

# SACRED HEART GIRLS COLLEGE

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

### School Directory

Ministry Number: 174  
Principal: Paula Wells  
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### Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Stephen Hill	Chair Person	Elected	CA Director	June 2022
Paula Wells	Principal	Principal	Principal	
Ryan Brown	Parent Rep	Elected	Finance Manager	June 2019
Sulumala Asi-Feauna	Parent Rep	Elected	Fv Programme Facilitator	June 2019
Albert Chow	Parent Rep	Elected	Project Assurance	June 2019
Tracey Abel	Parent Rep	Elected	Business Owner	June 2022
Glenn Broughton	Parent Rep	Elected	Operations Manager	June 2022
Sarah Hall	Parent Rep	Elected	Manager	June 2022
Sheree Asi	Parent Rep	Elected	Teacher	June 2022
Robyn Walker	Proprietors Rep	Appointed by MCNPTB	Documents Manager	
John Passmore	Proprietors Rep	Appointed by MCNPTB	Oil & Gas Consultant	
Ross Howarth	Staff Rep	Elected	Teacher	June 2019
Warwick Foy	Staff Rep	Elected	Teacher	June 2022
Cornelia Chan	Student Rep finished September 2019	Elected	Student	
Ann-Mariya Tomy	Student Rep started September 2019	Elected	Student	September 2020
Denise Stachurski	Secretary	Principal PA	Principal PA	



# SACRED HEART GIRLS COLLEGE

Annual Report - For the year ended 31 December 2019

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# Sacred Heart Girls 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.

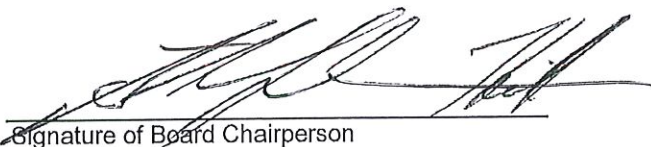
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

STEPHEN HILL

Stephen Hill Board Chairperson

  
Signature of Board Chairperson

27/05/20  
Date:

Paula Wells Principal

  
Signature of Principal

27/05/2020  
Date:

# Sacred Heart Girls College

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	5,662,562	1,321,846	5,415,939
Locally Raised Funds	3	1,256,881	311,142	686,383
Use of Land and Buildings Integrated		920,000	-	864,000
Interest income		25,479	22,075	23,201
International Students	5	175,412	139,825	136,312
Other Revenue		492	-	-
		<u>8,040,827</u>	<u>1,794,888</u>	<u>7,125,836</u>
<b>Expenses</b>				
Locally Raised Funds	3	761,948	30,500	339,568
International Students	5	93,247	92,085	78,436
Learning Resources	6	5,054,853	829,210	4,842,364
Administration	7	500,416	535,903	501,621
Finance		10,667	2,400	12,785
Property	8	1,280,616	326,313	1,215,807
Depreciation	9	184,507	134,395	179,964
Loss on Disposal of Property, Plant and Equipment		29	-	3,599
Amortisation of Intangible Assets	16	1,316	1,317	1,317
		<u>7,887,599</u>	<u>1,952,123</u>	<u>7,175,461</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>153,228</b>	<b>(157,235)</b>	<b>(49,625)</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><b>153,228</b></u>	<u><b>(157,235)</b></u>	<u><b>(49,625)</b></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.



**Sacred Heart Girls College**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>		838,355	838,355	887,980
Total comprehensive revenue and expense for the year		153,228	(157,235)	(49,625)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		25,569	22,500	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9				
<b>Equity at 31 December</b>	27	1,017,152	703,620	838,355
Retained Earnings		1,017,152	703,620	838,355
Reserves		-	-	-
<b>Equity at 31 December</b>		1,017,152	703,620	838,355

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.

# Sacred Heart Girls College

## Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	10	357,579	283,387	283,387
Accounts Receivable	11	331,709	295,267	295,267
GST Receivable		2,965	6,918	6,918
Prepayments		15,075	122,492	122,492
Inventories	12	9,800	1,920	1,920
Investments	13	710,000	510,000	510,000
		<u>1,427,128</u>	<u>1,219,984</u>	<u>1,219,984</u>
<b>Current Liabilities</b>				
Accounts Payable	15	442,299	415,354	333,124
Revenue Received in Advance	17	348,651	353,454	353,454
Provision for Cyclical Maintenance	18	93,052	62,500	62,500
Painting Contract Liability - Current Portion	19	-	8,102	8,102
Finance Lease Liability - Current Portion	20	40,975	46,090	46,090
Funds held in Trust	21	145,287	55,238	55,238
		<u>1,070,265</u>	<u>940,738</u>	<u>858,508</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>356,863</b>	<b>279,246</b>	<b>361,476</b>
<b>Non-current Assets</b>				
Equitable Leasehold Improvement	13	32,073	33,389	33,389
Property, Plant and Equipment	14	767,285	546,476	598,981
		<u>799,358</u>	<u>579,865</u>	<u>632,370</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	18	101,323	95,721	95,721
Finance Lease Liability	20	37,746	59,770	59,770
		<u>139,069</u>	<u>155,491</u>	<u>155,491</u>
<b>Net Assets</b>		<u><u>1,017,152</u></u>	<u><u>703,620</u></u>	<u><u>838,355</u></u>
<b>Equity</b>	27	<u><u>1,017,152</u></u>	<u><u>703,620</u></u>	<u><u>838,355</u></u>

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

# Sacred Heart Girls College

## Statement of Cash Flows

For the year ended 31 December 2019

	Note	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,468,389	1,540,563	1,448,443
Locally Raised Funds		1,248,070	342,219	853,746
International Students		175,412	177,026	138,868
Goods and Services Tax (net)		3,953	(6,918)	17,612
Payments to Employees		(983,682)	(972,570)	(976,623)
Payments to Suppliers		(1,380,604)	(1,044,656)	(1,276,513)
Cyclical Maintenance Payments in the year		(15,761)	(13,000)	(4,640)
Interest Paid		(10,667)	(2,400)	(12,785)
Interest Received		26,024	16,967	23,328
<b>Net cash from Operating Activities</b>		<b>531,135</b>	<b>37,231</b>	<b>211,436</b>
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(326,180)	(60,000)	(78,572)
Purchase of Investments		(200,000)	-	-
<b>Net cash from Investing Activities</b>		<b>(526,179)</b>	<b>(60,000)</b>	<b>(78,572)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		25,569	22,500	-
Finance Lease Payments		(38,280)	(46,867)	(42,246)
Painting contract payments		(8,102)	(8,102)	(23,581)
Funds Administered on Behalf of Third Parties		90,049	55,238	(1,093)
<b>Net cash from Financing Activities</b>		<b>69,235</b>	<b>22,769</b>	<b>(66,920)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>74,191</b>	<b>(0)</b>	<b>65,944</b>
Cash and cash equivalents at the beginning of the year	10	283,388	283,387	217,443
<b>Cash and cash equivalents at the end of the year</b>	10	<b>357,579</b>	<b>283,387</b>	<b>283,387</b>

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..



# Sacred Heart Girls College

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Sacred Heart Girls 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.

##### b) 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 30.

###### *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 14.

#### ***Cyclical Maintenance Provision***

A school recognises its obligation to maintain the Proprietor's buildings in a good state of repair as a provision for 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 18.

### ***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 present value of 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. Finance leases are disclosed at note 20.

#### ***Recognition of grants***

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

### **c) 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, Koha, Gifts and Bequests***

Donations, koha, 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.

### **d) 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.

### **e) 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.

### **f) 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.

### **g) 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.

### **h) 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 uncollectability) is the difference between the amount due and the present value of amounts expected to be collected.

### **i) Inventories**

Inventories are consumable items held for sale and comprise of pots of honey and juices sold for fundraising. 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.

#### **j) 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.

#### **k) 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.

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Proprietor Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value



## **I) Intangible Assets**

### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

### **m) Impairment of property, plant, and equipment and intangible assets**

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*

Plant, and equipment and intangible assets 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.

### **n) 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.

#### **o) 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.

##### *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.

#### **p) Revenue Received in Advance**

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

#### **q) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

#### **r) Provision for Cyclical Maintenance**

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

#### **s) 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.

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

**t) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

Borrowings include but not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

**u) 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 statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**v) Budget Figures**

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

**w) 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.



## 2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	1,283,467	1,274,440	1,253,539
Teachers' Salaries Grants	4,103,762	-	3,937,948
Resource Teachers Learning and Behaviour Grants	1,007	7,500	10,044
Other MoE Grants	198,804	39,906	150,558
Other Government Grants	75,522	-	63,850
	<u>5,662,562</u>	<u>1,321,846</u>	<u>5,415,939</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	228,441	241,816	257,772
Grants	239,004	-	17,529
Activities	365,053	14,226	343,392
International Trip Income	336,369	-	-
Trading	15,269	19,950	15,944
Fundraising	44,135	-	18,308
Other Revenue	28,611	35,150	33,438
	<u>1,256,881</u>	<u>311,142</u>	<u>686,383</u>
<b>Expenses</b>			
Activities	343,402	5,000	297,800
International Trip Expenses	336,291	-	-
Trading	21,454	21,500	16,363
Fundraising (Costs of Raising Funds)	42,766	-	-
Grant Expenditure	2,000	-	14,400
Other Locally Raised Funds Expenditure	16,037	4,000	11,005
	<u>761,948</u>	<u>30,500</u>	<u>339,568</u>
<b>Surplus/ (Deficit) for the year Locally raised funds</b>	<u>494,933</u>	<u>280,642</u>	<u>346,815</u>

During the 2019 financial year there were two overseas trips undertaken to Sydney and America. The trip to Sydney was for music students covering a range of music curriculum areas. The trip to America covered specific curriculum areas for painting, photography, history and geography students related to NCEA standards. Both trips were funded by students families and some fundraising.

## 5. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	7.95	6	8.45
<b>Revenue</b>			
International Student Fees	\$ 175,412	\$ 139,825	\$ 136,312
<b>Expenses</b>			
Advertising	7,536	6,500	11,839
Commissions	23,917	16,122	15,616
Employee Benefit - Salaries	50,758	47,088	39,168
Other Expenses	11,036	22,375	11,813
	93,247	92,085	78,436
<i>Surplus/ (Deficit) for the year International Students'</i>	82,165	47,740	57,876

## 6. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	241,242	177,148	270,772
Library Resources	6,199	14,000	13,940
Employee Benefits - Salaries	4,786,412	604,122	4,534,063
Staff Development	21,001	33,940	23,589
	5,054,853	829,210	4,842,364

## 7. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	8,125	8,300	8,955
Board of Trustees Fees	4,235	6,050	4,070
Board of Trustees Expenses	6,814	5,000	3,331
Communication	10,688	10,443	12,141
Consumables	6,773	8,000	6,900
Operating Lease	12,134	63,888	19,667
Other	47,047	36,400	40,518
Employee Benefits - Salaries	277,752	278,497	284,695
Insurance	12,119	9,600	10,219
Service Providers, Contractors and Consultancy	114,727	109,725	111,125
	500,416	535,903	501,621

## 8. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	14,593	15,240	23,423
Consultancy and Contract Services	103,815	102,204	90,971
Cyclical Maintenance Provision	51,916	13,000	54,018
Grounds	12,587	10,520	8,112
Heat, Light and Water	56,735	55,500	46,084
Rates	6,322	8,428	8,076
Repairs and Maintenance	47,099	55,880	55,140
Use of Land and Buildings	920,000	-	864,000
Security	5,256	4,080	3,526
Employee Benefits - Salaries	50,099	50,461	51,869
Vehicle Costs	12,194	11,000	10,589
	<u>1,280,616</u>	<u>326,313</u>	<u>1,215,807</u>

The use of land and buildings figure represents 8% of the school's total property value. 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.

## 9. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Buildings	16,865	7,012	7,307
Furniture and Equipment	67,130	76,463	69,128
Information and Communication Technology	39,648	39,560	37,537
Motor Vehicles	-	5,214	5,214
Leased Assets	55,519	-	54,632
Library Resources	5,346	6,146	6,146
	<u>184,507</u>	<u>134,395</u>	<u>179,964</u>

## 10. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	1,211	408	408
Bank Current Account	19,106	84,276	84,276
Bank Current Account	543	10,898	10,898
Bank Call Account	158,633	28,127	28,127
International Account	178,086	159,678	159,678
Cash and cash equivalents for Cash Flow Statement	<u>357,579</u>	<u>283,387</u>	<u>283,387</u>

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

Of the \$357,579 Cash and Cash Equivalents, \$144,836 of International Homestay fees is held by the school.  
 Of the \$357,579 Cash and Cash Equivalents, \$196,201 of International Student fees relating to 2020 is held by the school.  
 Of the \$357,579 Cash and Cash Equivalents, \$47,516 of International Trip fees relating to 2021 is held by the school.

**11. Accounts Receivable**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	22,112	17,691	17,691
Interest Receivable	4,564	5,108	5,108
Teacher Salaries Grant Receivable	305,033	272,468	272,468
	<u>331,709</u>	<u>295,267</u>	<u>295,267</u>
Receivables from Exchange Transactions	26,676	22,799	22,799
Receivables from Non-Exchange Transactions	305,033	272,468	272,468
	<u>331,709</u>	<u>295,267</u>	<u>295,267</u>

**12. Inventories**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Honey and Juicies - Held for Fundraising	9,800	1,920	1,920
	<u>9,800</u>	<u>1,920</u>	<u>1,920</u>

**13. Investments**

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	710,000	510,000	510,000
Non-current Asset			
Equitable Leasehold Interest	32,073	33,389	33,389
Total Investments	<u>742,073</u>	<u>543,389</u>	<u>543,389</u>





#### 14. Property, plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2019</b>						
Buildings	125,967	284,896	-	-	(16,865)	393,998
Furniture and Equipment	273,462	11,524	-	-	(67,130)	217,856
Information and Communication Technology	70,402	22,298	-	-	(39,648)	53,052
Motor Vehicles	-	-	-	-	-	-
Leased Assets	86,127	26,661	(29)	-	(55,519)	57,240
Library Resources	43,023	7,462	-	-	(5,346)	45,139
<b>Balance at 31 December 2019</b>	<b>598,981</b>	<b>352,841</b>	<b>(29)</b>	<b>-</b>	<b>(184,507)</b>	<b>767,285</b>

The net carrying value of equipment held under a finance lease is \$57,240 (2018: \$86,127)

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2019</b>			
Buildings	439,909	(45,911)	393,998
Furniture and Equipment	1,033,143	(815,287)	217,856
Information and Communication Technology	392,526	(339,473)	53,052
Motor Vehicles	50,773	(50,773)	-
Leased Assets	170,873	(113,632)	57,240
Library Resources	125,615	(80,477)	45,138
<b>Balance at 31 December 2019</b>	<b>2,212,839</b>	<b>(1,445,554)</b>	<b>767,285</b>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Buildings	118,513	14,761	-	-	(7,307)	125,967
Furniture and Equipment	292,181	50,408	-	-	(69,128)	273,461
Information and Communication Technology	97,011	13,402	(2,474)	-	(37,537)	70,402
Motor Vehicles	5,214	-	-	-	(5,214)	-
Leased Assets	94,418	47,467	(1,126)	-	(54,632)	86,127
Library Resources	49,169	-	-	-	(6,146)	43,023
<b>Balance at 31 December 2018</b>	<b>656,506</b>	<b>126,038</b>	<b>(3,600)</b>	<b>-</b>	<b>(179,964)</b>	<b>598,981</b>

The following note can be used for each class of asset that are held under a finance lease:

The net carrying value of equipment held under a finance lease is \$86,127 (2017: \$94,418)



2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	-	-	-
Building Improvements	155,013	(29,046)	125,967
Furniture and Equipment	1,024,051	(750,589)	273,462
Information and Communication Technology	506,886	(436,484)	70,402
Motor Vehicles	50,773	(50,773)	-
Textbooks	-	-	-
Leased Assets	175,064	(88,937)	86,127
Library Resources	192,760	(149,737)	43,023
<b>Balance at 31 December 2018</b>	<b>2,104,547</b>	<b>(1,505,566)</b>	<b>598,981</b>

**15. Accounts Payable**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	109,300	124,966	42,736
Accruals	17,683	10,322	10,322
Employee Entitlements - Salaries	305,033	272,468	272,468
Employee Entitlements - Leave Accrual	10,284	7,598	7,598
	<b>442,299</b>	<b>415,354</b>	<b>333,124</b>
Payables for Exchange Transactions	442,299	415,354	333,124
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>442,299</b>	<b>415,354</b>	<b>333,124</b>

The carrying value of payables approximates their fair value.

The School operates a credit card facility with TSB Bank. The limit on the credit card is \$10,000 and as at balance date \$703.26 was owing (2018: \$1,201.69).

## 16. 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 in part by the Board of Trustees, either from Government funding or from 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 25 years based on the economic life of the capital works asset(s) involved. The interest may be realised on the sale of the capital works by the proprietor of the closure of the school.

		2019 Actual \$	2019 Budget \$	2018 Actual \$		
The major capital works assets included in the equitable leasehold interest are:						
Buildings		32,072	33,389	33,389		
<b>Total</b>		<u>32,072</u>	<u>33,389</u>	<u>33,389</u>		
	<b>2019</b>	<b>Opening \$</b>	<b>Additions \$</b>	<b>Disposals \$</b>	<b>Impairment \$</b>	<b>Closing \$</b>
<b>Cost</b>						
Equitable Leasehold Interest		65,802	-	-	-	65,802
<b>Balance at 31 December 2019</b>		<u>65,802</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,802</u>
<b>Accumulated Amortisation</b>						
Equitable Leasehold Interest (Amortisation for the year)		32,413	-	-	1,317	33,730
<b>Balance at 31 December 2019</b>		<u>32,413</u>	<u>-</u>	<u>-</u>	<u>1,317</u>	<u>33,730</u>
<b>Net Book Value at 31 December 2019</b>						<u><u>32,072</u></u>
	<b>2018</b>	<b>Opening \$</b>	<b>Additions \$</b>	<b>Disposals \$</b>	<b>Impairment \$</b>	<b>Closing \$</b>
<b>Cost</b>						
Equitable Leasehold Interest		65,802	-	-	-	65,802
<b>Balance at 31 December 2018</b>		<u>65,802</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,802</u>
<b>Accumulated Amortisation</b>						
Equitable Leasehold Interest (Amortisation for the year)		31,096	-	-	1,317	32,413
<b>Balance at 31 December 2018</b>		<u>31,096</u>	<u>-</u>	<u>-</u>	<u>1,317</u>	<u>32,413</u>
<b>Net Book Value at 31 December 2018</b>						<u><u>33,389</u></u>

17. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Domestic Student Fees	71,219	218,718	218,718
International Student Fees	196,201	85,969	85,969
Other	81,230	48,768	48,768
	<u>348,651</u>	<u>353,454</u>	<u>353,454</u>

18. Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	158,221	158,221	108,843
Increase/ (decrease) to the Provision During the Year	51,915	13,000	54,018
Use of the Provision During the Year	(15,761)	-	(4,640)
Provision at the End of the Year	<u>194,375</u>	<u>171,221</u>	<u>158,221</u>
Cyclical Maintenance - Current	93,052	62,500	62,500
Cyclical Maintenance - Term	101,323	95,721	95,721
	<u>194,375</u>	<u>158,221</u>	<u>158,221</u>

19. Painting Contract Liability

	2019	2019	2018
	Actual	Budget	Actual
	\$	\$	\$
Current Liability	-	8,102	8,102
Non Current Liability	-	-	-
	<u>-</u>	<u>8,102</u>	<u>8,102</u>

In 2008 the Board signed an agreement with Programmed Property Services Ltd (the contractor) for an agreed programme of work covering a twelve year period. The programme provides for an exterior repaint of the Proprietor owned buildings in 2008 and 2016 (which was carried out in 2017), with regular maintenance in subsequent years. The agreement has an annual commitment of \$19,863. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money. This agreement expired in March 2019 and was not renewed. In April 2019 the Board signed a three year agreement for the exterior cleaning and paint re-touching of the school with Egmont Cleaning. as a majority of the school was under construction (including exterior painting) at the end of 2019 due to finish in 2021 another painting contract was not required.



## 20. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	40,975	46,090	46,090
Later than One Year and no Later than Five Years	37,746	59,770	59,770
Later than Five Years	-	-	-
	<u>78,721</u>	<u>105,860</u>	<u>105,860</u>

## 21. Funds held in Trust

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	145,287	55,238	55,238
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>145,287</u>	<u>55,238</u>	<u>55,238</u>

These funds are held where the school is an agent for international student homestay fees and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

## 22. 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 (Mission College Trust Board) 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 fund 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(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

Under an agency agreement, the School collects funds on behalf of the Proprietor (or vice versa). These include special character and development donations payable to the proprietor. The amounts collected in total were \$138,697.25 (2018: \$133,854.12). 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 \$6,825.56 (2018: \$nil). the Proprietor donated \$59,500 (2018: \$59,500) to the School during the year and the School contributed \$45,332 (2018: \$30,019) towards maintenance of the Proprietors buildings.

**23. 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	4,235	4,070
Full-time equivalent members	0.14	0.14
<i>Leadership Team</i>		
Remuneration	474,802	480,356
Full-time equivalent members	4	4
Total key management personnel remuneration	479,037	484,426
Total full-time equivalent personnel	4.14	4.14

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
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	170-180	170-180
Benefits and Other Emoluments	4-5	4-5
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
100-110	2.00	2.00
	2.00	2.00

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



**24. Compensation and Other Benefits Upon Leaving**

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2019 Actual	2018 Actual
Total	-	-
Number of People	-	-

**25. Contingencies**

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

**26. Commitments**

**(a) Capital Commitments**

In 2019 the School signed a three year contract with Egmont Cleaning Services to carry out external cleaning and spot painting each year to the value of \$11,990 (GST exclusive) per year which commenced in 2020. (2018: Nil).

**(b) Operating Commitments**

As at 31 December 2019 the Board has entered into the following contracts:

(a) operating lease of a laptops;

	2019 Actual \$	2018 Actual \$
No later than One Year	754	-
Later than One Year and No Later than Five Years	378	-
Later than Five Years	-	-
	1,132	-



### (c) Programmed Painting Contract

As at 31 December 2019 the Board has entered into the following contracts:

	2019 Actual \$	2018 Actual \$
No later than One Year	-	8,102
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	8,102

### 27. 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.

### 28. Financial Instruments

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

#### Financial assets measured at amortised cost (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	357,579	283,387	283,387
Receivables	331,709	295,267	295,267
Investments - Term Deposits	710,000	510,000	510,000
Total Financial assets measured at amortised cost	1,399,288	1,088,654	1,088,654

#### Financial liabilities measured at amortised cost

Payables	442,299	415,354	333,124
Borrowings - Loans	-	-	-
Finance Leases	78,721	105,860	105,860
Painting Contract Liability	-	8,102	8,102
Total Financial Liabilities Measured at Amortised Cost	521,020	529,316	447,086

## 29. 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 and subsequently 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, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

## 30. 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 11 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 13 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



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF SACRED HEART GIRLS COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Sacred Heart Girls College (the School). The Auditor-General has appointed me, David Fraser using the staff and resources of Silks Audit Chartered Accountants Ltd, 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 1 to 25, that comprise the statement of financial position as at 31 December 2019, the statement of comprehensive revenue and expenses, 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 Tier 2 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime

Our audit was completed on 27 May 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 29 on page 25 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.

