

THAMES HIGH SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

School Address:	300 Sealey Street Thames
School Postal Address:	P O Box 706 THAMES
School Phone:	07 868 8688
School Email:	accounts@thameshigh.school.nz
Ministry Number:	111

THAMES HIGH SCHOOL

Financial Statements - For the year ended 31 December 2016

Index

<u>Page</u>	<u>Financial Statements</u>
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 19</u>	Notes to the Financial Statements
<u>6 - 10</u>	Statement of Accounting Policies
<u>11 - 19</u>	Other Notes and Disclosures
	<u>Other Reports</u>
	Board of Trustee Members
	Analysis of Variance
	Kiwisport Report

Thames High School

Statement of Responsibility

For the year ended 31 December 2016

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 2016 fairly reflects the financial position and operations of the school.

The School's 2016 financial statements are authorised for issue by the Board.

Anna Tuby

Full Name of Board Chairperson



Signature of Board Chairperson

24/5/17

Date:

David Neil Sim

Full Name of Principal



Signature of Principal

24/05/2017

Date:

Thames High School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue				
Government Grants	2	5,791,065	6,332,379	5,699,524
Locally Raised Funds	3	357,725	271,090	376,949
Interest Earned		4,424	10,200	5,665
Gain on Sale of Property, Plant and Equipment		118,214	-	524
International Students	4	246,426	231,250	233,766
Other Revenue		2,771	3,019	-
		<hr/>	<hr/>	<hr/>
		6,520,624	6,847,938	6,316,427
Expenses				
Locally Raised Funds	3	298,503	205,800	318,927
International Students	4	166,031	173,450	189,804
Learning Resources	5	4,100,472	4,504,413	4,058,550
Administration	6	266,659	285,422	293,341
Property	7	1,409,717	1,548,500	1,296,748
Depreciation	8	174,029	128,600	164,913
		<hr/>	<hr/>	<hr/>
		6,415,411	6,846,185	6,322,283
Net Surplus / (Deficit)		105,214	1,753	(5,855)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		105,214	1,753	(5,855)

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

Thames High School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2016

	Actual 2016 \$	Budget (Unaudited) 2016 \$	Actual 2015 \$
Balance at 1 January	<u>1,269,743</u>	<u>1,078,055</u>	<u>1,247,666</u>
Total comprehensive revenue and expense for the year	105,214	1,753	(5,855)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	27,933
Funds held for Capital Works Projects	<u>1,374,957</u>	<u>1,079,808</u>	<u>1,269,743</u>
Retained Earnings	1,374,957	1,079,808	1,269,743
Reserves	-	-	-
Equity at 31 December	<u>1,374,957</u>	<u>1,079,808</u>	<u>1,269,743</u>

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

Thames High School Statement of Financial Position

As at 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Current Assets				
Cash and Cash Equivalents	9	355,199	990,000	407,173
Accounts Receivable	10	253,748	282,450	426,107
GST Receivable		8,599	-	16,396
Prepayments		9,224	-	17,411
Inventories	11	2,137	-	2,802
Investments	12	1,107,523	-	694,059
Funds held for Capital Works Projects	20	129,031	-	-
		<u>1,865,462</u>	<u>1,272,450</u>	<u>1,563,948</u>
Current Liabilities				
GST Payable		-	30,000	-
Accounts Payable	14	300,881	300,000	449,455
Borrowings - Due in one year	15	-	103,000	1,411
Revenue Received in Advance	16	337,206	99,450	258,761
Provision for Cyclical Maintenance	17	85,254	-	28,393
Finance Lease Liability - Current Portion	18	35,100	70,000	35,100
Funds held in Trust	19	29,907	5,000	57,971
Funds held for Capital Works Projects	20	-	-	6,253
		<u>788,348</u>	<u>607,450</u>	<u>837,343</u>
Working Capital Surplus/(Deficit)		1,077,114	665,000	726,605
Non-current Assets				
Property, Plant and Equipment	13	1,114,943	1,114,808	1,492,826
		<u>1,114,943</u>	<u>1,114,808</u>	<u>1,492,826</u>
Non-current Liabilities				
Borrowings - Due beyond one year	15	-	-	90,411
Provision for Cyclical Maintenance	17	41,718	50,000	59,918
Finance Lease Liability	18	75,463	-	105,300
Funds held in Trust	19	699,919	650,000	694,059
		<u>817,100</u>	<u>700,000</u>	<u>949,688</u>
Net Assets		<u><u>1,374,957</u></u>	<u><u>1,079,808</u></u>	<u><u>1,269,743</u></u>
Equity		<u><u>1,374,957</u></u>	<u><u>1,079,808</u></u>	<u><u>1,269,743</u></u>

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

Thames High School Statement of Cash Flows

For the year ended 31 December 2016

	2016	2016 Budget	2015
Note	Actual \$	(Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	1,376,910	1,358,379	1,433,056
Locally Raised Funds	432,082	273,069	307,715
International Students	313,379	331,250	239,217
Goods and Services Tax (net)	7,798	55,478	(62,231)
Payments to Employees	(923,033)	(801,413)	(912,560)
Payments to Suppliers	(888,569)	(793,070)	(924,914)
Interest Received	-	11,092	1,389
Net cash from / (to) the Operating Activities	<u>318,567</u>	<u>434,785</u>	<u>81,672</u>
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	438,623	460,000	-
Purchase of PPE (and Intangibles)	(104,604)	(99,900)	(160,661)
Purchase of Investments	(413,464)	-	-
Net cash from / (to) the Investing Activities	<u>(79,445)</u>	<u>360,100</u>	<u>(160,661)</u>
Cash flows from Financing Activities			
Furniture and Equipment Grant	-	-	27,932
Finance Lease Payments	(41,787)	(70,000)	(48,576)
Loans Received/ Repayment of Loans	(91,822)	(103,000)	(1,624)
Funds Administered on Behalf of Third Parties	(157,487)	(39,059)	(369,043)
Net cash from Financing Activities	<u>(291,096)</u>	<u>(212,059)</u>	<u>(391,311)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(51,974)</u>	<u>582,827</u>	<u>(470,300)</u>
Cash and cash equivalents at the beginning of the year	9 407,173	407,173	877,473
Cash and cash equivalents at the end of the year	9 <u>355,199</u>	<u>990,000</u>	<u>407,173</u>

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

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

Thames High School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2016

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2016 to 31 December 2016 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 18.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) 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.

j) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance.

