

ST PATRICK'S SCHOOL (INVERCARGILL)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number: 4020
Principal: Callan Goodall
School Address: 161 Metzger Street, Heidelberg, Invercargill
School Postal Address: 161 Metzger Street, Heidelberg, Invercargill 9812
School Phone: (03) 2168505
School Email: secretary@stpatinv.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Paul Breen	Chair Person	Appointed	Fire Safety Technician	
Callan Goodall	Principal	ex Officio		
Pete Pasco	Parent Rep	Elected		Nov-20
Paul Esplin	Parent Rep	Elected		May-22
Mandy Taylor (Smith)	Parent Rep	Appointed	ECE	May-20
Regan McRandle	Parent Rep	Elected	Roading Company Manager	May-22
Father Vaughan Hook	Proprietors' Rep	Appointed		May-22
Raewyn Benzie	Proprietors' Rep	Appointed	Dominican Sister	May-22
Rhea Forrester	Proprietors' Rep	Appointed	Admin	Oct-21
Nathan Collie	Staff Rep	Elected	Assistant Principal	May-22
Simon Kairau				Resigned May-19
Matthew Keil				Resigned May-19

Accountant / Service Provider: Maggie Turnhout

ST PATRICK'S SCHOOL (INVERCARGILL)

Annual Report - For the year ended 31 December 2019

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St Patrick's School (Invercargill)

Statement of Responsibility

For the year ended 31 December 2019

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

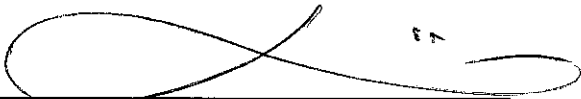
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

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

Paul Breen

Full Name of Board Chairperson



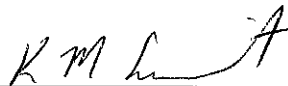
Signature of Board Chairperson

31-05-2020

Date:

Kath Leishout

Full Name of Acting Principal



Signature of Acting Principal

31-05-2020

Date:

St Patrick's School (Invercargill)
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	1,925,032	1,842,043	1,844,967
Locally Raised Funds	3	95,269	64,700	51,107
Use of Land and Buildings Integrated		350,400	295,200	295,200
Interest income		16,617	15,000	8,455
		<u>2,387,318</u>	<u>2,216,943</u>	<u>2,199,729</u>
Expenses				
Locally Raised Funds	3	57,204	25,000	36,182
Learning Resources	4	1,689,772	1,627,451	1,686,977
Administration	5	131,448	122,400	125,689
Finance		998	-	1,148
Property	6	433,085	404,864	391,437
Depreciation	7	53,044	36,000	58,743
Loss on Disposal of Property, Plant and Equipment		8,244	-	-
		<u>2,373,795</u>	<u>2,215,715</u>	<u>2,300,176</u>
Net Surplus / (Deficit) for the year		13,523	1,228	(100,448)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>13,523</u></u>	<u><u>1,228</u></u>	<u><u>(100,448)</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 Patrick's School (Invercargill)

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		304,265	304,265	404,712
Total comprehensive revenue and expense for the year		13,523	1,228	(100,448)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		7,293	-	-
Equity at 31 December	23	325,081	305,493	304,265
Retained Earnings		325,081	305,493	304,265
Equity at 31 December		325,081	305,493	304,265

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 Patrick's School (Invercargill)

