

MARLBOROUGH BOYS' COLLEGE



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number:	288
Principal:	Wayne Hegarty
School Address	Stephenson Street, Blenheim
School Postal Address:	Stephenson Street, Blenheim 7301
School Phone:	03 578 0119
School Email:	office@mbc.school.nz

Marlborough Boys' College

Statement of Responsibility

For the year ended 31 December 2018

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

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

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

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

Shirock Charles Sanders
Full Name of Board Chairperson

[Signature]
Signature of Board Chairperson

27 May 2019
Date:

WAYNE HEGARTY
Full Name of Principal

Wayne Hegarty
Signature of Principal

27 May 2019
Date:

MARLBOROUGH BOYS' COLLEGE

Annual Report - For the year ended 31 December 2018

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Marlborough Boys' College

Members of the Board of Trustees

For the year ended 31 December 2018

Name	Position	How Position Gained	Held Until
Sturrock Saunders	Chair Person	Elected	Dec 2020
Wayne Hegarty	Principal		
Trish Grammer	Parent Rep	Elected	Apr 2019
Louise Miller	Parent Rep	Elected	Apr 2019
Murry Thornley	Staff Rep		Apr 2019
Filimoeulie Moala Fotu	Student Rep	Elected	Sept 2018
Melissa Cragg	Parent Rep	Elected	Apr 2019
Johnnie Joseph	Parent Rep	Co-opted	Apr 2019

Marlborough Boys' College
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	8,074,740	7,489,155	8,362,877
Locally Raised Funds	3	967,684	742,686	846,354
Interest Earned		47,915	28,356	43,538
International Students	4	143,353	132,432	79,388
		<u>9,233,692</u>	<u>8,392,629</u>	<u>9,332,157</u>
Expenses				
Locally Raised Funds	3	287,822	356,987	854,903
International Students	4	74,767	58,979	40,438
Learning Resources	5	7,136,913	6,376,836	6,461,465
Administration	6	690,984	721,429	660,743
Finance Costs		5,012	-	-
Property	7	983,851	933,233	895,698
Depreciation	8	254,651	250,430	346,401
		<u>9,434,000</u>	<u>8,697,894</u>	<u>9,259,648</u>
Net (Deficit) / Surplus		(200,308)	(305,265)	72,509
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(200,308)</u>	<u>(305,265)</u>	<u>72,509</u>

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

Marlborough Boys' College
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	1,418,866	1,418,866	1,346,357
Total comprehensive revenue and expense for the year	(200,308)	(305,265)	72,509
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	22,284	-	-
Equity at 31 December	1,240,842	1,113,601	1,418,866
Retained Earnings	1,240,842	1,113,601	1,418,866
Equity at 31 December	1,240,842	1,113,601	1,418,866

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

Marlborough Boys' College
Statement of Financial Position
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	9	714,479	539,753	594,588
Accounts Receivable	10	426,285	478,937	478,937
GST Receivable		31,355	30,208	30,208
Prepayments		2,560	5,240	5,240
Investments	11	459,747	547,192	547,192
		<u>1,634,426</u>	<u>1,601,330</u>	<u>1,656,165</u>
Current Liabilities				
Accounts Payable	13	632,039	664,031	664,031
Revenue Received in Advance	14	178,004	127,115	127,115
Finance Lease Liability - Current Portion	15	105,323	108,975	108,975
Funds held in Trust	16	111,351	122,470	122,470
Funds held for Capital Works Projects	17	46,312	32,533	32,533
		<u>1,073,029</u>	<u>1,055,124</u>	<u>1,055,124</u>
Working Capital Surplus/(Deficit)		561,397	546,206	601,041
Non-current Assets				
Property, Plant and Equipment	12	755,711	638,433	888,863
		<u>755,711</u>	<u>638,433</u>	<u>888,863</u>
Non-current Liabilities				
Finance Lease Liability	15	76,266	71,038	71,038
		<u>76,266</u>	<u>71,038</u>	<u>71,038</u>
Net Assets		<u>1,240,842</u>	<u>1,113,601</u>	<u>1,418,866</u>
Equity		<u>1,240,842</u>	<u>1,113,601</u>	<u>1,418,866</u>

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

Marlborough Boys' College
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		2,176,028	1,930,976	2,500,487
Locally Raised Funds		974,656	742,686	934,255
International Students		150,303	132,432	141,245
Goods and Services Tax (net)		(1,147)	-	(27,535)
Payments to Employees		(1,349,199)	(1,378,349)	(1,400,103)
Payments to Suppliers		(1,988,589)	(1,510,936)	(1,816,400)
Interest Received		47,915	28,356	43,538
Net cash from / (to) the Operating Activities		9,967	(54,835)	375,487
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(107,782)	-	(250,950)
Sale of Investments		87,445	-	87,715
Net cash from / (to) the Investing Activities		(20,337)	-	(163,235)
Cash flows from Financing Activities				
Furniture and Equipment Grant		22,284	-	-
Finance Lease Payments		(17,153)	-	(129,823)
Funds Administered on Behalf of Third Parties		111,351	-	(336,138)
Funds held for Capital Works Projects		13,779	-	-
Net cash from Financing Activities		130,261	-	(465,961)
Net increase/(decrease) in cash and cash equivalents		119,891	(54,835)	(253,709)
Cash and cash equivalents at the beginning of the year	9	594,588	594,588	848,297
Cash and cash equivalents at the end of the year	9	714,479	539,753	594,588

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.