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

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

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

The School has met the requirements under section 73 of the Education Act 1989 in relation to the acquisition of securities.

k) Property, Plant and Equipment

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

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

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements – Crown	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

l) 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.

m) 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.

n) Employee Entitlements

Short-term employee entitlements

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

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

o) Revenue Received in Advance

Revenue received in advance relates to fees received from international where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

p) 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. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

q) 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).

r) 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 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.

s) Borrowings

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

t) 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.

u) Budget Figures

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

v) 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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operational grants	1,271,175	1,282,721	1,217,742
Teachers' salaries grants	3,399,847	3,774,000	3,332,452
Use of Land and Buildings grants	1,014,308	1,200,000	934,016
Resource teachers learning and behaviour grants	396	19,000	69,389
Other MoE Grants	40,217	56,658	57,081
Other government grants	65,122	-	88,844
	<u>5,791,065</u>	<u>6,332,379</u>	<u>5,699,524</u>

3. Locally Raised Funds

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

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue			
Donations	60,557	30,550	41,786
Fundraising	59,198	7,150	13,589
Trading	95,514	101,890	94,480
Activities	101,708	78,050	174,091
Curriculum Recoveries	40,748	53,450	53,003
	<u>357,725</u>	<u>271,090</u>	<u>376,949</u>
Expenses			
Activities	140,100	109,900	223,648
Trading	93,262	95,900	95,047
Fundraising (costs of raising funds)	65,141	-	232
	<u>298,503</u>	<u>205,800</u>	<u>318,927</u>
<i>Surplus for the year Locally raised funds</i>	<u>59,222</u>	<u>65,290</u>	<u>58,022</u>

4. International Student Revenue and Expenses

	2016 Actual Number	2016 Budget (Unaudited) Number	2015 Actual Number
International Student Roll	17	17	12
	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Revenue			
International student fees	246,426	231,250	233,766
Expenses			
Advertising	37,727	25,000	34,585
Commissions	20,277	19,500	19,265
International student levy	2,200	5,400	5,366
Employee Benefit - Salaries	84,569	63,000	63,869
Other Expenses	21,259	60,550	66,718
	<u>166,031</u>	<u>173,450</u>	<u>189,804</u>
<i>Surplus for the year International Students</i>	<u>80,395</u>	<u>57,800</u>	<u>43,961</u>

5. Learning Resources

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	133,483	181,450	172,684
Equipment repairs	8,043	12,650	12,037
Information and communication technology	73,132	59,900	64,874
Extra-curricular activities	48,524	59,600	66,630
Library resources	4,987	4,850	4,177
Employee benefits - salaries	3,383,686	3,838,000	3,334,731
Resource/attached teacher costs	429,279	323,063	377,898
Staff development	19,338	24,900	25,520
	<u>4,100,472</u>	<u>4,504,413</u>	<u>4,058,550</u>

6. Administration

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	10,654	10,900	10,896
Board of Trustees Fees	4,675	5,000	4,840
Board of Trustees Expenses	2,734	3,650	2,296
Communication	10,228	12,150	12,530
Consumables	14,603	10,800	13,285
Other	4,661	10,700	11,749
Employee Benefits - Salaries	212,117	223,900	229,382
Insurance	6,989	8,322	8,363
	<u>266,659</u>	<u>285,422</u>	<u>293,341</u>

7. Property

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	26,947	16,100	18,921
Cyclical Maintenance Provision	38,661	15,000	33,361
Grounds	11,702	5,500	5,572
Heat, Light and Water	52,222	56,200	57,291
Rates	22,975	19,200	15,810
Repairs and Maintenance	50,691	45,050	30,090
Use of Land and Buildings	1,014,308	1,200,000	934,016
Employee Benefits - Salaries	192,212	191,450	201,686
	<u>1,409,717</u>	<u>1,548,500</u>	<u>1,296,748</u>

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

8. Depreciation of Property, Plant and Equipment

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	-	-	4,000
Building Improvements - Crown	6,407	10,400	6,386
Furniture and Equipment	36,663	31,700	35,500
Information and Communication Technology	57,596	44,800	44,808
Motor Vehicles	4,277	3,600	3,620
Textbooks	17,225	21,100	19,643
Leased Assets	38,205	-	35,100
Library Resources	13,655	17,000	15,856
	<u>174,029</u>	<u>128,600</u>	<u>164,913</u>

9. Cash and Cash Equivalents

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	202	-	200
Bank Current Account	(26,413)	120,000	21,200
Bank Call Account	381,410	220,000	385,773
Short-term Bank Deposits	-	650,000	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>355,199</u>	<u>990,000</u>	<u>407,173</u>

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

10. Accounts Receivable

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	37,072	2,450	97,167
Interest Receivable	10,714	-	4,276
Teacher Salaries Grant Receivable	205,963	280,000	324,664
	<u>253,748</u>	<u>282,450</u>	<u>426,107</u>
Receivables from Exchange Transactions	47,785	2,450	37,972
Receivables from Non-Exchange Transactions	205,963	280,000	388,135
	<u>253,748</u>	<u>282,450</u>	<u>426,107</u>

11. Inventories

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	690	-	1,290
Canteen	1,447	-	1,512
	<u>2,137</u>	<u>-</u>	<u>2,802</u>

12. Investments

The School's investment activities are classified as follows:

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	1,107,523	-	694,059

The carrying value of short-term bank deposits approximates their fair value at 31 December 2016.

Of the \$1,107,523 Investments, \$440,000 is held by the School to pay for our contribution towards the Thames Indoor Sports Facility, which is required to be paid to the Thames Coromandel District Council before the end of June 2017. These funds are required to be spent in 2017 on Crown owned school buildings under the School's Five Year Property Plan.

Of the cash and cash equivalents, and Investments, \$699,919 is held by the School on behalf of various Trusts for the purposes and benefits of the students as specified in the Trust documents.

