

ST MARYS SCHOOL (HASTINGS)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



School Directory

Ministry Number: 2681
Principal: Liz Crowley
School Address: 901 Frederick Street, Hastings
School Postal Address: 901 Frederick Street, Hastings
School Phone: 06 876 6421
School Email: principal@stmaryshastings.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/Expires
Sharon Smith	Chairperson	Elected Jun 2019	May 2022
Elizabeth Crowley	Principal	Principal	
Mary Dinwiddie	Bishops rep	Appointed June 2019	May 2022
Stuart Greville	Parents rep	Elected Jun 2019	May 2022
Tracey Smith	Staff rep	Elected Jun 2019	May 2022
Bruce Hutchins	Bishops rep	Appointed June 2019	May 2022
Jessica McDermott	Parents rep	Elected June 2019	May 2022
Denise Leigh-Smith	Parents rep	Elected June 2019	May 2022

Accountant / Service Provider: Eclipse Solutions 4 Schools Ltd

ST MARYS SCHOOL (HASTINGS)

Annual Report - For the year ended 31 December 2020

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St Marys School (Hastings)

Statement of Responsibility

For the year ended 31 December 2020

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 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

Sharon Smill

Full Name of Board Chairperson



Signature of Board Chairperson

25 May 2021

Date:

Elizabeth L Crowley

Full Name of Principal



Signature of Principal

25 May 2021

Date:

St Marys School (Hastings)

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	1,825,499	1,666,742	1,618,174
Locally Raised Funds	3	58,188	68,326	110,481
Use of Proprietor's Land and Buildings		298,945	334,412	334,412
Interest income		9,067	2,000	9,546
Other Revenue		230	-	225
		<hr/>	<hr/>	<hr/>
		2,191,929	2,071,480	2,072,838
Expenses				
Locally Raised Funds	3	40,387	51,750	44,597
Learning Resources	4	1,498,050	1,379,022	1,309,942
Administration	5	106,727	108,566	125,759
Finance		1,884	2,122	1,246
Property	6	414,287	469,934	469,249
Depreciation	7	49,658	55,000	52,728
Loss on Disposal of Property, Plant and Equipment		1,660	-	13,750
Amortisation of Intangible Assets	13	300	300	300
		<hr/>	<hr/>	<hr/>
		2,112,953	2,066,694	2,017,571
Net Surplus / (Deficit) for the Year		78,976	4,786	55,267
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		78,976	4,786	55,267

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 Marys School (Hastings)

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>538,737</u>	<u>538,737</u>	<u>475,522</u>
Total Comprehensive Revenue and Expense for the Year		78,976	4,786	55,267
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		10,296	-	7,948
Equity at 31 December	23	<u>628,009</u>	<u>543,523</u>	<u>538,737</u>
Retained Earnings		628,009	543,523	538,737
Reserves		-	-	-
Equity at 31 December		<u>628,009</u>	<u>543,523</u>	<u>538,737</u>

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 Marys School (Hastings)

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	76,961	59,737	79,103
Accounts Receivable	9	107,158	70,000	83,716
GST Receivable		15,002	8,504	8,304
Prepayments		4,071	5,000	4,556
Inventories	10	7,490	7,000	8,475
Investments	11	428,709	250,000	320,014
		<hr/>	<hr/>	<hr/>
		639,391	400,241	504,168
Current Liabilities				
Accounts Payable	14	160,669	110,000	109,368
Revenue Received in Advance	15	22,341	1,000	17,099
Provision for Cyclical Maintenance	16	-	8,052	-
Finance Lease Liability - Current Portion	17	9,447	8,500	8,506
		<hr/>	<hr/>	<hr/>
		192,457	127,552	134,973
Working Capital Surplus/(Deficit)		446,934	272,689	369,195
Non-current Assets				
Property, Plant and Equipment	12	315,085	320,000	305,247
Intangible Assets	13	525	200	825
		<hr/>	<hr/>	<hr/>
		315,610	320,200	306,072
Non-current Liabilities				
Provision for Cyclical Maintenance	16	126,656	37,366	124,406
Finance Lease Liability	17	7,879	12,000	12,124
		<hr/>	<hr/>	<hr/>
		134,535	49,366	136,530
Net Assets		<hr/>	<hr/>	<hr/>
		628,009	543,523	538,737
Equity	23	<hr/>	<hr/>	<hr/>
		628,009	543,523	538,737