Marlborough Boys' College

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2018

1.1. Reporting Entity

Marlborough Boys' College (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 12.

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 uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

1.9. Inventories

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

1.10. Investments

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

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

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

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

1.11. Property, Plant and Equipment

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

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

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements – Crown	5-15 years
Furniture and equipment	5-20 years
Information and communication technology	3-5 years
Motor vehicles	5 years
Musical Equipment	8 years
Plant and Machinery	3 years
Sports Equipment	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	3-5 years
Library resources	50 years

1.12. Intangible Assets

Software costs

Computer software acquired by the School is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

1.13. 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.

1.14. 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.

1.15. 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

1.16. Revenue Received in Advance

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

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

1.17. 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.

1.18. 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 Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.19. 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).

1.20. Financial Assets and Liabilities

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

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

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

1.21. 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.

1.22. 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.

1.23. Budget Figures

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

1.24. Services received in-kind

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

2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	2,005,254	1,843,815	1,701,262
Teachers' salaries grants	5,502,792	5,163,179	5,443,396
Use of Land and Buildings grants	395,920	395,000	452,441
Other MoE Grants	170,774	87,161	765,778
	<u>8,074,740</u>	<u>7,489,155</u>	<u>8,362,877</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	129,571	80,411	342,433
Other revenue	578,442	192,847	-
Trading	9,000	13,500	10,800
Activities	250,671	455,928	493,121
	<u>967,684</u>	<u>742,686</u>	<u>846,354</u>
Expenses			
Activities	280,322	349,487	331,389
Fundraising (costs of raising funds)	7,500	7,500	-
Other Expenses	-	-	523,514
	<u>287,822</u>	<u>356,987</u>	<u>854,903</u>
Surplus for the year Locally raised funds	<u>679,862</u>	<u>385,699</u>	<u>(8,549)</u>

4. International Student Revenue and Expenses

	2018 Actual Number	2018 Budget (Unaudited) Number	2017 Actual Number
International Student Roll	5	3	3
	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
International student fees	143,353	132,432	79,388
Expenses			
Advertising	2,124	27,510	-
Commissions	2,513	3,850	-
International student levy	1,307	-	-
Employee Benefit - Salaries	42,554	27,619	-
Other Expenses	26,269	-	40,438
	<u>74,767</u>	<u>58,979</u>	<u>40,438</u>
Surplus for the year International Students	<u>68,586</u>	<u>73,453</u>	<u>38,950</u>

5. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	857,667	346,956	131,747
Information and communication technology	98,252	144,391	30,152
Employee benefits - salaries	6,095,918	5,845,120	6,224,318
Staff development	85,076	40,369	75,248
	<u>7,136,913</u>	<u>6,376,836</u>	<u>6,461,465</u>

6. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	8,773	9,000	7,735
Board of Trustees Fees	3,188	3,265	2,978
Board of Trustees Expenses	22,809	22,559	43,906
Communication	24,584	25,850	27,094
Consumables	18,750	1,450	-
Other	34,161	51,817	58,733
Employee Benefits - Salaries	558,692	573,693	498,355
Insurance	14,027	23,595	16,442
Service Providers, Contractors and Consultancy	6,000	10,200	5,500
	<u>690,984</u>	<u>721,429</u>	<u>660,743</u>

7. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	4,240	5,157	138,957
Consultancy and Contract Services	135,314	136,689	-
Grounds	10,829	8,472	-
Heat, Light and Water	153,921	155,969	151,999
Rates	22,255	16,378	11,823
Repairs and Maintenance	120,958	110,030	17,770
Use of Land and Buildings	395,920	395,000	452,441
Security	23,179	10,442	23,135
Employee Benefits - Salaries	117,235	95,096	99,573
	<u>983,851</u>	<u>933,233</u>	<u>895,698</u>

The use of land and buildings figure represents 8% of the school's total property value. 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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	25,672	25,000	25,672
Furniture and Equipment	90,698	63,000	63,414
Information and Communication Technology	90,199	70,000	92,825
Motor Vehicles	13,807	10,000	10,668
Leased Assets	33,806	79,430	150,808
Library Resources	469	3,000	3,014
	<u>254,651</u>	<u>250,430</u>	<u>346,401</u>

9. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	-	-	1,150
Bank Current Account	190,741	539,753	131,335
Bank Call Account	-	-	8,394
Short-term Bank Deposits	523,738	-	453,709
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>714,479</u>	<u>539,753</u>	<u>594,588</u>

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

Of the \$714,479 Cash and Cash Equivalents, \$46,312 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.

10. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	33,095	118,598	118,598
Teacher Salaries Grant Receivable	393,190	360,339	360,339
	<u>426,285</u>	<u>478,937</u>	<u>478,937</u>
Receivables from Exchange Transactions	33,095	118,598	118,598
Receivables from Non-Exchange Transactions	393,190	360,339	360,339
	<u>426,285</u>	<u>478,937</u>	<u>478,937</u>

11. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	459,747	547,192	547,192

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	219,099	-	-	-	(25,672)	193,427
Furniture and Equipment	222,689	73,186	-	-	(90,698)	205,177
Information and Communication	265,074	29,483	-	-	(90,199)	204,358
Motor Vehicles	58,299	-	-	-	(13,807)	44,492
Leased Assets	119,952	13,717	-	-	(33,806)	99,863
Library Resources	3,750	-	-	-	(469)	3,281
Work in Progress	-	5,113	-	-	-	5,113
Balance at 31 December 2018	888,863	121,499	-	-	(254,651)	755,711

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	572,213	(378,786)	193,427
Furniture and Equipment	1,215,506	(1,010,329)	205,177
Information and Communication	1,145,887	(941,529)	204,358
Motor Vehicles	129,829	(85,337)	44,492
Leased Assets	466,183	(366,320)	99,863
Library Resources	127,815	(124,534)	3,281
Work in Progress	5,113	-	5,113
Balance at 31 December 2018	3,662,546	(2,906,835)	755,711

The net carrying value of equipment held under a finance lease is \$99,863 (2017: \$119,952)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	222,395	22,376	-	-	(25,672)	219,099
Furniture and Equipment	256,220	29,883	-	-	(63,414)	222,689
Information and Communication	210,893	147,006	-	-	(92,825)	265,074
Motor Vehicles	17,282	51,685	-	-	(10,668)	58,299
Leased Assets	131,355	139,405	-	-	(150,808)	119,952
Library Resources	6,764	-	-	-	(3,014)	3,750
Balance at 31 December 2017	844,909	390,355	-	-	(346,401)	888,863

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	572,213	(353,114)	219,099
Furniture and Equipment	1,172,288	(949,599)	222,689
Information and Communication	1,116,405	(851,331)	265,074
Motor Vehicles	129,828	(71,529)	58,299
Leased Assets	452,466	(332,514)	119,952
Library Resources	127,815	(124,065)	3,750
Balance at 31 December 2017	3,571,015	(2,682,152)	888,863

13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	168,148	162,158	162,158
Accruals	-	33,241	33,241
Employee Entitlements - salaries	403,885	417,744	417,744
Employee Entitlements - leave accrual	60,006	50,888	50,888
	<u>632,039</u>	<u>664,031</u>	<u>664,031</u>
Payables for Exchange Transactions	632,039	664,031	664,031
	<u>632,039</u>	<u>664,031</u>	<u>664,031</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
International Student Fees	134,065	127,115	127,115
Other	43,939	-	-
	<u>178,004</u>	<u>127,115</u>	<u>127,115</u>

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	106,269	108,975	108,975
Later than One Year and no Later than Five Years	76,866	71,038	71,038
Later than Five Years	-	-	-
	<u>183,135</u>	<u>180,013</u>	<u>180,013</u>

16. Funds Held in Trust

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	111,351	122,470	122,470
	<u>111,351</u>	<u>122,470</u>	<u>122,470</u>

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
		\$	\$	\$		\$
East West Toilets	Completed	24,296	-	-	16,348	7,948
Special Needs Project	Completed	(11,313)	11,313	-	-	-
A Block West ILE	Completed	19,550	34,019	53,569	-	-
Careers Centre	In Progress	-	38,700	14,827	-	23,873
Library Skylights	In Progress	-	15,300	5,250	-	10,050
Heating Art & Science	In Progress	-	4,441	-	-	4,441
Totals		32,533	103,773	73,646	16,348	46,312

Represented by:

Funds Held on Behalf of the Ministry of Education

46,312

46,312

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
MOE Science ILE	Completed	124,217	18,430	142,647	-	-
MOE Boiler Room Asbestos	Completed	11,725	-	11,725	-	-
MOE A/O Block Link	Completed	44,111	13,528	57,639	-	-
MOE Art Block ILE	Completed	37,773	8,611	46,384	-	-
East West Toilets	In Progress	71,845	-	47,549	-	24,296
Special Needs Project	In Progress	-	-	11,313	-	(11,313)
C Block Innovative Learning	Completed	-	50,000	50,000	-	-
A Block West ILE	In Progress	-	387,150	367,600	-	19,550
Totals		289,671	477,719	734,857	-	32,533

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, Deputy Principals and Head of Departments.

