

ST MARY'S SCHOOL (BLENHEIM)



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number: 3012
Principal: Paddy Dowling
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ST MARY'S SCHOOL (BLENHEIM)

Annual Report - For the year ended 31 December 2019

Index

Page	Statement
	Financial Statements
<u>1</u>	Statement of Responsibility
<u>2</u>	Board of Trustees
<u>3</u>	Statement of Comprehensive Revenue and Expense
<u>4</u>	Statement of Changes in Net Assets/Equity
<u>5</u>	Statement of Financial Position
<u>6</u>	Statement of Cash Flows
<u>7</u>	Statement of Accounting Policies
<u>13</u>	Notes to the Financial Statement
	Other Information
	Analysis of Variance
	Kiwisport

St Mary's School (Blenheim)

Statement of Responsibility

For the year ended 31 December 2019

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 2019 fairly reflect the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

Megan McKendry
Full Name of Board Chairperson

Patrick Dowling
Full Name of Principal

Megan McKendry
Signature of Board Chairperson

Patrick Dowling
Signature of Principal

29/5/20
Date:

29/5/20
Date:

St Mary's School (Blenheim)

Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How Position Gained	Held Until
Megan McKendry	Chairperson	Elected	Jun 2022
Paddy Dowling	Principal	ex Officio	
Elena Filip	Parent Rep	Elected	Jun 2022
Matthew Franken	Parent Rep	Elected	Jun 2019
Kate Gaines	Parent Rep	Elected	Jun 2022
Joju Jose Kalan	Proprietor's Rep		Jun 2022
Jo Lane	Proprietor's Rep		Jun 2019
Andrew Stanley	Proprietor's Rep		Jun 2022
Fr John Pearce	Proprietor's Rep		May 2019
Fr Pat Mcindoe	Proprietor's Rep		
Tracy McCone	Staff Rep	Elected	Jun 2022
Helen Sloan	Staff Rep	Elected	Jun 2019
Annie Thompson	Parent Rep	Elected	Jun 2019
Jacinda Thompson	Parent Rep	Elected	Jun 2022
Richard Vercoe	Proprietor's Rep		Jun 2022
Natasha Vincent	Parent Rep	Elected	Jun 2022

St Mary's School (Blenheim)

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	1,122,253	1,065,068	1,086,109
Locally Raised Funds	3	109,089	95,600	113,266
Use of Land and Buildings Integrated		255,324	255,324	255,324
Interest Income		2,387	1,000	4,863
		<u>1,489,053</u>	<u>1,416,992</u>	<u>1,459,562</u>
Expenses				
Locally Raised Funds	3	55,446	47,400	34,935
Learning Resources	4	956,602	945,897	927,901
Administration	5	108,536	132,850	133,483
Finance Costs		2,050	-	1,429
Property	6	394,765	376,424	393,944
Depreciation	7	39,623	-	38,965
Loss on Disposal of Property, Plant and Equipment		1,133	-	489
		<u>1,558,155</u>	<u>1,502,571</u>	<u>1,531,146</u>
Net (Deficit)		(69,102)	(85,579)	(71,584)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(69,102)</u>	<u>(85,579)</u>	<u>(71,584)</u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

St Mary's School (Blenheim)
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2019

	2019 \$ Actual	2019 \$ Budget (Unaudited)	2018 \$ Actual
Balance at 1 January	123,736	123,736	195,320
Total comprehensive revenue and expense for the year	(69,102)	(85,579)	(71,584)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	5,089	-	-
Equity at 31 December	59,723	38,157	123,736
Retained Earnings	59,723	38,157	123,736
Equity at 31 December	59,723	38,157	123,736