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

St Marys School (Hastings)

Statement of Cash Flows

For the year ended 31 December 2020

	2020	2020	2019
Note	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash flows from Operating Activities			
Government Grants	507,532	523,160	437,931
Locally Raised Funds	64,585	68,126	111,360
Goods and Services Tax (net)	(6,698)	(744)	6,404
Payments to Employees	(229,757)	(207,081)	(191,161)
Payments to Suppliers	(182,460)	(233,447)	(240,721)
Cyclical Maintenance Payments in the Year	-	(75,355)	(16,210)
Interest Paid	(1,884)	(2,122)	(1,246)
Interest Received	9,399	700	7,934
Net Cash from/(to) Operating Activities	160,717	73,237	114,291
Cash flows from Investing Activities			
Purchase of Property Plant & Equipment (and Intangibles)	(56,952)	(49,000)	(49,277)
Purchase of Investments	(108,695)	(250,000)	(320,014)
Net Cash from/(to) Investing Activities	(165,647)	(299,000)	(369,291)
Cash flows from Financing Activities			
Furniture and Equipment Grant	10,296	-	7,948
Finance Lease Payments	(7,508)	1,500	(8,547)
Net Cash from/(to) Financing Activities	2,788	1,500	(599)
Net increase/(decrease) in Cash and Cash Equivalents	(2,142)	(224,263)	(255,599)
Cash and Cash Equivalents at the Beginning of the Year	8 79,103	284,000	334,702
Cash and Cash Equivalents at the End of the Year	8 76,961	59,737	79,103

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 excluded.

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

St Marys School (Hastings)

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

St Marys School (Hastings) (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 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 and Training Act 2020 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.

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 16.

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

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 carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

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

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

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

Other Grants

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

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.

d) 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.

e) 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.

f) 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.

g) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

h) Inventories

Inventories are consumable items held for sale and comprised 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.

i) 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.

j) 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.

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:

Building improvements to Crown Owned Assets	20 years
Furniture and equipment	0-20 years
Information and communication technology	3-10 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) Intangible Assets

Software costs

Computer software acquired by the School are 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 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.

Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

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

m) Accounts Payable

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

n) Employee Entitlements*Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

o) 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.

p) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. 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).

q) Financial Instruments

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 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

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

r) 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.

s) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

t) 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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	450,674	423,624	373,106
Teachers' Salaries Grants	1,317,967	1,201,959	1,199,959
Resource Teachers Learning and Behaviour Grants	1,159	600	696
Other MoE Grants	52,953	40,559	42,546
Other Government Grants	2,746	-	1,867
	<u>1,825,499</u>	<u>1,666,742</u>	<u>1,618,174</u>

The school has opted in to the donations scheme for this year. Total amount received was \$39,150.

Other MOE Grants total includes additional COVID-19 funding totalling \$7,343 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	28,681	26,050	63,067
Activities	23,144	36,226	41,130
Trading	5,306	5,250	4,875
Fundraising	500	200	718
Other Revenue	557	600	691
	<u>58,188</u>	<u>68,326</u>	<u>110,481</u>
Expenses			
Activities	35,436	46,500	40,712
Trading	4,951	5,250	3,885
	<u>40,387</u>	<u>51,750</u>	<u>44,597</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>17,801</u>	<u>16,576</u>	<u>65,884</u>

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	42,363	46,210	36,644
Equipment Repairs	7,381	8,000	4,091
Information and Communication Technology	222	-	-
Library Resources	2,074	1,110	1,069
Employee Benefits - Salaries	1,430,765	1,299,202	1,252,611
Staff Development	15,245	24,500	15,527
	<u>1,498,050</u>	<u>1,379,022</u>	<u>1,309,942</u>

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	4,803	4,803	4,663
Board of Trustees Fees	2,800	4,500	3,555
Board of Trustees Expenses	-	2,000	2,113
Communication	3,128	3,000	3,061
Consumables	19,694	16,100	11,657
Other	10,855	12,154	23,533
Employee Benefits - Salaries	54,007	54,889	66,283
Insurance	3,920	3,600	3,474
Service Providers, Contractors and Consultancy	7,520	7,520	7,420
	<u>106,727</u>	<u>108,566</u>	<u>125,759</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	14,796	11,650	12,459
Cyclical Maintenance Provision	2,250	18,873	19,564
Grounds	11,122	12,250	14,593
Heat, Light and Water	10,021	12,200	10,076
Rates	1,511	1,400	1,628
Repairs and Maintenance	10,227	13,300	10,994
Use of Land and Buildings	298,945	334,412	334,412
Security	3,208	3,400	4,532
Employee Benefits - Salaries	62,207	62,449	60,991
	<u>414,287</u>	<u>469,934</u>	<u>469,249</u>

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

7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Building Improvements - Crown	4,382	5,000	5,215
Furniture and Equipment	26,677	30,000	27,092
Information and Communication Technology	7,222	9,000	9,326
Leased Assets	8,190	8,500	8,236
Library Resources	3,187	2,500	2,859
	<u>49,658</u>	<u>55,000</u>	<u>52,728</u>

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	110	110	110
Bank Current Account	69,268	52,627	71,415
Bank Call Account	7,583	7,000	7,578
Cash and cash equivalents for Statement of Cash Flows	<u>76,961</u>	<u>59,737</u>	<u>79,103</u>

Of the \$76,961 Cash and Cash Equivalents, \$11,023 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	942	1,000	1,867
Interest Receivable	1,323	1,500	1,655
Teacher Salaries Grant Receivable	104,893	67,500	80,194
	<u>107,158</u>	<u>70,000</u>	<u>83,716</u>
Receivables from Exchange Transactions	2,265	2,500	3,522
Receivables from Non-Exchange Transactions	104,893	67,500	80,194
	<u>107,158</u>	<u>70,000</u>	<u>83,716</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	650	500	410
School Uniforms	6,840	6,500	8,065
	<u>7,490</u>	<u>7,000</u>	<u>8,475</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	428,709	250,000	320,014
Total Investments	<u>428,709</u>	<u>250,000</u>	<u>320,014</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	40,085	-	(1,149)	-	(4,382)	34,554
Furniture and Equipment	202,364	29,084	(222)	-	(26,677)	204,549
Information and Communication Technology	14,903	20,064	(289)	-	(7,222)	27,456
Leased Assets	19,598	4,302	-	-	(8,190)	15,710
Library Resources	28,297	7,706	-	-	(3,187)	32,816
Balance at 31 December 2020	305,247	61,156	(1,660)	-	(49,658)	315,085

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	115,855	(81,301)	34,554
Furniture and Equipment	565,435	(360,886)	204,549
Information and Communication Technology	133,591	(106,135)	27,456
Leased Assets	27,344	(11,634)	15,710
Library Resources	133,128	(100,312)	32,816
Balance at 31 December 2020	975,353	(660,268)	315,085

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	45,387	-	(87)	-	(5,215)	40,085
Furniture and Equipment	198,312	33,237	(2,093)	-	(27,092)	202,364
Information and Communication Technology	25,086	9,292	(10,149)	-	(9,326)	14,903
Leased Assets	8,381	19,453	-	-	(8,236)	19,598
Library Resources	25,830	6,746	(1,420)	-	(2,859)	28,297
Balance at 31 December 2019	302,996	68,728	(13,749)	-	(52,728)	305,247

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	125,036	(84,951)	40,085
Furniture and Equipment	590,217	(387,853)	202,364
Information and Communication Technology	147,212	(132,309)	14,903
Leased Assets	49,120	(29,522)	19,598
Library Resources	125,422	(97,125)	28,297
Balance at 31 December 2019	1,037,007	(731,760)	305,247

13. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2019	1,500	-	1,500
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2019 / 1 January 2020	1,500	-	1,500
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2020	1,500	-	1,500
Accumulated Amortisation and impairment losses			
Balance at 1 January 2019	375	-	375
Amortisation expense	300	-	300
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2019 / 1 January 2020	675	-	675
Amortisation expense	300	-	300
Disposals	-	-	-
Impairment losses	-	-	-
Balance at 31 December 2020	975	-	975
Carrying amounts			
At 1 January 2019	1,125	-	1,125
At 31 December 2019 / 1 January 2020	825	-	825
At 31 December 2020	525	-	525

Restrictions

There are no restrictions over the title of the school's intangible assets, nor are any intangible assets pledged as security for liabilities.

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2019: \$nil)

14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	33,822	22,500	8,241
Accruals	5,429	4,500	3,663
Employee Entitlements - Salaries	104,893	67,500	80,194
Employee Entitlements - Leave Accrual	16,525	15,500	17,270
	<u>160,669</u>	<u>110,000</u>	<u>109,368</u>
Payables for Exchange Transactions	160,669	110,000	108,793
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	575
	<u>160,669</u>	<u>110,000</u>	<u>109,368</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Other	22,341	1,000	17,099
	<u>22,341</u>	<u>1,000</u>	<u>17,099</u>

16. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	124,406	124,406	121,052
Increase/ (decrease) to the Provision During the Year	2,250	18,873	19,564
Use of the Provision During the Year	-	(97,861)	(16,210)
Provision at the End of the Year	<u>126,656</u>	<u>45,418</u>	<u>124,406</u>
Cyclical Maintenance - Current	-	8,052	-
Cyclical Maintenance - Term	126,656	37,366	124,406
	<u>126,656</u>	<u>45,418</u>	<u>124,406</u>

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:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	9,447	8,500	8,506
Later than One Year and no Later than Five Years	9,985	12,000	15,566
	<u>19,432</u>	<u>20,500</u>	<u>24,072</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, the Catholic Schools Board 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(c). 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, Principal, Deputy Principals and Heads of Departments.

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,800	3,555
Full-time equivalent members	0.13	0.20
<i>Leadership Team</i>		
Remuneration	351,296	531,362
Full-time equivalent members	3	5.00
Total key management personnel remuneration	<u>354,096</u>	<u>534,917</u>
Total full-time equivalent personnel	<u>3.13</u>	<u>5.20</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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	130 - 140
Benefits and Other Emoluments	20 - 25	18 - 19
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
	-	-
	0.00	0.00

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:

	2020 Actual \$0	2019 Actual \$0
Total Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets (except as noted below) as at **31 December 2020** (Contingent liabilities: nil and assets at **31 December 2019**: \$6,511).

There is a contingent asset for the possible repayment from the Ministry of Education for under spending the School's banking staffing entitlement during 2020. The Ministry has yet to decide how much it will pay to the School. We cannot reliably measure the cash repayment, but the amount we have underspent as at 31 December is approximately \$2,350. We will record the amount we receive as revenue in the 2021 financial year.

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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has not entered into contract agreements for capital works:

(Capital commitments at 31 December 2019: \$nil)

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	76,961	59,737	79,103
Receivables	107,158	70,000	83,716
Investments - Term Deposits	428,709	250,000	320,014
Total Financial assets measured at amortised cost	<u>612,828</u>	<u>379,737</u>	<u>482,833</u>

Financial liabilities measured at amortised cost

Payables	160,669	110,000	108,793
Finance Leases	17,326	20,500	20,630
Total Financial Liabilities Measured at Amortised Cost	<u>177,995</u>	<u>130,500</u>	<u>129,423</u>

25. Events After Balance Date

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

26. Comparatives

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

St Marys School (Hastings)

Kiwisport Report

For the year ended 31 December 2020

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2020 the school received total Kiwisport funding of \$3,593 (excluding GST). The funding was put towards a range of sports equipment to resource the school to support and initiate student participation in a variety of sports.

The number of students participating in organised sport continues to be at excellent levels.

2020 Analysis of Variance Maths

Historical Position

Analysis of 2019 data showed that 52% of Yr 4 students were at/above Curriculum Level expectations. We aimed to ensure that all students (2020 Yr 5) were at/above expectation.

Ethnicity	Number
Maori	2
Pasifika	5
Other	18

Actions

- assessment data reviewed and analysed to determine specific teaching strategies
- these students as 'Target' students are monitored in Team meetings
- students will be taken 'back' to the level where they will achieve success confidently. Use of materials will be encouraged where necessary
- teaching points initially will be taken from the Knowledge Test to clear 'gaps'
- teachers will utilize the PaCT tool to analyse progress made and determine next learning steps
- Teaching as Inquiry will support teachers as they plan to meet learning needs
- importance of Basic Facts mastery will be prioritized
- teachers will ensure that the 'language of maths' is understood clearly so that students are clear what a maths problem is asking them to do
- students will develop a positive mindset in maths, supported by positive and clear messages from their teacher
- students will be supported at home in their maths learning through homework to support learning, use of Seesaw to explain thinking and, appropriate online sites to practice

Results: (At/Above Curriculum Expectation)

<u>Total</u>	<u>At/Above</u>	<u>Boys</u>	<u>Girls</u>	<u>Maori</u>	<u>Pasifika</u>
25	15	6	9	1	2

ESOL: 6 students

Learning Assistance: 11

Results (At/Above Expectation)

Year 5

<u>Total</u>	<u>At/Above</u>	<u>Boys</u>	<u>Girls</u>	<u>Maori</u>	<u>Pasifika</u>
25	10	4	6	1	

ESOL: 5 students

Learning Support: 3 students

Year 7

<u>Total</u>	<u>At/Above</u>	<u>Boys</u>	<u>Girls</u>	<u>Maori</u>	<u>Pasifika</u>
22	16	6	10	3	2

ESOL: 6 students

Learning Support: 13 students

Reasons for Variance Yr 5

- specific goal setting
- using exemplars of students writing as models
- focused attention to learning the words from the EWL
- conferencing with students so they get feedback immediately
- linking reading and writing
- using the writing cycle students know the writing process to follow

What were barriers to achievement?

- not having a 'spelling conscience' and/or challenges with spelling (dyslexia tendencies)
- vocabulary knowledge and development
- absences
- being moved to a new year group half way through the year
- distractions from classmates
- capable but rushes learning
- ESOL (many incorrect tenses/plurale/singulars)

Reasons for Variance Yr 7

- short, targeted tasks focused on specific skills
- reading recorded work aloud (to self and buddy) as part of editing
- 'Target Writers' supported by Mrs Birrell
- regular discussions with Mrs Birrell to match her focus to what was happening in class
- clear expectations about what success looked like

What were barriers to achievement?

- absences
- not reading and checking as they were writing
- lack of discipline in editing
- rushing to get finished

2020 Analysis of Variance Writing

Writing

Historical Position

2019 Yr 4

Analysis showed that 58% of students were at/above Curriculum Level expectations. We aimed to ensure that all students (2020 Yr 5) were at/above expectation.

Ethnicity	Number
Maori	2
Pasifika	5
Other	18

2019 Yr 6

Analysis showed that 66% of students were at/above Curriculum Level expectations. We aimed to move 22 students (2020 Yr 7) from below expectation to at/above expectation.

Ethnicity	Number
Maori	4
Pasifika	4
Other	14

Actions:

- assessment data reviewed and analysed to determine specific teaching strategies
- these students as 'Target' students are monitored at Team meetings
- PaCT tool used to assess writing and to clarify next teaching steps
- Teaching as Inquiry will be used by teachers to inquire into their own practise while supporting learning needs
- effective practises from Professional Learning will be utilized to support meeting needs
- moderation will help to identify progress made and next learning steps required to reach the appropriate Level
- a variety of opportunities provided for students to share their work (in class/Seesaw, google docs)

Reasons for Variance

- Confidence in being able to do maths (mindset)
- Building on knowledge, identifying gaps and working on basic facts
- Support from Audrey Birrell where the focus was to build knowledge and confidence
- Number Talks to share thinking in strategy
- Having confidence to understand what operation to use in a word problem
- Developing confidence in unpacking the literacy in maths.

What were barriers to achievement?

- Lockdown - this has impacted on coverage and work done at home was variable during lockdown
- One student does not follow up learning in maths at home. This was discussed with the parent at the Learning Conference but support is variable (Choice and attitude)
- Mindset can continue to be a challenge. Taking risks in learning can be a challenge for these students.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ST. MARY'S SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of St. Mary's School (the School). The Auditor-General has appointed me, Philip Pinckney, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 25 May 2021. 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 and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board 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's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of 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.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information obtained at the date of our report is the Analysis of Variance, the Kiwisport statement, list of trustees and Statement of Responsibility, 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: *International 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.



Philip Pinckney
Baker Tilly Staples Rodway Audit Limited
On behalf of the Auditor-General
Hastings, New Zealand