

Sancta Maria College

Annual Report for the year ended 31 December 2018

Ministry Number:	0491
Principal:	Louise Moore
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Sancta Maria College

Annual Report

For the year ended 31 December 2018

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Sancta Maria College
Statement of Responsibility
For the year ended 31 December 2018

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

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

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

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

Warren Keith Brabant
Full Name of Board Chairperson

W. K. Brabant
Signature of Board Chairperson

30 May 2019
Date:

Louise Frances Moore
Full Name of Principal

L. F. Moore
Signature of Principal

30 May 2019
Date:

Sancta Maria College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	7,177,159	6,800,404	6,883,902
Locally Raised Funds	3	1,629,270	1,000,698	1,548,091
Use of Land and Buildings Integrated		5,023,264	3,930,000	5,023,264
Interest Earned		111,692	105,000	105,488
International Students	4	655,689	828,369	688,142
		14,597,074	12,664,471	14,248,887
Expenses				
Locally Raised Funds	3	518,639	127,710	601,820
International Students	4	412,447	465,608	332,293
Learning Resources	5	6,953,106	6,618,649	6,650,648
Administration	6	676,812	628,428	588,686
Finance Costs		3,513	-	5,099
Property	7	5,633,842	4,513,335	5,595,307
Depreciation	8	353,582	325,000	321,425
Amortisation of Equitable Lease		1,420	1,000	1,419
Loss on Disposal of Property, Plant and Equipment		3,628	-	3,077
		14,556,989	12,679,730	14,099,774
Net Surplus / (Deficit) for the year		40,085	(15,259)	149,113
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		40,085	(15,259)	149,113

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



Sancta Maria College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Balance at 1 January	<u>3,419,243</u>	<u>3,419,243</u>	<u>3,269,801</u>
Total comprehensive revenue and expense for the year	40,085	(15,259)	149,113
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	329
Equity at 31 December	<u>3,459,328</u>	<u>3,403,984</u>	<u>3,419,243</u>
 Retained Earnings	 3,459,328	 3,403,984	 3,419,243
Equity at 31 December	<u>3,459,328</u>	<u>3,403,984</u>	<u>3,419,243</u>

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



Sancta Maria College **Statement of Financial Position**

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	9	311,814	210,859	304,011
Accounts Receivable	10	469,683	375,000	423,249
GST Receivable		12,167	5,000	-
Prepayments		85,920	30,000	78,919
Inventories	11	58,997	-	-
Investments	12	2,846,837	2,000,000	2,713,939
		<u>3,785,418</u>	<u>2,620,859</u>	<u>3,520,118</u>
Current Liabilities				
GST Payable		-	-	5,193
Accounts Payable	15	545,232	426,500	436,199
Revenue Received in Advance	16	837,916	-	709,225
Provision for Cyclical Maintenance	17	27,000	131,000	93,600
Finance Lease Liability - Current Portion	18	18,178	22,811	29,322
Funds Held in Trust	19	236,179	-	192,326
		<u>1,664,505</u>	<u>580,311</u>	<u>1,465,865</u>
Working Capital Surplus/(Deficit)		2,120,913	2,040,548	2,054,253
Non-current Assets				
Property, Plant and Equipment	13	1,481,265	1,648,332	1,488,732
Equitable Leasehold Interest	14	41,184	41,104	42,604
Capital Works in Progress		-	-	16,815
		<u>1,522,449</u>	<u>1,689,436</u>	<u>1,548,151</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	17	179,400	326,000	160,350
Finance Lease Liability	18	4,634	-	22,811
		<u>184,034</u>	<u>326,000</u>	<u>183,161</u>
Net Assets		<u><u>3,459,328</u></u>	<u><u>3,403,984</u></u>	<u><u>3,419,243</u></u>
Equity		<u><u>3,459,328</u></u>	<u><u>3,403,984</u></u>	<u><u>3,419,243</u></u>

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



Sancta Maria College

Statement of Cash Flows

For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		1,859,697	1,797,708	1,833,984
Locally Raised Funds		1,573,033	820,698	1,741,753
Hostel		-	-	1
International Students		857,453	658,369	103,984
Goods and Services Tax (net)		(17,360)	-	(2,893)
Payments to Employees		(1,625,805)	(1,684,645)	(1,596,113)
Payments to Suppliers		(2,239,223)	(1,696,592)	(2,015,006)
Interest Paid		(3,513)	-	(5,099)
Interest Received		97,754	100,000	87,353
Net cash from / (to) the Operating Activities		502,036	(4,462)	147,964
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		27,743	(2,000)	8,332
Purchase of PPE (and Intangibles)		(377,486)	(518,123)	(349,662)
Purchase of Investments		(132,898)	300,000	(129,002)
Net cash from / (to) the Investing Activities		(482,641)	(220,123)	(470,332)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	329
Finance Lease Payments		(11,592)	(6,541)	(8,250)
Net cash from / (to) Financing Activities		(11,592)	(6,541)	(7,921)
Net increase/(decrease) in cash and cash equivalents		7,803	(231,126)	(330,289)
Cash and cash equivalents at the beginning of the year	9	304,011	441,985	634,300
Cash and cash equivalents at the end of the year	9	311,814	210,859	304,011

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been omitted.

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



Notes to the Financial Statements

For the year ended 31 December 2018

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 Act 1989. The Board of Trustees (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 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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



Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as revenue 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.

Use of Land and Buildings Expense

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

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 2018

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

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

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 for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as “available for sale” for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the School may incur on sale or other disposal.

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

Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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



Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

Leased Assets

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

Depreciation

Property, plant and equipment 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	50 years
Furniture and equipment	3–15 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	5 years
Library resources	12.5% Diminishing value

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 are 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, annual leave earned to but not yet taken at balance date.



Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

Long-term employee entitlements

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

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

Revenue Received in Advance

Revenue received in advance relates to fees received from Attendance dues, Special Character and prepaid 2019 items 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 Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

Provision for Cyclical Maintenance

The property from which the School operates is owned by the Proprietor. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

Financial Assets and Liabilities

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

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

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

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 at the start of the year.

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

2 Government Grants

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	1,653,470	1,640,282	1,629,081
Teachers' salaries grants	5,299,733	5,002,696	5,028,382
Other MoE Grants	223,956	157,426	204,503
Other government grants	-	-	21,936
	<u>7,177,159</u>	<u>6,800,404</u>	<u>6,883,902</u>

3 Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	850,754	755,342	727,025
Fundraising	14,225	10,000	8,503
Other Revenue	4,800	5,000	6,000
Trading	76,568	-	11,090
Activities	581,568	230,356	638,428
Overseas Travel	101,355	-	157,045
	<u>1,629,270</u>	<u>1,000,698</u>	<u>1,548,091</u>
Expenses			
Activities	336,315	127,710	434,652
Trading	77,207	-	13,381
Overseas Travel	105,117	-	153,787
	<u>518,639</u>	<u>127,710</u>	<u>601,820</u>
	<u>1,110,631</u>	<u>872,988</u>	<u>946,271</u>

Surplus/ (Deficit) for the year Locally Raised Funds

During the year ended 31 December 2018 the students went on a Japanese language teaching and learning programme at a cost of \$105,117, for the purpose of language and learning. The travel was self funded from student contributions.

(2017: The Students went to Japan and France for teaching and learning programme at a cost of \$75,815 & \$81,529 respectfully which were self funded by student contributions).

4 International Student Revenue and Expenses

	2018	2018	2017
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	40	41	41
	<u>2018</u>	<u>2018</u>	<u>2017</u>
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International student fees	655,689	828,369	688,142
Expenses			
Advertising	24,444	10,000	10,937
Commissions	59,588	55,000	49,481
International student levy	6,877	18,643	21,396
Employee Benefit - Salaries	194,110	230,145	151,604
Other Expenses	127,428	151,820	98,875
	<u>412,447</u>	<u>465,608</u>	<u>332,293</u>
	<u>243,242</u>	<u>362,761</u>	<u>355,849</u>

Surplus/ (Deficit) for the year International Students

During the year ended 31 December 2018 the Director of International Students travelled to Vietnam, Hong Kong and Korea at a cost of \$40,397 for the purpose of recruiting new students for the school. The travel was funded from the net surplus from international student fees revenue.

(2017: The Director of International Students travelled to Hong Kong and China at a cost of \$8,298 for the purpose of recruiting new students for the school. The travel was funded from the net surplus from international students fees revenue.)

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

5 Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	573,889	554,596	571,783
Equipment repairs	9,568	16,000	11,435
Information and communication technology	2,175	11,600	6,996
Extra-curricular activities	146,188	68,100	72,218
Library resources	6,963	6,700	6,985
Employee benefits - salaries	6,161,033	5,885,953	5,930,419
Staff development	53,290	75,700	50,812
	<u>6,953,106</u>	<u>6,618,649</u>	<u>6,650,648</u>

6 Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	8,693	9,500	8,191
Board of Trustees Fees	3,775	5,000	4,190
Board of Trustees Expenses	14,337	13,250	14,163
Communication	12,944	12,500	11,873
Consumables	25,300	19,700	13,838
Operating Lease	31,454	30,970	31,987
Other	56,142	65,000	60,725
Employee Benefits - Salaries	502,554	451,708	423,353
Insurance	13,849	13,000	12,758
Service Providers, Contractors and Consultancy	7,764	7,800	7,608
	<u>676,812</u>	<u>628,428</u>	<u>588,686</u>

7 Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	38,075	30,100	31,374
Consultancy and Contract Services	137,339	140,500	124,630
Cyclical Maintenance Expense	31,989	47,000	59,151
Grounds	44,161	42,200	36,047
Heat, Light and Water	110,702	107,000	94,626
Repairs and Maintenance	116,567	89,000	97,587
Use of Land and Buildings	5,023,264	3,930,000	5,023,264
Employee Benefits - Salaries	131,745	127,535	128,628
	<u>5,633,842</u>	<u>4,513,335</u>	<u>5,595,307</u>

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

8 Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	45,375	25,000	24,821
Furniture and Equipment	146,880	143,000	152,475
Information and Communication Technology	119,990	120,000	104,324
Motor Vehicles	2,339	2,000	2,117
Leased Assets	28,713	25,000	26,205
Library Resources	10,285	10,000	11,483
	<u>353,582</u>	<u>325,000</u>	<u>321,425</u>

9 Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	100	100	100
Bank Current Account	311,714	210,759	303,911
Cash and cash equivalents for Cash Flow Statement	<u>311,814</u>	<u>210,859</u>	<u>304,011</u>

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

10 Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	18,152	5,000	34,988
Interest Receivable	50,279	20,000	36,341
Teacher Salaries Grant Receivable	401,252	350,000	351,920
	<u>469,683</u>	<u>375,000</u>	<u>423,249</u>
Receivables from Exchange Transactions	68,431	25,000	71,329
Receivables from Non-Exchange Transactions	401,252	350,000	351,920
	<u>469,683</u>	<u>375,000</u>	<u>423,249</u>

11 Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	58,997	-	-
	<u>58,997</u>	<u>-</u>	<u>-</u>

12 Investments

The School's investment activities are classified as follows:

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset	2,846,837	2,000,000	2,713,939
Short-term Bank Deposits	<u>2,846,837</u>	<u>2,000,000</u>	<u>2,713,939</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

13 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building improvements	134,893	34,853	-	-	(45,375)	124,371
Furniture and equipment	894,008	127,073	-	-	(146,880)	874,201
Information and communication technology	323,584	163,355	(24,400)	-	(119,990)	342,549
Motor vehicles	4,236	43,333	-	-	(2,339)	45,230
Leased assets	51,631	-	-	-	(28,713)	22,918
Library resources	80,380	8,872	(6,971)	-	(10,285)	71,996
Balance at 31 December 2018	1,488,732	377,486	(31,371)	-	(353,582)	1,481,265

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building improvements	260,577	(136,206)	124,371
Furniture and equipment	2,665,050	(1,790,849)	874,201
Information and communication technology	1,007,613	(665,064)	342,549
Motor vehicles	159,093	(113,863)	45,230
Leased assets	86,149	(63,231)	22,918
Library resources	250,427	(178,431)	71,996
Balance at 31 December 2018	4,428,909	(2,947,644)	1,481,265

The Board considers that no assets have suffered an impairment during the year.

The net carrying value of equipment held under a finance lease is \$22,918 (2017: \$51,631).

The net carrying value of motor vehicles held under a finance lease is \$45,230 (2017: \$4,236).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building improvements	157,746	1,968	-	-	(24,821)	134,893
Furniture and equipment	865,175	181,554	(246)	-	(152,475)	894,008
Information and communication technology	295,362	142,522	(9,976)	-	(104,324)	323,584
Motor vehicles	6,353	-	-	-	(2,117)	4,236
Leased assets	48,837	28,999	-	-	(26,205)	51,631
Library resources	86,247	6,803	(1,187)	-	(11,483)	80,380
Balance at 31 December 2017	1,459,720	361,846	(11,409)	-	(321,425)	1,488,732

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building improvements	260,577	(125,684)	134,893
Furniture and equipment	2,503,124	(1,609,116)	894,008
Information and communication technology	868,678	(545,094)	323,584
Motor vehicles	136,204	(131,968)	4,236
Leased assets	86,149	(34,518)	51,631
Library resources	264,494	(184,114)	80,380
Balance at 31 December 2017	4,119,226	(2,630,494)	1,488,732

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

14 Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the Board's interest in capital works assets owned by the Proprietor but paid for in whole or 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:
Storage Shed

2018	2018	2017
Actual	Budget	Actual
\$	(Unaudited)	\$
41,184	41,104	42,604
41,184	41,104	42,604

The amortisation charge in relation to the equitable leasehold interest during the year was \$1,420.
(2017: \$1,420).

15 Accounts Payable

Operating creditors
Accruals
Employee Entitlements - salaries
Employee Entitlements - leave accrual

2018	2018	2017
Actual	Budget	Actual
\$	(Unaudited)	\$
92,314	35,000	44,497
17,169	8,500	8,521
400,147	350,000	350,790
35,602	33,000	32,391
545,232	426,500	436,199

Payables for Exchange Transactions

545,232	426,500	436,199
545,232	426,500	436,199

The carrying value of payables approximates their fair value.

16 Revenue Received in Advance

International Student Fees
Hostel Fees
Other

2018	2018	2017
Actual	Budget	Actual
\$	(Unaudited)	\$
653,428	-	451,664
26,505	-	26,505
157,983	-	231,056
837,916	-	709,225

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

17 Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	253,950	253,950	274,267
Increase to the Provision During the Year	31,989	47,000	59,151
Use of the Provision During the Year	(79,539)	156,050	(79,468)
Provision at the End of the Year	206,400	457,000	253,950
Cyclical Maintenance - Current	27,000	131,000	93,600
Cyclical Maintenance - Term	179,400	326,000	160,350
	206,400	457,000	253,950

18 Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	19,351	22,811	32,835
Later than One Year and no Later than Five Years	4,746	-	24,097
	24,097	22,811	56,932

19 Funds held in Trust

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	236,179	-	192,326
	236,179	-	192,326

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.

20 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 [or vice versa]. 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 \$1,210,397 (2017: \$955,386). 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 \$10,876 (2017: \$6,285).

Notes to the Financial Statements (cont.)

For the year ended 31 December 2018

21 Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,775	4,190
Full-time equivalent members	0.19	0.23
<i>Leadership Team</i>		
Remuneration	2,135,966	2,108,178
Full-time equivalent members	22.00	24.00
Total key management personnel remuneration	2,139,741	2,112,368
Total full-time equivalent personnel	22.19	24.23

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

Principal

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

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	150-160
Benefits and Other Emoluments	0-10	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100-110	2	3
	2	3

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

22 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 2018

23 Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

24 Commitments

(a) Capital Commitments

The Board considers there to be no contractual commitments as at 31st December 2018.

(Capital commitments as at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

- operating lease of a photocopier

No later than One Year

2018 Actual \$	2017 Actual \$
-	3,602
-	3,602

25 Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but "attempts" to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

26 Financial Instruments

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Loans and Receivables			
Cash and Cash Equivalents	311,814	210,859	304,011
Receivables	469,683	375,000	423,249
Investments - Term Deposits	2,846,837	2,000,000	2,713,939
Total Loans and Receivables	3,628,334	2,585,859	3,441,199
Financial liabilities measured at amortised cost			
Payables	545,232	426,500	436,199
Finance Leases	22,812	22,811	52,133
Total Financial Liabilities Measured at Amortised Cost	568,044	449,311	488,332

27 Events After Balance Date

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



SANCTA MARIA COLLEGE BOARD OF TRUSTEES

<i>Name</i>	<i>Position</i>	<i>How position gained</i>	<i>Term expires</i>
BRABANT, Warren	Parent Rep	Elected April 2016 Elected chairman Feb 2017	Apr-19
CHAMBERS, Amelia	Parent Rep	Elected April 2016 Elected Deputy Chair : March 2018	Apr-19
DELA CRUZ, Hazel	Parent Rep	Elected April 2016	Apr-19
PARK, Soo	Parent Rep	Appointed June 2017	Apr-19
KUBALA, Sue	Proprietors Rep	Appointed Feb 2005	Jun-19
SIM-SMITH, Mark	Proprietors Rep	Appointed October 2012	Jun-19
McGIVERN, Llewellyn	Proprietors Rep	Appointed September 2014	Jun-19
CARLOS, Dominic	Proprietors Rep	Appointed November 2017	Apr-19
MOORE, Louise	Principal	Appointed January 2015	
WILLIAMS, Janet	Staff Rep	Elected April 2016	Apr-19
MASCARENHAS, Kelly	Student Rep	Elected September 2017	Sep-18
ADAMS, Francesca	Student Rep	Elected September 2018	Sep-19

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF SANCTA MARIA COLLEGE'S
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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 Horwath 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 18, that comprise the statement of financial position as at 31 December 2018, 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 2018; 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 31 May 2019. 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 of Trustees 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 of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees 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 of Trustees' responsibilities arise from 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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Chairperson's Annual Report; Statement of Resources, Principal's Annual Report, Literacy and Numeracy, University Entrance Achievement, Analysis of Variance, Literacy-Reading/Writing, English Language Reporting and Kiwisport Funding, 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 (Revised): *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 Horwath New Zealand Audit Partnership
On behalf of the Auditor-General
Auckland, New Zealand