

SACRED HEART SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	3815
Acting Principal:	Jacqui Hammer
School Address:	63 North Road, North East Valley, Dunedin
School Postal Address:	63 North Road, North East Valley, Dunedin
School Phone:	03 4738362
School Email:	principal@sacredheartdn.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Mark Botting	Presiding Member	Elected	May-22
Paul Richardson	Principal ex Officio		May-21
Jacqui Hammer	Acting Principal ex Officio		
Meg Dougherty	Secretary - non voting		
Dean Fraser	Parent Representative	Elected	May-22
Matt Kendrick	Parent Representative	Elected	May-22
Natalie Harfoot	Parent Representative	Elected	May-22
Amy Marslin	Parent Representative	Elected	May-22
Graeme Biggs	Proprietors Rep	Appointed	May-22
Aidan Cunningham	Proprietors Rep	Appointed	May-22
Elizabeth Moroney	Proprietors Rep	Appointed	May-22
Bronwyn Bradshaw	Staff Representative	Elected	

Accountant / Service Provider: Moore Markhams Otago

SACRED HEART SCHOOL

Annual Report - For the year ended 31 December 2021

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Sacred Heart School

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.

Full Name of Presiding Member

Full Name of Principal

Signature of Presiding Member

Signature of Principal

Date:

Date:

Sacred Heart School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	517,461	433,580	403,514
Locally Raised Funds	3	36,897	31,050	47,708
Use of Proprietor's Land and Buildings		92,750	148,400	148,400
Interest Income		673	180	1,561
International Students	4	10,290	7,000	13,783
		658,071	620,210	614,966
Expenses				
Locally Raised Funds	3	15,252	14,800	20,327
International Students	4	5,578	3,960	1,325
Learning Resources	5	434,261	356,324	332,204
Administration	6	51,618	56,000	52,185
Finance		32	-	83
Property	7	146,843	187,520	186,089
Depreciation	11	3,201	1,200	1,782
Loss on Disposal of Property, Plant and Equipment	11	138	-	-
		656,923	619,804	593,995
Net Surplus / (Deficit) for the year		1,148	406	20,971
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		1,148	406	20,971

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 School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		54,266	54,266	30,249
Total comprehensive revenue and expense for the year		1,148	406	20,971
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,229	-	3,046
Contribution - Te Mana Tuhono Grant		5,770	-	-
Equity at 31 December		62,413	54,672	54,266
Retained Earnings		62,413	54,672	54,266
Equity at 31 December		62,413	54,672	54,266

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 School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	116,473	116,467	116,061
Accounts Receivable	9	25,287	17,329	17,329
Prepayments		1,795	564	564
Inventories	10	870	341	341
		<u>144,425</u>	<u>134,701</u>	<u>134,295</u>
Current Liabilities				
GST Payable		8,493	11,108	11,108
Accounts Payable	12	26,060	20,658	20,658
Revenue Received in Advance	13	9,016	7,468	7,468
Provision for Cyclical Maintenance	14	6,000	-	-
Finance Lease Liability	15	175	670	670
		<u>49,744</u>	<u>39,904</u>	<u>39,904</u>
Working Capital Surplus/(Deficit)		94,681	94,797	94,391
Non-current Assets				
Property, Plant and Equipment	11	24,352	9,914	9,914
		<u>24,352</u>	<u>9,914</u>	<u>9,914</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	56,620	50,039	50,039
		<u>56,620</u>	<u>50,039</u>	<u>50,039</u>
Net Assets		<u>62,413</u>	<u>54,672</u>	<u>54,266</u>
Equity		<u>62,413</u>	<u>54,672</u>	<u>54,266</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 School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		173,266	133,580	152,238
Locally Raised Funds		38,494	23,450	46,328
International Students		10,283	3,040	17,507
Goods and Services Tax (net)		(2,614)	-	5,840
Payments to Employees		(124,937)	(89,340)	(114,483)
Payments to Suppliers		(83,506)	(69,304)	(79,698)
Interest Paid		(32)	-	(83)
Interest Received		732	180	1,474
Net cash from/(to) Operating Activities		11,686	1,606	29,123
Cash flows from Investing Activities				
Proceeds/Loss from Sale of Property Plant & Equipment (and Intangibles)		(138)	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(11,870)	(1,200)	(7,498)
Net cash from/(to) Investing Activities		(12,008)	(1,200)	(7,498)
Cash flows from Financing Activities				
Furniture and Equipment Grant		1,229	-	3,046
Finance Lease Payments		(495)	-	(487)
Net cash from/(to) Financing Activities		734	-	2,559
Net increase/(decrease) in cash and cash equivalents		412	406	24,184
Cash and cash equivalents at the beginning of the year	8	116,061	116,061	91,877
Cash and cash equivalents at the end of the year	8	116,473	116,467	116,061

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.

Sacred Heart School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Sacred Heart School (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 Ministry'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 14.

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.

h) 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.

i) 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:

Furniture and equipment	5-10 years
Information and communication technology	3-6 years
Library resources	10 years

j) 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.

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.

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) Revenue Received in Advance

Revenue received in advance relates to fees received from international students and other fees received 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.

o) 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.

p) 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.

q) 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.

r) 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.

s) Budget Figures

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

t) 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	116,552	98,000	111,385
Teachers' Salaries Grants	343,507	300,000	251,804
Other MoE Grants	48,842	35,580	37,879
Other Government Grants	8,560	-	2,446
	517,461	433,580	403,514
	517,461	433,580	403,514

The school has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Revenue			
Donations & Bequests	14,885	2,500	6,068
Fees for Extra Curricular Activities	3,533	3,700	10,710
Trading	3,292	1,850	373
Fundraising & Community Grants	777	8,000	3,317
Other Revenue	14,410	15,000	27,240
	36,897	31,050	47,708
Expenses			
Extra Curricular Activities Costs	4,078	3,700	8,317
Trading	2,097	2,100	447
Other Locally Raised Funds Expenditure	9,077	9,000	11,563
	15,252	14,800	20,327
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	21,645	16,250	27,381

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	2	2	2
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
International Student Fees	10,290	7,000	13,783
Expenses			
Employee Benefit - Salaries	4,266	-	-
Other Expenses	1,312	3,960	1,325
	5,578	3,960	1,325
<i>Surplus/ (Deficit) for the year International Students</i>	4,712	3,040	12,458

5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	10,930	8,528	4,291
Library Resources	-	60	300
Employee Benefits - Salaries	421,066	343,440	325,254
Staff Development	2,265	4,296	2,359
	434,261	356,324	332,204

6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	3,947	3,000	3,083
Board Fees	3,085	4,560	2,795
Communication	898	1,320	1,186
Consumables	3,706	1,080	961
Operating Lease	2,520	2,520	3,639
Other	7,473	11,700	7,584
Employee Benefits - Salaries	26,673	27,600	28,185
Insurance	753	2,220	2,257
Service Providers, Contractors and Consultancy	2,563	2,000	2,495
	51,618	56,000	52,185

7. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	2,979	9,540	3,243
Cyclical Maintenance Provision	12,581	-	(2,563)
Grounds	9,702	2,400	5,049
Heat, Light and Water	8,178	7,380	6,588
Rates	5,553	5,580	5,136
Repairs and Maintenance	2,518	1,620	8,854
Use of Land and Buildings	92,750	148,400	148,400
Employee Benefits - Salaries	12,582	12,600	11,382
	146,843	187,520	186,089

In 2021, the Ministry of Education 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 school's total property value.

8. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	70,745	71,303	70,897
Short-term Bank Deposits	45,728	45,164	45,164
Cash and cash equivalents for Statement of Cash Flows	116,473	116,467	116,061

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

9. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	1,842	1,884	1,884
Receivables from the Ministry of Education	4,603	983	983
Interest Receivable	28	87	87
Banking Staffing Underuse	2,500	1,466	1,466
Teacher Salaries Grant Receivable	16,314	12,909	12,909
	25,287	17,329	17,329
Receivables from Exchange Transactions	8,973	1,971	1,971
Receivables from Non-Exchange Transactions	16,314	15,358	15,358
	25,287	17,329	17,329

10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
School Uniforms	870	341	341
	870	341	341

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Furniture and Equipment	7,500	3,178	-	-	(1,212)	9,466
Information and Communication Technology	2,369	14,577	(138)	-	(1,983)	14,825
Library Resources	45	22	-	-	(6)	61
Balance at 31 December 2021	9,914	17,777	(138)	-	(3,201)	24,352

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Furniture and Equipment	64,423	(54,957)	9,466	66,390	(58,890)	7,500
Information and Communication T	63,250	(48,425)	14,825	76,532	(74,163)	2,369
Library Resources	27,152	(27,091)	61	27,130	(27,085)	45
Balance at 31 December	154,825	(130,473)	24,352	170,052	(160,138)	9,914

12. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	3,230	2,253	2,253
Accruals	6,407	5,496	5,496
Funds Owing to MOE	109	-	-
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	16,314	12,909	12,909
Employee Entitlements - Leave Accrual	-	-	-
	<u>26,060</u>	<u>20,658</u>	<u>20,658</u>
Payables for Exchange Transactions	26,060	20,658	20,658
	<u>26,060</u>	<u>20,658</u>	<u>20,658</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
International Student Fees in Advance	7,000	7,007	7,007
Other revenue in Advance	2,016	461	461
	<u>9,016</u>	<u>7,468</u>	<u>7,468</u>

14. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	50,039	50,039	52,602
Increase/ (decrease) to the Provision During the Year	20,409	-	3,927
Use of the Provision During the Year	-	-	(6,490)
Adjustment to the Provision	(7,828)	-	-
Provision at the End of the Year	<u>62,620</u>	<u>50,039</u>	<u>50,039</u>
Cyclical Maintenance - Current	6,000	-	-
Cyclical Maintenance - Term	56,620	50,039	50,039
	<u>62,620</u>	<u>50,039</u>	<u>50,039</u>

15. 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	186	713	713
Future Finance Charges	(11)	(43)	(43)
	<u>175</u>	<u>670</u>	<u>670</u>
Represented by			
Finance lease liability - Current	<u>175</u>	<u>670</u>	<u>670</u>
	<u>175</u>	<u>670</u>	<u>670</u>

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16. 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 (Roman Catholic Bishop of Dunedin) 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'.

17. 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	3,085	2,795
<i>Leadership Team</i>		
Remuneration	273,691	127,996
Full-time equivalent members	2.33	1
Total key management personnel remuneration	276,776	130,791

There are nine members of the Board excluding the Principal. The Board had held eight full meetings of the Board in the year. The Board also has Property members (three members) that met three times in 2021. 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

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	110 - 120
Benefits and Other Emoluments	10 - 15	15 - 20
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
110 - 120	-	-
100 - 110	1	-
	1	-

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

18. 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	-	-
Number of People	-	-

19. 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.

20. Commitments

(a) Operating Commitments

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

(a) operating lease of a photocopier;

	2021 Actual	2020 Actual
	\$	\$
No later than One Year	2,520	2,520
Later than One Year and No Later than Five Years	2,520	5,040
	<u>5,040</u>	<u>7,560</u>

21. 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	116,473	116,467	116,061
Receivables	25,287	17,329	17,329
Total Financial assets measured at amortised cost	<u>141,760</u>	<u>133,796</u>	<u>133,390</u>

Financial liabilities measured at amortised cost

Payables	26,060	20,658	20,658
Finance Leases	175	670	670
Total Financial Liabilities Measured at Amortised Cost	<u>26,235</u>	<u>21,328</u>	<u>21,328</u>

22. Events After Balance Date

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

23. Comparatives

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

24. 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 June 2021, the Wellington region was placed into alert level 2 for one week.

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 Te Tāhuhu o te Mātauranga | Ministry of 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.

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees.