



2020

ANNUAL FINANCIAL REPORT

Sancta Maria College

Annual Report for the year ended 31 December 2020

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

SANCTA MARIA COLLEGE**Members of the Board of Trustees**

For the year ended 31 December 2020

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 & Development 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	31 May 2020
SMITH, David	Parent Rep	Elected	Sales Agent	7 June 2022
ZHI-SHENG, Stuart	Parent Rep	Elected	Sales & Operations 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 Representative	Elected	Teacher	7 June 2022
JOSEPH, Jean	Student Rep	Elected	expired	1 September 2020
VARGAS, Adrian	Student Rep	Elected	appointed	1 September 2021

Sancta Maria College

Annual Report

For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 18	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Sancta Maria College
Statement of Responsibility
For the year ended 31 December 2020

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

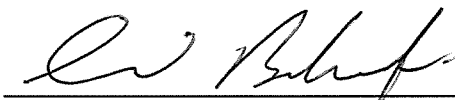
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

Warren Keith Brabant

Full Name of Board Chairperson



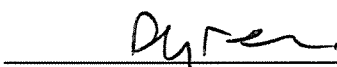
Signature of Board Chairperson

31 May 2021

Date:

Raymond John Green

Full Name of Principal (Acting Principal)



Signature of Principal

31 May 2021

Date:

Sancta Maria College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	8,191,557	7,459,324	7,608,660
Locally Raised Funds	3	1,438,920	1,587,397	1,622,884
Use of Proprietor's Land and Buildings		4,991,048	3,497,907	5,023,264
Interest Income		76,291	110,000	106,854
International Students	4	762,363	941,739	884,461
		<hr/>	<hr/>	<hr/>
		15,460,179	13,596,367	15,246,123
Expenses				
Locally Raised Funds	3	378,974	472,696	449,784
International Students	4	391,139	555,211	468,040
Learning Resources	5	7,831,849	7,447,446	7,517,549
Administration	6	683,614	780,593	753,951
Finance		3,603	1,205	3,514
Property	7	5,733,362	4,124,662	5,719,210
Depreciation	8	425,055	325,000	388,128
Amortisation of Equitable Lease		1,500	1,500	1,500
Loss on Disposal of Property, Plant and Equipment		20,915	-	3,068
		<hr/>	<hr/>	<hr/>
		15,470,011	13,708,313	15,304,744
Net (Deficit) for the year		(9,832)	(111,946)	(58,621)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/>	<hr/>	<hr/>
		(9,832)	(111,946)	(58,621)

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.



Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Balance at 1 January		3,436,943	3,436,943	3,459,328
Total comprehensive revenue and expense for the year		(9,832)	(111,946)	(58,621)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		37,517	-	36,236
Equity at 31 December	25	3,464,628	3,324,997	3,436,943
Retained Earnings		3,464,628	3,324,997	3,436,943
Equity at 31 December		3,464,628	3,324,997	3,436,943

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 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	9	181,870	215,710	602,288
Accounts Receivable	10	498,543	488,000	490,357
GST Receivable		127,340	6,000	-
Prepayments		68,062	60,000	59,694
Inventories	11	56,078	60,000	62,850
Investments	12	2,937,762	2,500,000	2,852,311
		<u>3,869,655</u>	<u>3,329,710</u>	<u>4,067,500</u>
Current Liabilities				
GST Payable		-	-	27,288
Accounts Payable	15	643,561	645,000	682,486
Revenue Received in Advance	16	720,498	500,000	1,001,214
Provision for Cyclical Maintenance	17	93,403	63,700	30,600
Finance Lease Liability - Current Portion	18	19,925	20,995	20,996
Funds Held in Trust	19	231,611	300,000	367,254
		<u>1,708,998</u>	<u>1,529,695</u>	<u>2,129,838</u>
Working Capital Surplus/(Deficit)		<u>2,160,657</u>	<u>1,800,015</u>	<u>1,937,662</u>
Non-current Assets				
Property, Plant and Equipment	13	1,595,206	1,741,078	1,687,578
Equitable Leasehold Interest	14	38,184	38,164	39,684
		<u>1,633,390</u>	<u>1,779,242</u>	<u>1,727,262</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	17	319,246	229,260	202,250
Finance Lease Liability	18	10,173	25,000	25,731
		<u>329,419</u>	<u>254,260</u>	<u>227,981</u>
Net Assets		<u>3,464,628</u>	<u>3,324,997</u>	<u>3,436,943</u>
Equity	25	<u>3,464,628</u>	<u>3,324,997</u>	<u>3,436,943</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 2020

	Note	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash flows from Operating Activities				
Government Grants		2,278,166	1,959,324	1,989,401
Locally Raised Funds		1,442,394	1,320,571	1,741,879
Hostel		-	-	(26,505)
International Students		478,328	707,270	1,096,577
Goods and Services Tax (net)		(154,628)	(33,288)	39,455
Funds Administered on Behalf of Third Parties		(135,643)	(67,254)	-
Payments to Employees		(1,886,674)	(1,910,300)	(1,829,724)
Payments to Suppliers		(2,084,579)	(2,454,688)	(2,241,179)
Cyclical Maintenance Payments in the year		(49,373)	-	(67,154)
Interest Paid		(3,603)	(1,205)	(3,514)
Interest Received		98,578	119,913	117,220
Net cash from/(to) Operating Activities		(17,034)	(359,657)	816,456
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(403,611)	(375,622)	(546,536)
Purchase of Investments		(85,451)	-	(5,474)
Proceeds from Sale of Investments		-	352,311	-
Net cash from/(to) Investing Activities		(489,062)	(23,311)	(552,010)
Cash flows from Financing Activities				
Furniture and Equipment Grant		37,517	-	36,236
Finance Lease Payments		48,161	(3,610)	(10,208)
Net cash from/(to) Financing Activities		85,678	(3,610)	26,028
Net increase/(decrease) in cash and cash equivalents		(420,418)	(386,578)	290,474
Cash and cash equivalents at the beginning of the year	9	602,288	602,288	311,814
Cash and cash equivalents at the end of the year	9	181,870	215,710	602,288

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

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



Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

Reporting Entity

Sancta Maria College (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board 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 2020 to 31 December 2020 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 and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The School is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Proprietor's buildings in a good state of repair as a provision of cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 17.

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 2020

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 income in the period the school uses the land and building.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

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 2020

Cash and Cash Equivalents

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

Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short term receivables are written off when there is no reasonable expectation of recovery.

Inventories

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

Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Property, Plant and Equipment

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

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

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

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

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements - Crown	16 years
Furniture and equipment	3-15 years
Information and communication technology	3-5 years
Motor vehicles	5-10 years
Leased assets held under a Finance Lease	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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

Non cash generating assets

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

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

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

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

Accounts Payable

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

Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are 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 international student fees, attendance dues, special character, student credits and 2021 students where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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

Funds Held in Trust

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

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



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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 Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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

Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

Services Received In-Kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

2 Government Grants

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operational Grants	1,868,701	1,788,526	1,729,818
Teachers' Salaries Grants	5,898,614	5,500,000	5,602,409
Other MoE Grants	408,343	170,798	269,395
Other Government Grants	15,899	-	7,038
	<u>8,191,557</u>	<u>7,459,324</u>	<u>7,608,660</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$93,569 for the year ended 31 December 2020.

3 Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	754,428	784,952	750,206
Activities	593,608	672,445	681,417
Trading	87,384	90,000	93,107
Fundraising	3,500	40,000	38,909
Overseas Travel	-	-	59,245
	<u>1,438,920</u>	<u>1,587,397</u>	<u>1,622,884</u>
Expenses			
Activities	283,086	397,710	323,699
Trading	95,888	74,986	68,008
Overseas Travel	-	-	58,077
	<u>378,974</u>	<u>472,696</u>	<u>449,784</u>
	<u>1,059,946</u>	<u>1,114,701</u>	<u>1,173,100</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.

4 International Student Revenue and Expenses

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	Number	Number	Number
International Student Roll	53	56	62
	<u>2020</u>	<u>2020</u>	<u>2019</u>
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
International Student Fees	762,363	941,739	884,461
Expenses			
Advertising	9,798	46,088	10,443
Commissions	83,785	82,608	92,873
International Student Levy	18,375	20,854	16,503
Employee Benefit - Salaries	186,752	276,789	209,160
Other Expenses	92,429	128,872	139,061
	<u>391,139</u>	<u>555,211</u>	<u>468,040</u>
	<u>371,224</u>	<u>386,528</u>	<u>416,421</u>

Surplus/ (Deficit) for the year International Students



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

5 Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	762,366	861,984	771,676
Equipment Repairs	7,153	13,000	11,213
Information and Communication Technology	2,240	11,200	8,307
Extra-Curricular Activities	30,050	45,000	50,973
Library Resources	6,926	7,100	6,579
Employee Benefits - Salaries	6,995,467	6,448,462	6,630,337
Staff Development	27,647	60,700	38,464
	<u>7,831,849</u>	<u>7,447,446</u>	<u>7,517,549</u>

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

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. 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 students fees revenue.

6 Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	8,400	10,000	12,641
Board of Trustees Fees	3,081	4,000	3,555
Board of Trustees Expenses	23,702	25,600	25,986
Communication	11,478	12,500	12,968
Consumables	67,925	101,500	107,936
Operating Lease	18,130	17,500	30,200
Other	55,149	54,150	59,306
Employee Benefits - Salaries	470,594	532,843	478,851
Insurance	16,359	14,500	14,408
Service Providers, Contractors and Consultancy	8,796	8,000	8,100
	<u>683,614</u>	<u>780,593</u>	<u>753,951</u>

7 Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	37,685	37,700	41,438
Consultancy and Contract Services	132,561	135,000	143,504
Cyclical Maintenance Expense	229,172	47,000	93,604
Grounds	27,500	43,000	41,717
Heat, Light and Water	92,764	105,500	114,218
Repairs and Maintenance	79,228	117,500	131,006
Use of Land and Buildings	4,991,048	3,497,907	5,023,264
Employee Benefits - Salaries	143,404	141,055	130,459
	<u>5,733,362</u>	<u>4,124,662</u>	<u>5,719,210</u>

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



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

8 Depreciation

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Building Improvements - Crown	24,983	25,000	24,950
Furniture and Equipment	179,994	160,000	161,361
Information and Communication Technology	179,379	90,000	154,170
Motor Vehicles	9,684	10,000	10,272
Leased Assets	21,678	30,000	27,448
Library Resources	9,337	10,000	9,927
	<u>425,055</u>	<u>325,000</u>	<u>388,128</u>

9 Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash on Hand	100	100	100
Bank Current Account	64,072	100,610	487,608
Bank Call Account	117,698	15,000	13,654
Short-term Bank Deposits	-	100,000	100,926
Cash and cash equivalents for Statement of Cash Flows	<u>181,870</u>	<u>215,710</u>	<u>602,288</u>

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

10 Accounts Receivable

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Receivables	7,764	8,000	7,919
Interest Receivable	17,626	30,000	39,913
Teacher Salaries Grant Receivable	473,153	450,000	442,525
	<u>498,543</u>	<u>488,000</u>	<u>490,357</u>
Receivables from Exchange Transactions	25,390	38,000	47,832
Receivables from Non-Exchange Transactions	473,153	450,000	442,525
	<u>498,543</u>	<u>488,000</u>	<u>490,357</u>

11 Inventories

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
School Uniforms	56,078	60,000	62,850
	<u>56,078</u>	<u>60,000</u>	<u>62,850</u>

12 Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	2,937,762	2,500,000	2,852,311
Total Investments	<u>2,937,762</u>	<u>2,500,000</u>	<u>2,852,311</u>



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

13 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	104,343	-	-	-	(24,983)	79,360
Furniture and Equipment	960,221	64,055	(6,427)	-	(189,678)	828,171
Information and Communication Technology	472,124	275,205	(12,492)	-	(179,379)	555,458
Motor Vehicles	34,958	-	-	-	-	34,958
Leased Assets	46,442	7,139	-	-	(21,678)	31,903
Library Resources	69,490	7,199	(1,996)	-	(9,337)	65,356
Balance at 31 December 2020	1,687,578	353,598	(20,915)	-	(425,055)	1,595,206

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	265,499	(186,139)	79,360
Furniture and Equipment	2,332,697	(1,504,526)	828,171
Information and Communication Technology	1,164,847	(609,389)	555,458
Motor Vehicles	159,093	(124,135)	34,958
Leased Assets	87,109	(55,206)	31,903
Library Resources	250,258	(184,902)	65,356
Balance at 31 December 2020	4,259,503	(2,664,297)	1,595,206

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 \$31,903 (2019: \$46,442).

	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 net carrying value of equipment held under a finance lease is \$46,442 (2018: \$22,918).



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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

The amortisation charge in relation to the equitable leasehold interest during the year was \$1,420.
(2019: \$1,420).

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
38,184	38,164	39,684
38,184	38,164	39,684

15 Accounts Payable

Operating Creditors
Accruals
Banking Staffing Overuse
Employee Entitlements - Salaries
Employee Entitlements - Leave Accrual

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
91,694	125,000	158,837
37,935	30,000	29,953
-	-	8,477
478,919	450,000	447,952
35,013	40,000	37,267
643,561	645,000	682,486

Payables for Exchange Transactions

643,561	645,000	682,486
643,561	645,000	682,486

The carrying value of payables approximates their fair value.

16 Revenue Received in Advance

International Student Fees
Other

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
450,434	500,000	734,469
270,064	-	266,745
720,498	500,000	1,001,214

17 Provision for Cyclical Maintenance

Provision at the Start of the Year
Increase/(decrease) to the Provision During the Year
Use of the Provision During the Year
Provision at the End of the Year

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
232,850	232,850	206,400
229,172	47,000	93,604
(49,373)	13,110	(67,154)
412,649	292,960	232,850

Cyclical Maintenance - Current
Cyclical Maintenance - Term

93,403	63,700	30,600
319,246	229,260	202,250
412,649	292,960	232,850



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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):

No Later than One Year
Later than One Year and no Later than Five Years

2020	2020	2019
Actual	Budget (Unaudited)	Actual
\$	\$	\$
21,845	20,995	24,174
10,626	2,500	27,668
32,470	23,495	51,842

19 Funds held in Trust

Funds Held in Trust on Behalf of Third Parties - Current

2020	2020	2019
Actual	Budget (Unaudited)	Actual
\$	\$	\$
231,611	300,000	367,254
231,611	300,000	367,254

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. 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 \$1,929,278 (2019: \$1,195,671). 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 \$21,986 (2019: \$24,906).



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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.

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,081	3,555
Full-time equivalent members	0.11	0.20
<i>Leadership Team</i>		
Remuneration	2,825,972	2,253,260
Full-time equivalent members	27.00	25.00
Total key management personnel remuneration	2,829,053	2,256,815
Total full-time equivalent personnel	27.11	25.20

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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	175-185	160-170
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
130-140	1	-
120-130	1	-
110-120	1	2
100-110	12	3
	15	5

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.

23 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020.

(Contingent liabilities and assets as at 31 December 2019: nil)

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.



Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

24 Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into no contract agreements for capital works.

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.

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:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	181,870	215,710	602,288
Receivables	498,543	488,000	490,357
Investments - Term Deposits	2,937,762	2,500,000	2,852,311
Total Financial assets measured at amortised cost	3,618,175	3,203,710	3,944,956
Financial liabilities measured at amortised cost			
Payables	643,561	645,000	682,486
Finance Leases	30,098	45,995	46,727
Total Financial Liabilities Measured at Amortised Cost	673,659	690,995	729,213

27 Events After Balance Date

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



INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF SANCTA MARIA COLLEGE'S
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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 18, that comprise the statement of financial position as at 31 December 2020, 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 2020; 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 2 June 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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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Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.

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Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the 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 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 Sancta Maria College 2020 Academic Performance Summary Targets and Analysis of Variance Report, 2020 Sports Report, 2020 Principal's Annual Report, and the 2020 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: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



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