13. Property, Plant and Equipment

2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	290,000	-	(145,000)	-	-	145,000
Buildings	171,667	-	(171,667)	-	-	-
Building Improvements	227,027	-	-	-	(6,407)	220,620
Furniture and Equipment	254,332	25,267	(3,741)	-	(36,663)	239,194
Information and Communication Technology	137,827	59,586	-	-	(57,596)	139,816
Motor Vehicles	6,618	3,310	-	-	(4,277)	5,651
Textbooks	147,545	9,419	-	-	(17,225)	139,739
Leased Assets	140,400	11,950	-	-	(38,205)	114,145
Library Resources	117,411	7,022	-	-	(13,655)	110,778
Balance at 31 December 2016	1,492,826	116,554	(320,408)	-	(174,029)	1,114,943

Accumulated Depreciation

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	145,000	-	145,000
Buildings	-	-	-
Building Improvements	320,370	(99,750)	220,620
Furniture and Equipment	881,848	(642,654)	239,194
Information and Communication Technology	772,286	(632,469)	139,816
Motor Vehicles	51,459	(45,808)	5,651
Textbooks	264,348	(124,609)	139,739
Leased Assets	187,450	(73,305)	114,145
Library Resources	286,059	(175,281)	110,778
Balance at 31 December 2016	2,908,819	(1,793,876)	1,114,943

2015	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	290,000	-	-	-	-	290,000
Buildings	175,667	-	-	-	(4,000)	171,667
Building Improvements	230,512	1,849	-	-	(6,386)	225,975
Furniture and Equipment	195,955	94,930	-	-	(35,500)	255,385
Information and Communication Technology	142,326	40,308	-	-	(44,808)	137,826
Motor Vehicles	2,599	7,639	-	-	(3,620)	6,618
Textbooks	157,148	10,039	-	-	(19,643)	147,544
Leased Assets	175,500	-	-	-	(35,100)	140,400
Library Resources	126,846	6,422	-	-	(15,856)	117,412
Balance at 31 December 2015	1,496,553	161,187	-	-	(164,913)	1,492,827

Accumulated Depreciation

2015	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	290,000	-	290,000
Buildings	200,000	(28,333)	171,667
Building Improvements	320,370	(93,343)	227,027
Furniture and Equipment	856,322	(601,990)	254,332
Information and Communication Technology	712,700	(574,873)	137,827
Motor Vehicles	65,918	(59,300)	6,618
Textbooks	254,929	(107,384)	147,545
Leased Assets	175,500	(35,100)	140,400
Library Resources	279,037	(161,626)	117,411
Balance at 31 December 2015	3,154,775	(1,661,949)	1,492,826

14. Accounts Payable

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operating creditors	83,380	20,000	92,237
Employee Entitlements - salaries	217,500	280,000	357,218
	<u>300,881</u>	<u>300,000</u>	<u>449,455</u>
Payables for Exchange Transactions	300,881	300,000	449,455
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>300,881</u>	<u>300,000</u>	<u>449,455</u>

The carrying value of payables approximates their fair value.

15. Borrowings

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Due in One Year	-	103,000	1,411
Due Beyond One Year	-	-	90,411
	<u>-</u>	<u>103,000</u>	<u>91,822</u>

The school has no borrowings at 31 December 2016 (31 December 2015: \$91,822). Loan facility cleared when School house at 712 Rolleston Street was sold in December 2016

16. Revenue Received in Advance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
International Student Fees	252,773	100,000	185,820
Other	84,433	(550)	72,941
	<u>337,206</u>	<u>99,450</u>	<u>258,761</u>

17. Provision for Cyclical Maintenance

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	88,311	50,000	86,062
Increase to the Provision During the Year	25,211	15,000	21,217
Adjustment to the Provision	13,450	-	-
Use of the Provision During the Year	-	(15,000)	(18,968)
Provision at the End of the Year	<u>126,972</u>	<u>50,000</u>	<u>88,311</u>
Cyclical Maintenance - Current	85,254	-	28,393
Cyclical Maintenance - Term	41,718	50,000	59,918
	<u>126,972</u>	<u>50,000</u>	<u>88,311</u>

18. Finance Lease Liability

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

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	35,100	70,000	35,100
Later than One Year and no Later than Five Years	75,463	-	105,300
Later than Five Years	-	-	-
	<u>110,563</u>	<u>70,000</u>	<u>140,400</u>

19. Funds held in Trust

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Held in Trust on Behalf of Third Parties - Current	29,907	5,000	57,971
Funds Held in Trust on Behalf of Third Parties - Non-current	699,919	650,000	694,059
	<u>729,826</u>	<u>655,000</u>	<u>752,030</u>

These funds (current portion) are held in trust for students as credit balances for monies received but not yet spent.

These funds (non-current portion) are held on behalf of various Trusts for the purposes and benefits of the students as specified in the Trust documents. There are no significant income and expense in these Trusts funds during the year.

20. Funds Due for Capital Works Projects

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

	2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Upgrade of Hall Foyer	<i>Completed</i>	(6,702)	-	6,702	-	-
A Block Stage 1	<i>Completed</i>	21,787	467,847	(555,355)	-	(65,721)
New Wharenui	<i>In Progress</i>	(8,832)	346,988	(403,030)	-	(64,874)
Caretakers Shed	<i>In Progress</i>	-	77,189	(75,625)	-	1,564
Totals		6,253	892,024	(1,027,308)	-	(129,031)

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

1,564
130,595

(129,031)

	2015	Opening Balances	Receipts from MoE	Payments	BOI Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Upgrade of Hall Foyer	<i>in progress</i>	(1,000)	-	(5,702)	-	(6,702)
A Block Stage 1	<i>in progress</i>	29,464	-	(7,676)	-	21,787
New Wharenui	<i>in progress</i>	-	-	(8,832)	-	(8,832)
C Block Refurbishment	<i>completed</i>	371,616	60,862	(439,599)	7,121	-
Totals		400,080	60,862	(461,809)	7,121	6,253

21. 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.

Michelle Sim, spouse of Principal Dave Sim, was employed by the school as a teacher during the school year on terms and conditions that are no more favourable than the board would have adopted if there was no relationship to a member of the key management personnel.

22. Remuneration

Key management personnel compensation

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

	2016 Actual \$	2015 Actual \$
<i>Board Members</i>		
Remuneration	4,675	4,785
Full-time equivalent members	0.31	0.44
<i>Leadership Team</i>		
Remuneration	1,331,198	1,287,950
Full-time equivalent members	14.10	14.10
Total key management personnel remuneration	1,335,873	1,292,735
Total full-time equivalent personnel	14.41	14.54

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:

	2016 Actual \$000	2015 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140-150
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2016 FTE Number	2015 FTE Number
100 - 110	2.00	0.00
	2.00	0.00

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

23. Contingencies

There are no contingent liabilities and no contingent assets as at **31 December 2016** (Contingent liabilities and assets at **31 December 2015**: nil).

