

# ST MARY'S SCHOOL (NORTHCOTE)

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### School Directory

<b>Ministry Number:</b>	1505
<b>Principal:</b>	Michelle Holly
<b>School Address:</b>	115 Onewa Road, Northcote, Northshore
<b>School Postal Address:</b>	45 Gladstone Road, Northcote, North Shore, 0627
<b>School Phone:</b>	09 418 4333
<b>School Email:</b>	suet@sms.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires/ Expired</b>
Lisa Smith	Chair Person	Elected	Jun 2019
Michelle Holly	Principal	ex Officio	
Michael Chinnery	Parent Rep	Appointed	Jun 2019
Marianne Bray	Parent Rep	Appointed	Jun 2019
David France	Parent Rep	Appointed	Jun 2019
Anna Cambell	Parent Rep	Appointed	Jun 2019
Kathryn O'Brien	Staff Rep	Appointed	Jun 2019
Antony Vodanovich	Proprietors Rep	Appointed	Jun 2019
Kelly Parker	Proprietors Rep	Appointed	Jun 2019
Jenny Abesia	Proprietors Rep	Appointed	Jun 2019
Fr Lio Rotor	Proprietors Rep	Appointed	Jun 2019
Orille Fernando	Proprietors Rep	Appointed	Feb 2019

**Accountant / Service Provider:** Education Services Ltd

# ST MARY'S SCHOOL (NORTHCOTE)

Annual Report - For the year ended 31 December 2018

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# St Mary's School (Northcote)

## Statement of Responsibility

For the year ended 31 December 2018

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

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

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

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

\_\_\_\_\_  
Full Name of Board Chairperson

\_\_\_\_\_  
Full Name of Principal

\_\_\_\_\_  
Signature of Board Chairperson

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

**St Mary's School (Northcote)**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>				
Government Grants	2	2,326,165	2,409,506	2,398,586
Locally Raised Funds	3	259,450	99,125	293,811
Use of Land and Buildings Integrated		1,239,510	490,000	1,239,510
Interest Earned		10,434	5,500	8,890
International Students	4	41,892	36,000	10,796
		<u>3,877,451</u>	<u>3,040,131</u>	<u>3,951,593</u>
<b>Expenses</b>				
Locally Raised Funds	3	74,110	2,600	151,596
International Students	4	4,035	1,700	2,630
Learning Resources	5	1,827,122	2,061,484	1,964,257
Administration	6	237,243	225,700	279,187
Finance Costs		3,396	2,487	3,871
Property	7	1,477,985	701,034	1,469,655
Depreciation	8	62,032	44,737	64,294
Loss on Disposal of Property, Plant and Equipment		3,573	-	-
Amortisation of Equitable Lease	14	7,580	7,600	7,580
		<u>3,697,076</u>	<u>3,047,342</u>	<u>3,943,070</u>
<b>Net Surplus / (Deficit)</b>		180,375	(7,211)	8,523
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>180,375</u>	<u>(7,211)</u>	<u>8,523</u>

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

**St Mary's School (Northcote)**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Balance at 1 January</b>	506,231	467,763	497,708
Total comprehensive revenue and expense for the year Capital Contributions from the Ministry of Education	180,375	(7,211)	8,523
<b>Equity at 31 December</b>	686,606	460,552	506,231
Retained Earnings	686,606	460,552	506,231
<b>Equity at 31 December</b>	686,606	460,552	506,231

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

**St Mary's School (Northcote)**  
**Statement of Financial Position**  
As at 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	9	29,006	113,111	193,007
Accounts Receivable	10	134,023	103,141	140,090
GST Receivable		18,522	14,309	24,173
Prepayments		9,169	7,265	8,413
Inventories	11	174	25,725	114
Investments	12	350,000	100,000	100,000
		<hr/>	<hr/>	<hr/>
		540,894	363,551	465,797
<b>Current Liabilities</b>				
Accounts Payable	15	180,575	137,310	212,872
Revenue Received in Advance	16	13,435	6,997	4,793
Provision for Cyclical Maintenance	17	59,376	46,504	64,432
Finance Lease Liability - Current Portion	18	16,537	11,797	16,265
		<hr/>	<hr/>	<hr/>
		269,923	202,608	298,362
<b>Working Capital Surplus/(Deficit)</b>		270,971	160,943	167,435
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	306,683	137,531	219,898
Equitable Leasehold Interest	14	174,166	189,326	181,746
		<hr/>	<hr/>	<hr/>
		480,849	326,857	401,644
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	17	51,061	17,486	34,155
Finance Lease Liability	18	14,153	9,762	28,693
		<hr/>	<hr/>	<hr/>
		65,214	27,248	62,848
<b>Net Assets</b>		<hr/>	<hr/>	<hr/>
		686,606	460,552	506,231
<b>Equity</b>		<hr/>	<hr/>	<hr/>
		686,606	460,552	506,231

