



# ST MARY'S CATHOLIC SCHOOL PUTARURU

31 May 2022 2022

Johann van Loggerenberg  
PKF Hamilton Audit Ltd  
PO BOX 187, Waikato Mail Centre  
Hamilton, 3240

## REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2021

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of St Mary's Catholic School ~~Tokoroa~~ (the School) for the year ended 31 December 2021 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
  - the financial position as at 31 December 2021; and
  - the 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 (PBE) Standards Reduced Disclosure Regime.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

### General representations

To the best of our knowledge and belief:

- the resources, activities, and entities under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (*a requirement of paragraph NZ40.1(a) in ISA (NZ) 240*).

*[We also confirm, to the best of our knowledge and belief, that we have maintained appropriate separation between our functions and governance structures, and those of the School's proprietor, in keeping with the principles of the Education and Training Act 2020.]*

### Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87 of the Education Act 1989 and, in particular, that the financial statements:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2021; and
    - the 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 (PBE) Standards Reduced Disclosure Regime.
- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

### Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
  - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements and
  - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.

#### Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2021. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from **May 31 2022** and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

Throughout the year, the School has conformed with the requirements of its banking arrangements, debenture trust deeds, or negative pledge agreements, including those relating to its net tangible assets ratios.

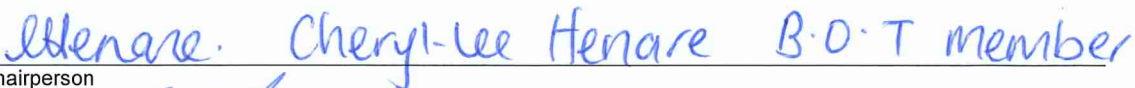
#### **Publication of the financial statements and related audit report on a website**

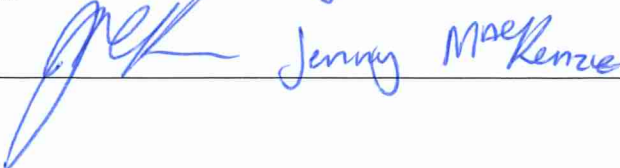
We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully

  
Chairperson

  
Principal

# ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

<b>School Directory</b>	<b>St Mary's Catholic School (Putaruru)</b>	<b>Bishop Edward Gaines Catholic School</b>
<b>Ministry Number:</b>	01957	01607
<b>Principal:</b>	Mrs Jenny MacKenzie	Mrs Bernadette Hall
<b>School Address:</b>	5 Mackenzie Street Putaruru	Mossop Road Tokoroa
<b>School Postal Address:</b>	5 Mackenzie Street Putaruru 3411	PO Box 167 Tokoroa 3444
<b>School Phone:</b>	07 885 1007	07 886 8021
<b>School Email:</b>	<a href="mailto:office@stmarysput.school.nz">office@stmarysput.school.nz</a>	<a href="mailto:office@beg.school.nz">office@beg.school.nz</a>

#### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Mr Sean McChlery	Chair Person	Elected	31/05/2022
Mrs Jenny MacKenzie	Principal		
Mrs Bernadette Hall	Principal		
Father Fernando Alembro	Properties Rep		
Mrs Tinika Begbie	Secretary	Elected	31/05/2022
Mrs Sarah Flavall	Treasurer	Elected	31/05/2022
Nicola Bailey	Staff Rep	Elected	31/05/2022
Mr Paul Dykstra	Properties Rep	Elected	31/05/2022
Mr James Farrell	Properties Rep	Elected	31/05/2022
Kathleen Metcalfe	Properties Rep	Elected	31/05/2022
Cheryl-Lee Henare	Maori Rep	Elected	31/05/2022
Andrea Crawford	Member	Elected	31/05/2022
Angela Holdem	Member	Elected	31/05/2022

**Accountant / Service Provider:** GRAHAM BROWN AND CO  
TIRAU ST  
PUTARURU

# ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD

Annual Report - For the year ended 31 December 2021

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# ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD

## Statement of Responsibility

For the year ended 31 December 2021

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

Cheryl-Lee Henare  
Full Name of Presiding Member

Cheryl-Lee Henare  
Signature of Presiding Member

31.05.22  
Date:

Jenny MacKenzie  
Full Name of Principal

Jenny MacKenzie  
Signature of Principal

31.5.2022  
Date:

**ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD**  
**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	1,696,162	411,212	1,813,720
Locally Raised Funds	3	34,092	-	56,486
Use of Proprietor's Land and Buildings		187,688	-	300,300
Interest Income		5,200	2,544	7,659
		<u>1,923,142</u>	<u>413,756</u>	<u>2,178,165</u>
<b>Expenses</b>				
Locally Raised Funds	3	18,763	-	43,639
Learning Resources	4	1,327,204	127,717	1,373,986
Administration	5	202,313	118,580	197,328
Finance		767	-	-
Property	6	320,667	134,026	474,368
Depreciation	11	38,442	-	60,120
Loss on Disposal of Property, Plant and Equipment		939	-	867
		<u>1,909,095</u>	<u>380,323</u>	<u>2,150,308</u>
<b>Net Surplus / (Deficit) for the year</b>		14,047	33,433	27,857
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>14,047</u>	<u>33,433</u>	<u>27,857</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.

# ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>	812,374	807,919	784,517
Total comprehensive revenue and expense for the year	14,047	33,433	27,857
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	7,726	-	-
Te Mana Tuhono Asset	8,400		
<b>Equity at 31 December</b>	842,547	841,352	812,374
Retained Earnings	842,547	841,352	812,374
<b>Equity at 31 December</b>	842,547	841,352	812,374

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.

# ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	441,935	441,000	457,931
Accounts Receivable	8	99,153	89,251	95,282
GST Receivable		9,652	9,000	13,509
School Bus Network		17,481	17,400	12,030
Prepayments		5,098	5,000	4,938
Inventories	9	8,627	8,600	4,652
Investments	10	300,698	300,700	295,622
		882,644	870,951	883,964
<b>Current Liabilities</b>				
Accounts Payable	12	122,051	101,051	166,040
Finance Lease Liability	14	4,667	-	-
		126,718	101,051	166,040
<b>Working Capital Surplus/(Deficit)</b>		755,926	769,900	717,924
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	118,095	100,945	107,983
		118,095	100,945	107,983
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	27,066	29,493	13,533
Finance Lease Liability	14	4,408	-	-
		31,474	29,493	13,533
<b>Net Assets</b>		842,547	841,352	812,374
<b>Equity</b>		842,547	841,352	812,374

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



# ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		514,965	(22,512)	700,503
Locally Raised Funds		34,602	510	59,877
Goods and Services Tax (net)		3,857	4,500	11,963
Payments to Employees		(214,957)	7,855	(262,187)
Payments to Suppliers		(329,683)	(2,955)	(455,187)
Interest Paid		(767)	-	
Interest Received		5,355	(5,236)	11,276
Net cash from/(to) Operating Activities		13,372	(17,838)	66,245
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	1,898	
Purchase of Property Plant & Equipment (and Intangibles)		(26,534)	5,140	(30,242)
Purchase of Investments		(5,076)	(5,200)	71,831
Net cash from/(to) Investing Activities		(31,610)	1,838	41,589
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		16,126	-	
Finance Lease Payments		(13,884)	-	
Net cash from/(to) Financing Activities		2,242	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(15,996)</b>	<b>(16,000)</b>	<b>107,834</b>
Cash and cash equivalents at the beginning of the year	7	457,931	457,000	350,097
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>441,935</b>	<b>441,000</b>	<b>457,931</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 Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.

# ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

###### *Basis of Preparation*

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

###### *Financial Reporting Standards Applied*

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

###### *PBE Accounting Standards Reduced Disclosure Regime*

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

###### *Critical Accounting Estimates And Assumptions*

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

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

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Proprietor's buildings in a good state of repair as a provision 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 13.

###### *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 11.

### ***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.

### **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.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

#### ***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.

#### ***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.

### **d) 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.

### **e) 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.

### **f) 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.

### **g) 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.

### **h) Inventories**

Inventories are consumable items held for sale and comprised 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.

#### **i) 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.

#### **j) Property, Plant and Equipment**

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

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

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

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

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Board Owned Buildings	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	Term of Lease
Library resources	12.5% Diminishing value

#### **k) 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**

Property, 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.

#### **l) 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.

#### **m) Employee Entitlements**

##### *Short-term employee entitlements*

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide 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, by non teaching staff, to but not yet taken at balance date.

##### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows

#### **n) Provision for Cyclical Maintenance**

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

#### **o) 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, 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.

#### **p) 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.

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

#### **q) 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.

#### **r) Budget Figures**

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

#### **s) 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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	468,261	411,212	438,350
Teachers' Salaries Grants	1,117,535	-	1,141,076
Other MoE Grants	29,392	-	148,681
Transport grants	79,708	-	84,723
Other Government Grants - RTLB	1,266	-	890
	<u>1,696,162</u>	<u>411,212</u>	<u>1,813,720</u>

The school has opted in to the donations scheme for this year. Total amount received was \$34,200.

## 3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	1,455	-	1,637
Extra Curriculum related Activities	9,189	-	30,132
Trading	4,170	-	4,158
Fundraising & Community Grants	14,856	-	6,295
Other Revenue	4,422	-	14,264
	<u>34,092</u>	<u>-</u>	<u>56,486</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	6,380	-	33,873
Trading	5,839	-	8,665
Fundraising and Community Grant Costs	6,544	-	1,101
	<u>18,763</u>	<u>-</u>	<u>43,639</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>15,329</u>	<u>-</u>	<u>12,847</u>

## 4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	49,284	28,394	32,185
Library Resources	735	1,920	1,823
Employee Benefits - Salaries	1,261,355	84,423	1,321,691
Staff Development	15,830	12,980	18,287
	<u>1,327,204</u>	<u>127,717</u>	<u>1,373,986</u>

## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	10,827	10,300	9,843
BOT Attendance Fee	2,145	-	-
Communication	1,425	1,284	2,210
Consumables	23,983	18,756	23,736
Operating Lease	3,115	5,816	6,530
Other	94,400	20,064	104,580
Employee Benefits - Salaries	61,016	56,740	44,664
Insurance	5,402	5,620	5,765
	202,313	118,580	197,328

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	3,198	3,840	3,467
Consultancy and Contract Services	38,456	40,730	43,039
Cyclical Maintenance Provision	13,533	15,960	48,523
Grounds	7,842	7,620	6,117
Heat, Light and Water	14,013	15,480	14,920
Rates	7,598	7,691	8,233
Repairs and Maintenance	19,408	21,905	18,514
Use of Land and Buildings	187,688	-	300,300
Security	5,397	-	6,536
Employee Benefits - Salaries	23,534	20,800	24,719
	320,667	134,026	474,368

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

## 7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	422,880	422,000	438,822
Short-term Bank Deposits	19,055	19,000	19,109
Cash and cash equivalents for Statement of Cash Flows	441,935	441,000	457,931

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

## 8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	-	-	510
Receivables from the Ministry of Education	3,402	-	-
Interest Receivable	1,275	1,200	1,430
Banking Staffing Underuse	6,425	-	-
Teacher Salaries Grant Receivable	88,051	88,051	93,342
	<u>99,153</u>	<u>89,251</u>	<u>95,282</u>
Receivables from Exchange Transactions	1,275	1,200	1,940
Receivables from Non-Exchange Transactions	97,878	88,051	93,342
	<u>99,153</u>	<u>89,251</u>	<u>95,282</u>

## 9. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
School Uniforms	8,627	8,600	4,652
	<u>8,627</u>	<u>8,600</u>	<u>4,652</u>

## 10. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	300,698	300,700	295,622
	<u>300,698</u>	<u>300,700</u>	<u>295,622</u>



## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Furniture and Equipment	84,263	8,792	(939)		(14,828)	77,288
Information and Communication Technology	12,676	25,749			(15,514)	22,911
Motor Vehicles	11,044				(1,898)	9,146
Leased Assets	14,952				(6,202)	8,750
<b>Balance at 31 December 2021</b>	<b>122,935</b>	<b>34,541</b>	<b>(939)</b>	<b>-</b>	<b>(38,442)</b>	<b>118,095</b>

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	354,783	(277,495)	77,288	348,176	(263,913)	84,263
Information and Communication T	332,743	(309,832)	22,911	306,994	(294,318)	12,676
Motor Vehicles	37,594	(28,448)	9,146	37,594	(26,550)	11,044
Leased Assets	22,959	(14,209)	8,750	-	-	-
Library Resources	5,568	(5,568)	-	5,568	(5,568)	-
<b>Balance at 31 December</b>	<b>753,647</b>	<b>(635,552)</b>	<b>118,095</b>	<b>698,332</b>	<b>(590,349)</b>	<b>107,983</b>

## 12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	9,667	13,000	24,221
Accruals	10,827	-	-
Banking Staffing Overuse	-	-	48,384
Employee Entitlements - Salaries	101,557	88,051	93,342
Employee Entitlements - Leave Accrual	-	-	93
	<b>122,051</b>	<b>101,051</b>	<b>166,040</b>
Payables for Exchange Transactions	122,051	101,051	166,040
	<b>122,051</b>	<b>101,051</b>	<b>166,040</b>

The carrying value of payables approximates their fair value.

### 13. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	13,533	13,533	7,030
Increase/ (decrease) to the Provision During the Year	13,533	15,960	48,523
Use of the Provision During the Year	-	-	(42,020)
Provision at the End of the Year	<u>27,066</u>	<u>29,493</u>	<u>13,533</u>
Cyclical Maintenance - Term	27,066	29,493	13,533
	<u>27,066</u>	<u>29,493</u>	<u>13,533</u>

### 14. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	4,667		
Later than One Year and no Later than Five Years	4,408		
	<u>9,075</u>	-	-
<b>Represented by</b>			
Finance lease liability - Current	4,667		
Finance lease liability - Term	4,408		
	<u>9,075</u>	-	-

### 15. 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 Bishop Denis Brown 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'.

The Proprietor provides religious instruction to pupils of the school. This service is provided free of charge in accordance with the Private Schools Conditional Integration Act 1975. Sean McChlery is a board member and is also husband of Karen McChlery who is deputy Principal of the school. Tinika Begbie is a board member and is also an employee of Graham Brown & Co Limited whom provide accounting services to the school at nil charge.

## 16. Remuneration

### Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	2,145	-
 <i>Leadership Team</i>		
Remuneration	408,601	422,824
Full-time equivalent members	4	4
 Total key management personnel remuneration	410,746	422,824

There are 11 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal - St Mary's

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	130 - 140
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

### Principal - Bishop Edward Gaines

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	70 - 80	100 - 110
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

### Other Employees

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

	Remuneration \$000	2021 FTE Number	2020 FTE Number
Salary and Other Payments	100 - 110	1.00	1.00
		1.00	1.00

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

## 17. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, 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:

	2021 Actual	2020 Actual
Total	\$0	-
Number of People	0	-

## 18. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2021** (Contingent liabilities and assets at **31 December 2020**: nil).

### Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

## 19. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has no commitments.

(Capital commitments at 31 December 2020: \$0)

### (b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

#### (a) operating lease of photocopiers

	2021 Actual \$	2020 Actual \$
No later than One Year	-	2,848
Later than One Year and No Later than Five Years	-	-
	-	2,848

## 20. 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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Cash and Cash Equivalents	441,935	441,000	457,931
Receivables	99,153	89,251	95,282
Investments - Term Deposits	300,698	300,700	295,622
Total Financial assets measured at amortised cost	<u>841,786</u>	<u>830,951</u>	<u>848,835</u>

### Financial liabilities measured at amortised cost

Payables	122,051	101,051	166,040
Finance Leases	9,075	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>131,126</u>	<u>101,051</u>	<u>166,040</u>

## 21. Events After Balance Date

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

## 22. COVID 19 Pandemic on going implications

### Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

### Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

### Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

### Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

# **ST MARY'S/BISHOP EDWARD GAINES COMBINED SCHOOLS BOARD**

## **Other Information for the Financial Statements**

**For the year ended 31 December 2021**

### **KiwiSport Funding**

**St Marys School**

**2021**

Kiwisport is a Government funding initiative to support student participation in organised sport. In 2021 the School received total Kiwisport funding of \$2,568.36 excl gst. The funding was spent on the following which benefited all the pupils: Kiwisport Co-Ordinator for Putaruru Primary Schools

**2020**

Kiwisport is a Government funding initiative to support student participation in organised sport. In 2020 the School received total Kiwisport funding of \$2,652.94 excl gst. The funding was spent on the following which benefited all the pupils: Kiwisport Co-Ordinator for Putaruru Primary Schools

**Bishop Edward Gaines Catholic School**

**2021**

Kiwisport is a Government funding initiative to support student participation in organised sport. In 2021 the School received total Kiwisport funding of \$533.32 excl gst. The funding was spent on sporting endeavours.

**2020**

Kiwisport is a Government funding initiative to support student participation in organised sport. In 2020 the School received total Kiwisport funding of \$621.78 excl gst. The funding was spent on sporting endeavours.