24. Commitments

(a) Capital Commitments

As at 31 December 2016 there were no capital commitments (capital commitments at 31 December 2015:nil)

(b) Operating Commitments

As at 31 December 2016 there were no operating commitments (operating commitments at 31 December 2015:nil)

25. 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.

26. Financial Instruments

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

Loans and receivables

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash and Cash Equivalents	355,199	990,000	407,173
Receivables	253,748	282,450	426,107
Investments - Term Deposits	1,107,523	-	694,059
Total Loans and Receivables	<u>1,716,471</u>	<u>1,272,450</u>	<u>1,527,338</u>

Financial liabilities measured at amortised cost

Payables	300,881	300,000	449,455
Borrowings - Loans	-	103,000	91,822
Finance Leases	110,563	70,000	140,400
Total Financial Liabilities Measured at Amortised Cost	<u>411,444</u>	<u>473,000</u>	<u>681,677</u>

27. Events After Balance Date

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

Board of Trustee Members for the year ended 31 December 2016

Name of Member	Position	How Position on Board gained	Occupation & Employer	Date trustees go out of office
Sally Poulgrain	Chairperson	Re-elected May 2013 Resigned June 2016	Solicitor	June 2016
Mary Hamilton	Treasurer Chairperson	Elected May 2013 Re-elected June 2016	Company Director	June 2019
Anna Juby	Secretary	Elected May 2013 Re-elected June 2016	Registered Naturopath	June 2019
Dave Sim	Principal	Appointed January 2005	Principal	N/A
Raewyn Grey	Staff Representative	Elected December 2013 Re-elected July 2016	Teacher	June 2019
Peter Richardson	Parent Representative	Re-elected May 2013 Resigned June 2016	IT Business Owner	June 2016
John Taaka	Parent Representative	Re-elected May 2013 Resigned June 2016	Police Officer	June 2016
Adrian de Laborde	Parent Representative	Elected May 2013 Re-elected June 2016	Engineer, Hauraki District Council	June 2019
Louise West	Parent Representative	Co-opted June 2013 Resigned June 2016	Health Professional	June 2016
Sydney Groves	Student Representative	Elected September 2015 (position is only for 1 year)	Student	September 2016
Murray Wakelin	Parent Representative	Elected June 2016	Minister & Business Owner	June 2019
Martin Rodley	Parent Representative	Elected June 2016	IT Business Owner	June 2019
Melody Reidy	Parent Representative	Co-opted June 2016	Teacher Aide	June 2019
Helen Flynn	Parent Representative	Elected June 2016	Civil Defence Officer	June 2019
Marama Sands-Gage	Student Representative	Elected September 2016 (position is only for 1 year)	Student	September 2017

Analysis of Variance: Thames High School 2016

ANNUAL GOALS FOR 2016

1. To increase the number of school leavers who have an NCEA Level 2 qualification
2. To enhance student learning through the use of best practice in e-learning
3. To focus on tracking and mentoring of individual students, to improve student achievement outcomes
4. To continue to build an effective partnership with the school's Māori community

ANNUAL TARGETS FOR 2016

1. The overall attendance rate for Māori students will improve from 84.4% to 90%
2. Improving NCEA Level 3 and UE achievement outcomes – from 66% to 75% for NCEA Level 3, and from 48% to 55% for UE (measured using roll-based data).
3. Improving school-wide literacy and numeracy learning outcomes for students at year 9 in reading comprehension, formal writing and mathematics, to:

80% at or above the expected level in reading comprehension
80% at or above the expected level in formal writing
80% at or above the expected level in mathematics

Target 1: 2016

Strategic Goals:	
Strategic Goal 1:	Exceed the Ministry of Education target that 85% of school leavers have an NCEA Level 2 qualification by 2017;
Strategic Goal 2:	That parents, whānau and the community are actively involved in school life;
Strategic Goal 3:	To further develop consistently high quality teaching practices in all classes, at all levels;
Strategic Goal 4:	To lift the school culture of achievement through shared, high expectations and engagement of all students;
Strategic Goal 5:	To ensure each student develops a vision for their future, and follows a pathway to realise that vision;
Strategic Goal 6:	To provide and embrace a cultural climate at THS in which Māori students thrive;
Strategic Goal 7:	To ensure the hauora of all students and equip them for life-long wellbeing;
Strategic Goal 8:	To provide the best possible physical environment within the resources available;
Strategic Goal 9:	To prudently manage school finances to ensure strategic goals are achieved.
Annual Goals 2016:	
5. To continue to build an effective partnership with the school's Māori community	
2016 Target:	
4. The overall attendance rate for Māori students will improve from 84.4% to 90%	

Baseline Data: Attendance Rates for Māori Students Over Time

	Term 1	Term 2	Term 3	Term 4	Year
2010	82.6%	77.9%	75.0%	79.8%	78.8%
2011	87.0%	83.9%	81.7%	88.2%	85.5%
2012	87.2%	84.0%	80.6%	87.2%	85.5%
2013	86.9%	84.4%	82.9%	91.6%	87.6%
2014	86.4%	80.6%	78.6%	85.6%	82.7%
2015	89.3%	86.2%	84.6%	85.9%	84.4%
2016	86.2%	83.6%	83.3%	82.3%	82.4%

Actions to achieve target	Led by	Resourcing	Time frame	On-going Monitoring / Review	Progress
Monthly reporting to the Board of Trustees on student attendance and progress towards the target attendance rate of 90%.	DSM	N/A	Ongoing from Term 1, 2016	Monthly reporting to BOT by DSM	Completed
A focus on students who are new to the school, particularly during their first four weeks at the school.	Deans	Existing Dean time allowance – no additional resourcing	Ongoing from Term 1, 2016	Agenda item for weekly Extended Guidance meetings	Deans at each year level are monitoring the attendance and engagement of students who are new to the school.
Accuracy of data entry and timely checking on student absences - teachers will be	DSM BAK CRL	Existing KAMAR database, teacher laptops	Ongoing from Term 1, 2016	Agenda item for weekly Extended Guidance meetings	Ongoing, weekly monitoring

required to follow up on student absences in a timely manner, and record attendance data directly onto KAMAR.		funded through existing budget provision			
Continued participation in the RockOn Truancy initiative	BAK	N/A	Ongoing from Term 1, 2016	Monthly meetings with other schools and agencies	Completed
Commence the Te Mata Rangatira programme	DSM, MCN	N/A	Ongoing from Term 1, 2016	Regular contact with Frank Thorne from Te Korowai Hauora O Hauraki	Completed
Provide enhanced leadership opportunities for Maori students	DSM, BAK, CRL, MCN	N/A	Ongoing from Term 1, 2016		Four of the 2016 Senior Leaders identify as Maori. Leadership Summit involving 11 Maori students Term 2 - completed
Improve engagement with the school's Maori community	DSM BAK	5YA funding	Ongoing from Term 1, 2016	Wharenui project – an opportunity for engagement with iwi, Maori community	Underway
Work with the Community of Learning (COL) on developing interventions to improve cultural responsiveness of teachers	DSM	Resources available through COL for teacher PLD, plus \$2000 maintenance grant from MOE	Ongoing from term 1, 2016		Draft achievement challenge lodged with MOE

