

St Mary's Catholic School

Annual Report for the year ended 31 December 2021

Ministry Number:	1502
Principal:	Audrey Kippen
School Address:	54 Clark Road, Papakura
School Postal Address:	54 Clark Road, Papakura, 2113
School Phone:	09-298 4450
School Email:	audreyk@stmaryspapakura.school.nz
Service Provider:	Edtech Financial Services Ltd

St Mary's Catholic Catholic Papakura

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Occupation	Term expired/expires
George Khoury	Presiding Member	Elected Parent	Manager	15/06/22
Audrey Kippen	Principal	Principal	Principal	15/06/22
Damian Williams	Member	Elected Parent	Chief Technology Officer	15/06/22
Judy Zanzottera	Member	Elected Parent	Home maker	15/06/22
Evan Jensen	Member	Bishop's Appointee	Manager	15/06/22
Chris Butler	Member	Bishop's Appointee	Urban Designer	15/06/22
Fr Jame Mulligan	Member	Bishop's Appointee	Priest	15/06/22
Wendy Peoples	Member	Elected Parent	Real Estate Agent	15/06/22
Greg Howarth	Member	Elected Parent	Manager	15/06/22
Catherine Venu	Member	Bishop's Appointee	Insectary Technician	15/06/22

St Mary's Catholic School

Annual Report

For the year ended 31 December 2021

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St Mary's Catholic School
Statement of Responsibility
For the year ended 31 December 2021

The Board 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 2021 fairly reflects the financial position and operations of the school.

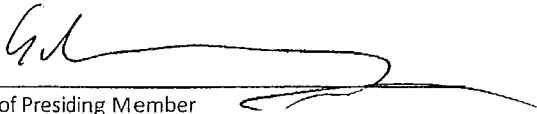
The School's 2021 financial statements are authorised for issue by the Board.

George Khoury

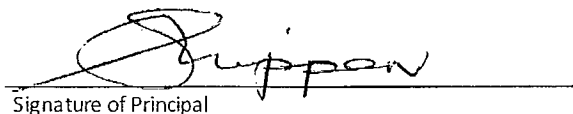
Full Name of Presiding Member

Audrey Kippen

Full Name of Principal



Signature of Presiding Member



Signature of Principal

4 August 2022

Date:

4 August 2022

Date:

St Mary's Catholic School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	1,937,826	1,902,809	1,923,734
Locally Raised Funds	3	23,891	8,000	30,242
Use of Proprietor's Land and Buildings		367,500	588,000	588,000
Interest Income		543	2,000	1,941
International Students	4	60,452	69,000	76,000
		<u>2,390,212</u>	<u>2,569,809</u>	<u>2,619,917</u>
Expenses				
Locally Raised Funds	3	26,472	16,900	41,382
International Students	4	8,802	-	13,835
Learning Resources	5	1,630,935	1,663,159	1,625,396
Administration	6	147,785	150,560	146,084
Finance		859	500	422
Property	7	529,945	736,800	814,061
Depreciation	11	50,868	60,000	44,357
Amortisation of Equitable Lease		6,520	6,520	6,520
Loss on Disposal of Property, Plant and Equipment		626	-	455
		<u>2,402,812</u>	<u>2,634,439</u>	<u>2,692,512</u>
Net Surplus / (Deficit) for the year		(12,600)	(64,630)	(72,595)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(12,600)</u>	<u>(64,630)</u>	<u>(72,595)</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 Catholic School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	2021	2021	2020
Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Balance at 1 January	289,815	289,815	353,214
Total comprehensive revenue and expense for the year	(12,600)	(64,630)	(72,595)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	8,776	-	9,196
Equity at 31 December	285,991	225,185	289,815
Retained Earnings	285,991	225,185	289,815
Equity at 31 December	285,991	225,185	289,815

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 Catholic School
Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	8	213,212	125,460	231,370
Accounts Receivable	9	126,654	110,200	109,468
GST Receivable		4,534	-	-
Prepayments		10,889	12,000	11,658
Inventories	10	742	600	609
		<u>356,031</u>	<u>248,260</u>	<u>353,105</u>
Current Liabilities				
GST Payable		-	1,920	1,280
Accounts Payable	13	167,800	144,900	134,211
Revenue Received in Advance	14	32,336	21,800	61,795
Provision for Cyclical Maintenance	15	33,409	57,450	-
Finance Lease Liability	16	8,842	9,300	7,365
		<u>242,387</u>	<u>235,370</u>	<u>204,651</u>
Working Capital Surplus/(Deficit)		113,644	12,890	148,454
Non-current Assets				
Property, Plant and Equipment	11	203,036	195,410	185,410
Equitable Leasehold Interest	12	71,693	71,690	78,213
		<u>274,729</u>	<u>267,100</u>	<u>263,623</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	99,576	52,000	117,176
Finance Lease Liability	16	2,806	2,805	5,086
		<u>102,382</u>	<u>54,805</u>	<u>122,262</u>
Net Assets		<u><u>285,991</u></u>	<u><u>225,185</u></u>	<u><u>289,815</u></u>
Equity		<u><u>285,991</u></u>	<u><u>225,185</u></u>	<u><u>289,815</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 Catholic School

Statement of Cash Flows

For the year ended 31 December 2021

	2021	2021	2020
Note	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash flows from Operating Activities			
Government Grants	614,038	530,737	537,043
Locally Raised Funds	42,432	8,005	15,645
International Students	12,452	29,000	98,000
Goods and Services Tax (net)	(5,814)	640	6,999
Payments to Employees	(361,066)	(337,039)	(324,901)
Payments to Suppliers	(258,817)	(262,399)	(317,541)
Interest Paid	(859)	(500)	(422)
Interest Received	622	1,989	2,185
Net cash from/(to) Operating Activities	42,988	(29,567)	17,008
Cash flows from Investing Activities			
Purchase of Property Plant & Equipment	(58,796)	(70,000)	(43,962)
Net cash from/(to) Investing Activities	(58,796)	(70,000)	(43,962)
Cash flows from Financing Activities			
Furniture and Equipment Grant	8,776	-	9,196
Finance Lease Payments	(11,126)	(6,343)	(6,245)
Net cash from/(to) Financing Activities	(2,350)	(6,343)	2,951
Net increase/(decrease) in cash and cash equivalents	(18,158)	(105,910)	(24,003)
Cash and cash equivalents at the beginning of the year	8 231,370	231,370	255,373
Cash and cash equivalents at the end of the year	8 213,212	125,460	231,370

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.

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

Reporting Entity

St Mary's Catholic School (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 is of the view that the School is a public benefit entity for financial reporting purposes.

Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

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 Proprietor's buildings in a good state of repair as a provision of 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.

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 11.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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.

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.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

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.

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.

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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.

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.

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.

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.

Property, Plant and Equipment

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

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

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

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	33 years
Furniture and equipment	4-20 years
Information and communication technology	2-5 years
Leased assets held under a Finance Lease	Term of lease
Library resources	12.5% Diminishing value

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

Impairment of property, plant, and equipment

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 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.

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.

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.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows.

Revenue Received in Advance

Revenue received in advance relates to fees received from international students and other revenue 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 this revenue received in advance, should the School be unable to provide the services to which they relate.

St Mary's Catholic School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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 is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable. 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.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' 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.

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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

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.

St Mary's Catholic School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

2 Government Grants

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	497,640	470,850	484,084
Teachers' Salaries Grants	1,329,675	1,377,959	1,383,846
Other MoE Grants	105,641	52,000	55,804
Other Government Grants	4,870	2,000	-
	<u>1,937,826</u>	<u>1,902,809</u>	<u>1,923,734</u>

The School has opted in to the donations scheme for this year. Total amount received was \$38,850 (2020: \$42,750).

Other MOE Grants total includes additional COVID-19 funding totalling \$14,999 for the year ended 31 December 2021 (2020: \$6,752).

3 Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	3,669	-	107
Fees for Extra Curricular Activities	19,824	6,000	28,152
Trading	398	2,000	1,983
	<u>23,891</u>	<u>8,000</u>	<u>30,242</u>
Expenses			
Extra Curricular Activities Costs	16,174	14,700	39,542
Trading	472	2,200	1,840
Other Locally Raised Funds Expenditure	9,826	-	-
	<u>26,472</u>	<u>16,900</u>	<u>41,382</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>(2,581)</u>	<u>(8,900)</u>	<u>(11,140)</u>

4 International Student Revenue and Expenses

	2021	2021	2020
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	5	0	6
Revenue			
International Student Fees	\$ 60,452	\$ 69,000	\$ 76,000
Expenses			
Commissions	8,802	-	13,835
	<u>8,802</u>	<u>-</u>	<u>13,835</u>
<i>Surplus/ (Deficit) for the year International Students</i>	<u>51,650</u>	<u>69,000</u>	<u>62,165</u>

St Mary's Catholic School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

5 Learning Resources

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	30,333	41,000	23,826
Information and Communication Technology	13,266	14,400	19,472
Library Resources	71	200	128
Employee Benefits - Salaries	1,567,647	1,588,159	1,563,850
Staff Development	19,618	19,400	18,120
	<u>1,630,935</u>	<u>1,663,159</u>	<u>1,625,396</u>

6 Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	7,801	7,500	7,447
Board Fees	4,355	5,300	5,290
Board Expenses	1,855	3,860	1,098
Communication	4,046	4,000	3,712
Consumables	14,909	19,600	13,503
Operating Lease	174	1,000	1,269
Other	14,077	13,400	8,761
Employee Benefits - Salaries	91,224	86,200	95,381
Insurance	3,812	4,200	4,199
Service Providers, Contractors and Consultancy	5,532	5,500	5,424
	<u>147,785</u>	<u>150,560</u>	<u>146,084</u>

7 Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	56,543	51,000	58,247
Consultancy and Contract Services	3,812	4,000	3,746
Cyclical Maintenance Expense	26,185	10,000	66,097
Grounds	2,049	6,000	12,189
Heat, Light and Water	15,761	16,800	17,386
Repairs and Maintenance	13,552	19,000	26,012
Use of Land and Buildings	367,500	588,000	588,000
Employee Benefits - Salaries	44,543	42,000	42,384
	<u>529,945</u>	<u>736,800</u>	<u>814,061</u>

The use of land and buildings figure represents 5% of the school's total property value. This is used as a 'proxy' for the market rental of the property.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

8 Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	213,212	125,460	231,370
Cash and cash equivalents for Statement of Cash Flows	213,212	125,460	231,370

9 Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Interest Receivable	110	200	189
Teacher Salaries Grant Receivable	126,544	110,000	109,279
	126,654	110,200	109,468
Receivables from Exchange Transactions	110	200	189
Receivables from Non-Exchange Transactions	126,544	110,000	109,279
	126,654	110,200	109,468

10 Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	742	600	609
	742	600	609

11 Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Furniture and Equipment	108,807	32,567	-	-	(16,463)	124,911
Information and Communication Technology	51,180	25,963	-	-	(22,213)	54,930
Leased Assets	12,778	9,800	-	-	(10,591)	11,987
Library Resources	12,645	268	(104)	-	(1,601)	11,208
Balance at 31 December 2021	185,410	68,598	(104)	-	(50,868)	203,036
	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Furniture and Equipment	286,859	(161,948)	124,911	254,291	(145,484)	108,807
Information and Communication Technology	373,858	(318,928)	54,930	347,895	(296,715)	51,180
Leased Assets	49,559	(37,572)	11,987	66,839	(54,061)	12,778
Library Resources	57,682	(46,474)	11,208	57,891	(45,246)	12,645
Balance at 31 December	767,958	(564,922)	203,036	726,916	(541,506)	185,410

The net carrying value of equipment held under a finance lease is \$11,987 (2020: \$12,778).

The amount of \$16,985 has been reclassified between Furniture and Equipment and Information and Communication Technology in prior period comparatives to reflect its year end balance.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

12 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 part by the Board of Trustees, either from Government funding or 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 the economic life of the capital works assets(s) involved. The interest may be realised on the sale of the capital works by the Proprietor or the closure of the school.

