

Halswell Residential College & Westbridge Residential School 2018 Annual Report

**including the combined Financial Statements
for Halswell Residential College (HRC) and
Westbridge Residential School (WRS)**

School Number: 522

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Annual Report

Kiwisport

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

HALSWELL RESIDENTIAL COLLEGE

In 2018 Halswell Residential College received \$546.32 as part of its operations grant.

This funding was used to provide students with experiences in cross country, beach safety education, Top Team and Special Needs athletics. The grant helped offset the College's expenditure of \$428.22.

WESTBRIDGE RESIDENTIAL SCHOOL

In 2018 Westbridge Residential School received total Kiwisport funding of \$578.68 (excluding GST).

The funding was spent on essential equipment and training of our 2 mixed teams of students and staff representing Westbridge in our community, playing touch rugby and netball. The students gained experience competing against all ages of youth and adults alike. The number of students participating in organised sport has been maintained at 100% of the roll.

Members of the Board of Trustees 2018

Name	Position	How position on Board gained	Term expired/expires
Janine Harrington	Principal HRC		
David Bagwell	Principal WRS		
David Turnbull	Chairperson	Ministerially Appointed	Expires February 2020
Kevin Pryor	Member	Ministerially Appointed	Expires February 2020
Anthony Fisher	Member	Ministerially Appointed	Expires February 2020
Jon Purdue	Staff Representative	Staff elected	Expires June 2019
Barbara Nelson	Staff Representative	Staff elected	Resigned December 2018
Elizabeth Waugh	Member	Ministerially Appointed	Expires February 2021
Joanne Walker	Member	Ministerially Appointed	Expires February 2021

Analysis of Variance 2018

Halswell Residential College

The sample sizes used to generate the 2016 baseline and the 2017 and 2018 end of year data are very small. Analysis is further compromised due to uncontrolled variables such as different lengths of tenure, staggered intakes and exits, as well as the diversity of academic and behavioural presentations that students with high and complex needs bring to HRC. This diversity does not 'average out' when the sample size is small. In the following discussion the differences in sample sizes across targets are due to different assessment schedules and varying lengths of tenure.

In 2018 our student achievement targets were:

- 1 IEP Target:** Our students will achieve 80% of their short-term goals in their IEPs.
- 2 ABAS Target:** Our students will improve by at least one year in the skill areas of home living and community use.
- 3 Literacy Target:** Our students will achieve at least 75% of their IEP literacy goals.
- 4 Numeracy Target:** Our students will achieve at least two knowledge outcomes at their numeracy knowledge stage and at least one strategy outcome at their numeracy stage.
- 5 Māori and Pasifika Target:** Māori and Pasifika students will achieve gains in literacy and numeracy that are at least equal to those made by their non-Māori and non-Pasifika peers.
- 6 Residential Target:** Students will achieve no less than three wristbands.
- 7 Service Delivery Target:** The parent/whanau/caregiver and student exit interviews will indicate at least 90% satisfaction with the service provided by Halswell Residential College.

Focus: Student Achievement			
Strategic Aim: Increase achievement of IEP goals.			
Annual Target: 1. IEP TARGET: Our students will achieve 80% of their short term goals in their IEPs.			
Baseline data: In 2017, our students achieved an average of 89% of their short term goals in their IEPs. n=16.			
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Education at HRC is 24/7.</p> <p>On entry, the student's IEP team (student, teacher, IEP co-ordinator, IWS psychologist, and parents/ whanau/ caregiver) identifies short term academic and social goals based on the needs of the student. Entry goals are reviewed at 3 months and new goals are set. Subsequent reviews occur 6 monthly and/or when the student exits the College.</p> <p>All staff are apprised of students' IEP goals as they are set. Teachers and IEP co-ordinators monitor progress.</p>	<p>n=18</p> <p>Eighteen students had one or more IEP reviews during the 2018 year. 341 of the 420 short term goals set were achieved. Average = 81%</p> <ul style="list-style-type: none"> - 12 students met the target - 5 students achieved 70 - 79% of their goals. - 1 student achieved 33% of his goals 	<p>Of the five students who achieved 70 – 79% of their goals:</p> <ul style="list-style-type: none"> - Three (CW, JG, NN) had less than 3 months between their second and final IEP reviews and may have needed more time. - Two (DM, MM) did well to achieve 71% of their goals given complex presentations that included FAS, ADHD, PTSD, Anxiety Disorder, mild ID. <p>The student (BB) who achieved 33% of his goals no longer wanted to be at the College and was excluded.</p>	<p>While presentations of high and complex needs (HCN) are not seen as excuses for non-achievement, staff at the College recognise that students need to be 'ready to learn'.</p> <p>Trial a pilot programme in 2019 with a goal to supporting our students to strengthen their self-control which is foundational to being ready and able to learn.</p> <p>Continue to explore ways to listen and respond to student voice when students want to leave the College.</p>
Planning for next year: Trial the ENGAGE programme.			