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

**St Mary's School (Northcote)**  
**Statement of Cash Flows**  
For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		705,950	675,722	721,364
Locally Raised Funds		275,174	94,525	264,079
International Students		53,196	36,000	10,796
Goods and Services Tax (net)		5,651	-	(9,864)
Payments to Employees		(315,805)	(400,338)	(363,957)
Payments to Suppliers		(432,382)	(339,721)	(514,557)
Cyclical Maintenance Payments in the year		(76,268)	(77,500)	(37,534)
Interest Paid		(3,396)	(2,487)	(3,871)
Interest Received		7,642	5,500	9,245
Net cash from / (to) the Operating Activities		219,762	(8,299)	75,701
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(123,213)	(6,700)	(13,181)
Purchase of Investments		(250,000)	-	-
Net cash from / (to) the Investing Activities		(373,213)	(6,700)	(13,181)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(10,550)	(13,959)	(11,582)
Net cash from Financing Activities		(10,550)	(13,959)	(11,582)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(164,001)</b>	<b>(28,958)</b>	<b>50,938</b>
Cash and cash equivalents at the beginning of the year	9	193,007	142,069	142,069
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>29,006</b>	<b>113,111</b>	<b>193,007</b>

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

# St Mary's School (Northcote)

## Notes to the Financial Statements

### For the year ended 31 December 2018

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

St Mary's School (Northcote) (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.

##### b) Basis of Preparation

###### **Reporting Period**

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

###### **Basis of Preparation**

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

###### **Financial Reporting Standards Applied**

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

###### **PBE Accounting Standards Reduced Disclosure Regime**

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

###### **Measurement Base**

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

###### **Presentation Currency**

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

###### **Specific Accounting Policies**

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

###### **Critical Accounting Estimates And Assumptions**

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

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

#### *Useful lives of property, plant and equipment*

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

#### ***Critical Judgements in applying accounting policies***

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

#### *Classification of leases*

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

#### *Recognition of grants*

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to 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.

### **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) Operating Lease Payments**

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

#### **f) Finance Lease Payments**

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

#### **g) Cash and Cash Equivalents**

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

#### **h) Accounts Receivable**

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

#### **i) Inventories**

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

#### **j) Investments**

Bank term deposits 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.

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

#### **k) 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.

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 \$1000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

#### **Leased Assets**

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

### **Depreciation**

Property, plant and equipment are depreciated over their estimated useful lives on a straight line 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	5-20 years
Information and Communication	3-5 years
Library Resources	8 years

Leased assets are depreciated over the life of the lease.

### **l) Impairment of property, plant, and equipment and intangible assets**

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

#### *Non cash generating assets*

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

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

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

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

### **m) Accounts Payable**

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

### **n) Employee Entitlements**

#### *Short-term employee entitlements*

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

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

### **o) Revenue Received in Advance**

Revenue received in advance relates to fees received from 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.

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

**p) 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).

**q) 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.

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 at the start of the year.

**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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	547,805	549,722	546,671
Teachers' salaries grants	1,608,718	1,729,624	1,669,926
Resource teachers learning and behaviour grants	2,675	1,500	2,394
Other MoE Grants	165,641	128,660	177,446
Other government grants	1,326	-	2,149
	<u>2,326,165</u>	<u>2,409,506</u>	<u>2,398,586</u>

## 3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>			
Donations	100,684	85,100	88,884
Bequests & Grants	52,770	-	-
Activities	72,936	9,425	100,718
Trading	7,809	4,600	57,149
Fundraising	25,251	-	47,047
Other Revenue	-	-	13
	<u>259,450</u>	<u>99,125</u>	<u>293,811</u>
<b>Expenses</b>			
Activities	55,976	-	72,413
Trading	2,470	2,600	53,066
Fundraising costs	15,664	-	26,117
	<u>74,110</u>	<u>2,600</u>	<u>151,596</u>
<i>Surplus for the year Locally raised funds</i>	<u>185,340</u>	<u>96,525</u>	<u>142,215</u>

