

ST. MARY'S SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number: 2454
Principal: Jacqui Luxton
School Address: 30 London Street, Wanganui
School Postal Address: 30 London Street, Wanganui
School Phone: 06-343-1227
School Email: school@stmarys.co.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Expiry Date
Ari Houshang	Chair Person	Elected	May-19
Jacqui Luxton	Principal		
Michael Norton	Parent Rep	Elected	May-20
Brenton Knight	Parent Rep	Elected	May-20
Dave MacMillan	Parent Rep	Elected	May-19
Ricky Lee	Parent Rep	Elected	May-19
Jacqui Jones	Parent Rep	Proprietors Rep	May-19
Erin Carver	Parent Rep	Proprietors Rep	May-19
Marianne Vine	Parent Rep	Proprietors Rep	May-19
Ernest Yalden	Parent Rep	Proprietors Rep	May-19
Ian Kerr	Staff Rep	Elected	May-19

Accountant / Service Provider: Doyle & Associates the Accountants Ltd
32 Taupo Quay, Wanganui

ST. MARY'S SCHOOL

Annual Report - For the year ended 31 December 2018

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St. Mary's School

Statement of Responsibility

For the year ended 31 December 2018

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 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

Ari Houshangji
Full Name of Board Chairperson

[Signature]
Signature of Board Chairperson
30 May 2019

Date: _____

Jacqui Luxton
Full Name of Principal

[Signature]
Signature of Principal
30 May 2019

Date: _____

St. Mary's School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	1,391,368	1,321,000	1,314,045
Locally Raised Funds	3	84,196	80,400	89,367
Use of Land and Buildings Integrated		218,174	215,000	218,174
Interest Earned		336	500	337
Other Revenue		-	-	-
		<hr/> 1,694,074	<hr/> 1,616,900	<hr/> 1,621,923
Expenses				
Locally Raised Funds	3	58,742	55,900	66,222
Learning Resources	4	1,129,013	1,079,750	1,039,201
Administration	5	140,348	172,200	133,758
Finance		1,090	-	712
Property	6	354,975	306,870	304,073
Depreciation	7	22,020	23,700	21,606
		<hr/> 1,706,188	<hr/> 1,638,420	<hr/> 1,565,572
Net Surplus / (Deficit) for the year		(12,114)	(21,520)	56,351
Other Comprehensive Revenue and Expenses				
Total Comprehensive Revenue and Expense for the Year		<hr/> (12,114)	<hr/> (21,520)	<hr/> 56,351

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

St. Mary's School **Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	<u>251,099</u>	<u>220,709</u>	<u>194,748</u>
Total comprehensive revenue and expense for the year	(12,114)	(21,520)	56,351
Capital Contributions from the Ministry of Education	-	-	-
Contribution - Furniture and Equipment Grant	-	-	-
Equity at 31 December	<u>238,985</u>	<u>199,189</u>	<u>251,099</u>
Retained Earnings	238,985	199,189	251,099
Reserves	-	-	-
Equity at 31 December	<u>238,985</u>	<u>199,189</u>	<u>251,099</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.

St. Mary's School

Statement of Financial Position

As at 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	263,495	178,579	235,062
Accounts Receivable	9	71,004	71,000	71,500
GST Receivable		11,725	10,000	10,733
Prepayments		4,112	4,000	1,334
Inventories	10	6,445	-	5,745
		<u>356,781</u>	<u>263,579</u>	<u>324,374</u>
Current Liabilities				
GST Payable		-	-	-
Accounts Payable	12	100,771	98,000	89,212
Revenue Received in Advance	13	12,808	10,000	10,650
Provision for Cyclical Maintenance	14	8,888	6,600	29,750
Finance Lease Liability - Current Portion	15	2,011	1,400	5,973
		<u>124,478</u>	<u>116,000</u>	<u>135,585</u>
Working Capital Surplus/(Deficit)		232,303	147,579	188,789
Non-current Assets				
Property, Plant and Equipment	11	77,083	66,410	80,542
		<u>77,083</u>	<u>66,410</u>	<u>80,542</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	69,019	14,800	15,300
Finance Lease Liability	15	1,383	-	2,933
		<u>70,402</u>	<u>14,800</u>	<u>18,233</u>
Net Assets		<u>238,984</u>	<u>199,189</u>	<u>251,098</u>
Equity		<u>238,985</u>	<u>199,189</u>	<u>251,099</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

St. Mary's School

Statement of Cash Flows

For the year ended 31 December 2018

	Note	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash flows from Operating Activities				
Government Grants		402,160	389,047	405,424
Locally Raised Funds		87,997	87,400	90,436
Goods and Services Tax (net)		(992)	(791)	(2,180)
Payments to Employees		(234,395)	(247,596)	(207,607)
Payments to Suppliers		(188,410)	(259,483)	(197,500)
Cyclical Maintenance Payments in the year		(13,100)	(10,550)	
Interest Paid		(1,090)	-	(712)
Interest Received		336	500	337
Net cash from / (to) the Operating Activities		52,506	(41,473)	88,198
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(18,561)	(13,000)	(22,128)
Net cash from / (to) the Investing Activities		(18,561)	(13,000)	(22,128)
Cash flows from Financing Activities				
Finance Lease Payments		(5,512)	(2,010)	(9,300)
Net cash from Financing Activities		(5,512)	(2,010)	(9,300)
Net increase/(decrease) in cash and cash equivalents		28,433	(56,483)	56,770
Cash and cash equivalents at the beginning of the year	8	235,062	235,062	178,292
Cash and cash equivalents at the end of the year	8	263,495	178,579	235,062

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.

St. Mary's School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

St. Mary's School (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 2018 to 31 December 2018 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".

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

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. 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.

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

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) 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.

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 \$1,000 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.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

Depreciation

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

The estimated useful lives of the assets are:

Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 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.

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.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from school fees 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.

o) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Proprietor, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

p) 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.

q) Borrowings

Borrowings are recognised at the amount borrowed. 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 the balance date.

r) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	382,830	374,047	388,927
Teachers' salaries grants	989,208	931,953	908,621
Other government grants	19,330	15,000	16,497
	<u>1,391,368</u>	<u>1,321,000</u>	<u>1,314,045</u>

3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Activities	57,223	43,200	53,777
Trading	5,922	5,000	10,911
Fundraising	15,999	13,200	19,885
Other Revenue	5,052	19,000	4,794
	<u>84,196</u>	<u>80,400</u>	<u>89,367</u>
Expenses			
Activities	49,174	47,700	47,798
Trading	3,353	5,000	14,060
Fundraising costs	6,215	3,200	4,364
	<u>58,742</u>	<u>55,900</u>	<u>66,222</u>
	<u>25,454</u>	<u>24,500</u>	<u>23,145</u>

Surplus/ (Deficit) for the year Locally raised funds

4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	34,929	49,701	30,452
Information and communication technology	1,294	14,000	656
Library resources	12,771	3,000	12,063
Employee benefits - salaries	1,080,019	1,013,049	996,030
	<u>1,129,013</u>	<u>1,079,750</u>	<u>1,039,201</u>

5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,000	4,500	4,000
Board of Trustees Fees	5,487	7,000	5,905
Board of Trustees Expenses	3,793	2,500	16,213
Communication	2,260	2,500	2,231
Consumables	3,062	3,000	2,468
Operating Lease	1,159	3,000	1,445
Other	16,733	23,100	18,384
Employee Benefits - Salaries	101,182	123,000	79,958
Insurance	2,672	3,600	3,154
	<u>140,348</u>	<u>172,200</u>	<u>133,758</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	11,478	7,570	8,163
Cyclical Maintenance Expense	45,957	10,000	5,990
Grounds	4,091	7,000	4,481
Heat, Light and Water	13,373	10,000	10,104
Rates	2,653	2,500	2,416
Repairs and Maintenance	10,948	10,000	9,092
Use of Land and Buildings	218,174	215,000	218,174
Security	1,188	1,300	1,367
Employee Benefits - Salaries	47,113	43,500	44,286
	<u>354,975</u>	<u>306,870</u>	<u>304,073</u>

7. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Furniture and Equipment	7,947	8,000	7,957
Information and Communication Technology	6,670	8,300	6,376
Textbooks	195	200	16
Leased Assets	5,376	5,400	5,375
Library Resources	1,832	1,800	1,882
	<u>22,020</u>	<u>23,700</u>	<u>21,606</u>

8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	-	-	-
Bank Current Account	97,405	67,916	69,125
Bank Call Account	166,090	110,663	165,937
	<u>263,495</u>	<u>178,579</u>	<u>235,062</u>

Cash and cash equivalents for Cash Flow Statement

St. Mary's School holds a Westpac Businesss MasterCard facility with a limit of \$5,000

9. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	3,061	3,000	4,704
Teacher Salaries Grant Receivable	67,943	68,000	66,796
	<u>71,004</u>	<u>71,000</u>	<u>71,500</u>
	<u>71,004</u>	<u>71,000</u>	<u>71,500</u>
Receivables from Exchange Transactions	3,061	3,000	4,704
Receivables from Non-Exchange Transactions	67,943	68,000	66,796
	<u>71,004</u>	<u>71,000</u>	<u>71,500</u>

10. Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$

School Uniforms

6,445	-	5,745
6,445	-	5,745

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Furniture and Equipment	37,234	8,721			(7,947)	38,008
Information and Communication	10,397	9,031			(6,670)	12,758
Textbooks	6,426				(195)	6,231
Leased Assets	11,898				(5,376)	6,522
Library Resources	14,587	809			(1,832)	13,564
Balance at 31 December 2018	80,542	18,561	-	-	(22,020)	77,083

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Furniture and Equipment	89,747	(51,736)	38,011
Information and Communication	35,325	(22,600)	12,725
Textbooks	6,442	(211)	6,231
Leased Assets	21,501	(14,947)	6,554
Library Resources	65,926	(52,364)	13,562
Balance at 31 December 2018	218,941	(141,858)	77,083

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Furniture and Equipment	34,263	10,928			(7,957)	37,234
Information and Communication	25,306	3,215			(6,376)	22,145
Technology					(16)	6,426
Textbooks		6,442			(5,375)	150
Leased Assets	5,525				(1,882)	14,587
Library Resources	14,925	1,544				
Balance at 31 December 2017	80,019	22,129	-	-	(21,606)	80,542

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Furniture and Equipment	268,882	(231,648)	37,234
Information and Communication Technology	108,608	(98,211)	10,397
Textbooks	7,311	(885)	6,426
Leased Assets	21,501	(9,603)	11,898
Library Resources	65,118	(50,531)	14,587
Balance at 31 December 2017	471,420	(390,878)	80,542

12. Accounts Payable

2018 2018 2017

	Actual \$	Budget (Unaudited) \$	Actual \$
Operating creditors	13,794	10,000	8,093
Employee Entitlements - salaries	67,943	68,000	66,796
Employee Entitlements - leave accrual	19,034	20,000	14,323
	<u>100,771</u>	<u>98,000</u>	<u>89,212</u>

Payables for Exchange Transactions	99,728	98,000	88,169
Payables for Non-exchange Transactions	<u>1,043</u>		<u>1,043</u>
	<u>100,771</u>	<u>98,000</u>	<u>89,212</u>

13. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Other	12,808	10,000	10,650
	<u>12,808</u>	<u>10,000</u>	<u>10,650</u>

14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	45,050	45,050	39,060
Increase/ (decrease) to the Provision During the Year	45,956	10,000	5,990
Use of the Provision During the Year	(13,099)	2,231	-
Provision at the End of the Year	<u>77,907</u>	<u>57,281</u>	<u>45,050</u>
Cyclical Maintenance - Current	8,888	6,600	29,750
Cyclical Maintenance - Term	69,019	14,800	15,300
	<u>77,907</u>	<u>21,400</u>	<u>45,050</u>

15. Finance Lease Liability

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

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
No Later than One Year	2,011	1,400	5,973
Later than One Year and no Later than Five Years	1,383	-	2,933
	<u>3,394</u>	<u>1,400</u>	<u>8,906</u>

16. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the

school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Proprietor of the School (The Catholic Diocese) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

17. Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	5,487	5,905
Full-time equivalent members	0.18	0.37
<i>Leadership Team</i>		
Remuneration	462,957	431,414
Full-time equivalent members	5	5
Total key management personnel remuneration	468,444	437,319
Total full-time equivalent personnel	5.18	5.37

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:

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120-130	100-110
Benefits and Other Emoluments	7.-8	3.-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100-110	0.00	0.00
	0.00	0.00

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

18. Compensation and Other Benefits Upon Leaving

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

	2018 Actual	2017 Actual
Total Number of People		

19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: 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, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

20. Commitments

(a) Capital Commitments

As at 31 December 2018 the Board has entered into contract agreements for capital works as follows: nil

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) operating lease of a photocopier;

	2018 Actual \$	2017 Actual \$
No later than One Year	-	338
Later than One Year and No Later than Five Years	-	-
Later than Five Years		
	-	338

21. 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.

22. Financial Instruments

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

Loans and receivables

2018	2018	2017
------	------	------

	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash and Cash Equivalents	263,495	178,579	235,062
Receivables	71,004	71,000	71,500
Total Loans and Receivables	<u>334,499</u>	<u>249,579</u>	<u>306,562</u>

Financial liabilities measured at amortised cost

Payables	100,771	98,000	100,075
Finance Leases	3,394	1,400	8,906
Total Financial Liabilities Measured at Amortised Cost	<u>104,165</u>	<u>99,400</u>	<u>108,981</u>

23. Events After Balance Date

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

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF ST MARY'S SCHOOL (WANGANUI)'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Auditor-General is the auditor of St Mary's School (Wanganui) (the School). The Auditor-General has appointed me, David Fraser using the staff and resources of Silks Audit Chartered Accountants Ltd, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 17, that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expenses, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2018; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Tier 2 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime

Our audit was completed on 30 May 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Board of Trustee schedule included under the School Directory page and the Analysis of Variance and Kiwisport statement included as an appendices, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



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

Analysis of Variance Reporting



School Name:		School Number:
St Mary's School Whanganui		2454
Strategic Aim:	To develop and celebrate excellence and resilience in each child enabling them to attain their personal best in academic, sporting and cultural achievement. Programmes should ensure that all students strive towards their full potential and become well balanced members of New Zealand society.	
Annual Aim:	Numeracy – To increase the number of students achieving at or above the National Standard.	
Target:	<p>Annual Target: The target is that there will be no more than 10% of students working below the Achievement Standards for Numeracy by the end of 2018. This number is most likely to be comprised of students with ongoing IEPs for complex learning needs and students new to the school.</p>	
Baseline Data:	<p>*Before starting PLD, our 2017 Mid-Year Mathematics results showed that 40% of our students were Below or Well Below the achievement standard. *By the end of 2017, our Below and Well Below students were only 33% of our total students, a positive shift. *A year later since starting PLD, our 2018 Mid-Year results showed 23.2% Below or Well Below, a positive change. *In 2019 we aim to see this trend continue.</p>	

Maths					
Above Term 4 2017			Above Term 4 2018		
61 Māori	9	15%	60 Māori	6	10%
8 Pasifika	0		13 Pasifika	0	
8 Asian	2	25%	8 Asian	3	38%
151 NZ European/ Pakeha/Other	35	23%	159 NZ European/ Pakeha/Other	20	13%
228 Total Students	46	20%	240 Total Students	29	12%

Maths					
At Term 4 2017			At Term 4 2018		
61 Māori	32	52%	60 Māori	38	63%
8 Pasifika	6	75%	13 Pasifika	9	69%
8 Asian	5	62%	8 Asian	5	63%
151 NZ European/ Pakeha/Other	63	42%	159 NZ European/ Pakeha/Other	102	64%
228 Total Students	106	46%	240 Total Students	154	64%

Maths					
Below Term 4 2017			Below Term 4 2018		
61 Māori	10	16%	60 Māori	7	12%
8 Pasifika	1	12%	13 Pasifika	2	15%
8 Asian	1	12%	8 Asian	0	
151 NZ European/ Pakeha/Other	38	25%	159 NZ European/ Pakeha/Other	29	18%
228 Total Students	50	22%	240 Total Students	38	16%

Maths					
Well Below Term 4 2017			Well Below Term 4 2018		
61 Māori	10	16%	60 Māori	8	13%
8 Pasifika	1	12%	13 Pasifika	2	15%
8 Asian	0		8 Asian	0	
151 NZ European/ Pakeha/Other	15	10%	159 NZ European/ Pakeha/Other	9	6%
228 Total Students	26	11%	240 Total Students	19	8%

Maths					
2017	Male %	Female %	2018	Male %	Female %
Above	24%	16%	Above	17%	8%
At	45%	48%	At	54%	53%
Below	18%	26%	Below	17%	26%
Well Below	13%	10%	Well Below	12%	13%

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> • All students below standard were identified by class teachers in Term 1 and given enriched targeted Numeracy support to close gaps. • They were placed in our Numeracy Support Groups. • Target students on enriched programmes were assessed and monitored by Wendy each term, Mel in Term 4 as Wendy left and discussed by the SENCO team. • Chris and Wendy to shared ALiM1 and 2 practice. • Achievement Standard learning profiles and next steps were available to every parent as an E portfolio of progress. • All teaching staff took part in professional development targeting group achievement goals. This was led by Kate Linklater and Chris Scudder who worked with staff to target numeracy and best practice. • Full review of current practice to ascertain needs guided by Kylie Surgenor from Cognition. • Use of Teaching as inquiry to underpin teacher pedagogy. Developed a shared understanding of what accelerated learning is and accelerative teaching strategies. • We strengthened and embedded 	<p>See above charts</p> <p>Mid-Year results showed 23.2% Below or Well Below and as of end of year we are sitting at 24%.</p>	<p>We are heading in the right direction which is pleasing. We still have a way to go. We were successful with our application for continued professional development with 150 hours for 2019.</p> <p>Several factors have influenced where we are now:</p> <ul style="list-style-type: none"> - We received the resignation of our Numeracy Support Teacher Aide at the end of Term 3 and employed a new person. She needs intensive support to continue the momentum with the accelerated learning groups that we have established. - We found out through teacher voice that when we initially started our PLD teachers were expecting someone to come in and tell them what they needed to change in their practice. Miscommunication initially around teacher inquiry created a barrier to teacher engagement which took time to solve. As leadership, our own critical reflection showed our communication with teachers and the process we had implemented towards creating change was inadequate. Once we had established a new approach for our leadership, teacher engagement changed drastically. Further teacher voice showed that teachers' mindset for changing their practice had shifted towards personal accountability for their development. 	<p>We are still finding our target students difficult to shift, some showing positive shifts but most staying static in their achievement. It is the continual inquiry process and change to teacher practice that will help to shift our target students' outcomes.</p> <p>Our ERO review has highlighted other areas for us to consider going forward. Namely, developing a shared teaching and learning philosophy to inform our classroom practice, revising our target setting to closely identify students requiring acceleration and embedding our inquiry framework to better monitor and build teaching practice.</p> <p>We are taking advice from ERO and Kyle Surgenor from Cognition Education to refine our strategic goal setting.</p> <p>There are 4 tiers of students:</p> <p>Tier 1: Students who are monitoring who are having positive shifts but need watching.</p> <p>Tier 2: Students who are Below and are getting intervention through Mel our specialist numeracy support teacher.</p> <p>Tier 3: Students who are at risk and need outside intervention through SENCO.</p>

<p>Formative Practice to inform our planning and teaching programmes.</p> <ul style="list-style-type: none"> • Moderation in Vertical teams occurred on a regular basis. • We reviewed classroom teaching time for optimum teaching. Commitment to core subject emphasised. • All teaching staff identified and priority and target students with special reference to Maori students, for whole staff monitoring and targeting to create effective achievement. • We will continue to In Class Support, Learning Support and RTLB support for our target students. 	<p>- Teachers are using an inquiry template to keep track of their scanning, inquiry question, research texts, evidence and reflections. One-on-one progress meetings with our facilitator and school leadership is also allowing us to track teacher progress and support them with their inquiry. We are now at a point where we have great engagement from our teachers towards their inquiry. All teachers within the school are performing their own personal spiral of inquiry; scanning and creating hunches, accessing research literature, reflecting on their pedagogy, implementing changes to their practice and documenting their critical reflections on how their inquiry is impacting their students' achievement. This is causing a shift in teacher practice across the school.</p> <p>- As expected with shifts in teacher pedagogy and confidence we are also seeing fine tuning in assessment practise and firming up Over All Teacher Judgements.</p>	<p>Tier 4: Students who have severe learning difficulties and have In class Support Funding and ORS Funding.</p> <p>Our specific target will centre on our Tier 3 students who will be directly impacted by teacher practice with support through SENCO and RTLB. These students will be our target students. Triangulating teachers scanning and focusing with data to form their OTJ's will be part of our goal setting. We have found teachers need more evidence to support their OTJ's. Measuring their practice shift by putting front and centre the inquiry into whether these are the same students. Asking the question 'What do I change in the way I teach that will accelerate the outcomes for these target students?'</p>
<p>Planning for next year:</p> <p>As we move towards the end of our three year professional development contract we will use Kylie Surgenor from Cognition to guide the what next. My focus is to lock in succession planning to ensure that our lead teacher is supported and is sharing his knowledge and skills with the formation of a maths team to continue this drive.</p>		



St Mary's School

KIWISPORT Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2018, St Mary's School received total Kiwisport funding of \$3474.96 (excluding GST). The funding was spent on outside providers delivering the following

Fundamental Movement Skills

Foundation Skills

Basic Ball Skills

Badminton

Archery

Swimming (Water Safety for Yr 0 to 3)

Swimming sessions for Years 5-8

Football skills

Dance

Professional Development for staff

Ripper Rugby

Intermediate Team Building

Fitness Programme

All students participated in some or all of these activities.

Jacqui Luxton

Principal