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	31,173	66,076	11,053
Accounts Receivable	9	89,603	96,563	96,563
GST Receivable		4,688	11,288	11,287
Prepayments		2,929	-	-
Investments	10	320,932	361,783	361,783
		<u>449,325</u>	<u>535,711</u>	<u>480,687</u>
Current Liabilities				
Accounts Payable	12	122,511	202,858	202,858
Revenue Received in Advance	13	75	2,374	2,374
Provision for Cyclical Maintenance	14	38,265	6,023	6,023
Finance Lease Liability - Current Portion	15	7,940	649	7,205
Funds held in Trust	16	9,688	-	-
Funds held on behalf of Supplementary Learning Support Cluster	17	5,184	5,184	5,184
		<u>183,664</u>	<u>217,088</u>	<u>223,644</u>
Working Capital Surplus/(Deficit)		265,661	318,623	257,043
Non-current Assets				
Property, Plant and Equipment	11	103,881	86,967	122,967
		<u>103,881</u>	<u>86,967</u>	<u>122,967</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	29,395	99,447	74,447
Finance Lease Liability	15	15,066	650	1,299
		<u>44,461</u>	<u>100,097</u>	<u>75,746</u>
Net Assets		<u>325,081</u>	<u>305,493</u>	<u>304,265</u>
Equity	23	<u>325,081</u>	<u>305,493</u>	<u>304,265</u>

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



St Patrick's School (Invercargill)
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		514,545	495,573	558,616
Locally Raised Funds		84,845	64,700	53,703
Goods and Services Tax (net)		6,602	-	7,175
Payments to Employees		(373,538)	(302,381)	(403,831)
Payments to Suppliers		(262,397)	(210,664)	(272,886)
Interest Paid		(998)	-	(1,148)
Interest Received		15,931	15,000	9,625
Net cash from Operating Activities		(15,012)	62,228	(48,746)
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(17,418)	-	(3,310)
Purchase of Investments		40,851	-	90,834
Net cash from Investing Activities		23,433	-	87,524
Cash flows from Financing Activities				
Furniture and Equipment Grant		7,293	-	-
Finance Lease Payments		(5,282)	(7,205)	(26,375)
Painting contract payments		-	-	(19,146)
Funds Administered on Behalf of Third Parties		9,688	-	-
Net cash from Financing Activities		11,699	(7,205)	(45,521)
Net increase/(decrease) in cash and cash equivalents		20,120	55,023	(6,743)
Cash and cash equivalents at the beginning of the year	8	11,053	11,053	17,796
Cash and cash equivalents at the end of the year	8	31,173	66,076	11,053

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

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



St Patrick's School (Invercargill)

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

St Patricks School (Invercargill) (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 27.

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.

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. Finance leases are disclosed at note 15.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are 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 Crown.

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.

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.



e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

Prior Year Policy

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

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.

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.

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.

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	6 - 20 years
Furniture and equipment	3 - 10 years
Leased assets held under a Finance Lease	3 - 5 years
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 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.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from students where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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



o) 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.

p) 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).

q) 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, 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.

r) Borrowings

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

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

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

s) 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.

t) Budget Figures

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

u) 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	459,522	458,688	461,170
Teachers' Salaries Grants	1,345,368	1,286,351	1,286,351
Resource Teachers Learning and Behaviour Grants	3,232	14,000	20,509
Other MoE Grants	105,887	-	-
Other Government Grants	11,023	83,004	76,937
	<u>1,925,032</u>	<u>1,842,043</u>	<u>1,844,967</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	17,948	20,000	7,416
Bequests & Grants	9,709	10,000	-
Activities	39,147	14,000	21,127
Trading	17,307	4,700	4,166
Fundraising	-	6,000	1,055
Other Revenue	11,158	10,000	17,343
	<u>95,269</u>	<u>64,700</u>	<u>51,107</u>
Expenses			
Activities	42,316	15,000	27,937
Trading	14,888	4,000	3,444
Fundraising (Costs of Raising Funds)	-	6,000	4,801
	<u>57,204</u>	<u>25,000</u>	<u>36,182</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>38,066</u>	<u>39,700</u>	<u>14,926</u>

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	26,008	37,900	22,753
Equipment Repairs	4,426	500	67
Information and Communication Technology	2,912	5,600	3,295
Extra-Curricular Activities	1,839	100	217
Library Resources	842	3,000	3,221
Employee Benefits - Salaries	1,644,363	1,560,351	1,642,629
Staff Development	9,383	20,000	14,795
	<u>1,689,772</u>	<u>1,627,451</u>	<u>1,686,977</u>



5. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	4,137	4,300	3,238
Board of Trustees Fees	3,600	6,000	3,750
Board of Trustees Expenses	5,596	1,000	13,871
Communication	4,330	5,000	4,228
Consumables	1,812	2,700	4,431
Operating Lease	17,136	14,000	(2,069)
Other	18,452	11,900	17,401
Employee Benefits - Salaries	67,521	68,500	74,899
Insurance	3,200	2,500	-
Service Providers, Contractors and Consultancy	5,664	6,500	5,940
	<u>131,448</u>	<u>122,400</u>	<u>125,689</u>

6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	4,055	5,000	4,170
Consultancy and Contract Services	25,268	23,500	20,255
Cyclical Maintenance Provision	(12,810)	25,000	-
Grounds	2,357	1,700	1,802
Heat, Light and Water	19,018	21,300	19,230
Rates	2,873	3,164	2,790
Repairs and Maintenance	21,064	8,500	25,069
Use of Land and Buildings	350,400	295,200	295,200
Security	1,132	1,500	1,362
Employee Benefits - Salaries	19,728	20,000	21,560
	<u>433,085</u>	<u>404,864</u>	<u>391,437</u>

7. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Buildings - School	2,224	500	498
Furniture and Equipment	30,314	25,000	36,927
Leased Assets	19,961	10,000	19,549
Library Resources	545	500	1,769
	<u>53,044</u>	<u>36,000</u>	<u>58,743</u>



8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	13,976	64,982	9,959
Bank Call Account	17,197	1,094	1,094
Cash and cash equivalents for Cash Flow Statement	<u>31,173</u>	<u>66,076</u>	<u>11,053</u>

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	8,125	-	-
Interest Receivable	687	-	-
Teacher Salaries Grant Receivable	80,791	96,563	96,563
	<u>89,603</u>	<u>96,563</u>	<u>96,563</u>
Receivables from Exchange Transactions	8,812	-	-
Receivables from Non-Exchange Transactions	80,791	96,563	96,563
	<u>89,603</u>	<u>96,563</u>	<u>96,563</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	320,932	361,783	361,783
Total Investments	<u>320,932</u>	<u>361,783</u>	<u>361,783</u>



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	6,876	-	-	-	(2,222)	4,654
Furniture and Equipment	88,475	14,953	-	-	(30,314)	73,114
Leased Assets	25,712	24,785	(8,244)	-	(19,961)	22,292
Library Resources	1,904	2,462	-	-	(545)	3,821
Balance at 31 December 2019	122,967	42,200	(8,244)	-	(53,042)	103,881

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	47,450	(42,796)	4,654
Furniture and Equipment	638,325	(565,211)	73,114
Leased Assets	31,599	(9,307)	22,292
Library Resources	53,700	(49,879)	3,821
Balance at 31 December 2019	771,074	(667,193)	103,881

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	7,374	-	-	-	(498)	6,876
Furniture and Equipment	121,709	3,693	-	-	(36,927)	88,475
Leased Assets	45,261	-	-	-	(19,549)	25,712
Library Resources	3,673	-	-	-	(1,769)	1,904
Balance at 31 December 2018	178,017	3,693	-	-	(58,743)	122,967

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	47,449	(40,573)	6,876
Furniture and Equipment	623,371	(534,896)	88,475
Leased Assets	80,632	(54,919)	25,712
Library Resources	51,237	(49,333)	1,904
Balance at 31 December 2018	802,688	(679,721)	122,967



12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	28,865	47,677	47,677
Accruals	5,031	3,380	3,380
Banking Staffing Overuse	7,824	60,119	60,119
Employee Entitlements - Salaries	80,791	91,682	91,682
	<u>122,511</u>	<u>202,858</u>	<u>202,858</u>
Payables for Exchange Transactions	122,511	202,858	202,858
	<u>122,511</u>	<u>202,858</u>	<u>202,858</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	75	2,374	2,374
	<u>75</u>	<u>2,374</u>	<u>2,374</u>

14. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	80,470	80,470	80,470
Increase/ (decrease) to the Provision During the Year	16,291	25,000	
Use of the Provision During the Year	(4,004)	-	-
Adjustment to the Provision	(25,097)		
Provision at the End of the Year	<u>67,660</u>	<u>105,470</u>	<u>80,470</u>
Cyclical Maintenance - Current	38,265	6,023	6,023
Cyclical Maintenance - Term	29,395	99,447	74,447
	<u>67,660</u>	<u>105,470</u>	<u>80,470</u>



15. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	8,520	649	7,205
Later than One Year and no Later than Five Years	15,721	650	1,299
Later than Five Years	-	-	-
	24,241	1,299	8,504

16. Funds held in Trust

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	9,688	-	-
	9,688	-	-

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

17. Funds Held on Behalf of Supplementary Learning

St Patricks School (Invercargill) is the lead school and holds funds on behalf of the Supplementary Learning cluster, a group of schools funded by the Ministry.

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held at Beginning of the Year	5,184	5,184	5,184
Funds Held at Year End	5,184	5,184	5,184

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 ([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(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".

19. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,600	3,750
Full-time equivalent members	0.06	0.33
<i>Leadership Team</i>		
Remuneration	565,107	480,929
Full-time equivalent members	6	4
Total key management personnel remuneration	<u>568,707</u>	<u>484,679</u>
Total full-time equivalent personnel	<u>6.06</u>	<u>4.33</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	140 - 150	130 - 140
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
110 - 120	-	-
100 - 110	-	-
	<u>-</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 entered into no contract agreements for capital works.

Capital commitments at 31 December 2018: \$nil

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 (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	31,173	66,076	11,053
Receivables	89,603	96,563	96,563
Investments - Term Deposits	320,932	361,783	361,783
Total Financial assets measured at amortised cost	<u>441,708</u>	<u>524,422</u>	<u>469,400</u>

Financial liabilities measured at amortised cost

Payables	122,511	202,858	202,857
Finance Leases	23,006	1,299	8,504
Total Financial Liabilities Measured at Amortised Cost	<u>145,517</u>	<u>204,156</u>	<u>211,361</u>



25. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

26. Comparatives

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

27. Adoption of PBE IFRS 9 Financial Instruments

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements

St Patrick's School (Invercargill)

Kiwisport Statement

31 December 2019

Kiwisport is a Government funding initiative to support students' participation in organised sports.

During 2019, the School received total Kiwisport funding of \$4,004 (GST excl).

The funding was used for:

- Sport Southland programmes in rippa rugby, netball and basketball
- purchase of sports equipment
- entering of teams into the following sports:
 - Netball
 - Touch Rugby
 - Miniball
 - Cricket
 - Rippa Rugby
 - Rugby League
 - Gymnastics
 - Football/Futsal
- assistance for families who were unable to meet the cost of sports fees

The number of students participating in organised sports was 70% of the school roll.

Analysis of Variance on St Patrick's End Year Data 2019

The data contained in this report is against Curriculum level expectations of the New Zealand Curriculum. This is obviously a move away from National Standards though in many aspects our overall teacher judgments under national Standards were based around curriculum levels. It is important to note that the data contained below has been cross-checked and moderated across the school.

As per our previous discussions it does not include data for children in the first 2 years of school, as this is only gathered for those that are developmentally ready so cannot be used for comparative purposes as it does not include all children at this level of the school.

We have used the terms below, on track, at and above for our data analysis. On track is those children who are very close to expectation (within one sub level). These are the same measures we used in the mid year data.

Each Syndicate leader has a list of the names of all children, where they are at and what supports are in place.

Reading:

- 93% of children are on track to be at or above Curriculum expectation for Reading
- 54% are more than one year ahead of expectation
- The greatest shift in reading is for those children across the board who have moved from 'on track' to 'at' or from 'at' to 'above'.
- Girls are doing slightly better than boys across the board though the movement of boys from below to at or above has been more significant than girls which is really encouraging.
- From Year 3-6 data for Pakeha/NZE is comparable with all students
- In years 3-6 our Maori students have made greater accelerated progress than the rest of the cohort and across the board the results are comparative to the whole data set.
- For Pasifika students they are performing at or above the cohort levels across the board. No Pasifika students are below in reading.
- For Asian students they are performing exceptionally well with 100% on, track, at or above expectation. This is really encouraging as many come into our school as English Language Learners and often take a year or two to overcome the language barrier. This shows that our ESOL programmes and Talk First programmes are having genuine impact.

As expected once year 1 and 2 students have been removed from our data picture the results in reading are very pleasing with the vast majority at or above expectation. The main target area that will be closely monitored – Year 3 & 5 boys and year 3 & 4 Maori students.

Writing:

- 82% of children are on track, at or above Curriculum expectation for Writing

- 11% are more than one year ahead of expectation, which up from 3% at mid year.
- There has been significant movement in writing which is really encouraging. At all levels we have had a reduction in the numbers of children who are below or on track moving to at and above with year 4 and 6 moving 49% and 31% respectively.
- There is still a gap between the boys and the girls though it is really encouraging how much acceleration has happened for the boys at all levels.
- For Year 3, 4 and 6 data for Pakeha/NZE equal to or better than the average though in year 5 it is lower than expected.
- We have seen great gains from Maori students across the board in all levels and the data is now similar to the rest of the cohort.
- For Pasifika students are performing comparably with all students, with the vast majority on track, at or above expectation.
- For Asian students 100% are on track, at or above expectation, which is excellent.

As with reading our writing data is better than it was mid year. This is of particular note as often writing has stagnated in terms of progress as children have progressed through the school. It has been great to see the reduction in numbers below from mid year to now and also for the second year in a row we have a significant group above expectation. The target will remain around those who are currently below expectation, which is spread fairly evenly across the school, though more of an issue for boys and those in year 5.

Mathematics:

- 81% of children are on track, at or above Curriculum expectation for Maths
- 18% are more than one year ahead of expectation, which is up from 7% at mid year
- There has been accelerated progress in years 3, 4 and 6 especially with the percentages though a stagnation to some extent with children in year 5.
- Boys and girls have similar levels of achievement at Year 3 and 6. In year 4 and 5 girls are performing slightly better than boys
- Across the board data for Pakeha/NZE is reflective of the whole data set, with a drop in year 5..
- Across the board data for Maori is reflective of the whole data set, with a drop in year 5. There has been good acceleration at all levels from below/on track to at /above.
- For Pasifika students they are performing with the average, though slightly below in years 4 and 5. This is difficult to draw too many conclusions from as numbers quite low
- For Asian students they performing exceptionally well with the vast majority at or above expectation.

As with writing the data is better than mid year and in mathematics this is also encouraging as the complexity of mathematics as children get older tends to mean that the results taper off. There has also been a bigger focus on assessing children across the strands of the mathematics curriculum rather than a number dominated focus. There are target groups that need attention - Year 5 students and this appears to be across the board though slightly more so for boys.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ST PATRICK'S SCHOOL (INVERCARGILL)'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of St Patrick's School (Invercargill) (the School). The Auditor-General has appointed me, Kenneth Sandri, using the staff and resources of Crowe, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the Statement of Financial Position as at 31 December 2019, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Cash Flow Statement for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2019; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 31 May 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to the possible effects of COVID-19. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 25 on page 19 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic

Basis of opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included on page 1 and pages 20 to 22, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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



Kenneth Sandri
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Invercargill, New Zealand