Focus: Student Achievement			
Strategic Aim: Increase achievement in ABAS.			
Annual Target: 2. ABAS TARGET: Our students will improve by at least one year in the skill areas of home living and community use.			
Baseline data: In 2017, our students improved by an average of 2 years, 2 months in the skill area of home living, and 1 year in the skill area of community use. n=8.			
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>The residential curriculum includes an emphasis on development of adaptive behaviour skills which have been assessed using the ABAS-III assessment.</p> <p>Adaptive skills are taught using direct and incidental teaching. The primary locus for learning is in the residential whare programme.</p> <p>The first on-site ABAS assessment is completed 3 months after enrolment. This delay provides time for the assessor to get to know the student. Thereafter, ABAS assessments are repeated every 6 months with IEP reviews.</p>	<p>n= 13</p> <p>The sample comprised 13 students with varying lengths (9-34 months) of tenure. All students had at least 2 ABAS assessments.</p> <p>Average gain in Home Living = 2 years, 8 months.</p> <p>Average gain in Community Use = 1 year, 8 months.</p> <ul style="list-style-type: none"> - 8 students met the target across both skill areas. - 10 students met the target in Home Living. 	<p>Of the five students who did not meet the target across both areas:</p> <ul style="list-style-type: none"> - 4 girls (NT, SM, DM, NN) did not meet the target in community use, although two (NT, SM) met the target in Home Living. Two girls (DM, NN) in the whare required significant staff input and time which may have compromised learning for all. - 1 male (MM) had fluctuating scores over four assessments and may have plateaued in both skill areas. - Several students on enrolment have been disengaged in education requiring significant staff input to reengage them in learning. 	<p>Student scores across 3 or 4 assessments sometimes fluctuated. These fluctuations may be due to changes in the assessors, changes in the students' presentation at the time of assessment, or data entry error. Continue to aim for consistency and reliability in assessment of ABAS scores.</p> <p>Monitor the incoming cohort to ensure the balance of student need and presentation enhances, rather than compromises, student learning.</p>
Planning for next year: Monitor the needs and presentations of the incoming cohort.			

Focus: Student Achievement			
Strategic Aim: Increase achievement in literacy.			
Annual Target: 3. LITERACY TARGET: Our students will achieve at least 75% of their IEP literacy goals.			
Baseline data: In 2017 our students achieved an average of 88% of their IEP literacy goals. n=16.			
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Literacy is promoted daily in the students' personalised learning plan (PLP) and integrated with the teaching of other subjects. Students have opportunities to read recreationally both in school and residences.</p> <p>Teachers received PLD on the SHARP Reading programme with emphases on decoding, comprehension and assisting struggling older readers.</p>	<p>n=18</p> <p>Eighteen students had one or more IEP reviews during the 2018 year. Overall, 108 of the 140 short term literacy goals set were achieved. Average = 77%.</p> <ul style="list-style-type: none"> - 14 students met the target. - 1 student achieved 63% of his literacy goals. - 3 students achieved 50% of their literacy goals. 	<p>Of the four students who did not meet the target:</p> <ul style="list-style-type: none"> - One (CW) had less than 3 months between his second and final reviews and may have needed more time. - One (KM) may have had entry goals that were too ambitious for the three-month period. - One (NN) was not in class for much of Term 3 due to her high levels of anxiety. - One (BB) has been discussed above. 	<p>A wide range of abilities are evident in the cohort and include students who are emergent readers with limited writing skills, to students who are working at or close to age appropriate levels. Many of the students present with challenging needs, including mental health issues that are barriers to learning. Continue to set goals that best meet the needs of individual student presentations.</p>
Planning for next year: Celebrate achievement in literacy across the year through school assemblies.			

Focus: Student Achievement			
Strategic Aim: Increase achievement in mathematics.			
Annual Target: 4. NUMERACY TARGET: Our students will achieve at least 2 key knowledge outcomes at their numeracy knowledge stage and at least 1 key strategy outcome at their numeracy stage.			
Baseline data: In 2017, our students achieved an average of 8 key knowledge outcomes and 3 key strategy outcomes at their numeracy stage. n=17.			
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
Achievement in numeracy is promoted daily through the students' PLP, whole class or small group instruction in class, and games to reinforce skill acquisition. Some classroom teachers alternate the instructional focus between knowledge and strategy on a term-by-term basis. Several students participated in "Mathletics" (on-line enrichment programme).	<p>n = 18</p> <p>Eighteen students had at least 3 months of numeracy tuition in 2018. Our students achieved an average of 9 knowledge outcomes and 5 strategy outcomes.</p> <ul style="list-style-type: none"> - 16 students met the target in both domains. - 2 students met the knowledge target but missed the strategy target. - 1 student met the strategy target but missed the knowledge target. 	<p>The two students (RH, JB) who did not meet the strategy target both presented with intellectual disabilities that may have compromised their ability to engage in higher level thinking required for learning strategies.</p> <p>The one student (JC) who met the strategy target also achieved one knowledge outcome. He has only been at the College for two terms and his achievement may reflect the instructional focus in his PLP.</p>	<p>Continue to provide 1:1 and small group tuition, and integrate numeracy skill teaching into real life contexts.</p> <p>Continue with Mathletics for enrichment.</p>
Planning for next year: Have a whole school maths competition.			