	2018 Actual \$	2017 Actual \$
Board Members		
Remuneration	3,188	2,978
Full-time equivalent members	0.30	0.30
Leadership Team		
Remuneration	743,943	763,149
Full-time equivalent members	7.00	8.00
Total key management personnel remuneration	747,131	766,127
Total full-time equivalent personnel	7.30	8.30

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

Principal

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

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	150 - 160
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100 -110	3.00	3.00
110 -120	-	-
	3.00	3.00

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

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	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

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

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

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

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 EFTPOS machine;

	2018 Actual \$	2017 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>-</u>	<u>-</u>

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 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	714,479	539,753	594,588
Receivables	426,285	478,937	478,937
Investments - Term Deposits	459,747	547,192	547,192
Total Loans and Receivables	<u>1,600,511</u>	<u>1,565,882</u>	<u>1,620,717</u>

Financial liabilities measured at amortised cost

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Payables	632,039	664,031	664,031
Finance Leases	181,589	180,013	180,013
Total Financial Liabilities Measured at Amortised Cost	<u>813,628</u>	<u>844,044</u>	<u>844,044</u>



Marlborough Boys' College

2016-18 Charter 2018 Annual Plan and Variance Report

1. Introduction

Marlborough High School opened in 1900 as a co-educational school. In 1919 the school changed its name to Marlborough College. The school roll rose from 342 in 1946 to 1205 in 1962. When the government decided to build a second secondary school in Blenheim the community voted for single sex education. The school was renamed Marlborough Boys' College in 1963 when Marlborough Girls' College was opened on another site.

The school serves Blenheim and the surrounding Marlborough area. Marlborough is a region of great geographical diversity, and rich history. The region's economy is dominated by the wine industry.

Marlborough Boys' College is a school that has undergone major change since 2009. Since the start of 2010 the school has:

- Repaid a \$1.3m loan to the MOE.
- Appointed a new principal and had major changes to personnel in senior management, heads of faculties, deans and guidance.
- Been supported greatly by the community in general and the PTA, Old Boys' Association and the recently created Marlborough College Charitable Foundation in particular.
- Continued to have outstanding sporting and arts successes.
- Increased its ability to identify and support students with specific learning needs.

Raised academic achievement considerably. See <http://www.ero.govt.nz/review/reports/marlborough-boys-college-30-05-2016/#1-context> for ERO Report comments on raised achievement.

Although the % achieving merit and excellences at level 3 has improved dramatically overall pass rates at year 13 lagged behind the other levels. In the 10-year period 2007 – 2016 the average year 13 level 3 participation pass rate was 62% with a high of 71% and a low of 51%. The 2017-year 13 level 3 participation pass rate of 84% was very encouraging for all stakeholders in the school and reflective of cumulative initiatives that have been undertaken in recent years.

Marlborough Boys' College acknowledges its obligation and is committed to:

1. Fulfilling all the requirements set out in the National Education Goals.
2. Administering the school according to the National Administration Guidelines.
3. Delivering the curriculum to all students in a balanced programme as outlined in the National Curriculum Statements.
4. Developing, for the school, policies and practices that reflect New Zealand's cultural diversity and the unique position of the Māori culture.
 - At Marlborough Boys' College we endeavour to be proactive in fostering cultural understanding consistent with the Treaty of Waitangi – to honour the concepts of protection, participation and partnership.
 - Students can choose to study Te Reo Maori in full year programmes.
 - Curriculum has been developed to support "Maori to achieve as Maori." The Te Waharoa course is an example.

- Since 2016 all year 9 students' study for 1 term Te Reo/Tikanga as part of their compulsory curriculum.
- Providing professional development with a focus on teaching and learning that has a culturally responsive and relational focus.
- All staff and students are exposed to opportunities to experience Tikanga Maori (Maori protocol and culture). Tikanga Maori is part of MBC culture – "what we do around here". For example, powhiri for new students and staff at the start of the year, blessing of new buildings, signage in Maori, displays of Maori art work and Haka as part of school Prizegivings and beginning of sporting events.

Steps taken to discover the views and concerns of the school's Maori community

- A Maori parent was co-opted as a Board of Trustees member in May 2016. Another Maori parent was elected on the Board in December 2017.
- Communication with Maori occurs on top of existing school processes through whanau hui.
- Consultation occurs through whanau hui and formal and informal meetings with representatives of local iwi.
- The new schools project has provided a focus which we hope will be a catalyst for greater consultation with iwi.

2. Mission Statement

Inspiring and educating the young men of Marlborough to fulfil their potential.

3. Values Statement

Young Men of Marlborough strive to be:

- Respectful
- Responsible
- Involved
- Proud
- The best that they can be.

4. Vision Statement

To create for the young men of Marlborough an inspirational learning environment in which high expectations exist in all endeavour.

5. Strategic/Charter Goals 2016 - 18 2018 focus a), b), g)

- a) To provide a safe and positive learning environment with a focus on the promotion of school values especially pride and respect, restorative practices and using data to inform practice.
- b) To raise expectations and achievement for all; with a focus on priority learners including Maori, Pasifika and students with special education needs.
- c) To increase participation and raise achievement in the Arts, Sport and Leadership.
- d) To consolidate a culture of continuous improvement through self-review across all aspects of activity.
- e) To effectively manage the school's assets.
- f) To have positive relationships with our community for the mutual benefit of all.
- g) To plan for a seamless transfer to a new site in 2021 with inspirational learning environments complementing state of art facilities that recognise both our long history and bicultural and multicultural facets of our school.

Review of Charter and Consultation

The Board of Trustees undertook extensive consultation in 2011 and 2012 that resulted in the existing Mission Statement, Values, Vision Statement and Strategic/Charter Goals. Revisions have been made to the Strategic/Charter goals since then. Significant consultation has taken place since 2013 on the nature and siting of secondary education in Marlborough. Goal g) was introduced in 2016 and reflects the outcomes of deliberations on the schools' future siting and character. Consultation by the Board in 2014 and 2015 resulted in Goal c) and consolidation of specific focus areas and greater strategic planning and financial support to identified planned projects in these areas (see page 4).

Following a Ministry of Education facilitated review of the Charter in 2016 reporting on Goals c, d, e, f ceased in 2017 as they were regarded as "business as usual" – policies and procedures where now in place for them to be ongoing. The critical strategic focus and reporting to the Board in 2018 was centred on goals a), b) and g).



Marlborough Boys' College

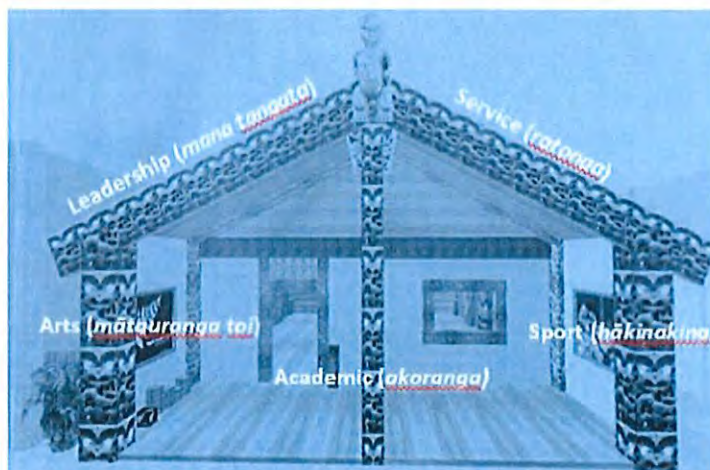
2018 Strategic Planning Focus Areas

"To create for the young men of Marlborough an inspirational learning environment in which high expectations exist in all endeavours".



- ✓ Respectful
- ✓ Responsible
- ✓ Involved
- ✓ Proud
- ✓ The best we can be

Identified Focus Areas

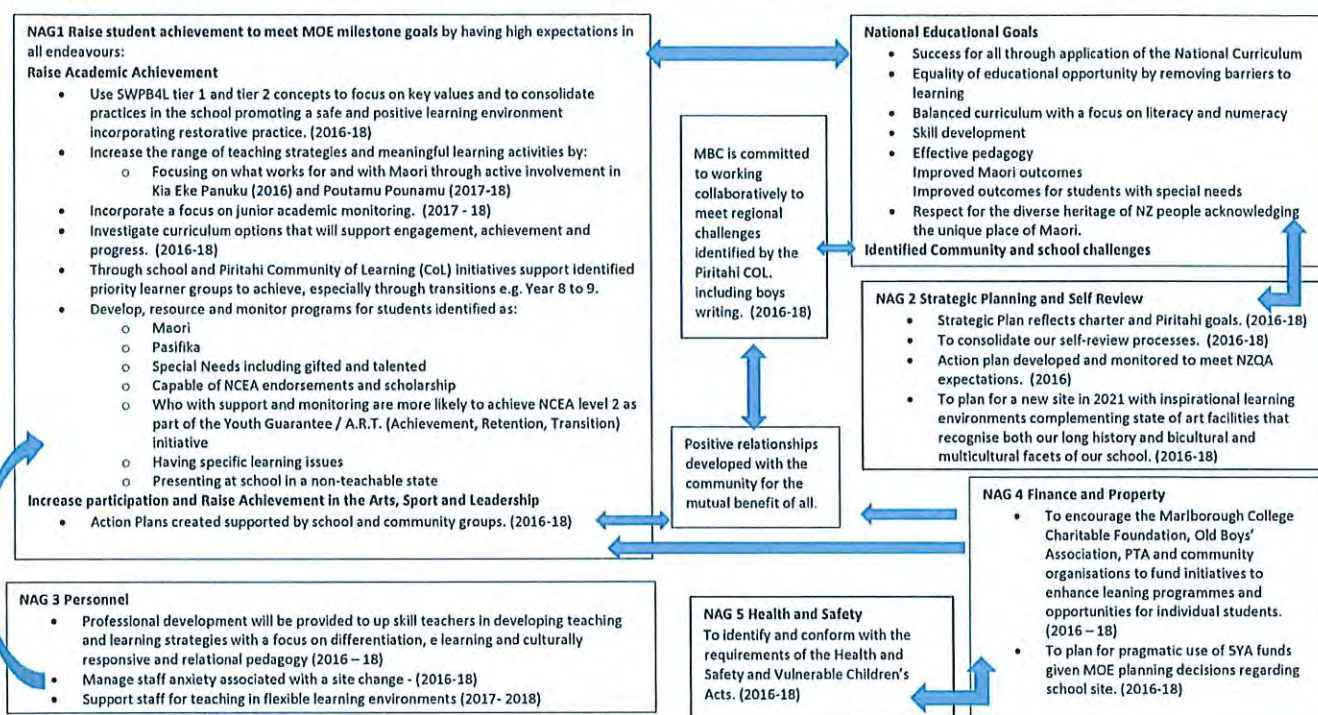


Finance	Human Resources	Information technology	Property	Pastoral	Community
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Marlborough Boys' College Strategic Plan 2016-18 – to be read in conjunction with the Board's Strategic Focus documentation p4



2017 – 2019 Key Strategic Goals and Objectives

2017 – 19 Strategic Focus a) To provide a safe and positive learning environment with a focus on school values especially pride and respect, restorative practices and using data to inform practice.

2017 Annual Objectives	2018 Annual Objectives	2019 Annual Objectives
(i.) Introduction of consistent, insistent and persistent strategy in what staff do to support each other and our boys.	Consolidation of consistent, insistent and persistent strategy in what staff do to support each other and our boys.	Consolidation of consistent, insistent and persistent strategy in what staff do to support each other and our boys.
(ii.) Focus on respectful relationships supported by consistent practice in restorative processes.	Consolidation of focus on respectful relationships supported by consistent practice in restorative processes.	Consolidation of focus on respectful relationships supported by consistent practice in restorative processes.
(iii.) Reduce truancy rate to 8% or lower.	Reduce truancy rate to 8% or lower.	Reduce truancy rate to 8% or lower.
(iv.) Staff satisfaction surveys show improvement from 2016 baseline data.	Staff data shows improved satisfaction levels from baseline figures. Baseline student satisfaction data collected.	Staff and student data show improved satisfaction levels from baseline figures.

2017 – 19 Strategic Focus (b) To raise expectations and academic achievement for all students, with a focus on priority learners		
2017 Annual Objectives	2018 Annual Objectives	2019 Annual Objectives
(v.)	All decision making in the school considers "Mauri Ora" – if the decision is good for Maori it will be good for everyone.	All decision making in the school considers "Mauri Ora" – if the decision is good for Maori it will be good for everyone.
(vi.) Develop new programmes in the school that meet the needs of students whether they be academic or vocational in their aspirations.	Consolidate / develop new programmes of study in the school that meet the needs of students whether they be academic or vocational in their aspirations.	Consolidate / develop new programmes of study in the school that meet the needs of students whether they be academic or vocational in their aspirations.
(vii.) Develop and provide support and monitoring programmes for specific target groups in the school.	Consolidation of support and monitoring programmes for specific target groups in the school.	Consolidation of support and monitoring programmes for specific target groups in the school.
(viii.) All staff will utilize the Teacher as Inquiry / Spiral of Inquiry model to analyse in depth one aspect of teaching best practice with differentiation and/or culturally responsive and relational pedagogy and/or boys writing as the major focuses.	Consolidation of the Spiral of Inquiry model to analyse in depth one aspect of teaching best practice with differentiation and/or culturally responsive and relational pedagogy and/or boys writing as the major focuses. All staff to identify 4 priority learners who will be the focus of the spiral.	Consolidation of the Spiral of Inquiry model to analyse in depth one aspect of teaching best practice with differentiation and/or culturally responsive and relational pedagogy and/or boys writing as the major focuses. All staff to identify 4 priority learners who will be the focus of the spiral.
(ix.) Provide opportunities for staff to be supported through an observation /feedback /shadow coach programme supported by templates on culturally responsive and relational pedagogy and PB4L concepts.	Consolidate an observation /feedback /shadow coach programme on culturally responsive and relational pedagogy. Introduce Kōrero mai coaching model as part of support to staff teaching integrated programmes and/or in flexible learning environments.	Embed an observation /feedback /shadow coach programme that is responsive to staff needs and supports teaching and learning.
(x.) Work collaboratively within MBC to improve progress in writing through the introduction of "Write that Essay" at Year 12 and 13.	Continue to work collaboratively within MBC to progress writing by consolidating the "Write that Essay" programme in the senior school.	Work collaboratively within MBC to sustain progress in writing by consolidating the "Write that Essay" programme in the senior school and extending it to junior programmes.


2017 – 19 Strategic Focus (g) To plan for a seamless transfer to a new site in 2021 with inspirational learning environments complementing state of art facilities that recognise our long history, bicultural and multicultural facets of our school

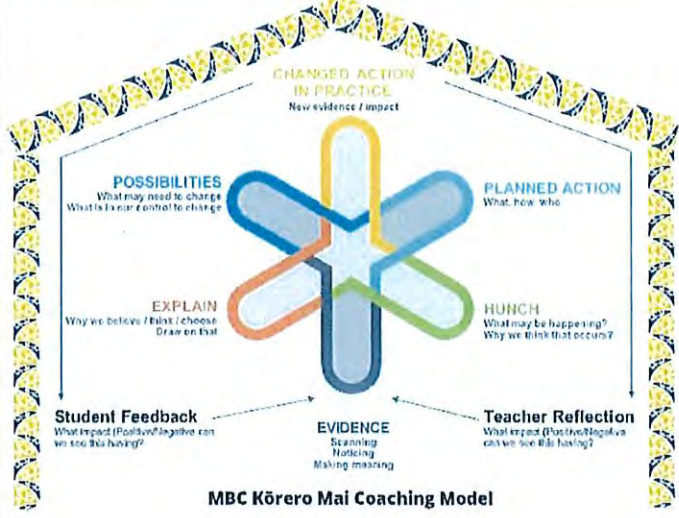
2017 Annual Objectives	2018 Annual Objectives	2019 Annual Objectives
(xi.) Develop co-location and education briefs (including a vision for learning) to inform the development of Marlborough Boys' and Marlborough Girls' Colleges on 1 site.	Work with Marlborough Girls' College, the Ministry of Education and architects to align systems and structures to ensure that colocation opportunities and aspirations are realised. Support staff for teaching in flexible learning environments. Plan for student interchange with MGC in 2019.	Support staff, students and the community with the change management requirements that arise from the co-location opportunity. Support staff for teaching in flexible learning environments. Student interchange with MGC consolidated. Further align existing systems and structures e.g. ICT, timetables. Develop new systems for successful shared campus.

2018 Annual Plan Variance Report

Strategic Goal: To provide a safe and positive learning environment with a focus on the promotion of school values especially pride and respect, restorative practices and using data to inform practice.			
Target	Variance		
Reduce truancy rate to 8% or lower.	Not achieved. The attendance rate remained as it has in recent years at 80%. Truancy increased slightly from 9.3 to 9.6% due a small rise in unjustified absences – our year 10 cohort being the major contributor. Maori truancy continued to be higher than the whole population.		
	Attendance – % all students		
	Type of Absence	2017	2018
	Justified absence	10.6	10.5
	Unjustified absences	5.0	5.3
	Intermittent unjustified absences	4.3	4.3
	Truancy rate	9.3	9.6
	Attendance rate	79.9	79.9
	Attendance – % Maori		
		2017	2018
Truancy rate	14.7	14.5	
Attendance rate	73.3	73	
	The 2019 Attendance Action Plan has proactive steps to support the attendance in general and year 10, Maori and Pasifika specifically.		
Staff satisfaction surveys show improvement from 2016 baseline data.	Achieved for some indicators and not achieved for others. The Board employed an outside consultant to survey staff on the strengths, weaknesses and areas for improvement for Marlborough Boys’ College. The 2018 Executive Summary noted: “The findings show that since the last survey, staff have identified some significant positive changes, as well as a larger proportion of small improvements. Key areas for improvement are identified through areas with lower average ratings, and where there appears to be a slight negative trend.” “The staff have rated most areas of Marlborough Boys’ College above the ‘acceptable’ cut-off of 3.0, however the majority of average ratings do not reach the ‘favourable’ cut-off of 3.5. Given the significant change happening at the school in relation to		

	the co-location, the Board may deem the overall results of this survey to be satisfactory based on the maintenance of ratings within a time of change."
Staff perception of their own restorative practice competency and the consistency of practice across the school will improve.	<p>52 staff responded to a survey asking, "what is your own competency relative to restorative practices." This will provide baseline data for ongoing analysis. 75% said they had varying degrees of confidence in using restorative practice.</p> <ul style="list-style-type: none"> ■ Lacking knowledge and confidence in using restorative processes ■ Developing Knowledge and Confidence in using restorative practices ■ Have a basic understanding and some confidence in using restorative practices ■ Understand and am confident using restorative practices <p>Select one option</p> <p>Staff were also asked to comment on our goal of achieving greater consistency in restorative practices. The vast majority said this was partly achieved.</p> <ul style="list-style-type: none"> ■ This was achieved ■ This was partially achieved ■ This was not achieved <p>Choose one option</p> <p>We will continue in 2020 to focus on achieving greater consistency of practice across the school. Of interest 85% said they philosophically "support" or "totally support" the concept of restorative practices.</p>

60% of the year 12 Achievement/Retention/Transition (ART) group identified as at risk based on their level 1 results+or attendance rates will gain NCEA level 2.	In 2018 the initiative to support this group proved problematic. The focus was to provide external mentors for these students but twice the appointed person achieved other employment before engaging with the students. We are committed to making this concept work in 2019. Our group will focus on the 11 students who achieved more than 75 credits at level 1 but who did not pass literacy or numeracy credits and the 16 students who achieved literacy and numeracy and more than 68 credits in NCEA.
All teaching staff conduct/participate in a spiral of inquiry and share their professional learning through the Staff Toha Book.	<p>Achieved. The Toha Book shares with all staff the reflections and learning from courses/conferences attended by staff both internally and externally. They hyperlinks also provide access to each staff member's spiral of inquiry.</p> <p>https://marlboroughboyscollege.sharepoint.com/:b:/g/EUJRrOsEfsRPhgMvE1WxYUB3IKQcE1z_ewWdshRln-pEw?e=dgFY3I</p> <p>MBC Staff PLD</p>  <p>Toha Book-2018</p>
12 staff complete Kōrero mai coaching programme.	Partially achieved. A Kōrero Mai coaching programme was investigated and an MBC model evolved.

	 <p>The diagram illustrates the MBC Kōrero Mai Coaching Model, which is a cyclical process. At the center is a stylized 'X' shape composed of four overlapping loops in blue, orange, green, and yellow. Surrounding this central shape are six key components, each with a brief description:</p> <ul style="list-style-type: none"> POSSIBILITIES: What may need to change? What is in our control to change? PLANNED ACTION: What, how, who? HUNCH: What may be happening? Why we think that occurs? TEACHER REFLECTION: What impact (Positive/Negative) can we see this having? EVIDENCE: Scanning, Noticing, Making meaning. STUDENT FEEDBACK: What impact (Positive/Negative) can we see this having? EXPLAIN: Why we believe / think / choose. Draw on that. CHANGED ACTION IN PRACTICE: New evidence / impact. <p>Arrows indicate a clockwise flow from POSSIBILITIES to PLANNED ACTION, HUNCH, TEACHER REFLECTION, EVIDENCE, STUDENT FEEDBACK, EXPLAIN, and back to CHANGED ACTION IN PRACTICE, which then feeds back into POSSIBILITIES. The entire model is framed by a decorative border of yellow and black dots.</p> <p>MBC Kōrero Mai Coaching Model</p> <p>The programme was facilitated by Education Consultant, Brook Trenwith. Seven staff are in different stages of training and support that will continue into 2019.</p>
<p>All faculties will be supported to understand the opportunities provided through the 'write that essay' programme with the longer-term goal of incorporating it into classroom programmes.</p>	<p>Achieved. Opportunities were provided for staff to see how to integrate Write that Essay (WTE) programmes into their classwork and assessments. Four seminar opportunities were offered for faculties to adapt achievement standards into language students were more likely to understand (student speak). Three faculties were supported with writing scaffolds. Year 12 English students were offered writing workshops. The English faculty also adopted a writing target for year 9 utilising WTE programmes to achieve it. The Physical Education and Health faculty have had a 20% increase in boys achieving excellence in PED 300 over the last 2 years and attribute the improvement to be a direct response to the Write that Essay strategies.</p>

KiwiSport Funding

In 2018, the school received total Kiwi Sport funding of \$21,757 (excluding GST). The funding partially funded a sports co-ordinator and assistant. Funding also supported the purchase of equipment used in the Kiwi Sport lunchtime programme. Up to 150 students participated every day in the lunchtime programme facilitated by our 2 employed staff. The staff also completed administration tasks for coaches and managers. Students participated in organised sporting activities continued to rise – from 381 in 2016, to 445 in 2017 and 479 in 2018.

**INDEPENDENT AUDIT REPORT TO THE READERS OF
MARLBOROUGH BOYS' COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Auditor-General is the auditor of Marlborough Boys' College (the School). The Auditor-General has appointed me, Warren Johnstone, using the staff and resources of BDO Christchurch, 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 3 to 20 that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - financial position as at 31 December 2018; and
 - financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practices in New Zealand and have been prepared in accordance with Public Benefit Entity Standards with disclosure concessions.

Our audit was completed on 27 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 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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

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

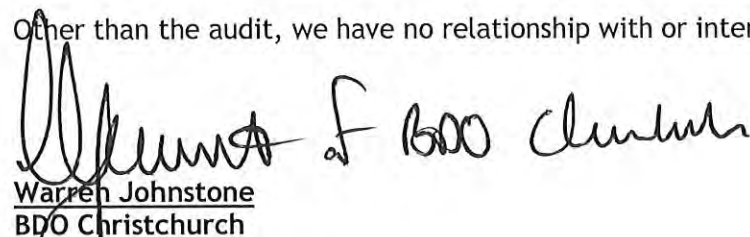
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

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

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



Warren Johnstone
BDO Christchurch

On behalf of the Auditor-General
Christchurch, New Zealand