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

St Mary's School (Blenheim)
Statement of Financial Position
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	9,990	8,958	82,537
Accounts Receivable	9	49,442	84,568	84,568
GST Receivable		7,806	3,406	3,406
Prepayments		5,786	3,300	3,300
Inventories	10	5,751	1,939	1,939
Investments	11	51,707	50,378	50,378
		<u>130,482</u>	<u>152,549</u>	<u>226,128</u>
Current Liabilities				
Accounts Payable	13	78,820	106,678	106,678
Revenue Received in Advance	14	772	9,281	9,281
Provision for Cyclical Maintenance	15	2,938	2,938	2,938
Painting Contract Liability - Current Portion	16	5,635	12,215	12,215
Finance Lease Liability - Current Portion	17	8,570	20,708	20,708
		<u>96,735</u>	<u>151,820</u>	<u>151,820</u>
Working Capital Surplus/(Deficit)		33,747	729	74,308
Non-current Assets				
Property, Plant and Equipment	12	126,589	127,888	139,888
		<u>126,589</u>	<u>127,888</u>	<u>139,888</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	91,216	80,013	80,013
Painting Contract Liability	16	-	4,442	4,442
Finance Lease Liability	17	9,397	6,005	6,005
		<u>100,613</u>	<u>90,460</u>	<u>90,460</u>
Net Assets		<u><u>59,723</u></u>	<u><u>38,157</u></u>	<u><u>123,736</u></u>
Equity		<u><u>59,723</u></u>	<u><u>38,157</u></u>	<u><u>123,736</u></u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes which form part of these financial statements.

St Mary's School (Blenheim)
Statement of Cash Flows
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		330,898	274,258	318,854
Locally Raised Funds		101,061	95,600	121,696
Goods and Services Tax (net)		(4,400)	-	6,356
Payments to Employees		(279,992)	(273,530)	(271,601)
Payments to Suppliers		(173,845)	(158,907)	(181,460)
Cyclical Maintenance Payments in the Year		(3,206)	-	(3,206)
Interest Received		2,452	1,000	6,815
Net cash from / (to) the Operating Activities		(27,032)	(61,579)	(2,546)
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(11,936)	(12,000)	(13,165)
Purchase of Investments		(1,329)	-	-
Proceeds from Sale of Investments		-	-	99,831
Net cash from the Investing Activities		(13,265)	(12,000)	86,666
Cash flows from Financing Activities				
Furniture and Equipment Grant		5,089	-	-
Finance Lease Payments		(26,317)	-	(7,763)
Painting contract payments		(11,022)	-	(9,011)
Net cash from Financing Activities		(32,250)	-	(16,774)
Net increase/(decrease) in cash and cash equivalents		(72,547)	(73,579)	67,346
Cash and cash equivalents at the beginning of the year	8	82,537	82,537	15,191
Cash and cash equivalents at the end of the year	8	9,990	8,958	82,537

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 which form part of these financial statements.

St Mary's School (Blenheim)

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2019

1.1. Reporting Entity

St Mary's School (Blenheim) (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 2019 to 31 December 2019 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".

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 27.

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.

Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Critical Judgements In applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

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.

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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

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 Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

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

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Prior Year Policy

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 are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Prior Year Policy

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 Proprietor 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 Proprietor 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 \$500 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.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

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

The estimated useful lives of the assets are:

Furniture and equipment	3-20 years
Information and communication technology	4-5 years
Leased assets	3 years
Library resources	12.5% Diminishing value

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

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

Non cash generating assets

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

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

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

1.13. Accounts Payable

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

1.14. Employment Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

1.15. Revenue Received in Advance

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

1.16. Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

1.17. Financial Assets and Liabilities

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

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

The School's financial liabilities comprise accounts payable, 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.