<p>Focus: Student Achievement</p>			
<p>Strategic Aim: Increase achievement of Māori in literacy and numeracy.</p>			
<p>Annual Target: 5. MAORI AND PASIFIKA TARGET: Māori and Pasifika students will achieve gains in literacy and numeracy that are at least equal to those made by their non-Māori and non-Pasifika peers.</p>			
<p>Baseline data: In 2017, Māori students achieved 78% of literacy goals. Non- Māori students achieved 92% of literacy goals. In 2017, Māori students achieved an average of 6 key knowledge outcomes and 2 key strategy outcomes. Non-Māori students achieved an average of 10 key knowledge outcomes and 4 key strategy outcomes. n=6 Māori; n=11 non-Māori.</p>			
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>The literacy and numeracy programmes for Māori were similar to that of their non-Māori peers as the College no longer has a bilingual teacher.</p> <p>The College supports Māori learners as Māori in a variety of ways including the provision of a tikanga based residential whare. The November 2018 ERO review of the College noted a high level of cultural competence at the College.</p>	<p>Literacy n=8 Māori, n=10 non-Māori</p> <p>Māori students achieved 77% of their literacy goals. Non-Māori students achieved 79% of their literacy goals.</p> <p>Numeracy</p> <p>Māori students achieved an average of 9 key knowledge outcomes and 5 key strategy outcomes.</p> <p>Non-Māori students achieved an average of 10 key knowledge outcomes and 5 key strategy outcomes.</p>	<p>Caution around making comparisons is advised given the small, albeit almost equal samples for both groups.</p> <p>Data for individual students is summarised below. The reasoning for variance has been discussed above.</p> <p>Literacy</p> <p>Two Māori students (KM, NN) did not meet the literacy target.</p> <p>Numeracy</p> <p>Two Māori students (C, RH) did not meet the numeracy target.</p>	<p>Continue to embed cultural competence.</p> <p>Ensure Māori (and where applicable Pasifika) students have access to Māori and Pasifika role models, particularly where student/staff contact hours are high.</p>

Planning for next year: To continue to search for a bi-lingual instructor with the skill set required for working with high and challenging needs.

Focus: Student Achievement			
Strategic Aim: Increase achievement in Residential Curriculum.			
Annual Target: 6. RESIDENTIAL TARGET: Students will achieve no less than three wristbands.			
Baseline data: In 2017 students achieved an average of 3 wristbands per student. n =22.			
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Students achieve wristbands as a part of the residential curriculum. There are 8 levels of achievement and each level is progressively more challenging.</p> <p>The programme is facilitated by the IEPCs who work 1:1 with students.</p> <p>A visual record of student achievement is displayed where all students can compare their progress with that of their peers.</p> <p>The principal acknowledges individual student achievement in a face-to-face meeting.</p>	<p>n = 20</p> <p>Twenty students with varied lengths of tenure from 2 to 34 months achieved 67 wristbands for an average of 3 wristbands per student.</p> <ul style="list-style-type: none"> - 11 students met the target. - 3 students achieved 2 wristbands. - 2 students achieved 1 wristband. - 4 students did not achieve a wristband. 	<p>The 3 students (BB, JB and JC) who achieved 2 wristbands all presented with HCN that may have compromised achievement. BB and JB have since left. JC is well on his way to meeting the target.</p> <p>The 2 students (BM and JV) who achieved 1 wristband have only been at the College since June. While BM has left, JV still has time to meet the target.</p> <p>Two students (JL, DSJ) who did not achieve any wristbands have only been at the College since October. While the remaining two (KM and ZTR) have had slightly longer tenures (since June), both have taken longer to settle into life at the College.</p>	<p>Factors affecting achievement include student buy-in, time enrolled, student ability to self-regulate, and ongoing promotion of the programme.</p> <p>Continue to promote the programme across the College.</p> <p>As noted above, in 2019 trial a pilot programme with the goal to support students develop their self-control.</p> <p>IEPCs to update data (including the number of goals earned at each wristband level) on a term-by-term basis.</p>
Planning for next year: Revise data entry template to include number of goals earned at each level.			

<p>Focus: Student Achievement</p> <p>Strategic Aim: All students have access to and participate in an adapted NZ Curriculum, and opportunities to learn independent living skills for successful achievement of IEP outcomes.</p> <p>Annual Target: 7. SERVICE DELIVERY TARGET: The parent/whanau/caregiver and student exit interviews will indicate at least 90% satisfaction with the service provided by Halswell Residential College.</p> <p>Baseline data: In 2017, parent satisfaction was 98%, student satisfaction was 79% and overall satisfaction was 85%. n=8.</p>			
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>The exit interview, while encouraged, is optional. Participants are asked to rank several positively worded statements using 1–3, where 1=disagree; 2=neither agree/disagree, and 3=agree.</p> <p>In 2018 we amended two statements in the student interview to better capture students' self-reflection.</p>	<p>n = 7 Parents – 58 out of a possible 63 responses rated 'agree' for an average of 92%.</p> <p>n = 9 Students – 137 out of a possible 153 responses rated 'agree' for an average of 89%.</p> <p>Together, 195 out of a possible 216 responses rated 'agree' for an overall average of 90%.</p>	<p>With small sample sizes, trends are not easily identified.</p> <p>Six out of seven parent responses indicated 88%-100% satisfaction.</p> <p>Respondents selected neither agree/disagree with statements that were around transitions (2), having enough information in reports (2), and having enough information about their child from the caseworker (1).</p> <p>Five of the nine student exit interviews indicated 88%-100% satisfaction.</p> <p>Respondents selected disagree or neither agree/disagree for statements that were about people listening to them (4) and having a say in menus (5).</p>	<p>The comments reflect individual differences in parents' experience of transitions, reporting expectations and relationships with caseworkers. It would be helpful to ensure that new parents know what to expect around the transitions and reporting procedures.</p> <p>While student perceptions are individual, it is noteworthy that four did not feel 'listened to'. Continue to work on developing strong relationships with students.</p> <p>Students may not necessarily have very much input into menu decision making. This statement will be removed from future interviews.</p> <p>The College will revise the exit tool to get a better sense of students' well-being.</p>
<p>Planning for next year: Continue to adapt both academic and social programmes to best suit student individual needs.</p>			

Analysis of Variance 2018

Westbridge Residential School

ANALYSIS OF VARIANCE : Strategic Aim: To raise student Achievement in **Writing**

Annual Target: 100% of Students to make ‘Accelerated’ progress (‘Expected’ = 1 curriculum sub level in 6 months, 2 curriculum sub levels in 12 months, 3 curriculum sub levels in 18 months)

Baseline data: 17 students attended the school during 2018. Entry level testing:

Level	1B	1P	1A	2B	2P	2A	3B	3P	3A	4B	4P	4A
Students	1	1	3	2	2	3	0	1	0	0	0	0

Actions (what did we do?)	Outcomes (what happened?)	Evaluation (where to next?)
<ul style="list-style-type: none"> • Accelerated learning in literacy continued to be implemented. • Lead Teacher modelled best practice • Writing workshops with external facilitator. • Writer of the week programme used to increase an output of writing samples on a weekly basis • Teacher Aide support for all students with daily spelling word lists, Dolch words plus writing support in class. 	<p>Of the 17 students who attended: 2 joined the school during term 4 and only base line data was gathered. (excluded from statistics)</p> <p>2 transitioned out of the school after less than a term or were not attending (excluded from statistics)</p> <p>11 made Expected progress – 85%</p> <p>2 made Accelerated progress (6 months progress in 1 term or equivalent) – 15%</p>	<p>Ensure each student has a clearly identified ‘Target’ for the year based on baseline data. Prioritise students who are at risk of not achieving the target as early as possible. Make the Individual Education Plan (IEP) a living document where all interventions are noted and reflected on weekly.</p> <p>Writing remains the area where the least progress is made – the average increase for each student is 1.3 sub levels over the year. It is also the area where students show the biggest deficits on entry. Writing will remain the main inquiry focus for the school in 2019.</p> <p>Change 2019 goal to target ‘Expected’ progress with an emphasis on curriculum appropriate re-integration into a mainstream setting.</p>

Strategic Aim: To raise student achievement in Mathematics									
Annual Target: 100% of Students to make 'Accelerated' progress ('Expected' = 1 curriculum sub level in 6 months, 2 curriculum sub levels in 12 months, 3 curriculum sub levels in 18 months)									
Baseline data: 17 students attended the school during 2018. Entry level testing:									
Level	2B	2P	2A	3B	3P	3A	4B	4P	4A
Students	6	2	2	2	0	1	0	0	0
Actions (what did we do?)		Outcomes (what happened?)			Evaluation (where to next?)				
<ul style="list-style-type: none"> Increased Mathematics curriculum time Hands on resources used to encourage 'concrete' understanding especially in the area of number: addition, subtraction, multiplication, division, ratios and proportions, fractions, decimals and percentages. Inquiry model used with students Mathletics used as an independent and motivational learning tool. 		<p>Of the 17 students who attended: 2 joined the school during term 4 and only base line data was gathered (excluded from statistics)</p> <p>2 transitioned out of the school after less than a term or were not attending (excluded from statistics)</p> <p>7 made Expected progress – 54%</p> <p>6 made Accelerated progress – 46%</p>			<p>Ensure each student has a clearly identified 'Target' for the year based on baseline data. Prioritise students who are at risk of not achieving the target as early as possible. Make the Individual Education Plan (IEP) a living document where all interventions are noted and reflected on weekly.</p> <p>Maths is the area where the strongest gains are made – an average gain of 3 sub levels per student over the year.</p> <p>Change 2019 goal to target 'Expected' progress with an emphasis on curriculum appropriate re-integration into a mainstream setting.</p>				

ANALYSIS OF VARIANCE: Strategic Aim: To raise student achievement in **Reading**

ANALYSIS OF VARIANCE: Strategic Aim: To raise student achievement in **Reading**

Annual Target: 100% of Students to make ‘Accelerated’ progress ('Expected' = 1 curriculum sub level in 6 months, 2 curriculum sub levels in 12 months, 3 curriculum sub levels in 18 months)

Baseline data: 17 students attended the school during 2018. Entry level testing:

Level	1B	1P	1A	2B	2P	2A	3B	3P	3A	4B	4P	4A
Students	1	0	0	7	3	0	0	1	1	0	0	0
Actions (what did we do?)				Outcomes (what happened?)				Evaluation (where to next?)				
<ul style="list-style-type: none"> • Rainbow Reading – daily basis • Scholastic Literacy Pro – has encouraged reading for enjoyment in addition to existing programmes • Teacher Aide support by reviewing sight words, blends and letter sounds. • Teacher PD used to share teaching strategies. • Teachers attending external PD. • Lexia Reading programme. 				<p>Of the 17 students who attended:</p> <p>2 joined the school during term 4 and only base line data was gathered (excluded from statistics)</p> <p>2 transitioned out of the school after less than a term or were not attending (excluded from statistics)</p> <p>7 made Expected progress – 54%</p> <p>6 made Accelerated progress (6 months progress in 1 term) – 46%</p>				<p>Ensure each student has a clearly identified ‘Target’ for the year based on baseline data. Prioritise students who are at risk of not achieving the target as early as possible. Make the Individual Education Plan (IEP) a living document where all interventions are noted and reflected on weekly.</p> <p>‘Lexia’ reading programme was trialled in 2018 but the feedback (and results) from students was poor so this will be discontinued in 2019.</p> <p>On average students made a gain of 2.5 sub levels over the year.</p> <p>Change 2019 goal to target ‘Expected’ progress with an emphasis on curriculum appropriate re-integration into a mainstream setting.</p>				

Strategic Aim: All students will achieve 'Neon' band prior to transitioning from Westbridge

Annual Target: 100% of Student leavers to achieve Neon band prior to transition.

Band data: 17 students attended the school during 2018. Final band levels (whether leavers or not).

Band	Welcome	Green	White	Yellow	Neon	Silver	Gold
Students	4	2	1	2	5	3	0
Actions (what did we do?)		Outcomes (what happened?)			Evaluation (where to next?)		
<ul style="list-style-type: none"> Introduced Values bands – Safety, Responsibility and Respect – used data directly from school goals to inform and hence motivate. Continued with Principals Award to reward attainment of school goals on a weekly basis. Modified accrual of days from home goal books to motivate goal practice at home and general motivation towards gaining bands. Used Skill streaming data to more carefully inform residential teaching and reinforcement in school through skill of the week. 		<p>Of the 17 students who attended: 9 are classed as 'Leavers' with 8 currently still attending.</p> <p>Leavers</p> <p>Overall 4 of the 9 leavers achieved Neon – 44%</p> <p>3 of these left within 2 terms of enrolling. Of the 3, 2 did not progress beyond the Welcome band with the third achieving Yellow.</p> <p>Current</p> <p>Of the 8 students returning in 2019: 3 have already achieved Neon.</p>			<p>Throughout the year SkillStreaming was analysed more deeply as a way of identifying social skill deficits.</p> <p>Alongside this the Band System was encouraged in various ways (see Actions). Social skills teaching is the most important work of the school. We do not generally see academic improvement until key social skills have been acquired.</p> <p>The Goal for next year will be modified to include all students – not just Leavers. Given that there are 6 bands and an average stay at the school of 6 terms then a reasonable goal would be to achieve one band per term (to a maximum of 6 bands). This would allow for a more reasonable comparison of progress especially where students leave within 6 terms.</p> <p>In addition the whole band system will be reviewed and other forms of Social Skills delivery/assessment explored.</p> <p>Zones Of Regulation teaching will form a big part of the programme in 2019 and should help students more with self-regulation which, in turn, will be reflected in goal achievement.</p>		

Statement of Responsibility

Statement of Responsibility

Annual Report - For the year ended 31 December 2018

The Board of Trustees accepts responsibility for the preparation of the annual report and 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 of the school's financial reporting.

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

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

David Michael Bagwell

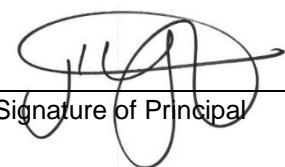
Janine Michelle Harrington

Full Name of Principal
Westbridge Residential School

Full Name of Principal
Halswell Residential College



Signature of Principal



Signature of Principal

30 May 2019

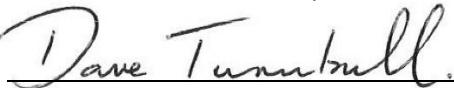
30 May 2019

Date

Date

David John Turnbull

Full Name of Board Chairperson



Signature of Board Chairperson

30 May 2019

Date

Combined Financial Statements for Halswell Residential College and Westbridge Residential School

COMBINED BOARD OF HALSWELL RESIDENTIAL COLLEGE AND WESTBRIDGE RESIDENTIAL SCHOOL



ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number:	522	4157
Principal:	Janine Harrington	David Bagwell
School Address:	Halswell Residential School, 15 Nash Road, Christchurch 8025	Westbridge Residential School, 488e Don Buck Road, Massey, Waitakere City
School Postal Address:	Halswell Residential School, 15 Nash Road, Christchurch 8025	Westbridge Residential School, PO Box 79-056, Royal Heights, Auckland
School Phone:	03 338 5089	09 832 4918
School Email:		

Combined Board of Halswell Residential College & Westbridge Residential School

Annual Report - For the year ended 31 December 2018

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Other Information

Analysis of Variance

Kiwisport

Statement of Responsibility

For the year ended 31 December 2018

The Board of Trustees (the Board) has pleasure in presenting the annual report of Combined Board of Halswell College and Westbridge Residential School incorporating the financial statements and the auditor's report, for the ended 31 December 2018.

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

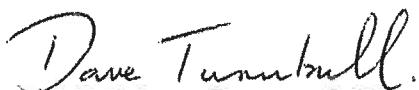
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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

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

David John Turnbull

Full Name of Board Chairperson



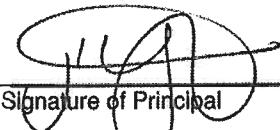
Signature of Board Chairperson

31 May 2019

Date:

Janine Michelle Harrington

Full Name of Principal



Signature of Principal

31 May 2019

Date:

David Michael Bagwell

Full Name of Principal



Signature of Principal

31 May 2019

Date:

Residential
ie year

Members of the Board of Trustees

For the year ended 31 December 2018

Name	Position	How Position Gained	Held Until
David Turnbull	Chairperson	Ministry Appointed	Feb 2020
Janine Harrington	Halswell Residential College Principal		
David Bagwell	Westbridge Residential School Principal		
David Ivory		Co-opted	Feb 2018
Kevin Pryor		Ministry Appointed	Feb 2020
Anthony Fisher		Ministry Appointed	Feb 2020
Joanne Walker		Ministry Appointed	Feb 2021
Elizabeth Waugh		Ministry Appointed	Feb 2021
Jon Purdue	In attendance Rep	Board Motion	May 2019
Barbara Nelson	Staff Rep	Elected	May 2019

Combined Board of Halswell Residential College & Westbridge Residential School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	7,992,499	7,988,921	8,008,851
Locally Raised Funds	3	68,038	12,500	21,344
Interest Earned		96,824	85,044	96,109
Other Revenue		-	-	30,629
		8,157,361	8,086,465	8,156,933
Expenses				
Locally Raised Funds	3	230	-	1,552
Learning Resources	4	5,468,658	5,777,579	5,388,777
Administration	5	672,565	726,659	551,945
Finance Costs		2,940	-	501
Property	6	2,426,244	2,371,769	2,013,165
Depreciation	7	189,129	180,000	185,325
Loss on Disposal of Property, Plant and Equipment		38	-	4,971
		8,759,804	9,056,007	8,146,236
Net (Deficit) / Surplus		(602,443)	(969,542)	10,696
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		(602,443)	(969,542)	10,696

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



Combined Board of Halswell Residential College & Westbridge Residential School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	3,430,488	3,430,488	3,419,791
Total comprehensive revenue and expense for the year	(602,443)	(969,542)	10,696
Equity at 31 December	2,828,045	2,460,946	3,430,488
Retained Earnings	2,828,045	2,460,946	3,430,488
Equity at 31 December	2,828,045	2,460,946	3,430,488

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



Combined Board of Halswell Residential College & Westbridge Residential School

Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	331,066	679	790,221
Accounts Receivable	9	89,875	205,567	205,567
GST Receivable		93,947	32,269	32,269
Prepayments		6,095	6,307	6,307
Investments	10	2,385,583	2,383,648	2,383,648
		2,906,566	2,628,470	3,418,012
Current Liabilities				
Accounts Payable	12	488,150	195,348	195,348
Revenue Received in Advance	13	208,246	213,361	213,361
Provision for Cyclical Maintenance	14	4,000	4,000	4,000
Finance Lease Liability - Current Portion	15	46,088	48,068	48,068
Funds held in Trust	16	103,883	97,188	97,188
Funds held for Capital Works Projects	17	167,177	109,413	109,413
		1,017,544	667,378	667,378
Working Capital Surplus/(Deficit)		1,889,022	1,961,092	2,750,634
Non-current Assets				
Property, Plant and Equipment	11	1,019,608	612,548	792,548
		1,019,608	612,548	792,548
Non-current Liabilities				
Provision for Cyclical Maintenance	14	41,220	31,133	31,133
Finance Lease Liability	15	39,365	81,561	81,561
		80,585	112,694	112,694
Net Assets		2,828,045	2,460,946	3,430,488
Equity		2,828,045	2,460,946	3,430,488

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



Combined Board of Halswell Residential College & Westbridge Residential School

Statement of Cash Flows

For the year ended 31 December 2018

	Note	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash flows from Operating Activities				
Government Grants		5,031,051	4,939,650	5,409,967
Locally Raised Funds		99,786	12,500	(96,863)
Goods and Services Tax (net)		(61,678)	-	61,835
Payments to Employees		(4,373,798)	(4,545,594)	(4,238,506)
Payments to Suppliers		(826,742)	(1,281,142)	(1,508,080)
Cyclical Maintenance Payments in the year		(20,475)	-	135,845
Interest Received		93,520	85,044	98,231
Net cash from / (to) the Operating Activities		(58,336)	(789,542)	(137,571)
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(416,227)	-	(186,901)
Purchase of Investments		(53,623)	-	(545,492)
Proceeds from Sale of Investments		51,688	-	-
Net cash from / (to) the Investing Activities		(418,162)	-	(732,393)
Cash flows from Financing Activities				
Finance Lease Payments		(47,116)	-	(63,362)
Funds Held for Capital Works Projects		57,764	-	95,531
Funds Administered on Behalf of Third Parties		6,695	-	(174,904)
Net cash from Financing Activities		17,343	-	(142,735)
Net increase/(decrease) in cash and cash equivalents		(459,155)	(789,542)	(1,012,699)
Cash and cash equivalents at the beginning of the year	8	790,221	790,221	1,802,920
Cash and cash equivalents at the end of the year	8	331,066	679	790,221

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

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



Combined Board of Halswell Residential College & Westbridge Residential School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2018

1.1. Reporting Entity

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

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.



Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

Recognition of grants

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

1.3. Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. Use of Land and Buildings Expense

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

1.5. Operating Lease Payments

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

1.6. Finance Lease Payments

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

1.7. Cash and Cash Equivalents

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



1.8. Accounts Receivable

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

1.9. 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 of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

1.10. Property, Plant and Equipment

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

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

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	25 years
Furniture and equipment	10 years
Information Communication	5 years
Motor vehicles	5 years
Leased Assets	3 years
Library resources	12.5% Diminishing value



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

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

Non cash generating assets

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

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

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

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

1.12. Accounts Payable

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

1.13. Employment Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

1.14. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received 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.

1.15. Funds Held In Trust

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

1.16. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.



1.17. Provision for Cyclical Maintenance

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

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

1.18. Financial Assets and Liabilities

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

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

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

1.19. Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

1.20. Budget Figures

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

1.21. 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	4,913,947	4,914,046	4,859,568
Teachers' salaries grants	1,262,678	1,262,678	1,165,323
Use of Land and Buildings grants	1,786,593	1,786,593	1,550,054
Other MoE Grants	29,281	25,604	433,906
	<u>7,992,499</u>	<u>7,988,921</u>	<u>8,008,851</u>

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	-	-	41
Fundraising	230	-	3,687
Other revenue	<u>67,808</u>	<u>12,500</u>	<u>17,616</u>
	<u>68,038</u>	<u>12,500</u>	<u>21,344</u>
Expenses			
Fundraising (costs of raising funds)	<u>230</u>	<u>-</u>	<u>1,552</u>
	<u>230</u>	<u>-</u>	<u>1,552</u>
<i>Surplus for the year Locally raised funds</i>	<i><u>67,808</u></i>	<i><u>12,500</u></i>	<i><u>19,792</u></i>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	123,819	172,657	123,086
Equipment repairs	16,218	52,342	41,530
Information and communication technology	14,733	48,079	16,209
Extra-curricular activities	149,437	159,078	291,800
Employee benefits - salaries	5,075,971	5,258,635	4,831,399
Staff development	<u>88,480</u>	<u>86,788</u>	<u>84,753</u>
	<u>5,468,658</u>	<u>5,777,579</u>	<u>5,388,777</u>



5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	9,715	13,105	16,779
Board of Trustees Fees	51,301	56,230	36,569
Board of Trustees Expenses	9,387	63,015	7,259
Communication	18,056	17,460	17,243
Consumables	32,411	42,491	26,806
Operating Lease	5,225	11,067	1,622
Legal Fees	56,591	16,851	32,226
Other	49,311	80,554	32,602
Employee Benefits - Salaries	412,788	395,413	341,868
Insurance	7,148	7,616	10,678
Service Providers, Contractors and Consultancy	20,632	22,857	28,293
	672,565	726,659	551,945

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	20,849	24,579	25,064
Consultancy and Contract Services	26,300	20,000	20,094
Cyclical Maintenance Provision	30,562	56,558	32,534
Adjustment to the Provision	-	-	(168,379)
Grounds	49,924	49,385	51,929
Heat, Light and Water	127,068	125,615	115,122
Rates	9,777	8,198	8,758
Repairs and Maintenance	218,298	146,617	246,217
Use of Land and Buildings	1,786,593	1,786,593	1,550,054
Employee Benefits - Salaries	156,873	154,224	131,772
	2,426,244	2,371,769	2,013,165

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

7. Depreciation of Property, Plant and Equipment

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Building Improvements	11,857	11,988	11,608
Furniture and Equipment	58,156	62,589	52,622
Information and Communication Technology	30,510	26,323	21,589
Motor Vehicles	19,999	29,020	33,045
Leased Assets	67,308	48,980	65,120
Library Resources	1,299	1,100	1,341
	189,129	180,000	185,325



8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	525	-	1,800
Bank Current Account	279,272	679	327,808
Bank Call Account	51,269	-	408,498
Short-term Bank Deposits	-	-	52,115
Cash equivalents and bank overdraft for Cash Flow Statement	<u>331,066</u>	<u>679</u>	<u>790,221</u>

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

Of the \$331,066 Cash and Cash Equivalents, \$167,177 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	599	33,347	33,347
Receivables from the Ministry of Education	-	91,938	91,938
Interest Receivable	10,976	7,672	7,672
Teacher Salaries Grant Receivable	<u>78,300</u>	<u>72,610</u>	<u>72,610</u>
	<u>89,875</u>	<u>205,567</u>	<u>205,567</u>
Receivables from Exchange Transactions	11,575	41,019	41,019
Receivables from Non-Exchange Transactions	<u>78,300</u>	<u>164,548</u>	<u>164,548</u>
	<u>89,875</u>	<u>205,567</u>	<u>205,567</u>

10. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset	2,385,583	2,383,648	2,383,648
Short-term Bank Deposits			



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	210,048	62,781	-	-	(11,857)	260,972
Furniture and Equipment	336,961	202,544	-	-	(58,156)	481,349
Information and Communication	81,332	124,410	-	-	(30,510)	175,232
Motor Vehicles	31,879	12,436	-	-	(19,999)	24,316
Leased Assets	122,938	-	-	-	(67,308)	55,630
Library Resources	9,390	1,041	(39)	-	(1,299)	9,093
Work in Progress	-	13,016	-	-	-	13,016
Balance at 31 December 2018	792,548	416,228	(39)	-	(189,129)	1,019,608

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	392,409	(131,437)	260,972
Furniture and Equipment	1,599,131	(1,117,782)	481,349
Information and Communication	490,799	(315,567)	175,232
Motor Vehicles	278,648	(254,332)	24,316
Leased Assets	262,816	(207,186)	55,630
Library Resources	81,979	(72,886)	9,093
Work in Progress	13,016	-	13,016
Balance at 31 December 2018	3,118,798	(2,099,190)	1,019,608

The net carrying value of equipment held under a finance lease is \$55,630 (2017: \$122,938)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	222,124	-	(468)	-	(11,608)	210,048
Furniture and Equipment	266,606	125,890	(2,913)	-	(52,622)	336,961
Information and Communication	44,617	60,235	(1,931)	-	(21,589)	81,332
Motor Vehicles	64,924	-	-	-	(33,045)	31,879
Leased Assets	147,977	40,081	-	-	(65,120)	122,938
Library Resources	9,617	1,132	(18)	-	(1,341)	9,390
Balance at 31 December 2017	755,865	227,338	(5,330)	-	(185,325)	792,548

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	329,629	(119,581)	210,048
Furniture and Equipment	1,396,592	(1,059,631)	336,961
Information and Communication	366,389	(285,057)	81,332
Motor Vehicles	266,211	(234,332)	31,879
Leased Assets	262,816	(139,878)	122,938
Library Resources	81,057	(71,667)	9,390
Balance at 31 December 2017	2,702,694	(1,910,146)	792,548



12. Accounts Payable

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
Operating creditors	321,930	43,871	43,871
Accruals	12,240	12,343	12,343
Employee Entitlements - salaries	78,300	72,610	72,610
Employee Entitlements - leave accrual	75,680	66,524	66,524
	488,150	195,348	195,348
Payables for Exchange Transactions			
	488,150	195,348	195,348
	488,150	195,348	195,348

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	204,316	208,431	208,431
Other	3,930	4,930	4,930
	208,246	213,361	213,361

14. Provision for Cyclical Maintenance

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
Provision at the Start of the Year	35,133	35,133	239,607
Increase to the Provision During the Year	31,562	-	32,534
Adjustment to the Provision	-	-	(168,379)
Use of the Provision During the Year	(21,475)	-	(68,629)
Provision at the End of the Year	45,220	35,133	35,133
Cyclical Maintenance - Current	4,000	4,000	4,000
Cyclical Maintenance - Term	41,220	31,133	31,133
	45,220	35,133	35,133

With respect to Halswell Residential College, the provision has been reversed in the previous period due to the significant uncertainty around the balance. Refer to Note 21.



15. Finance Lease Liability

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

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
No Later than One Year	46,102	48,255	48,255
Later than One Year and no Later than Five Years	39,365	81,575	81,575
Later than Five Years	-	-	-
	85,467	129,830	129,830

16. Funds Held in Trust

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	103,883	97,188	97,188
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	103,883	97,188	97,188

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

17. Funds Held for Capital Works

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

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Blk 2 Lighting upgrade	Completed	1,512	-	1,512	-	-
Blk 2 Carpet replacement	Completed	1,582	-	1,582	-	-
Drainage upgrade	Completed	41,143	-	41,143	-	-
Glass replacement	Completed	13,648	-	13,648	-	-
Toilet modernisation Blks 1 and 2	Completed	51,528	2,815	54,343	-	-
Drainage upgrade	Completed	-	11,700	11,700	-	-
Roof replacement	In progress	-	201,183	34,006	-	167,177
Totals		109,413	215,698	157,934	-	167,177

Represented by:

Funds Held on Behalf of the Ministry of Education

167,177
167,177

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Roof Replacement Block 1,4,5,D1	Completed	13,882	-	-	13,882	-
Blk 2 Lighting upgrade	In progress	-	11,112	9,600	-	1,512
Blk 2 Carpet replacement	In progress	-	26,923	25,341	-	1,582
Drainage upgrade	In progress	-	41,143	-	-	41,143
Glass replacement	In progress	-	40,370	26,722	-	13,648
Toilet modernisation Blks 1 and 2	In progress	-	52,131	603	-	51,528
Totals		13,882	171,679	62,266	13,882	109,413



18. Related Party Transactions

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

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

19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Associate Principals, the Executive Officer, Residential Managers and Team Leaders.

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	51,301	36,569
Full-time equivalent members	0.75	0.52
<i>Leadership Team</i>		
Remuneration	937,543	942,888
Full-time equivalent members	10.00	10.00
Total key management personnel remuneration	<u>988,844</u>	<u>979,457</u>
Total full-time equivalent personnel	<u>10.75</u>	<u>10.52</u>

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 \$	2017 Actual \$
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments - Principal (Halswell Residential)	140 - 150	140 - 150
Salary and Other Payments - Principal (Westbridge Residential)	130 - 140	130 - 140
Benefits and Other Emoluments - Principal (Halswell Residential)	3 - 4	3 - 4
Benefits and Other Emoluments - Principal (Westbridge Residential)	3 - 4	3 - 4
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration	2018	2017
\$	FTE Number	FTE Number
110 - 120	-	-
100 - 110	-	-
	<u>-</u>	<u>-</u>

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



20. Compensation and Other Benefits Upon Leaving

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

	2018 Actual	2017 Actual
Total	\$ 60,000.00	-
Number of People	3.00	-

21. Contingencies

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

Contingent Liability - Cyclical Maintenance

The School has an obligation to the Ministry of Education to maintain in good order and repair at all times the land, buildings and other facilities on the School site. Halswell Residential College has been a part of the Christchurch Schools Rebuild Programme which has resulted in the School's buildings being rebuilt. At the present time there is significant uncertainty over how the programme will affect the maintenance requirements of the School. As a result, the School cannot make a reliable estimate of the maintenance required on the School's buildings so no cyclical maintenance provision has been recognised, even though the school will be required to maintain any buildings.

We also draw your attention to the line item "Adjustment to the Provision" in the property expense note 14 where the School has reversed its provision for cyclical maintenance because of this significant uncertainty.

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.

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

22. Commitments

(a) Capital Commitments

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

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

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

(a) operating lease of a photocopier;

	2018 Actual	2017 Actual
	\$	\$
No later than One Year	-	7,428
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<hr/>	<hr/>
	-	7,428
	<hr/>	<hr/>

23. 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.



24. Financial Instruments

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

Loans and Receivables

	2018	2018 Budget (Unaudited)	2017
	Actual	\$	\$
Cash and Cash Equivalents	331,066	679	790,221
Receivables	89,875	205,567	205,567
Investments - Term Deposits	2,385,583	2,383,648	2,383,648
Total Loans and Receivables	2,806,524	2,589,894	3,379,436

Financial liabilities measured at amortised cost

Payables	488,150	195,348	195,348
Finance Leases	85,453	129,629	129,629
Total Financial Liabilities Measured at Amortised Cost	573,603	324,977	324,977

25. Events After Balance Date

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





INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF THE COMBINED BOARD OF HALSWELL RESIDENTIAL COLLEGE AND WESTBRIDGE RESIDENTIAL SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of The Combined Board of Halswell Residential College and Westbridge Residential School (the School). The Auditor-General has appointed me, Mike Hoshek 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 4 to 21, that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expense, statement of changes in 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 31 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 arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information 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.



Mike Hoshek
Deloitte Limited
On behalf of the Auditor-General

Christchurch, New Zealand