ATTENDANCE RATES OVER TIME

Overall Attendance Rates

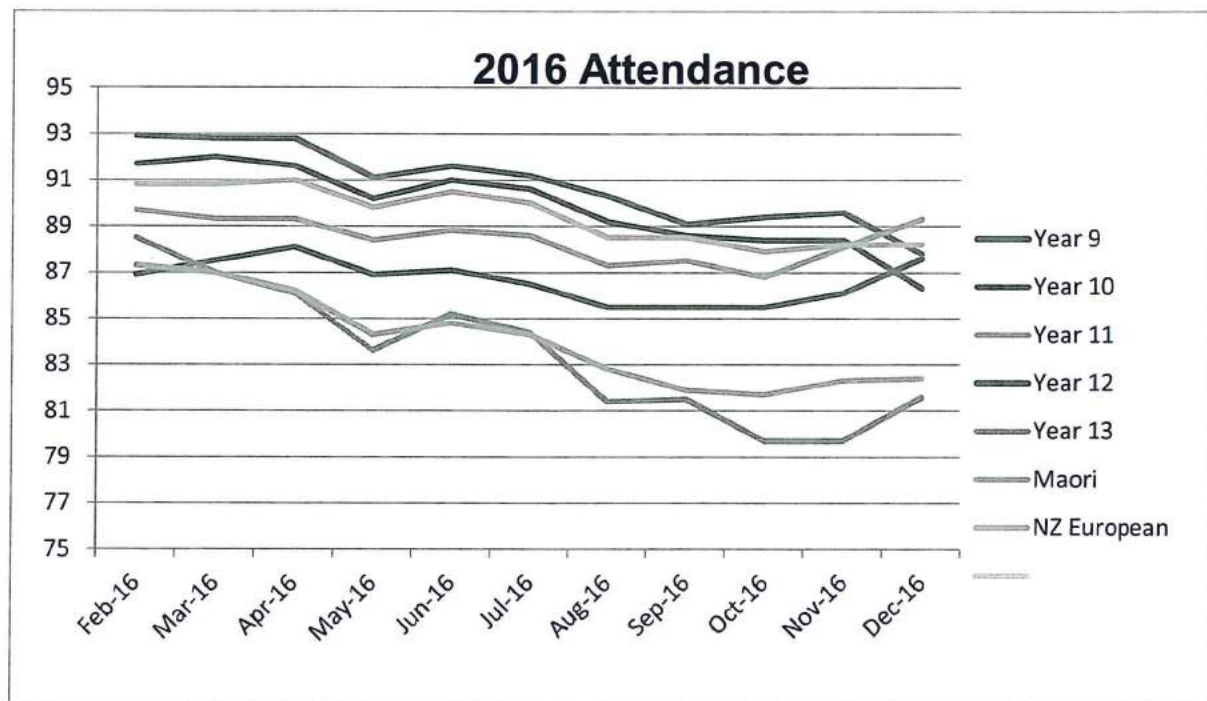
	Term 1	Term 2	Term 3	Term 4	Year
2010	82.6%	77.9%	75.0%	79.8%	78.8%
2011	87.0%	83.9%	81.7%	88.2%	85.5%
2012	87.2%	84.0%	80.6%	87.2%	85.5%
2013	86.9%	84.4%	82.9%	91.6%	87.6%
2014	86.4%	80.6%	78.6%	85.6%	82.7%
2015	89.7%	89.6%	88.6%	88.1%	89.8%
2016	89.2%	88.1%%	86.7%	86.7%	86.7%

Attendance by Year Level

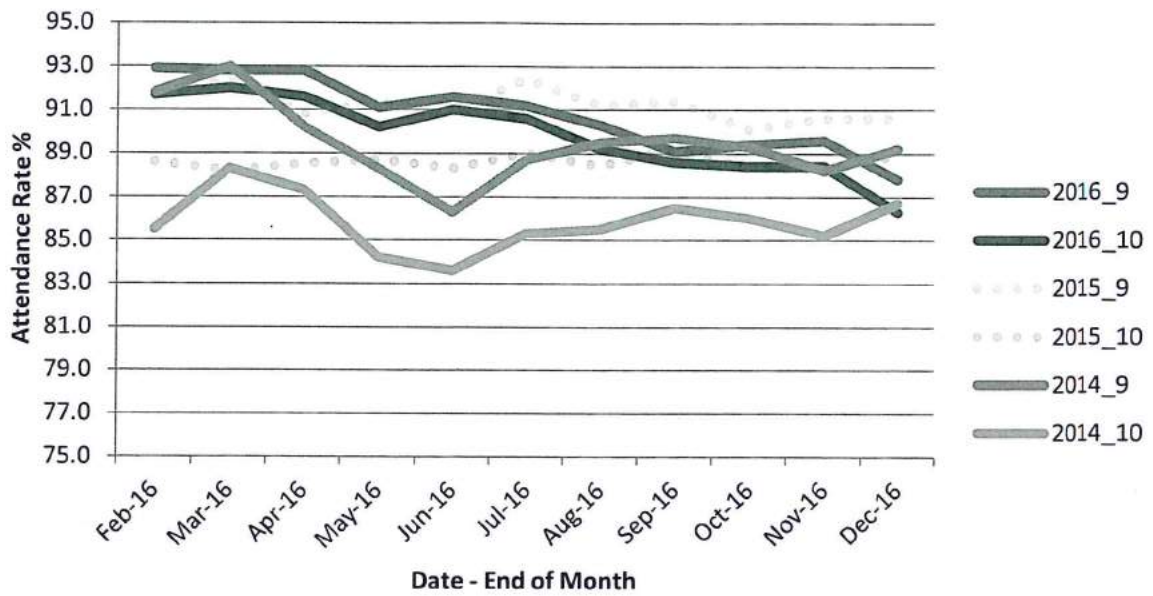
	Year 9	Year 10	Year 11	Year 12	Year 13
2010	84.3%	79.2%	80.5%	75.9%	70.7%
2011	89.7%	85.8%	86.1%	85.9%	78.2%
2012	89.9%	87.7%	87.3%	79.7%	81.7%
2013	89.7%	85.7%	88.0%	87.8%	72.6%
2014	89.2%	85.9%	85.6%	82.1%	77.3%
2015	90.6%	88.9%	87.5%	89.2%	81.6%
2016	87.8%	86.3%	89.3%	87.6%	81.6%