1.18. Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

1.19. Budget Figures

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

1.20. Services received in-kind

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

2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational grants	299,211	265,258	254,946
Teachers' salaries grants	790,810	790,810	767,255
Other MoE Grants	32,232	9,000	63,908
	<u>1,122,253</u>	<u>1,065,068</u>	<u>1,086,109</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	39,764	42,300	67,948
Fundraising	1,900	5,000	5,770
Other revenue	12,564	8,000	13,227
Trading	25,081	10,100	2,484
Activities	29,780	30,200	23,837
	<u>109,089</u>	<u>95,600</u>	<u>113,266</u>
Expenses			
Activities	32,291	36,300	32,621
Trading	23,155	11,100	2,314
	<u>55,446</u>	<u>47,400</u>	<u>34,935</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>53,643</u>	<u>48,200</u>	<u>78,331</u>

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	27,777	23,657	26,573
Extra-curricular activities	7,920	6,000	5,132
Library resources	232	300	295
Employee benefits - salaries	909,525	907,340	883,042
Staff development	11,148	8,600	12,859
	<u>956,602</u>	<u>945,897</u>	<u>927,901</u>

5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	4,127	3,700	4,007
Board of Trustees Fees	3,750	6,000	4,590
Board of Trustees Expenses	850	1,000	804
Communication	3,293	3,450	3,958
Consumables	(5,849)	12,000	20,235
Operating Lease	1,564	7,300	4,078
Other	14,913	11,500	9,203
Employee Benefits - Salaries	80,034	82,000	80,995
Insurance	3,654	3,700	3,458
Service Providers, Contractors and Consultancy	2,200	2,200	2,155
	<u>108,536</u>	<u>132,850</u>	<u>133,483</u>

6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	3,832	3,000	2,932
Cyclical Maintenance Provision	14,409	14,000	14,407
Grounds	10,997	5,600	17,038
Heat, Light and Water	17,152	15,000	20,144
Rates	4,278	3,000	3,737
Repairs and Maintenance	8,143	5,500	5,666
Use of Land and Buildings	255,324	255,324	255,324
Employee Benefits - Salaries	80,630	75,000	74,696
	<u>394,765</u>	<u>376,424</u>	<u>393,944</u>

The use of land and buildings figure represents 8% of the school's total property value, as used for rating purposes. This is used as a 'proxy' for the market rental yield on the value of land and buildings.

7. Depreciation of Property, Plant and Equipment

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Furniture and Equipment	11,568	-	13,964
Information and Communication Technology	9,056	-	7,302
Leased Assets	16,719	-	15,297
Library Resources	2,280	-	2,402
	<u>39,623</u>	<u>-</u>	<u>38,965</u>

8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	9,990	8,958	82,537
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>9,990</u>	<u>8,958</u>	<u>82,537</u>

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

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	16	497	497
Receivables from the Ministry of Education	545	-	-
Interest Receivable	259	324	324
Teacher Salaries Grant Receivable	48,622	83,747	83,747
	<u>49,442</u>	<u>84,568</u>	<u>84,568</u>
Receivables from Exchange Transactions	275	821	821
Receivables from Non-Exchange Transactions	49,167	83,747	83,747
	<u>49,442</u>	<u>84,568</u>	<u>84,568</u>

10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
School Uniforms	5,751	1,939	1,939
	<u>5,751</u>	<u>1,939</u>	<u>1,939</u>

11. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	51,707	50,378	50,378
Total Investments	51,707	50,378	50,378

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Furniture and Equipment	80,189	1,449	-	-	(11,568)	70,070
Information and Communication	21,171	7,932	-	-	(9,056)	20,047
Leased Assets	21,713	15,521	-	-	(16,719)	20,515
Library Resources	16,815	2,555	(1,133)	-	(2,280)	15,957
Balance at 31 December 2019	139,888	27,457	(1,133)	-	(39,623)	126,589

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Furniture and Equipment	461,019	(390,949)	70,070
Information and Communication	39,655	(19,608)	20,047
Leased Assets	28,833	(8,318)	20,515
Library Resources	62,497	(46,540)	15,957
Balance at 31 December 2019	592,004	(465,415)	126,589

The net carrying value of equipment held under a finance lease is \$20,515 (2018: \$21,713)