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
The major capital works assets included in the equitable leasehold interest are:			
Hall	71,693	71,690	78,213
	<u>71,693</u>	<u>71,690</u>	<u>78,213</u>

The amortisation charge in relation to the equitable leasehold interest during the year was \$6,520 (2020: \$6,520).

13 Accounts Payable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	12,988	21,000	15,933
Accruals	8,156	7,500	7,447
Banking Staffing Overuse	23,190	-	(5,887)
Employee Entitlements - Salaries	116,022	110,000	110,318
Employee Entitlements - Leave Accrual	7,444	6,400	6,400
	<u>167,800</u>	<u>144,900</u>	<u>134,211</u>
Payables for Exchange Transactions	167,800	144,900	134,211
	<u>167,800</u>	<u>144,900</u>	<u>134,211</u>

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees in Advance	12,000	20,000	60,000
Other Revenue in Advance	20,336	1,800	1,795
	<u>32,336</u>	<u>21,800</u>	<u>61,795</u>

15 Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	117,176	117,176	52,748
Increase/(decrease) to the Provision During the Year	26,185	10,000	92,148
Use of the Provision During the Year	(10,376)	(17,726)	(27,720)
Provision at the End of the Year	<u>132,985</u>	<u>109,450</u>	<u>117,176</u>
Cyclical Maintenance - Current	33,409	57,450	-
Cyclical Maintenance - Term	99,576	52,000	117,176
	<u>132,985</u>	<u>109,450</u>	<u>117,176</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

16 Finance Lease Liability

The school has entered into a number of finance lease agreements for xxxxxx.
Minimum lease payments payable (includes interest portion):

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	9,324	9,300	7,552
Later than One Year and no Later than Five Years	2,943	2,805	5,128
Future Finance Charges	(618)		(229)
	<u>11,648</u>	<u>12,105</u>	<u>12,451</u>
Represented by			
Finance lease liability - Current	8,842	9,300	7,365
Finance lease liability - Term	2,806	2,805	5,086
	<u>11,648</u>	<u>12,105</u>	<u>12,451</u>

17 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 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 have been disclosed appropriately, if the proprietor collects funds 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. 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".

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, building levy and special character donations payable to the Proprietor The Catholic Diocese of Auckland. The amounts collected in total were \$353,975 (2020: \$239,564). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$16,827 (2020: \$6,621).

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

18 Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	4,355	5,290
<i>Leadership Team</i>		
Remuneration	247,584	343,109
Full-time equivalent members	2.00	3.00
Total key management personnel remuneration	251,939	348,399
Total full-time equivalent personnel	2.15	3.13

There are 9 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has 2 Finance members and 4 Property members that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	150-160
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	1	-
	1	-

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

19 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

20 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021.

(Contingent liabilities and assets as at 31 December 2020: 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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. 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 2021, a contingent liability for the school may exist.

21 Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into no contract agreements for capital works.

(Capital commitments as at 31 December 2020: nil)

(b) Operating Commitments

As at 31 December 2021 the Board has not entered into new contracts.

(Operating commitments as at 31 December 2020: nil)

22 Financial Instruments

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

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	213,212	125,460	231,370
Receivables	126,654	110,200	109,468
Total Financial assets measured at amortised cost	<u>339,866</u>	<u>235,660</u>	<u>340,838</u>
Financial liabilities measured at amortised cost			
Payables	167,800	144,900	134,211
Finance Leases	11,648	12,105	12,451
Total Financial Liabilities Measured at Amortised Cost	<u>179,448</u>	<u>157,005</u>	<u>146,662</u>

23 Events After Balance Date

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

24 Comparatives

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

25 COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students and/or Board operated boarding facilities.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ST MARY'S CATHOLIC SCHOOL (PAPAKURA) FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of St Mary's Catholic School (Papakura) (the School). The Auditor-General has appointed me, Matt Laing, using the staff and resources of Deloitte 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 2021, 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 2021 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 4 August 2022. 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 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 school 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 arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information including List of Board of Trustees, Statement of Responsibility, Analysis of Variance Report, Principal Report and KiwiSport Report, but does not include the financial statements, and our auditor's report thereon.

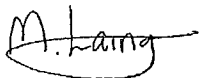
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *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.



Matt Laing
Partner
for Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand