Assets	36,308	20,570	19,313
Library Resources	5,854	6,190	5,817
	<b>377,152</b>	<b>533,066</b>	<b>358,527</b>

## 8 CASH AND CASH EQUIVALENTS

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Cash on Hand	3,650	3,600	3,600
Bank Current Account	140,782	132,636	69,443
Bank Call Account	144,761	610,000	609,739
Short-term Bank Deposits	250,000	-	-
Cash and Cash Equivalents for Statement of Cash Flows	<b>539,193</b>	<b>746,236</b>	<b>682,782</b>

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

## 9 ACCOUNTS RECEIVABLE

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Interest Receivable	7,267	20,000	18,714
Bank Staffing Under-use	197,937	-	214,550
Teacher Salaries Grant Receivable	441,337	380,000	376,208
	<b>646,541</b>	<b>400,000</b>	<b>609,472</b>
Receivables from Exchange Transactions	7,267	20,000	18,714
Receivables from Non-Exchange Transactions	639,274	380,000	590,758
	<b>646,541</b>	<b>400,000</b>	<b>609,472</b>

## 10 INVESTMENTS

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
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The school's investment activities are classified as follows:

### Current Asset

Short-term Bank Deposits	4,100,000	2,700,000	2,627,863
	<b>4,100,000</b>	<b>2,700,000</b>	<b>2,627,863</b>

## 11 PROPERTY, PLANT AND EQUIPMENT

	OPENING BALANCE (NBV)	ADDITIONS	DISPOSALS	IMPAIRMENT	DEPRECIATION	TOTAL (NBV)
2018	\$	\$	\$	\$	\$	\$
Furniture and Equipment	326,360	63,746	–	–	(72,980)	317,126
Information and Communication Technology	136,890	158,150	–	–	(106,255)	188,785
Motor Vehicles	565,186	212,950	(107,370)	–	(155,755)	515,011
Leased Assets	55,383	50,628	–	–	(36,308)	69,703
Library Resources	40,715	7,098	(983)	–	(5,854)	40,976
<b>Balance at 31 December 2018</b>	<b>1,124,534</b>	<b>49,572</b>	<b>(108,353)</b>	<b>–</b>	<b>(377,152)</b>	<b>1,131,601</b>

	COST OR VALUATION	ACCUMULATED DEPRECIATION	NET BOOK VALUE
2018	\$	\$	\$
Furniture and Equipment	728,687	(411,561)	317,126
Information and Communication Technology	646,056	(457,271)	188,785
Motor Vehicles	823,314	(308,303)	515,011
Leased Assets	131,677	(61,974)	69,703
Library Resources	130,158	(89,182)	40,976
<b>Balance at 31 December 2018</b>	<b>2,459,892</b>	<b>(1,328,291)</b>	<b>1,131,601</b>

The net carrying value of equipment held under a finance lease is \$69,703 (2017: \$55,383).

The net carrying value of motor vehicles held under a finance lease is \$515,011 (2017: \$565,186).

	OPENING BALANCE (NBV)	ADDITIONS	DISPOSALS	IMPAIRMENT	DEPRECIATION	TOTAL (NBV)
2017	\$	\$	\$	\$	\$	\$
Furniture and Equipment	263,169	145,010	–	–	(81,819)	326,360
Information and Communication Technology	189,935	60,752	–	–	(113,797)	136,890
Motor Vehicles	492,611	321,949	(111,593)	–	(137,781)	565,186
Leased Assets	31,680	43,016	–	–	(19,313)	55,383
Library Resources	38,784	9,465	(1,717)	–	(5,817)	40,715
<b>Balance at 31 December 2017</b>	<b>1,016,179</b>	<b>580,192</b>	<b>(113,310)</b>	<b>–</b>	<b>(358,527)</b>	<b>1,124,534</b>

	COST OR VALUATION	ACCUMULATED DEPRECIATION	NET BOOK VALUE
2017	\$	\$	\$
Furniture and Equipment	664,940	(338,580)	326,360
Information and Communication Technology	488,241	(351,351)	136,890
Motor Vehicles	830,580	(265,394)	565,186
Leased Assets	81,049	(25,666)	55,383
Library Resources	126,105	(85,390)	40,715
<b>Balance at 31 December 2017</b>	<b>2,190,915</b>	<b>(1,066,381)</b>	<b>1,124,534</b>

## 12 ACCOUNTS PAYABLE

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Operating Creditors	36,565	32,000	31,150
Accruals	5,802	4,000	3,365
Employee Entitlements – Salaries	446,301	380,000	380,474
Employee Entitlements – Leave Accrual	42,896	43,000	42,896
	<b>531,564</b>	<b>459,000</b>	<b>457,885</b>
Payables for Exchange Transactions	531,564	459,000	457,885
	<b>531 564</b>	<b>459,000</b>	<b>457,885</b>

The carrying value of payables approximates their fair value.

## 13 REVENUE RECEIVED IN ADVANCE

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Grants in Advance – Ministry of Education	125,558	–	52,808
	<b>125,558</b>	<b>–</b>	<b>52,808</b>

## 14 FINANCE LEASE LIABILITY

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Minimum lease payments payable (includes interest portion):			
No later than one year	44,105	23,042	30,891
Later than one year and no later than five years	37,192	7,620	32,700
	<b>81,297</b>	<b>30,662</b>	<b>63,591</b>

## 15 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 are undertaken on the normal terms and conditions for such transactions.

## 16 REMUNERATION

### Key Management Personnel Compensation

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

	2018 ACTUAL \$	2017 ACTUAL \$
<b>Board Members</b>		
Remuneration	26,883	29,093
Full-time Equivalent Members	0.24	0.24
<b>Leadership Team</b>		
Remuneration	472,505	354,182
Full-time Equivalent Members	4.00	3.00
Total Key Management Personnel Remuneration	<b>499,388</b>	<b>383,275</b>
Total Full-time Equivalent Personnel	<b>4.24</b>	<b>3.24</b>

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:

	2018 ACTUAL \$000	2017 ACTUAL \$000
<b>Salaries and Other Short-Term Employee Benefits:</b>		
Salary and Other Payments	180-190	190-200
Benefits and Other Emoluments	5-6	-
Termination Benefits	-	-

### Other Employees

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

	REMUNERATION \$000	2018 FTE NUMBER	2017 FTE NUMBER
	120-130	-	1
	110-120	1	1
	100-110	4	3
		<b>5</b>	<b>5</b>

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

## 17 COMPENSATION AND OTHER BENEFITS UPON LEAVING

There were no compensation or other benefits paid or payable to persons upon leaving.

## 18 CONTINGENCIES

There are no contingent liabilities and no contingent assets as at 31 December 2018.

(Contingent liabilities and assets as at 31 December 2017: nil.)

### Holidays Act Compliance – Schools Payroll

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

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

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

## 19 COMMITMENTS

### (a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

(Capital commitments as at 31 December 2017: nil)

### (b) Operating Commitments

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

	2018 ACTUAL \$	2017 ACTUAL \$
Operating leases for TELA laptop lease:		
No later than one year	–	6,486
	–	6,486

## 20 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.

## 21 FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and liabilities in each of the financial instrument categories is as follows:

### Loans and Receivables

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Cash and Cash Equivalents	539,193	746,236	682,782
Receivables	646,541	400,000	609,472
Investments – Term Deposits	4,100,000	2,700,000	2,627,863
<b>Total Loans and Receivables</b>	<b>5,285,734</b>	<b>3,846,236</b>	<b>3,920,117</b>

### Financial Liabilities Measured at Amortised Cost

	2018 ACTUAL \$	2018 BUDGET (UNAUDITED) \$	2017 ACTUAL \$
Payables	531,564	459,000	457,885
Finance Leases	73,977	30,662	57,506
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>605,541</b>	<b>489,662</b>	<b>515,391</b>

## 22 EVENTS AFTER BALANCE DATE

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