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Furniture and Equipment	88,295	5,858	-	-	(13,964)	80,189
Information and Communication	22,754	5,719	-	-	(7,302)	21,171
Leased Assets	23,698	13,312	-	-	(15,297)	21,713
Library Resources	18,118	1,588	(489)	-	(2,402)	16,815
Balance at 31 December 2018	152,865	26,477	(489)	-	(38,965)	139,888

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Furniture and Equipment	459,570	(379,381)	80,189
Information and Communication	31,723	(10,552)	21,171
Leased Assets	74,220	(52,507)	21,713
Library Resources	63,826	(47,011)	16,815
Balance at 31 December 2018	629,339	(489,451)	139,888

13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	14,013	6,974	6,974
Accruals	5,043	4,202	4,202
Employee Entitlements - salaries	47,433	83,747	83,747
Employee Entitlements - leave accrual	12,331	11,755	11,755
	<u>78,820</u>	<u>106,678</u>	<u>106,678</u>
Payables for Exchange Transactions	<u>78,820</u>	<u>106,678</u>	<u>106,678</u>
	<u>78,820</u>	<u>106,678</u>	<u>106,678</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	772	9,281	9,281
	<u>772</u>	<u>9,281</u>	<u>9,281</u>

15. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	82,951	82,951	71,750
Increase to the Provision During the Year	14,409	-	14,407
Use of the Provision During the Year	(3,206)	-	(3,206)
Provision at the End of the Year	<u>94,154</u>	<u>82,951</u>	<u>82,951</u>
Cyclical Maintenance - Current	2,938	2,938	2,938
Cyclical Maintenance - Term	91,216	80,013	80,013
	<u>94,154</u>	<u>82,951</u>	<u>82,951</u>

16. Painting Contract Liability

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Liability	5,635	12,215	12,215
Non Current Liability	-	4,442	4,442
	<u>5,635</u>	<u>16,657</u>	<u>16,657</u>

In 2009 the Board signed agreements with Scheduled Maintenance Services Ltd (the contractor) for agreed programmes of work covering a twelve year period. The programmes provide for an exterior repaint of the buildings with regular maintenance in subsequent years. The agreements have an annual commitment of \$16,384 in total. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

17. Finance Lease Liability

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

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
No Later than One Year	\$ 9,710	\$ 21,760	\$ 21,760
Later than One Year and no Later than Five Years	10,023	6,440	6,440
	<u>19,733</u>	<u>28,200</u>	<u>28,200</u>

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.

The Proprietor of the School (Catholic Archdiocese of Wellington) is a related party of the Board because the Proprietor appoints representatives to the Board, giving the Proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the Proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1.4. The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

19. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,750	4,590
Full-time equivalent members	0.19	0.17
<i>Leadership Team</i>		
Remuneration	115,023	115,713
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	<u>118,773</u>	<u>120,303</u>
Total full-time equivalent personnel	<u>1.19</u>	<u>1.17</u>

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

Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	0 - 0	0 - 0
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	2019 FTE Number	2018 FTE Number
100 - 110	-	-
	<u>-</u>	<u>-</u>

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:

	2019 Actual \$	2018 Actual \$
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: 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. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has not entered into any contract agreements.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has not entered into any operating contracts:

(a) operating lease of a photocopier in 2018;

	2019 Actual \$	2018 Actual \$
No later than One Year	-	50
	-	50

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:

Financial assets measured at amortised cost

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	9,990	8,958	82,537
Receivables	49,442	84,568	84,568
Investments - Term Deposits	51,707	50,378	50,378
Total Financial Assets Measured at amortised cost	111,139	143,904	217,483

Financial liabilities measured at amortised cost

Payables	78,820	106,678	106,678
Finance Leases	17,967	26,713	26,713
Painting Contract Liability	5,635	16,657	16,657
Total Financial Liabilities Measured at Amortised Cost	102,422	150,048	150,048

25. Events After Balance Date

Impact from COVID-19

On the 11th March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26th March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed until 18 May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

26. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

27. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:
Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements.