



**ANNUAL FINACIAL
REPORT 2019
Section I**

Sancta Maria College

Annual Report for the year ended 31 December 2019

Ministry Number:	0491
Principal:	Louise Moore
School Address:	319 Te Irirangi Drive, Manukau
School Postal Address:	PO Box 64437, Manukau 2163
School Phone:	09 274 4081
School Email:	admin@sanctamaria.school.nz
Service Provider:	Edtech Financial Services Ltd

Sancta Maria College

Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How position on Board gained	Occupation	Term expired/expires
MOORE, Louise	Principal			
BRABANT, Warren	Chairman	Elected	Operations Manager	7 June : 2022
CHAMBERS, Amelia	Proprietors Rep	Bishops Appointee	Learning & Dev Tech	7 June : 2022
CARLOS, Dominic	Proprietors Rep	Bishops Appointee	Bank Manager	7 June : 2022
BOKUNIEWICZ, Ilona	Parent Rep	Elected	Executive Assistant	7 June : 2022
FARMER, Leanne	Parent Rep	Elected	Home maker	7 June : 2022
SMITH, David	Parent Rep	Elected	Sales Agent	7 June : 2022
ZHI-SHENG, Stuart	Parent Rep	Elected	Sales & Op Development	7 June : 2022
RAUKURA, Kane	Proprietors Rep	Bishops Appointee	Teacher	7 June : 2022
MARTIS, Juliet	Proprietors Rep	Bishops Appointee		7 June : 2022
AL-RUBAIE, Joanne	Staff Rep	Elected		7 June : 2022
JOSEPH, Jean	Student Rep	Elected		1-Sep-20
KUBALA, Sue	Proprietors Rep	Bishops Appointee	Teacher	7 June : 2022
MCGIVERN, Llewellyn	Proprietors Rep	Bishops Appointee		7 June : 2022
PARK, Soo	Parent Rep	Elected		7 June : 2022
SIM, SMITH	Proprietors Rep	Bishops Appointee		7 June : 2022
ADAMS, Francesca	Student Rep	Elected		Sep-19

Sancta Maria College

Annual Report

For the year ended 31 December 2019

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Sancta Maria College
Statement of Responsibility
For the year ended 31 December 2019

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 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

Warren Keith Brabant

Full Name of Board Chairperson

Louise Frances Moore

Full Name of Principal

W. K. Brabant

Signature of Board Chairperson

L. F. Moore

Signature of Principal

17-6-20

Date:

17-6-20

Date:

Sancta Maria College
Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	7,608,660	7,078,558	7,177,159
Locally Raised Funds	3	1,622,884	1,146,801	1,629,270
Use of Land and Buildings Integrated		5,023,264	3,497,907	5,023,264
Interest Income		106,854	110,000	111,692
International Students	4	884,461	882,460	655,689
		<u>15,246,123</u>	<u>12,715,726</u>	<u>14,597,074</u>
Expenses				
Locally Raised Funds	3	449,784	145,380	518,639
International Students	4	468,040	495,303	412,447
Learning Resources	5	7,517,549	6,905,617	6,953,106
Administration	6	753,951	781,074	676,812
Finance		3,514	-	3,513
Property	7	5,719,210	4,103,928	5,633,842
Depreciation	8	388,128	325,000	353,582
Amortisation of Equitable Lease		1,500	1,000	1,420
Loss on Disposal of Property, Plant and Equipment		3,068	-	3,628
		<u>15,304,744</u>	<u>12,757,302</u>	<u>14,556,989</u>
Net Surplus / (Deficit) for the year		(58,621)	(41,576)	40,085
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(58,621)</u>	<u>(41,576)</u>	<u>40,085</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 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Balance at 1 January		3,459,328	3,459,328	3,419,243
Total comprehensive revenue and expense for the year		(58,621)	(41,576)	40,085
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		36,236	-	-
Equity at 31 December	25	3,436,943	3,417,752	3,459,328
Retained Earnings		3,436,943	3,417,752	3,459,328
Equity at 31 December		3,436,943	3,417,752	3,459,328

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 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	602,288	142,337	311,814
Accounts Receivable	10	490,357	437,000	469,683
GST Receivable		-	5,000	12,167
Prepayments		59,694	50,000	85,920
Inventories	11	62,850	60,000	58,997
Investments	12	2,852,311	2,600,000	2,846,837
		<u>4,067,500</u>	<u>3,294,337</u>	<u>3,785,418</u>
Current Liabilities				
GST Payable		27,288	-	-
Accounts Payable	15	682,486	545,000	545,232
Revenue Received in Advance	16	1,001,214	620,000	837,916
Provision for Cyclical Maintenance	17	30,600	60,600	27,000
Finance Lease Liability - Current Portion	18	20,996	20,000	18,178
Funds Held in Trust	19	367,254	-	236,179
		<u>2,129,838</u>	<u>1,245,600</u>	<u>1,664,505</u>
Working Capital Surplus/(Deficit)		1,937,662	2,048,737	2,120,913
Non-current Assets				
Property, Plant and Equipment	13	1,687,578	1,536,265	1,481,265
Equitable Leasehold Interest	14	39,684	40,000	41,184
		<u>1,727,262</u>	<u>1,576,265</u>	<u>1,522,449</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	17	202,250	202,250	179,400
Finance Lease Liability	18	25,731	5,000	4,634
		<u>227,981</u>	<u>207,250</u>	<u>184,034</u>
Net Assets		<u><u>3,436,943</u></u>	<u><u>3,417,752</u></u>	<u><u>3,459,328</u></u>
Equity	25	<u><u>3,436,943</u></u>	<u><u>3,417,752</u></u>	<u><u>3,459,328</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 2019

	2019	2019	2018
Note	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash flows from Operating Activities			
Government Grants	1,989,401	1,848,558	1,859,697
Locally Raised Funds	1,741,879	1,099,970	1,573,033
Hostel	(26,505)	(6,505)	-
International Students	1,096,577	492,853	857,453
Goods and Services Tax (net)	39,455	7,167	(17,360)
Payments to Employees	(1,829,724)	(1,812,944)	(1,625,805)
Payments to Suppliers	(2,241,179)	(1,807,880)	(2,239,223)
Cyclical Maintenance Payments in the year	(67,154)	-	-
Interest Paid	(3,514)	-	(3,513)
Interest Received	117,220	140,279	97,754
Net cash from Operating Activities	816,456	(38,502)	502,036
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and intangibles)	-	(122,302)	27,743
Purchase of PPE (and Intangibles)	(546,536)	(343,847)	(377,486)
Purchase of Investments	(5,474)	-	(132,898)
Proceeds from Sale of Investments	-	246,837	-
Net cash from Investing Activities	(552,010)	(219,312)	(482,641)
Cash flows from Financing Activities			
Furniture and Equipment Grant	36,236	-	-
Finance Lease Payments	(10,208)	88,337	(11,592)
Funds Administered on Behalf of Third Parties	-	-	-
Net cash from Financing Activities	26,028	88,337	(11,592)
Net increase/(decrease) in cash and cash equivalents	290,474	(169,477)	7,803
Cash and cash equivalents at the beginning of the year	9 311,814	311,814	304,011
Cash and cash equivalents at the end of the year	9 602,288	142,337	311,814

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

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



Sancta Maria College

Notes to the Financial Statements

For the year ended 31 December 2019

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 2019 to 31 December 2019 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".

Standard Early Adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 28.

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 2019

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.

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.

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.

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.



Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Prior Year Policy

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 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.

Prior Year Policy

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 2019

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:

Furniture and equipment	3-15 years
Information and communication technology	3-5 years
Motor vehicles	5-10 years
Textbooks	3 years
Leased assets held under a Finance Lease	3 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 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 2019

Revenue Received in Advance

Revenue received in advance relates to fees received from attendance dues, international students, homestay students and special character 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.

Provision for Cyclical Maintenance

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

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

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 2019

2 Government Grants

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,729,818	1,703,215	1,653,470
Teachers' Salaries Grants	5,602,409	5,230,000	5,299,733
Other MoE Grants	269,395	145,343	223,956
Other Government Grants	7,038	-	-
	<u>7,608,660</u>	<u>7,078,558</u>	<u>7,177,159</u>

3 Locally Raised Funds

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	750,206	777,851	850,754
Activities	681,417	354,950	359,283
Trading	93,107	-	76,568
Fundraising	38,909	14,000	14,225
Overseas Travel	59,245	-	101,355
Other Revenue	-	-	227,085
	<u>1,622,884</u>	<u>1,146,801</u>	<u>1,629,270</u>
Expenses			
Activities	323,699	145,380	336,315
Trading	68,008	-	77,207
Overseas Travel	58,077	-	105,117
	<u>449,784</u>	<u>145,380</u>	<u>518,639</u>
	<u>1,173,100</u>	<u>1,001,421</u>	<u>1,110,631</u>

Surplus/ (Deficit) for the year Locally Raised Funds

During the year ended 31 December 2019; 17 Students and 3 Staff members undertook an Outreach trip to Samoa at a cost of \$58,077 which incorporated outreach activities to allow students to develop an understanding of the current needs of the world. It was funded out of local 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.

4 International Student Revenue and Expenses

	2019	2019	2018
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	62	62	40
	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International Student Fees	884,461	882,460	655,689
Expenses			
Advertising	10,443	24,347	24,444
Commissions	92,873	80,000	59,588
International Student Levy	16,503	20,117	6,877
Employee Benefit - Salaries	209,160	219,335	194,110
Other Expenses	139,061	151,504	127,428
	<u>468,040</u>	<u>495,303</u>	<u>412,447</u>
	<u>416,421</u>	<u>387,157</u>	<u>243,242</u>

Surplus/ (Deficit) for the year International Students

During the year ended 31 December 2019, the Director of International students undertook a marketing excursion for the purpose of recruiting new students at at cost of \$12,500. It was funded out of net surplus from international student fees.

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

5 Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	771,676	618,580	573,889
Equipment Repairs	11,213	12,800	9,568
Information and Communication Technology	8,307	11,600	2,175
Extra-Curricular Activities	50,973	27,000	146,188
Library Resources	6,579	6,700	6,963
Employee Benefits - Salaries	6,630,337	6,172,737	6,161,033
Staff Development	38,464	56,200	53,290
	<u>7,517,549</u>	<u>6,905,617</u>	<u>6,953,106</u>

During the year ended 31 December 2019 the Head of Art travelled to Australia at a cost of \$1,538 to attend a workshop on Curiosity and Creativity funded out of Professional development budget. (2018: Nil)

6 Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	12,641	9,000	8,693
Board of Trustees Fees	3,555	4,000	3,775
Board of Trustees Expenses	25,986	19,550	14,337
Communication	12,968	12,800	12,944
Consumables	107,936	103,500	25,300
Operating Lease	30,200	31,000	31,454
Other	59,306	57,750	56,142
Employee Benefits - Salaries	478,851	521,554	502,554
Insurance	14,408	14,000	13,849
Service Providers, Contractors and Consultancy	8,100	7,920	7,764
	<u>753,951</u>	<u>781,074</u>	<u>676,812</u>

7 Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	41,438	35,300	38,075
Consultancy and Contract Services	143,504	138,500	137,339
Cyclical Maintenance Expense	93,604	47,000	31,989
Grounds	41,717	49,700	44,161
Heat, Light and Water	114,218	107,000	110,702
Repairs and Maintenance	131,006	98,700	116,567
Use of Land and Buildings	5,023,264	3,497,907	5,023,264
Employee Benefits - Salaries	130,459	129,821	131,745
	<u>5,719,210</u>	<u>4,103,928</u>	<u>5,633,842</u>

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

8 Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements - Crown	24,950	20,384	45,375
Furniture and Equipment	161,361	130,005	146,880
Information and Communication Technology	154,170	141,089	119,990
Motor Vehicles	10,272	8,439	2,339
Leased Assets	27,448	16,765	28,713
Library Resources	9,927	8,318	10,285
	<u>388,128</u>	<u>325,000</u>	<u>353,582</u>

9 Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	100	100	100
Bank Current Account	487,608	142,237	311,714
Bank Call Account	13,654	-	-
Short-term Bank Deposits	100,926	-	-
Cash and cash equivalents for Cash Flow Statement	<u>602,288</u>	<u>142,337</u>	<u>311,814</u>

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

10 Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	7,919	7,000	18,152
Interest Receivable	39,913	20,000	50,279
Teacher Salaries Grant Receivable	442,525	410,000	401,252
	<u>490,357</u>	<u>437,000</u>	<u>469,683</u>
Receivables from Exchange Transactions	47,832	27,000	68,431
Receivables from Non-Exchange Transactions	442,525	410,000	401,252
	<u>490,357</u>	<u>437,000</u>	<u>469,683</u>

11 Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
School Uniforms	62,850	60,000	58,997
	<u>62,850</u>	<u>60,000</u>	<u>58,997</u>

12 Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	2,852,311	2,600,000	2,846,837
Total Investments	<u>2,852,311</u>	<u>2,600,000</u>	<u>2,846,837</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

13 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	124,371	4,922	-	-	(24,950)	104,343
Furniture and Equipment	874,201	247,381	-	-	(161,361)	960,221
Information and Communication Technology	342,549	283,745	-	-	(154,170)	472,124
Motor Vehicles	45,230	-	-	-	(10,272)	34,958
Leased Assets	22,918	50,972	-	-	(27,448)	46,442
Library Resources	71,996	10,489	(3,068)	-	(9,927)	69,490
Balance at 31 December 2019	1,481,265	597,509	(3,068)	-	(388,128)	1,687,578

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	279,836	(175,493)	104,343
Furniture and Equipment	2,898,092	(1,937,871)	960,221
Information and Communication Technology	1,291,358	(819,234)	472,124
Motor Vehicles	159,093	(124,135)	34,958
Leased Assets	137,122	(90,680)	46,442
Library Resources	250,246	(180,756)	69,490
Balance at 31 December 2019	5,015,747	(3,328,169)	1,687,578

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 \$46,442 (2018: \$22,918).

The net carrying value of motor vehicles held under a finance lease is \$34,958 (2018: \$45,230).

	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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

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.

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
The major capital works assets included in the equitable leasehold interest are:			
Storage Shed	39,684	40,000	41,184
	<u>39,684</u>	<u>40,000</u>	<u>41,184</u>

The amortisation charge in relation to the equitable leasehold interest during the year was \$1,420. (2018: \$1,420).

15 Accounts Payable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Operating Creditors	158,837	80,000	92,314
Accruals	29,953	20,000	17,169
Banking Staffing Overuse	8,477	-	-
Employee Entitlements - Salaries	447,952	410,000	400,147
Employee Entitlements - Leave Accrual	37,267	35,000	35,602
	<u>682,486</u>	<u>545,000</u>	<u>545,232</u>
Payables for Exchange Transactions	682,486	545,000	545,232
	<u>682,486</u>	<u>545,000</u>	<u>545,232</u>

The carrying value of payables approximates their fair value.

16 Revenue Received in Advance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
International Student Fees	734,469	500,000	653,428
Hostel Fees	-	20,000	26,505
Other	266,745	100,000	157,983
	<u>1,001,214</u>	<u>620,000</u>	<u>837,916</u>

17 Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Provision at the Start of the Year	206,400	206,400	253,950
Increase/(decrease) to the Provision During the Year	93,604	47,000	31,989
Use of the Provision During the Year	(67,154)	9,450	(79,539)
Provision at the End of the Year	<u>232,850</u>	<u>262,850</u>	<u>206,400</u>
Cyclical Maintenance - Current	30,600	60,600	27,000
Cyclical Maintenance - Term	202,250	202,250	179,400
	<u>232,850</u>	<u>262,850</u>	<u>206,400</u>

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

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):

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	24,174	20,000	19,351
Later than One Year and no Later than Five Years	27,668	5,000	4,746
	<u>51,842</u>	<u>25,000</u>	<u>24,097</u>

19 Funds held in Trust

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	367,254	-	236,179
	<u>367,254</u>	<u>-</u>	<u>236,179</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.

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 the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1. The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, building levy and special character donations payable to the Proprietor The Catholic Diocese of Auckland. The amounts collected in total were \$1,195,671 (2018: \$1,210,397). 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 \$24,906 (2018: \$10,876).

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

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.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,555	3,775
Full-time equivalent members	0.20	0.19
<i>Leadership Team</i>		
Remuneration	1,863,357	2,135,966
Full-time equivalent members	20.00	22.00
Total key management personnel remuneration	1,866,912	2,139,741
Total full-time equivalent personnel	20.20	22.19

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:

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	160-170
Benefits and Other Emoluments	0-5	0-10
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
110-120	2	-
100-110	3	2
	5	2

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 2019

23 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019.

(Contingent liabilities and assets as at 31 December 2018: 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. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

24 Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works to repair the amphitheatre \$5,000. Related work will be carried out during the holidays when the students are not onsite.

(Capital commitments as at 31 December 2018: nil)

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:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Financial assets measured at amortised cost (2018: Loans and receivables)			
Cash and Cash Equivalents	602,288	142,337	311,814
Receivables	490,357	437,000	469,683
Investments - Term Deposits	2,852,311	2,600,000	2,846,837
Total Financial assets measured at amortised cost	3,944,956	3,179,337	3,628,334
Financial liabilities measured at amortised cost			
Payables	682,486	545,000	545,232
Finance Leases	46,727	25,000	22,812
Total Financial Liabilities Measured at Amortised Cost	729,213	570,000	568,044

Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

27 Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined. The school will continue to receive funding from the Ministry of Education, even while closed. However, economic uncertainties have arisen which are likely to 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 COVID-19 pandemic:

- A reduction in locally raised funds revenue because the schools ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may be compromised. Costs already incurred arranging future events may not be recoverable.
- Additional costs incurred developing alternative methods of delivering curriculum to students, so that they can learn remotely.
- A reduction in revenue from student fees & charges from International students including the potential loss of current and prospective students due to the disruption and/or pressures created by COVID-19.

28 Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 10 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 12 Investments: Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements

29 Comparatives

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

30 Failure to comply with section 87C of the Education Act 1989

The Board of Trustees has failed to comply with Section 87C of the Education Act 1989, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2020. The disruption caused by the COVID-19 restrictions, including the closure of the School, meant that the audit could not progress as planned. This resulted in the School missing the statutory deadline.

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF SANCTA MARIA COLLEGE'S
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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 2019, 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 2019; 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 19 June 2020. 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.

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 27 on page 19 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

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.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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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 arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Sancta Maria College 2019 Targets, Sancta Maria College: 2019 Sports Report, 2019 Principal's Annual Report, and the 2019 Chairperson's 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 (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 New Zealand Audit Partnership
On behalf of the Auditor-General
Auckland, New Zealand