## 4. International Student Revenue and Expenses

	2018 Actual Number	2018 Budget (Unaudited) Number	2017 Actual Number
International Student Roll	4	3	3
<b>Revenue</b>			
International student fees	41,892	36,000	10,796
<b>Expenses</b>			
Commissions	3,522	1,700	1,500
International student levy	513	-	598
Employee Benefit - Salaries	-	-	24
Other Expenses	-	-	508
	<u>4,035</u>	<u>1,700</u>	<u>2,630</u>
<i>Surplus for the year International Students'</i>	<u>37,857</u>	<u>34,300</u>	<u>8,166</u>

## 5. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	35,493	47,547	24,269
Library resources	2,313	1,050	7,307
Employee benefits - salaries	1,712,022	1,931,287	1,856,281
Staff development	45,780	40,000	48,710
Equipment & Repairs	31,514	41,600	27,690
	<u>1,827,122</u>	<u>2,061,484</u>	<u>1,964,257</u>

## 6. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	6,277	6,200	6,094
Board of Trustees Fees	4,195	5,000	4,175
Board of Trustees Expenses	5,441	5,856	6,498
Communication	4,386	4,750	5,505
Consumables	9,477	8,750	8,403
Operating Lease	950	951	9,829
Legal Fees	815	-	42,033
Other	19,039	13,880	15,965
Employee Benefits - Salaries	150,170	149,225	132,400
Insurance	3,660	3,663	3,710
Service Providers, Contractors and Consultancy	32,833	27,425	31,079
Interventions	-	-	13,496
	<u>237,243</u>	<u>225,700</u>	<u>279,187</u>

## 7. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	46,736	52,800	51,093
Cyclical Maintenance Expense	32,028	21,792	42,959
Grounds	30,000	22,120	18,707
Heat, Light and Water	48,075	43,000	49,047
Rates	88	89	84
Repairs and Maintenance	17,708	15,783	16,545
Use of Land and Buildings	1,239,510	490,000	1,239,510
Security	6,828	6,000	6,857
Employee Benefits - Salaries	57,012	49,450	44,555
Contractors & Consultants	-	-	298
	<u>1,477,985</u>	<u>701,034</u>	<u>1,469,655</u>

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

## 8. Depreciation

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Building Improvements	96	-	-
Furniture and Equipment	26,886	20,282	29,147
Information and Communication Technology	12,129	9,568	13,751
Leased Assets	21,578	13,067	18,780
Library Resources	1,343	1,820	2,616
	<u>62,032</u>	<u>44,737</u>	<u>64,294</u>

## 9. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	60	-	60
Bank Current Account	8,877	103,031	105,148
Bank Call Account	20,069	10,080	87,799
Cash equivalents for Cash Flow Statement	<u>29,006</u>	<u>113,111</u>	<u>193,007</u>

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

## 10. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	13,881	17,199	32,432
Receivables from the Ministry of Education	10,511	226	-
Interest Receivable	3,424	987	632
Teacher Salaries Grant Receivable	106,207	84,729	107,026
	<u>134,023</u>	<u>103,141</u>	<u>140,090</u>
Receivables from Exchange Transactions	17,305	18,186	33,064
Receivables from Non-Exchange Transactions	116,718	84,955	107,026
	<u>134,023</u>	<u>103,141</u>	<u>140,090</u>

## 11. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	174	-	114
Uniforms	-	25,725	-
	<u>174</u>	<u>25,725</u>	<u>114</u>

## 12. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	350,000	100,000	100,000

### 13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	-	2,870	-	-	(96)	2,774
Furniture and Equipment	175,122	60,784	(3,573)	-	(26,886)	205,447
Information and Communication Technology	7,945	86,257	-	-	(12,129)	82,073
Leased Assets	33,096	2,349	-	-	(21,578)	13,867
Library Resources	3,735	130	-	-	(1,343)	2,522
<b>Balance at 31 December 2018</b>	<b>219,898</b>	<b>152,390</b>	<b>(3,573)</b>	<b>-</b>	<b>(62,032)</b>	<b>306,683</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	2,870	(96)	2,774
Furniture and Equipment	507,955	(302,508)	205,447
Information and Communication Technology	158,467	(76,394)	82,073
Leased Assets	66,099	(52,232)	13,867
Library Resources	64,125	(61,603)	2,522
<b>Balance at 31 December 2018</b>	<b>799,516</b>	<b>(492,833)</b>	<b>306,683</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Furniture and Equipment	194,017	10,252	-	-	(29,147)	175,122
Information and Communication Technology	14,882	6,814	-	-	(13,751)	7,945
Leased Assets	40,076	11,858	-	-	(18,780)	33,154
Library Resources	6,293	-	-	-	(2,616)	3,677
<b>Balance at 31 December 2017</b>	<b>255,268</b>	<b>28,924</b>	<b>-</b>	<b>-</b>	<b>(64,294)</b>	<b>219,898</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Furniture and Equipment	553,519	(378,397)	175,122
Information and Communication Technology	181,345	(173,400)	7,945
Leased Assets	88,909	(55,755)	33,154
Library Resources	63,930	(60,253)	3,677
<b>Balance at 31 December 2017</b>	<b>887,703</b>	<b>(667,805)</b>	<b>219,898</b>

#### 14. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the board's interest in capital works assets owned by the proprietor but paid for in whole or in part by the Board of Trustees, either from Government funding or from community raised funds.

A lease between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over 10-40 years based on the economic life of the capital works asset(s) involved. The interest may be realised on the sale of the capital works by the proprietor or the closure of the school.

The major capital works assets included in the equitable leasehold interest are:

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Leasehold Improvements	174,166	189,326	181,746
	<u>174,166</u>	<u>189,326</u>	<u>181,746</u>

Amortisation of the equitable leasehold interest amounted to \$7,580 (2017:\$7,580).

#### 15. Accounts Payable

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
Operating creditors	41,873	45,927	93,395
Accruals	4,777	4,404	5,094
Capital accruals for PPE items	22,808	-	4,541
Employee Entitlements - salaries	106,207	84,729	107,026
Employee Entitlements - leave accrual	4,910	2,250	2,816
	<u>180,575</u>	<u>137,310</u>	<u>212,872</u>
Payables for Exchange Transactions	180,575	137,310	212,872
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>180,575</u>	<u>137,310</u>	<u>212,872</u>

The carrying value of payables approximates their fair value.

#### 16. Revenue Received in Advance

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
Income in Advance	2,131	3,266	1,967
Foreign Fees in Advance	11,304	3,731	2,826
	<u>13,435</u>	<u>6,997</u>	<u>4,793</u>

### 17. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	98,587	42,198	149,252
Increase to the Provision During the Year	32,028	21,792	42,959
Use of the Provision During the Year	(20,178)	-	(93,624)
Provision at the End of the Year	<u>110,437</u>	<u>63,990</u>	<u>98,587</u>
Cyclical Maintenance - Current	59,376	46,504	64,432
Cyclical Maintenance - Term	51,061	17,486	34,155
	<u>110,437</u>	<u>63,990</u>	<u>98,587</u>

### 18. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	18,100	11,797	18,083
Later than One Year and no Later than Five Years	14,153	9,762	30,256
	<u>32,253</u>	<u>21,559</u>	<u>48,339</u>

### 19. 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 Diocese of Auckland) 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 that are material transactions that have occurred has been disclosed appropriately.

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 2018 is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

## 20. Remuneration

### Key management personnel compensation

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

	<b>2018 Actual \$</b>	<b>2017 Actual \$</b>
<i>Board Members</i>		
Remuneration	4,195	17,671
Full-time equivalent members	0.11	0.15
<i>Leadership Team</i>		
Remuneration	599,353	552,784
Full-time equivalent members	6.67	6.00
Total key management personnel remuneration	<u>603,548</u>	<u>570,455</u>
Total full-time equivalent personnel	<u>6.78</u>	<u>6.15</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:

	<b>2018 Actual \$000</b>	<b>2017 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	120 - 130
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

### Other Employees

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

<b>Remuneration \$000</b>	<b>2018 FTE Number</b>	<b>2017 FTE Number</b>
100 - 110	1.00	-
	<u>1.00</u>	<u>0.00</u>

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

## 21. 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:

	<b>2018 Actual</b>	<b>2017 Actual</b>
Total	-	\$13,000
Number of People	-	3

## 22. Contingencies

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

### Holidays Act Compliance – schools payroll

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

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

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

## 23. Commitments

### (a) Capital Commitments

There are no capital commitments as at 31 December 2018 (Capital commitments at 31 December 2017: nil).

### (b) Operating Commitments

There are no operating commitments as at 31 December 2018 (Operating commitments at 31 December 2017: nil).

## 24. 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.

## 25. Financial Instruments

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

### Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	29,006	113,111	193,007
Receivables	134,023	103,141	140,090
Investments - Term Deposits	350,000	100,000	100,000
Total Loans and Receivables	513,029	316,252	433,097

### Financial liabilities measured at amortised cost

Payables	180,575	137,310	212,872
Finance Leases	30,690	21,559	44,958
Total Financial Liabilities Measured at Amortised Cost	211,265	158,869	257,830

## 26. Events After Balance Date

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

## 27. Comparatives

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