Attendance by Gender and Ethnicity

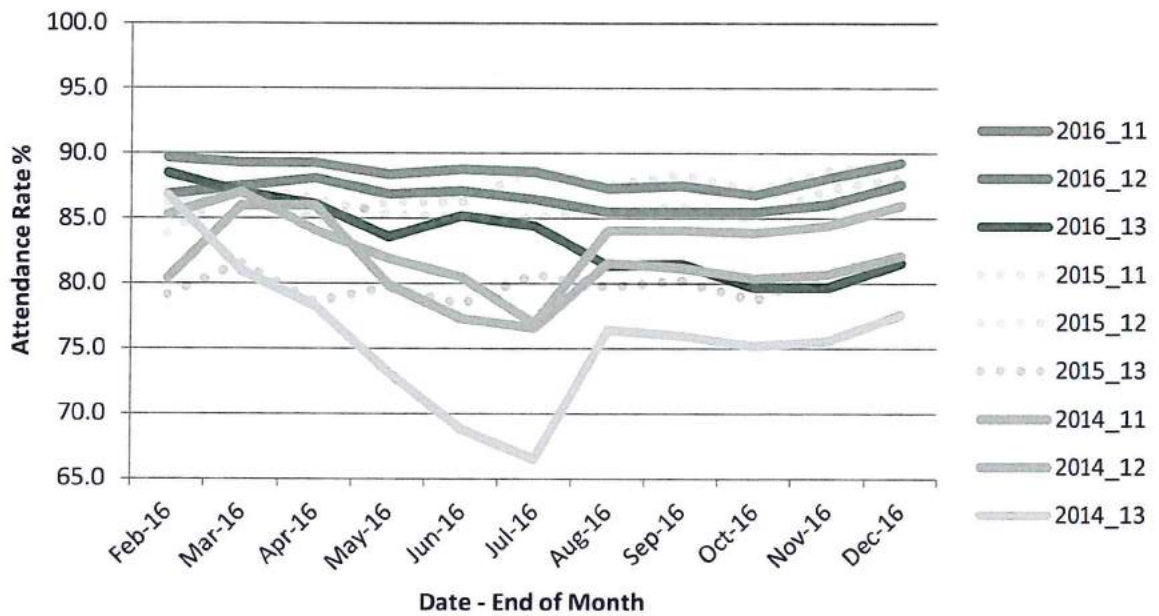
	Male	Female	NZ Eur	NZ Māori	Pasifika
2010	79.4%	78.3%	79.8%	72.9%	66.2%
2011	85.0%	86.1%	87.4%	80.0%	82.1%
2012	85.4%	85.6%	86.5%	81.7%	83.9%
2013	88.9%	86.2%	89.6%	83.1%	84.4%
2014	87.6%	85.1%	85.7%	80.6%	74.0%
2015	89.7%	86.5%	89.4%	84.6%	85.6%
2016	87.0%	86.4%	88.2%	82.4%	86.2%

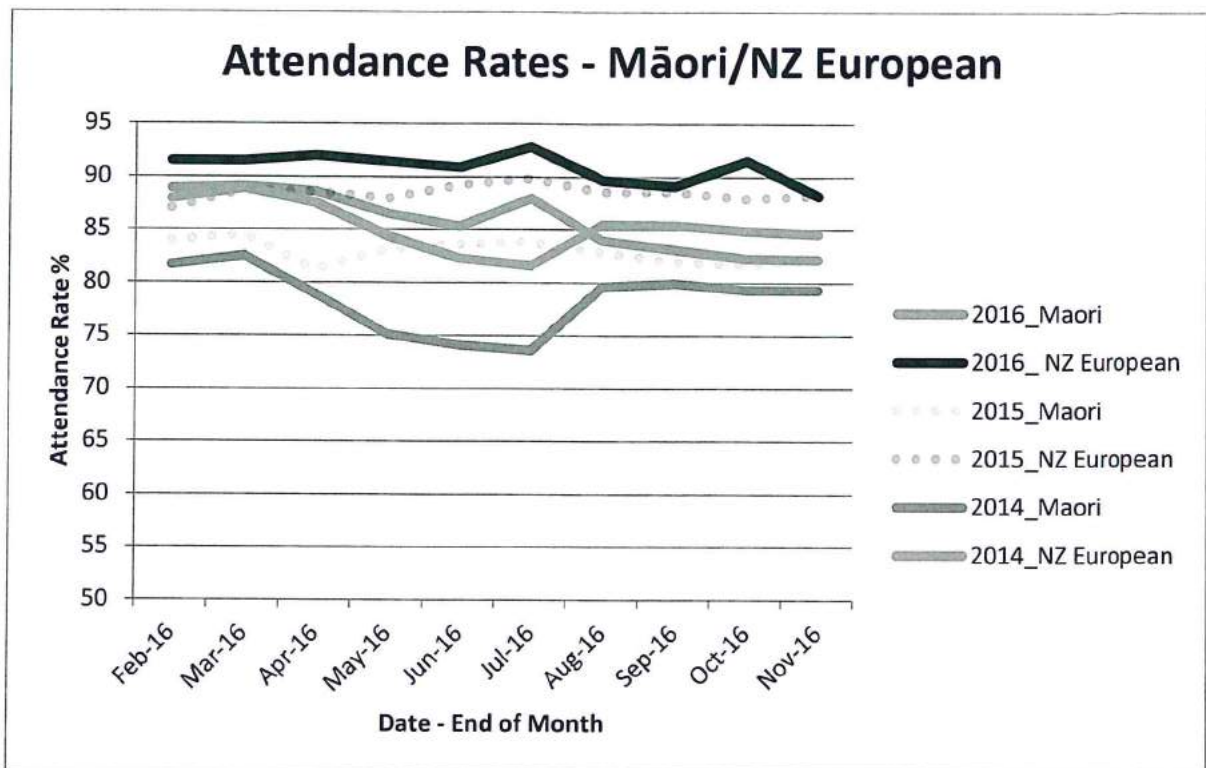


Junior - Attendance



Attendance Rates - Seniors





The overall attendance rate, although below the target, showed more consistency for senior students than in previous years. Attendance by junior students in the latter part of the year, and intermittent unjustified absences for year 13 students contributed significantly to the overall result.

A detailed analysis of individual student attendance shows the disproportionate impact of a few students on the attendance rates for the school. For example, 7 students at year 9 had attendance rates in the 39%-75% range, of whom 6 are Māori students.

At year 10, there were 15 students whose attendance was in the 46%-75% range, of whom 10 are Māori.

At year 11, there were 11 students whose attendance was in the 40%-73% range, of whom 4 are Māori.

At year 12, there were 12 students whose attendance was in the 40%-73% range, of whom 6 are Māori.

At year 13, there were 11 students whose attendance was in the 34%-74% range, of whom 5 are Māori.

The students detailed above total 56, of whom 31 are Māori. Given the well-understood link between attendance and student achievement, the challenge remains to improve the engagement of these students and their families so that poor attendance will cease to be a barrier to learning and achievement.

For 2017 additional strategies will include sooner and closer contact between the school and home, and more regular monitoring of the attendance of identified students by roopū teachers, whānau teachers and deans. Curriculum change at year 9 has, as one of its goals, greater student interest and engagement.

Target 2: 2016

Strategic Goals:	
Strategic Goal 1:	Exceed the Ministry of Education target that 85% of school leavers have an NCEA Level 2 qualification by 2017;
Strategic Goal 2:	That parents, whānau and the community are actively involved in school life;
Strategic Goal 3:	To further develop consistently high quality teaching practices in all classes, at all levels;
Strategic Goal 4:	To lift the school culture of achievement through shared, high expectations and engagement of all students;
Strategic Goal 5:	To ensure each student develops a vision for their future, and follows a pathway to realise that vision;
Strategic Goal 6:	To provide and embrace a cultural climate at THS in which Māori students thrive;
Strategic Goal 7:	To ensure the hauora of all students and equip them for life-long wellbeing;
Strategic Goal 8:	To provide the best possible physical environment within the resources available;
Strategic Goal 9:	To prudently manage school finances to ensure strategic goals are achieved.
Annual Goal:	
To increase the number of school leavers who have an NCEA Level 2 qualification.	
2016 Target:	
Improving NCEA Level 2 achievement outcomes – from 87% to 90% (measured against roll-based data).	
Baseline Data:	

	2010	2011	2012	2013	2014	2015	2016
NCEA Year 12 L2 roll-based results	62.6%	72.8%	73.0%	64.0%	77.5%	87.3%	76.9%
NCEA Year 12 L2 participation-based results	74.0%	84.3%	88.1%	86.0%	86.0%	90.9%	89.2%
NCEA Year 13 L2 roll-based results	86.6%	89.2%	96.8%	88.9%	89.1%	92.0%	95.6%
NCEA Year 13 L2 participation-based results	92.2%	93.3%	95.8%	94.1%	97.0%	94.2%	95.9%

Actions to achieve target	Led by	Resourcing	Time frame	On-going Monitoring / Review	Progress
Improve monitoring and tracking of student achievement through the development of 'Learning Advisory'	DSM BAK CRL GLN	Staffing allocation through the timetabling process	Term 1, 2016	Regular fortnightly meetings with whānau teachers as part of meeting schedule	Completed
Further development of Direction Day to support student goal setting and motivation	BAK Whānau teachers	N/A	Term 1, 2016	Evaluation of Direction Day (BAK)	Completed
Consolidate the role of the Literacy and Numeracy Coordinator to include year 12	DSM SIM	Existing time allowance for Literacy and Numeracy Coordinator	Term 1, 2016	Monthly reporting to DSM	'At risk' list developed for year 11, 12 Monitoring is completed
Continue the Māori Cultural	DSM BAK	Staffing and funding in	Term 3, 2016	Evaluation at the end of the	Completed

Studies programme	VDR	2015 budget		programme	
Extend involvement in the Trades Academy programme in conjunction with WinTech	DRV	STP funding through operational grant. Coordination through Gateway assistant.	Ongoing throughout 2016	Reporting by WinTech to DRV	Completed
Promotion to students, teachers and parents on Vocational Pathways	BAK DRV	Existing whole staff PLD programme	Term 2/3, 2016	Evaluation of the programme	Planning initiated, will be ongoing in 2017
Continue participation in the ART programme with MOE	GMK DSM	Existing Dean allocation	Term 1 2016 'Traffic Lighting' complete	Regular milestone reporting to MOE	Resourcing \$4800 from MOE to fund interventions with targeted students, interventions completed

Roll-based results for NCEA Level 2 were below the target of 90% by 13% (although this difference is expected to be 10% once confirmed data is available). There were 10 students who were enrolled in sufficient level 2 credits to gain NCEA L2, who did not achieve this. Four of these students have subsequently met the requirements for NCEA L2.

Strategies to increase the achievement rate for NCEA L2 in 2017 include continuing the MOE Achievement, Retention and Transition (ART) programme, increasing the number of year 12 students involved with Secondary Tertiary Partnerships (STP), and close attendance monitoring of 'at-risk' students.

Target 3: 2016

Strategic Goals:				
Strategic Goal 1:	Exceed the Ministry of Education target that 85% of school leavers have an NCEA Level 2 qualification by 2017;			
Strategic Goal 2:	That parents, whānau and the community are actively involved in school life;			
Strategic Goal 3:	To further develop consistently high quality teaching practices in all classes, at all levels;			
Strategic Goal 4:	To lift the school culture of achievement through shared, high expectations and engagement of all students;			
Strategic Goal 5:	To ensure each student develops a vision for their future, and follows a pathway to realise that vision;			
Strategic Goal 6:	To provide and embrace a cultural climate at THS in which Māori students thrive;			
Strategic Goal 7:	To ensure the hauora of all students and equip them for life-long wellbeing;			
Strategic Goal 8:	To provide the best possible physical environment within the resources available;			
Strategic Goal 9:	To prudently manage school finances to ensure strategic goals are achieved.			
Annual Goal:				
To increase the number of students who have an NCEA Level 3 qualification, and who achieve the University Entrance standard.				
2016 Target:				
Improving NCEA Level 3 and UE achievement outcomes – from 58% to 65% for NCEA Level 3, and from 48% to 55% for UE (measured against roll-based data).				
Baseline Data:				
	2015 THS	2016 THS	2015 THS Māori	2016 THS Māori
NCEA L3	58.0%	59.2%	44.0%	37.0%
UE	48.9%	50.0%	40.0%	33.3%

Actions to achieve target	Led by	Resourcing	Time frame	On-going Monitoring / Review	Progress
Provide a wider range of courses at Level 3 to promote student engagement	DRV BAK DSM	Existing staffing allocation for 2016, Gateway and STAR funding	Term 1, 2016	Regular reporting to BOT Curriculum Committee	Establishment completed
Regular support for year 13 students through tertiary planning	DRV	Existing staffing allocation	Term 1, 2016	Ongoing throughout 2016	Underway Year 13 'Make a Plan' group underway
Support for whanau teachers in LA delivery of student monitoring and support – academic, attendance, careers	BAK DRV DSM	Existing PLD budget	Ongoing throughout 2016	Regular fortnightly meetings of whanau teachers	Ongoing
Close monitoring of student achievement throughout the year	HAR, DRV	Existing Dean allocations	Ongoing throughout 2016	Regular weekly dean's meetings	Ongoing Interviews completed with 'at risk' year 13 students

NCEA Data – Roll-based

	2015 THS%	2016 THS%	2016 NZ%	2016 THS Māori%	2016 NZ Māori%
NCEA L1	73.2	67.2	74.2	56.1	63.7

NCEA L2	87.3	76.9	77.4	77.4	73.5
NCEA L3	58.0	59.2	63.4	37.0	52.9
UE	48.9	50.0	47.9	33.3	30.2

NCEA Data – Participation-based

	2015 THS	2016 THS	2016 NZ	2016 THS Māori	2016 NZ Māori
NCEA L1	91.9	81.2	85.1	69.7	76.0
NCEA L2	89.6	89.2	88.9	92.3	83.9
NCEA L3	82.3	85.3	82.1	62.5	73.5
UE	85.3	72.1	61.3	56.3	40.9

Although the NCEA L3 rate for THS students was below the NZ rate in 2016, the UE rate was higher. All of the students who intended to enrol for university programmes in 2017 (and so required UE) achieved that goal.

From the 2016 year 13 cohort, 7 students achieved NCEA L2 – in addition to the 58 students who achieved NCEA L3. There were 4 students who completed year 13 without achieving NCEA L2.

Year 13 Leaver Destinations by Category 2016

	No. of Students	%
Gap year	2	2
University	47	54
Polytech	9	10
Employment	16	18
Apprenticeship	5	6
Defence Forces	2	2
Overseas	3	3
Unknown	4	4
Total	87	99

Target 4: 2016

Strategic Goals:	
Strategic Goal 1:	Exceed the Ministry of Education target that 85% of school leavers have an NCEA Level 2 qualification by 2017;
Strategic Goal 2:	That parents, whānau and the community are actively involved in school life;
Strategic Goal 3:	To further develop consistently high quality teaching practices in all classes, at all levels;
Strategic Goal 4:	To lift the school culture of achievement through shared, high expectations and engagement of all students;
Strategic Goal 5:	To ensure each student develops a vision for their future, and follows a pathway to realise that vision;
Strategic Goal 6:	To provide and embrace a cultural climate at THS in which Māori students thrive;
Strategic Goal 7:	To ensure the hauora of all students and equip them for life-long wellbeing;
Strategic Goal 8:	To provide the best possible physical environment within the resources available;
Strategic Goal 9:	To prudently manage school finances to ensure strategic goals are achieved.
Annual Goal:	
To focus on tracking and mentoring of individual students, to improve student achievement outcomes.	
2016 Target:	
Improving school-wide literacy and numeracy learning outcomes, of students at year 9, in reading comprehension, in formal writing and in mathematics, to:	
80% at or above the expected level in reading comprehension	
80% at or above the expected level in formal writing	
80% at or above the expected level in mathematics	
Baseline Data:	
PAT testing at the beginning of year 9, National Standards data from primary schools end of year 8	

Actions to achieve target	Led by	Resourcing	Time frame	On-going Monitoring / Review	Progress
Develop interventions through participation in COL	DSM	Through the COL	Ongoing throughout 2016	Reporting to BOT through monthly reports	Achievement challenge identified, plan submitted to MOE
Staff PLD focus on writing at year 9	GLN, BAK, DSM	Existing PLD budget	Ongoing throughout 2016	Evaluation of PLD programme	Summative assessment of student progress in reading comprehension, writing and mathematics completed
Engagement with primary schools in writing, mathematics	HUR, RGE	N/A	Terms 2, 3	Report back to DSM	Writing underway
Continue STEPS programme	COL	TA funding	Term 2-4	Report to DSM by SENCO	Underway

Based on NZCER testing data at the end of 2016, and using NZC level 4-5 (PAT scale score of 77 representing 'at the level'):

	Below the level	At the level	Above the level
Reading	30.2%	38.5%	31.2%
Writing	70.5%	3.5%	26.0%
Mathematics	34.2%	31.7%	33.6%

Clearly, writing continues to be an area in which improvement in student achievement and progress is needed. The data from the end of year 9 shows that student achievement in writing is lagging behind that in the areas of reading and mathematics. The school's participation in initiatives within the Thames Community of Learning will support improved student achievement in writing, and particularly in accelerating progress for each student towards the goal of NZC Level 5 by the end of year 10.

Reports on special and contestable funding

KIWISPORT

Kiwisport is a Government funding initiative to support students' participation in organized sport. In 2016, the school received total Kiwisport funding of \$12,781.41 (excluding GST). The funding was spent on maintaining a sports co-ordinator within the school to constantly promote sports. As a consequence 56% of students represented the school in sports.

Independent Auditor's Report

To the readers of Thames High School's Financial statements For the year ended 31 December 2016

RSM Hayes Audit

PO Box 9588
Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023

T +64 (9) 367 1656
www.rsmnz.co.nz

The Auditor-General is the auditor of Thames High School (the School). The Auditor-General has appointed me, Elaine Yong, using the staff and resources of RSM Hayes Audit, 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 2 to 19, that comprise the statement of financial position as at 31 December 2016, 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 2016; 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 (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 25 May 2017. 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 of 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 includes the statement of responsibility, board of trustees members, analysis of variance 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 Thames High School.



Elaine Yong
RSM Hayes Audit
On behalf of the Auditor-General
Auckland, New Zealand