

Sancta Maria College

Annual Report for the year ended 31 December 2021

Ministry Number:	491
Principal:	Louise Moore
School Address:	319 Te Irirangi Drive, Manukau
School Postal Address:	PO Box 64437, Manukau, 2163
School Phone:	09-2744081
School Email:	principal@sanctamaria.school.nz
Service Provider:	Edtech Financial Services Ltd

Sancta Maria College

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Occupation	Term expired/expires
BRABANT, Warren	Presiding Member	Elected	Operations Manager	7 June 2022
MOORE, Louise	Principal			
CHAMBERS, Amelia	Proprietors Rep	Bishops Appointee	Learning & Development Tech	Resigned: Sept 2021
CARLOS, Dominic	Proprietors Rep	Bishops Appointee	Bank Manager	7 June 2022
RAUKURA, Kane	Proprietors Rep	Bishops Appointee	Teacher	7 June 2022
MARTIS, Juliet	Proprietors Rep	Bishops Appointee	Payroll Officer	7 June 2022
BOKUNIEWICZ, Ilona	Parent Rep	Elected	Executive Assistant	7 June 2022
FARMER, Leanne	Parent Rep	Elected	Home maker	Resigned:
SMITH, David	Parent Rep	Elected	Sales Agent	Resigned: Dec 2021
ZHI-SHENG, Stuart	Parent Rep	Elected	Sales & Operations Development	7 June 2022
MARTIS, Natasha	Parent Rep	Appointed 30 Mar 2021		7 June 2022
AL-RUBAIE, Joanne	Staff Representative	Elected	Teacher	7 June 2022
VARGAS, Adrian	Student Rep	Elected then appointe	Student	1/09/2021*

** Student elections
postponed due to Covid
lockdown*

Sancta Maria College

Annual Report

For the year ended 31 December 2021

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Sancta Maria College
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.

Warren Brabant

Full Name of Presiding Member



Signature of Presiding Member

31 August 2022

Date:

Louise Frances Moore

Full Name of Principal



Signature of Principal

31 August 2022

Date:

Sancta Maria College

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	8,366,494	8,207,328	8,191,557
Locally Raised Funds	3	1,444,019	1,612,199	1,438,920
Use of Proprietor's Land and Buildings		3,119,405	4,991,048	4,991,048
Interest Income		26,646	75,500	76,291
International Students	4	370,436	443,827	762,363
		<u>13,327,000</u>	<u>15,329,902</u>	<u>15,460,179</u>
Expenses				
Locally Raised Funds	3	305,109	499,344	378,974
International Students	4	299,440	363,404	391,139
Learning Resources	5	7,842,444	8,123,133	7,831,849
Administration	6	700,281	786,681	683,614
Finance		8,726	2,900	3,603
Property	7	3,666,061	5,618,448	5,733,362
Depreciation	12	412,163	350,000	425,055
Amortisation of Equitable Lease		1,500	1,500	1,500
Loss on Disposal of Property, Plant and Equipment		2,078	-	20,915
		<u>13,237,802</u>	<u>15,745,410</u>	<u>15,470,011</u>
Net Surplus / (Deficit) for the year		89,198	(415,508)	(9,832)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>89,198</u>	<u>(415,508)</u>	<u>(9,832)</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.

Sancta Maria College

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	3,464,628	3,464,628	3,436,943
Total comprehensive revenue and expense for the year	89,198	(415,508)	(9,832)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	39,400	-	37,517
Equity at 31 December	3,593,226	3,049,120	3,464,628
Retained Earnings	3,593,226	3,049,120	3,464,628
Reserves	-	-	-
Equity at 31 December	3,593,226	3,049,120	3,464,628

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.

Sancta Maria College **Statement of Financial Position**

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	8	461,546	189,530	181,870
Accounts Receivable	9	541,865	502,000	498,543
GST Receivable		12,114	10,000	127,340
Prepayments		43,699	70,000	68,062
Inventories	10	62,528	60,000	56,078
Investments	11	2,795,354	2,456,697	2,937,762
		<u>3,917,106</u>	<u>3,288,227</u>	<u>3,869,655</u>
Current Liabilities				
Accounts Payable	14	649,181	595,000	643,561
Revenue Received in Advance	15	658,689	400,000	720,498
Provision for Cyclical Maintenance	16	89,625	188,188	93,403
Finance Lease Liability	17	40,322	20,000	19,925
Funds Held in Trust	18	57,584	150,000	231,611
		<u>1,495,401</u>	<u>1,353,188</u>	<u>1,708,998</u>
Working Capital Surplus/(Deficit)		<u>2,421,705</u>	<u>1,935,039</u>	<u>2,160,657</u>
Non-current Assets				
Property, Plant and Equipment	12	1,540,130	1,398,787	1,595,206
Equitable Leasehold Interest	13	36,684	28,925	38,184
		<u>1,576,814</u>	<u>1,427,712</u>	<u>1,633,390</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	317,156	303,631	319,246
Finance Lease Liability	17	88,137	10,000	10,173
		<u>405,293</u>	<u>313,631</u>	<u>329,419</u>
Net Assets		<u><u>3,593,226</u></u>	<u><u>3,049,120</u></u>	<u><u>3,464,628</u></u>
Equity		<u><u>3,593,226</u></u>	<u><u>3,049,120</u></u>	<u><u>3,464,628</u></u>

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

Sancta Maria College **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		2,150,569	2,007,328	2,278,166
Locally Raised Funds		1,392,962	1,342,899	1,442,394
International Students		309,830	393,393	478,328
Goods and Services Tax (net)		115,226	117,340	(154,628)
Funds Administered on Behalf of Third Parties		(174,027)	(81,611)	(135,643)
Payments to Employees		(1,709,422)	(1,951,740)	(1,886,674)
Payments to Suppliers		(1,749,920)	(2,230,320)	(2,133,952)
Interest Paid		(8,726)	(2,900)	(3,603)
Interest Received		32,180	78,126	98,578
Net cash from/(to) Operating Activities		358,672	(327,485)	(17,034)
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment		(2,078)	(116,376)	-
Purchase of Property Plant & Equipment		(249,417)	(116,555)	(403,611)
Purchase of Investments		-	-	(85,451)
Proceeds from Sale of Investments		142,408	481,065	-
Net cash from/(to) Investing Activities		(109,087)	248,134	(489,062)
Cash flows from Financing Activities				
Furniture and Equipment Grant		39,400	-	37,517
Finance Lease Payments		(9,309)	87,011	48,161
Net cash from/(to) Financing Activities		30,091	87,011	85,678
Net increase/(decrease) in cash and cash equivalents		279,676	7,660	(420,418)
Cash and cash equivalents at the beginning of the year	8	181,870	181,870	602,288
Cash and cash equivalents at the end of the year	8	461,546	189,530	181,870

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.

Sancta Maria College

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

Reporting Entity

Sancta Maria College (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 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.

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 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 Proprietor owned assets	16 years
Furniture and equipment	3-15 years
Information and communication technology	3-5 years
Motor vehicles	5-10 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 student fees 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.

Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

Sancta Maria College

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, 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.

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.

Sancta Maria College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

2 Government Grants

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operational Grants	1,887,098	1,776,557	1,868,701
Teachers' Salaries Grants	6,267,942	6,200,000	5,898,614
Other MoE Grants	211,454	230,771	408,343
Other Government Grants	-	-	15,899
	<u>8,366,494</u>	<u>8,207,328</u>	<u>8,191,557</u>

3 Locally Raised Funds

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

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations & Bequests	773,762	789,654	754,428
Curriculum related Activities - purchase of goods & services	517,689	682,545	593,608
Trading	109,265	105,000	87,384
Fundraising & Community Grants	43,303	35,000	3,500
	<u>1,444,019</u>	<u>1,612,199</u>	<u>1,438,920</u>
Expenses			
Extra Curricular Activities Costs	226,389	414,610	283,086
Trading	54,735	74,734	95,888
Fundraising and Community Grant Costs	23,985	10,000	-
	<u>305,109</u>	<u>499,344</u>	<u>378,974</u>
	<u>1,138,910</u>	<u>1,112,855</u>	<u>1,059,946</u>

Surplus/ (Deficit) for the year Locally Raised Funds

4 International Student Revenue and Expenses

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	Number	Number	Number
International Student Roll	25	25	53
	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
International Student Fees	370,436	443,827	762,363
Expenses			
Advertising	-	-	9,798
Commissions	49,528	50,217	83,785
International Student Levy	14,357	10,814	18,375
Employee Benefit - Salaries	201,137	231,612	186,752
Other Expenses	34,418	70,761	92,429
	<u>299,440</u>	<u>363,404</u>	<u>391,139</u>
	<u>70,996</u>	<u>80,423</u>	<u>371,224</u>

Surplus/ (Deficit) for the year International Students

Sancta Maria College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

5 Learning Resources

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	398,101	561,444	762,366
Equipment Repairs	9,085	12,500	7,153
Information and Communication Technology	236,250	241,460	2,240
Extra-Curricular Activities	41,787	44,125	30,050
Library Resources	4,594	4,170	6,926
Employee Benefits - Salaries	7,116,313	7,191,434	6,995,467
Staff Development	36,314	68,000	27,647
	<u>7,842,444</u>	<u>8,123,133</u>	<u>7,831,849</u>

6 Administration

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	6,733	12,000	8,400
Board Fees	4,380	3,500	3,081
Board Expenses	11,852	20,200	23,702
Communication	11,036	12,200	11,478
Consumables	36,181	61,500	67,925
Operating Lease	-	-	18,130
Other	73,331	77,900	55,149
Employee Benefits - Salaries	527,132	574,881	470,594
Insurance	20,178	16,500	16,359
Service Providers, Contractors and Consultancy	9,458	8,000	8,796
	<u>700,281</u>	<u>786,681</u>	<u>683,614</u>

7 Property

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	34,227	39,700	37,685
Consultancy and Contract Services	101,553	121,800	132,561
Cyclical Maintenance Expense	(5,868)	79,166	229,172
Grounds	30,710	45,000	27,500
Heat, Light and Water	90,676	105,500	92,764
Repairs and Maintenance	137,612	88,200	79,228
Use of Land and Buildings	3,119,405	4,991,048	4,991,048
Employee Benefits - Salaries	157,746	148,034	143,404
	<u>3,666,061</u>	<u>5,618,448</u>	<u>5,733,362</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

Sancta Maria College

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	461,546	189,530	181,870
Cash and cash equivalents for Statement of Cash Flows	461,546	189,530	181,870

9 Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	5,601	7,000	7,764
Interest Receivable	12,092	15,000	17,626
Teacher Salaries Grant Receivable	524,172	480,000	473,153
	541,865	502,000	498,543
Receivables from Exchange Transactions	17,693	22,000	25,390
Receivables from Non-Exchange Transactions	524,172	480,000	473,153
	541,865	502,000	498,543

10 Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
School Uniforms	62,528	60,000	56,078
	62,528	60,000	56,078

11 Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	2,795,354	2,456,697	2,937,762
Total Investments	2,795,354	2,456,697	2,937,762

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment/ Adjustments	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2021						
Building Improvements	79,360	-	-	(14,338)	(24,983)	40,039
Furniture and Equipment	828,171	89,314	-	24,024	(139,609)	801,900
Information and Communication Technology	555,458	126,727	-	(1)	(184,008)	498,176
Motor Vehicles	34,958	-	-	(9,684)	(8,674)	16,600
Leased Assets	31,903	138,803	-	(5)	(46,439)	124,262
Library Resources	65,356	4,325	(2,078)	-	(8,450)	59,153
Balance at 31 December 2021	1,595,206	359,169	(2,078)	(4)	(412,163)	1,540,130

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	265,499	(225,460)	40,039	265,499	(186,139)	79,360
Furniture and Equipment	2,422,008	(1,620,108)	801,900	2,332,697	(1,504,526)	828,171
Information and Communication Technology	1,291,574	(793,398)	498,176	1,164,847	(609,389)	555,458
Motor Vehicles	159,093	(142,493)	16,600	159,093	(124,135)	34,958
Leased Assets	194,779	(70,517)	124,262	87,109	(55,206)	31,903
Library Resources	246,625	(187,472)	59,153	250,258	(184,902)	65,356
Balance at 31 December	4,579,578	(3,039,448)	1,540,130	4,259,503	(2,664,297)	1,595,206

The net carrying value of equipment held under a finance lease is \$124,262 (2020: \$31,903).

13 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.

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Storage Shed	36,684	28,925	38,184
	36,684	28,925	38,184

The amortisation charge in relation to the equitable leasehold interest during the year was \$1,500. (2020: \$1,500)

Sancta Maria College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

14 Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	52,422	40,000	91,694
Accruals	6,844	40,000	37,935
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	549,451	480,000	478,919
Employee Entitlements - Leave Accrual	40,464	35,000	35,013
	<u>649,181</u>	<u>595,000</u>	<u>643,561</u>
Payables for Exchange Transactions	649,181	595,000	643,561
	<u>649,181</u>	<u>595,000</u>	<u>643,561</u>

The carrying value of payables approximates their fair value.

15 Revenue Received in Advance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees in Advance	389,828	400,000	450,434
Other Revenue in Advance	216,844	-	270,064
	<u>658,689</u>	<u>400,000</u>	<u>720,498</u>

16 Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	412,649	412,649	232,850
Increase/(decrease) to the Provision During the Year	(5,868)	79,170	229,172
Use of the Provision During the Year	-	-	(49,373)
Provision at the End of the Year	<u>406,781</u>	<u>491,819</u>	<u>412,649</u>
Cyclical Maintenance - Current	89,625	188,188	93,403
Cyclical Maintenance - Term	317,156	303,631	319,246
	<u>406,781</u>	<u>491,819</u>	<u>412,649</u>

17 Finance Lease Liability

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

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	40,322	20,000	19,925
Later than One Year and no Later than Five Years	88,137	10,000	10,173
Future Finance Charges	18,573	-	2,373
	<u>147,032</u>	<u>30,000</u>	<u>32,471</u>
Represented by			
Finance lease liability - Current	48,547	20,000	19,925
Finance lease liability - Term	98,485	10,000	10,173
	<u>147,032</u>	<u>30,000</u>	<u>30,098</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

18 Funds held in Trust

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	57,584	150,000	231,611
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>57,584</u>	<u>150,000</u>	<u>231,611</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

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, 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 amounts collected in total were \$1,174,218 (2020: \$1,929,278). 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 \$55,114 (2020: \$21,986).

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

20 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	4,380	3,081
Full-time equivalent members	0.16	0.11
<i>Leadership Team</i>		
Remuneration	2,581,065	2,825,972
Full-time equivalent members	25.00	27.00
Total key management personnel remuneration	2,585,445	2,829,053
Total full-time equivalent personnel	25.16	27.11

There are 11 members of the Board excluding the Principal. The Board had held six full meetings of the Board in the year. The Board also has Finance (4 members) and Property (4 members) that meet monthly. 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	175-185	175-185
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
130-140	1	1
120-130	2	1
110-120	4	1
100-110	18	12
	25	15

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

21 Compensation and Other Benefits Upon Leaving

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

22 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.

23 Commitments

(a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

(Capital commitments as at 31 December 2020: nil)

(b) Operating Commitments

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

24 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	461,546	189,530	181,870
Receivables	541,865	502,000	498,543
Investments - Term Deposits	2,795,354	2,456,697	2,937,762
Total Financial assets measured at amortised cost	<u>3,798,765</u>	<u>3,148,227</u>	<u>3,618,175</u>
Financial liabilities measured at amortised cost			
Payables	649,181	595,000	643,561
Finance Leases	128,459	30,000	30,098
Total Financial Liabilities Measured at Amortised Cost	<u>777,640</u>	<u>625,000</u>	<u>673,659</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

25 Events After Balance Date

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

26 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 of 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 SANCTA MARIA COLLEGE'S FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Auditor-General is the auditor of Sancta Maria College ('the School'). The Auditor-General has appointed me, Kurt Sherlock, using the staff and resources of Crowe New Zealand Audit Partnership, 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 19, 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 31st 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.

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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 is responsible for the other information. The other information comprises the Principal's Annual 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.



Kurt Sherlock
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Auckland, New Zealand