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

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



### **Responsibilities of the Board of Trustees for the financial statements**

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

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

#### **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the Board of Trustee schedule included under the School Directory page and the Analysis of Variance and Kiwisport statement, included as an appendices, 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.



**David Fraser**  
**Silks Audit Chartered Accountants Ltd**  
**On behalf of the Auditor-General**  
**Whanganui, New Zealand**

Goal 1	Detailed Goals	What will we do	Who and by When	How will it be measured	What will success look like	V Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>In a culturally responsive way, Nourish Catholic Character</b></p>	<p><b>Provide programmes of nourishment and encouragement.</b></p>	<p>Board continue to break open the Bishop's document: 'The Catholic Education of School-Age Children' at monthly hui.</p>	<p>The Board at monthly meetings</p>	<p>Board and staff will have further opportunity to break open the document.</p>	<p>A common understanding that the encounter with Jesus is at the centre of Catholic education.</p>	<p>On agenda to open every Board meeting with Bishop's Document reflection and/or karakia.</p>
		<p>Staff cross-curricular PLD on the Bishop's document</p>	<p>Tagged Teachers</p>	<p>Tagged Teacher group incorporating aspects of the document at Friday whakakaha</p>	<p>Growing understanding of all staff in understanding what it means to be working in this Catholic environment</p>	<p>Tagged Teacher reflections on Friday Whakakaha incorporating Bishop's document sentiments</p>
		<p>Build Tagged Teachers understanding and capacity of their role as leaders of faith</p>	<p>DRS and Tagged teacher group</p>	<p>Tagged teacher group who understand, and have confidence in carrying out their role.</p>	<p>Tagged teachers building capacity as leaders of Special Character.</p>	<p>Actively leading staff Whakakaha on rotation; contributing to all staff understanding of Catholic Elaborations; Practising Teacher Criteria</p>
		<p>Provide opportunities for all community to gain a deeper understanding of the Gospel and Charism of the Mission Sisters (CCM)</p>	<p>All staff</p>	<p>Monday, Wednesday and Friday whakakaha opportunities for ministry with Gospel, Karakia and Reflection, House Feast</p>	<p>All staff will have an opportunity for ministry and leadership of spiritual growth</p>	<p>Whakakaha three mornings a week nurture staff hauora; new initiatives of weekly gospel (staff/Manaaki/assembly) and House Feast Mass positive experiences. CCM deliberate school-wide focus</p>
<p>Continue to nourish student faith formation and offer sacramental opportunities.</p>	<p>DRS/Chaplain/Youth Minister</p>	<p>Students complete Baptism Programme in Term One Students complete Reconciliation and Eucharist programmes in Terms Two and Three.</p>	<p>Students actively engaged in their own spiritual development And in sacramental programmes at school and/or in the parish</p>	<p>Sacramental programme flourishing: 6 Baptisms Term 1 17 Reconciliation T 2 22 1<sup>st</sup> Communion T 3</p>		

<b>In a culturally responsive way, Nourish Catholic Character</b>						
	<b>Continue to develop Religious Studies Curriculum in-line with NCRS expectation</b>	Curriculum-focussed goals align with Leaders of Learning foci	DRS/DP Curriculum	Undertake faculty inquiry for consistent learning and implementation of pedagogy	Inquiry-based approach to learning in RSt and engagement with the Digital Curriculum	<p>Teacher expertise directing inquiry, including:</p> <ul style="list-style-type: none"> <li>• Student Agency</li> <li>• Sexuality</li> <li>• Māori Spirituality</li> <li>• Differentiated Curriculum</li> </ul> <p>Digital Curriculum flavouring each</p>
	<b>Ensure Māori are Spiritually Nourished as Māori</b>	Inquire into appropriate tikanga, under advisement, in order to authentically nourish the spirituality of Māori.		Utilise an opportunity to learn through student voice, particularly through the gift that is our student leadership composition this year	Gain an authentic understanding of how to lead others' in providing a life-giving encounter for Māori	<p>DRS personal inquiry: "How can I use the senior Māori student voice to enhance the spiritual experience for Māori students at SHGC"?</p>
<b>Formulate and implement a programme of Special Character Review</b>	Incorporate an internal Special Character Review focused on Encounter, Witness and Knowledge.	DRS/DP Curriculum	Formulate new procedures in order to align with existing internal curriculum reviews	Catholic identity is maintained and preserved as the framework within which the whole school operates.	<p>DP and DRS establish process for internal review of Catholic Character utilising revised review and development guidelines NZCEO. Conducted in Term 2. Findings to contribute to external review in Term 3.</p>	



Goal 2	Detailed Goals	What will we do	Who and by When	How will it be measured	What will success look like	√ Evaluation
In a culturally responsive way, Nurture Hauora	Implement and embed programmes of wellbeing	<p>Strengthen and embed Tier 1 Manaaki time practices</p> <p>Embed Tier 2 practices</p>	Manaaki teachers through support from the Pastoral team	<p>Manaaki teachers will be the Tier 1 pastoral support teacher, they will know what this means and will be supported to be in this role</p> <p>Attendance system clarified and made coherent to all Caregivers know who their lead pastoral carer is</p> <p>Deans will be dealing with T2 issues only</p>	All students are closely monitored through a well embedded system of pastoral care	<p>Manaaki classes set up from year 7-13            Manaaki match GEMS at year 9-13            GEMS period included for year 9            Homeroom teachers = manaaki at year 7 and 8</p> <p>Deans working on Tier2 system with fortnightly meetings with CLE or AMU. Use of Custom list to highlight attendance and pastoral incident concerns. Tier 2 students tracked using a shared doc. Making decisions regarding T2 is working well. T1 Manaaki teacher responsibility noticed by deans as supporting their work – they are able to concentrate on identified Tier 2. Year 7 and 8 start of day is working well but some more work needed to reintegrate at times they visit with Year 9-13 groups.</p> <p>We have clarified communications to caregivers. Community is being helped to understand that Manaaki teachers are the first point of call for any concerns. Through emails and newsletters and in conversation</p> <p>Perhaps some communication through to manaaki teachers about who is a T2 student and who is on the register.</p> <p>Attendance system clarified. Attendance data analysed and shared. 85% or less attendance notifications at the beginning of each term to caregivers. Information via newsletter being distributed about the importance of attendance. Low attendance being used as a first indicator that there may be more needs.</p> <p>Attendance rates are improving and are sitting “above the trend”</p> <p>Manaaki teachers are notified and kept “in the loop” with any pastoral concerns through KAMAR notifications</p>
	Further embed the dispositions of Ako, Manaakitanga and Wāhine Toa school-wide	Embed the new Manawa Mission acknowledgement system	Manawa Mission team including hauora leaders	<p>Try to be ready for implementation in Term 2 2019</p> <p>Possible integration into Elizabeth House</p>	Acknowledgment system accepted and used motivationally for year 7-10 students	<p>Acknowledgement system has been revised with full consultation with hauora leaders, Hauora council, staff, PB4L team</p> <p>Due to roll out at any time now but has taken longer than anticipated</p>
	Build a community culture of relational trust	Strengthen the home-school partnership including Elizabeth House	<p>Newsletter restructure</p> <p>Enable smaller group discussion at staff meetings</p>	<p>House Hub discussion at staff meetings</p> <p>Staff Appraisal process refreshed</p>	<p>Teachers feel that they are able to voice</p> <p>Community respond that</p>	<p>Regular additions to newsletter with a restructure to mirror the strategic direction of the school</p> <p>House hubs established and running. Used also for appraisal group feedback and for small group PD led by deans</p> <p>House hubs are enabling better more focussed discussion</p>

			Communications streamline		communication channels are clear	Appraisal process refreshed and rolled out to staff Communication channels are becoming clearer to staff
	<b>Live the Mission through service</b>	Opportunity for authentic service in the community	School community	House Feast day service	Active service completed	House feast day organisation refreshed with a focus on CCM. Voice supports the change – students are enjoying this new focus and is providing an authentic vehicle for service amongst the different year groups.

Goal 3	Detailed Goals	What will we do	Who and by When	How will it be measured	What will success look like	√ Evaluation
<b>In a culturally responsive way, Strengthen Learning and Teaching</b>	Further advance student-centred innovative and collaborative pedagogical practices	Using evidence from the Leaders of Learning Curriculum inquiry grow and develop learner agency, critical inquiry and future focused learning.	SLT/Leaders of Learning  All staff led by the Leaders of Learning.  AMU/CQU leading Digital Curriculum	Improve teacher knowledge of learning progressions for use.  Teachers use e-learning platforms, tools and strategies to ensure learning is visible and as inclusive as possible. (Use of Microsoft Tools)  Digital Curriculum is implemented	Students understand learner agency, critical inquiry, engagement, and take ownership of their learning; this becomes a critical element in their achievement and progress.	LOL engaging in PLD with CORE CQU leading Digital Curriculum implementation  LwDT/Year 7-8 lead team sharing new practices.  T1 and T2 Staff meetings introducing new Digital Curriculum  <a href="#">Faculty Strategies</a> in this space.  <a href="#">November PLD</a> will summarise 2019 and prepare DTG for next step.  Small group has investigated learning progressions. CLE and her team will present in Term 4 about PaCT tool workshop
	Provide enriching learning opportunities to promote and engender personal excellence	To enhance teacher appraisal so as to improve student success and engagement.	SLT/SCT/ASL/All teachers  All staff every week in PLD	Staff receive professional learning around revised appraisal system to better understand purpose and to take ownership.  Teachers participate in 'planned for' reflection fortnightly and have an allocated appraisal (house) buddy	Appraisers are able to articulate the main principles of excellent teaching in a Catholic environment	Lead team established new appraisal process Term 1

				<p>External providers and internal experts support pedagogical development of Professional Standards, including the elaborations for Catholic Schools (NZCEO)</p> <p>Appraisal includes evidence of planning, effective evaluation, supporting data, evidence and purposeful next steps.</p>	<p>An effective, meaningful appraisal system, which reflects the Professional Standards in the Catholic school, with a bundle of evidence demonstrating professional growth and aspiration.</p>	<p>House Hubs established in Term 2 where inquiry is shared by each staff member.</p> <p>PPTA edict resulted in review.</p> <p>No change until the end of the cycle.</p>
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Goal 4	Detailed Goals	What will we do	Who and by When	How will it be measured	What will success look like	√ Evaluation
<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>In a culturally responsive way, Openly Engage with Community</b></p>	<p><b>Engage in rich community partnership</b></p>	<ul style="list-style-type: none"> <li>Imbed increasing cultural understanding, capacity and responsiveness; tikanga/te Reo Māori/te Au Māori</li> <li>Increase opportunity for stakeholder voice to form decision-making; closing the loop with decision report back, supported with rationale</li> </ul>	<ul style="list-style-type: none"> <li>All</li> <li>SLT/Middle Leaders</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder voice (student/staff/whanau/iwi) regarding responsiveness</li> <li>Wellbeing in schools data</li> <li>Appropriately open AstroTurf facility and unveil Manawa Tapu Korowai</li> <li>Stakeholder voice (student/staff/whanau/iwi) regarding responsiveness</li> <li>Wellbeing in schools data</li> </ul>	<ul style="list-style-type: none"> <li>Continued growing engagement with: Whakakaha/Komiti Māori/Te Kahu Whetu/Kapa Haka/Pasifika Group</li> <li>Culturally appropriate, inclusive ceremonies that acknowledge kaupapa and mahi from a te Au Māori perspective</li> <li>Increased clarity of what Māori achieving as Māori and Māori being spiritually nourished as Māori is.</li> <li>Stakeholders communicated and consulted with, increased understanding of rationale and how voice has informed decision-making</li> </ul>	<p>Principal performance appraisal community survey demonstrated strong confidence in bi-cultural inclusiveness and responsiveness. Principal Senior prizegiving address challenged unconscious racial bias.</p> <p>AstroTurf completed, blessed and opened. Broad community representation with tikanga Māori and te Ao Māori observances. Korowai project not yet complete.</p> <p>External Special Catholic Character report validates intentionality “a gradual and respectful understanding of how to encounter Christ through Māori wairua” Student Voice heard in Head Girl valedictory address.</p> <p>Principal appraisal community survey positive regarding communication, with parents reporting they have an opportunity to be involved in providing voice, and a feeling of decisions being well-communicated.</p>

	<p><b>Continually improve upon communication</b></p>	<ul style="list-style-type: none"> <li>Establish systematic, articulated and clearly understood roles and responsibilities across users of modems of communication</li> </ul>	<ul style="list-style-type: none"> <li>SLT/Front-line staff</li> </ul>	<ul style="list-style-type: none"> <li>Community (internal and external stakeholders) report streamlined, effective communication occurring through variety of medium</li> </ul>	<ul style="list-style-type: none"> <li>Effective, clear, consistent communication leading to enhanced community engagement.</li> </ul>	<p>August newsletter summarised the parent voice. Families like the App communication around 'must-know' information.</p> <p>Communications committee formed and meet regularly with clearly identified purposes of modems for communication, and personnel responsible (eg: website, Facebook, App, Portal).</p>
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## **Kiwisport Statement**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2019, the school received total Kiwisport funding of \$17,101.60 (excluding GST). The funding was spent on opportunities throughout the year for our sporting students to achieve to their potential in their chosen areas they wish to participate in. Coaching and umpiring courses for students were organised in netball, basketball, hockey and football. Having the Kiwisport funding allows for continued high numbers. It also gives us the opportunity to provide skilled coaches and umpires as well as upskilling the players. The funding also paid for a dedicated sports development officer.

The funding also helped pay for staffing and supervision which was provided for students to attend many of the 50+ TSSSA events throughout Taranaki. This gives our students the opportunity to participate in a growing number of sports that many students do not get the opportunity to try. Approximately 600 entries were submitted from this school last year in the various events. Many of those students taking part don't normally play an organised sport so it is getting more students involved.