



ST. FRANCIS XAVIER SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number:	3822
Principal:	Carmel Jolly
School Address	27 Benhar Street, Dunedin
School Postal Address:	27 Benhar Street, Dunedin 9011
School Phone:	03 4534446
School Email:	office@stfrancisxavier.school.nz

**Solutions
Services** 
Collaborative School Administration

ST FRANCIS XAVIER SCHOOL (MORNINGTON)

Annual Report - For the year ended 31 December 2019

Index

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

St Francis Xavier School (Mornington)

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 reflect the financial position and operations of the school.

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

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

St Francis Xavier School (Mornington)

Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How Position Gained	Held Until
Ryan Priemus	Treasurer	Elected	Jun 2022
Tim O'Sullivan	Parent Rep	Elected	Jun 2022
Joanna T-Pole	Parent Rep	Elected	Jun 2022
Joshua von Pein	Parent Rep	Elected	Jun 2022
Pauline Ryan	Staff Rep	Elected	Jun 2022
Anne Simmons	Proprietor's Rep	Appointed	Jun 2022
Daniel Rooney	Proprietor's Rep	Appointed	Jun 2022
Fr Fredy Permentilla	Proprietor's Rep	Appointed	Jun 2022
Carmel Jolly	Principal	ex Officio	Jun 2022
Andrea Chisholm	Chairperson	Elected	May 2019
Shirley Forde	Proprietor's Rep	Appointed	May 2019
Chaun Chaun Lai	Parent Rep	Elected	May 2019
In Attendance			
Lana Kennedy	Secretary		

St Francis Xavier School (Mornington)
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	847,155	833,117	778,959
Locally Raised Funds	3	59,828	34,880	78,128
Use of Land and Buildings Integrated		141,600	141,600	130,400
Interest Income		2,921	350	2,588
Other Revenue		539	-	1,229
		<u>1,052,043</u>	<u>1,009,947</u>	<u>991,304</u>
Expenses				
Locally Raised Funds	3	47,801	28,045	51,341
Learning Resources	4	698,624	696,726	648,939
Administration	5	68,565	58,300	66,341
Finance Costs		363	-	410
Property	6	181,295	193,100	179,566
Depreciation	7	12,296	7,000	13,145
Loss on Disposal of Property, Plant and Equipment		-	-	4
		<u>1,008,944</u>	<u>983,171</u>	<u>959,746</u>
Net Surplus / (Deficit)		43,099	26,776	31,558
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>43,099</u></u>	<u><u>26,776</u></u>	<u><u>31,558</u></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 Francis Xavier School (Mornington)
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2019

	2019 \$ Actual	2019 \$ Budget (Unaudited)	2018 \$ Actual
Balance at 1 January	113,713	113,713	82,155
Total comprehensive revenue and expense for the year	43,099	26,776	31,558
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	3,273	-	-
Equity at 31 December	160,085	140,489	113,713
Retained Earnings	160,085	140,489	113,713
Equity at 31 December	160,085	140,489	113,713

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 Francis Xavier School (Mornington)
Statement of Financial Position
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	24,817	95,567	61,791
Accounts Receivable	9	46,256	43,013	43,013
Prepayments		3,563	1,107	1,107
Investments	10	99,903	38,139	38,139
		<u>174,539</u>	<u>177,826</u>	<u>144,050</u>
Current Liabilities				
GST Payable		1,890	5,021	5,021
Accounts Payable	12	55,735	62,997	62,997
Revenue Received in Advance	13	3,323	-	-
Provision for Cyclical Maintenance	14	888	1,680	1,680
Painting Contract Liability - Current Portion	15	1,680	-	-
Finance Lease Liability - Current Portion	16	2,674	1,672	1,672
Funds Held on Behalf of the COL Cluster	17	1,373	-	-
		<u>67,563</u>	<u>71,370</u>	<u>71,370</u>
Working Capital Surplus/(Deficit)		106,976	106,456	72,680
Non-current Assets				
Property, Plant and Equipment	11	58,267	44,109	51,109
		<u>58,267</u>	<u>44,109</u>	<u>51,109</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	1,777	8,400	8,400
Painting Contract Liability	15	1,393	-	-
Finance Lease Liability	16	1,988	1,676	1,676
		<u>5,158</u>	<u>10,076</u>	<u>10,076</u>
Net Assets		<u>160,085</u>	<u>140,489</u>	<u>113,713</u>
Equity		<u>160,085</u>	<u>140,489</u>	<u>113,713</u>

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

St Francis Xavier School (Mornington)
Statement of Cash Flows
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		209,277	193,203	207,678
Locally Raised Funds		63,690	34,880	80,679
Goods and Services Tax (net)		(3,131)	-	3,800
Payments to Employees		(62,210)	(63,000)	(83,577)
Payments to Suppliers		(170,015)	(130,057)	(143,207)
Cyclical Maintenance Payments in the Year		(4,753)	(1,600)	-
Interest Received		2,716	350	3,045
Net cash from / (to) the Operating Activities		<u>35,574</u>	<u>33,776</u>	<u>68,418</u>
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(16,233)	-	(23,026)
Purchase of Investments		(61,764)	-	(2,168)
Net cash from the Investing Activities		<u>(77,997)</u>	<u>-</u>	<u>(25,194)</u>
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,273	-	-
Finance Lease Payments		(2,270)	-	(1,933)
Painting contract payments		3,073	-	(3,000)
Funds Administered on Behalf of Third Parties		1,373	-	-
Net cash from Financing Activities		<u>5,449</u>	<u>-</u>	<u>(4,933)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(36,974)</u>	<u>33,776</u>	<u>38,291</u>
Cash and cash equivalents at the beginning of the year	8	61,791	61,791	23,500
Cash and cash equivalents at the end of the year	8	<u>24,817</u>	<u>95,567</u>	<u>61,791</u>

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 omitted.

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

St Francis Xavier School (Mornington)

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2019

1.1. Reporting Entity

St Francis Xavier School (Mornington) (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.

1.2. 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 26.

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 11.

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.

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 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.

1.3. Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. 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.

1.5. 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.

1.6. 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.

1.7. 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.

1.8. Accounts Receivable

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

Prior Year Policy

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

1.9. Inventories

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

1.10. Investments

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

Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

1.11. 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	50 years
Furniture and equipment	5–15 years
Information and communication technology	3–5 years
Leased assets	3 years
Motor vehicles	8 years
Textbooks	3 years
Library resources	12.5% Diminishing value

1.12. 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.

1.13. 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.

1.14. Employment 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

1.15. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants 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.

1.16. 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.

1.17. 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).

1.18. Financial Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

1.19. 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.

1.20. Budget Figures

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

1.21. 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	181,761	181,610	176,640
Teachers' salaries grants	641,643	639,914	569,307
Other MoE Grants	22,978	11,593	27,186
Other government grants	773	-	5,826
	<u>847,155</u>	<u>833,117</u>	<u>778,959</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	17,822	9,880	21,166
Fundraising	-	-	1,901
Bequests and Grants	7,196	5,000	15,465
Other revenue	9,671	20,000	21,605
Trading	2,387	-	3,153
Activities	22,752	-	14,838
	<u>59,828</u>	<u>34,880</u>	<u>78,128</u>
Expenses			
Activities	32,424	500	22,039
Trading	1,309	-	3,453
Other Expenses	14,068	27,545	25,849
	<u>47,801</u>	<u>28,045</u>	<u>51,341</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>12,027</u>	<u>6,835</u>	<u>26,787</u>

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	19,910	12,712	17,145
Equipment repairs	2,306	-	-
Employee benefits - salaries	670,314	677,514	616,405
Staff development	6,094	6,500	15,389
	<u>698,624</u>	<u>696,726</u>	<u>648,939</u>

5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	3,800	3,000	3,244
Board of Trustees Fees	3,575	4,600	3,570
Board of Trustees Expenses	2,929	250	566
Communication	2,293	2,250	2,487
Consumables	12,997	11,100	9,875
Operating Lease	301	3,000	1,694
Other	12,212	5,250	9,038
Employee Benefits - Salaries	27,826	25,400	32,862
Insurance	339	2,850	2,620
Service Providers, Contractors and Consultancy	2,293	600	385
	<u>68,565</u>	<u>58,300</u>	<u>66,341</u>

6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	774	900	850
Consultancy and Contract Services	17,518	25,000	15,644
Cyclical Maintenance Provision	1,680	1,600	5,413
Adjustment to the Provision	(4,342)	-	-
Grounds	3,196	2,600	3,523
Heat, Light and Water	10,993	10,500	11,567
Repairs and Maintenance	5,528	10,000	6,824
Use of Land and Buildings	141,600	141,600	130,400
Security	364	900	512
Employee Benefits - Salaries	3,984	-	4,833
	<u>181,295</u>	<u>193,100</u>	<u>179,566</u>

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

7. Depreciation of Property, Plant and Equipment

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Furniture and Equipment	3,958	2,000	3,437
Information and Communication Technology	6,235	2,000	7,756
Leased Assets	1,841	2,000	1,661
Library Resources	262	1,000	291
	<u>12,296</u>	<u>7,000</u>	<u>13,145</u>

8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	77	-	60
Bank Current Account	24,733	95,567	61,731
Bank Call Account	7	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>24,817</u>	<u>95,567</u>	<u>61,791</u>

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

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables from the Ministry of Education	-	3,765	3,765
Interest Receivable	457	252	252
Banking Staffing Underuse	1,729	-	-
Teacher Salaries Grant Receivable	44,070	38,996	38,996
	<u>46,256</u>	<u>43,013</u>	<u>43,013</u>
Receivables from Exchange Transactions	457	252	252
Receivables from Non-Exchange Transactions	45,799	42,761	42,761
	<u>46,256</u>	<u>43,013</u>	<u>43,013</u>

10. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	99,903	38,139	38,139
Total Investments	<u>99,903</u>	<u>38,139</u>	<u>38,139</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Furniture and Equipment	26,178	2,690	-	-	(3,958)	24,910
Information and Communication	19,103	13,543	-	-	(6,235)	26,411
Leased Assets	3,210	3,221	-	-	(1,841)	4,590
Library Resources	2,618	-	-	-	(262)	2,356
Balance at 31 December 2019	<u>51,109</u>	<u>19,454</u>	<u>-</u>	<u>-</u>	<u>(12,296)</u>	<u>58,267</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Furniture and Equipment	144,610	(119,700)	24,910
Information and Communication	208,103	(181,692)	26,411
Leased Assets	8,092	(3,502)	4,590
Library Resources	34,994	(32,638)	2,356
Balance at 31 December 2019	<u>395,799</u>	<u>(337,532)</u>	<u>58,267</u>

The net carrying value of equipment held under a finance lease is \$4,590 (2018: \$3,210)

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Furniture and Equipment	20,509	9,106	-	-	(3,437)	26,178
Information and Communication	12,939	13,920	-	-	(7,756)	19,103
Leased Assets	-	4,871	-	-	(1,661)	3,210
Library Resources	2,913	-	(4)	-	(291)	2,618
Balance at 31 December 2018	<u>36,361</u>	<u>27,897</u>	<u>(4)</u>	<u>-</u>	<u>(13,145)</u>	<u>51,109</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Furniture and Equipment	141,920	(115,742)	26,178
Information and Communication	194,561	(175,458)	19,103
Leased Assets	4,871	(1,661)	3,210
Library Resources	34,994	(32,376)	2,618
Balance at 31 December 2018	<u>376,346</u>	<u>(325,237)</u>	<u>51,109</u>

12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	6,079	15,700	15,700
Accruals	4,370	7,085	7,085
Employee Entitlements - salaries	44,070	38,996	38,996
Employee Entitlements - leave accrual	1,216	1,216	1,216
	<u>55,735</u>	<u>62,997</u>	<u>62,997</u>

Payables for Exchange Transactions	55,735	62,997	62,997
	<u>55,735</u>	<u>62,997</u>	<u>62,997</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	3,323	-	-
	<u>3,323</u>	<u>-</u>	<u>-</u>

14. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	10,080	10,080	4,667
Increase to the Provision During the Year	1,680	-	5,413
Adjustment to the Provision	(4,342)	-	-
Use of the Provision During the Year	(4,753)	-	-
Provision at the End of the Year	<u>2,665</u>	<u>10,080</u>	<u>10,080</u>
Cyclical Maintenance - Current	888	1,680	1,680
Cyclical Maintenance - Term	1,777	8,400	8,400
	<u>2,665</u>	<u>10,080</u>	<u>10,080</u>

15. Painting Contract Liability

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Liability	1,680	-	-
Non Current Liability	1,393	-	-
	<u>3,073</u>	<u>-</u>	<u>-</u>

In 2018 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering an six year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2019, with regular maintenance in subsequent years. The agreement has an annual commitment of \$1,680. 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.

16. 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	3,017	1,932	1,932
Later than One Year and no Later than Five Years	2,181	1,771	1,771
	<u>5,198</u>	<u>3,703</u>	<u>3,703</u>

17. Funds Held on Behalf of the COL Cluster

St Francis Xavier School (Mornington) was the lead school and holds funds on behalf of the COL cluster, a group of schools funded by the Ministry of Education to share professional support.

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Received from Cluster Members	7,525	-	-
Funds Spent on Behalf of the Cluster	(6,152)	-	-
Funds Held at Year End	<u>1,373</u>	<u>-</u>	<u>-</u>

18. 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 Diocese 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 1.4. 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".

19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy and Assistant Principals.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,575	3,570
Full-time equivalent members	0.30	0.30
<i>Leadership Team</i>		
Remuneration	325,768	278,343
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	<u>329,343</u>	<u>281,913</u>
Total full-time equivalent personnel	<u>3.30</u>	<u>3.30</u>

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	100 - 110
Benefits and Other Emoluments	3 - 4	1 - 5
Termination Benefits	0 - 0	0 - 0

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	1.00	-
	<u>1.00</u>	<u>-</u>

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

20. 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	-	-

21. 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.

22. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has not entered into any contract agreements.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has not entered into any operating contracts:

(a) operating lease of computer photocopier;

	2019 Actual \$	2018 Actual \$
No later than One Year	-	4,260
	-	4,260

23. 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.

24. 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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	24,817	95,567	61,791
Receivables	46,256	43,013	43,013
Investments - Term Deposits	99,903	38,139	38,139
Total Financial Assets Measured at amortised cost	170,976	176,719	142,943

Financial liabilities measured at amortised cost

Payables	55,735	62,997	62,997
Finance Leases	4,662	3,348	3,348
Painting Contract Liability	3,073	-	-
Total Financial Liabilities Measured at Amortised Cost	63,470	66,345	66,345

25. Events After Balance Date

Impact from COVID-19

On the 11th March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26th 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 until 18 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.

26. 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:

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.

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.