

ST JOSEPH'S SCHOOL TE KUITI

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number: 1953

Principal: Suzanne Downey

School Address: Seddon Street, Te Kuiti

School Postal Address: PO Box 124, Te Kuiti

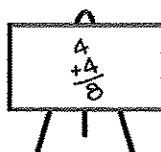
School Phone: 07 878 8190

School Email: office@stjosephsk.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Date
Nikki Taylor	Chair Person	Elected	Jun-19
Suzanne Downey	Principal	ex Officio	
Charlene Longden	Parent Rep	Elected	Jun-19
Wayne Pooley	Parent Rep	Elected	Jun-19
Lizzie Rendall	Parent Rep	Elected	Jun-19
Abi Rawles	Parent Rep	Elected	Jun-19
Ngaire Grayson	Bishops Representative		Jun-19
Mary Scobie	Bishops Representative		Jun-19
Chris Iremonger	Bishops Representative		Jun-19
Father Matt Mc Auslin	Bishops Representative		Jun-19
Pam Boroevich	Staff Rep	Elected	Jun-19

Accountant / Service Provider: Education Finance Limited
0800 333 462



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ST JOSEPH'S SCHOOL TE KUITI

Annual Report - For the year ended 31 December 2018

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St Joseph's School Te Kuiti
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	692,452	606,000	701,359
Locally Raised Funds	3	77,876	52,100	66,376
Use of Land and Buildings Integrated		140,256	125,000	120,960
Interest Earned		1,585	1,500	1,682
		<u>912,169</u>	<u>784,600</u>	<u>890,377</u>
Expenses				
Locally Raised Funds	3	49,284	32,000	35,286
Learning Resources	4	573,240	479,000	568,451
Administration	5	92,004	81,500	68,854
Finance		1,586	-	448
Property	6	195,285	178,300	182,207
Depreciation	7	26,230	13,800	24,287
Transport		-	-	6,458
		<u>937,629</u>	<u>784,600</u>	<u>885,991</u>
Net Surplus / (Deficit) for the year		(25,460)	-	4,386
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(25,460)</u>	<u>-</u>	<u>4,386</u>

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



St Joseph's School Te Kuiti
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>169,886</u>	<u>169,885</u>	<u>165,500</u>
Total comprehensive revenue and expense for the year	(25,460)	-	4,386
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	-
Equity at 31 December	<u>144,426</u>	<u>169,885</u>	<u>169,886</u>
Retained Earnings	144,426	169,885	169,885
Reserves	-	-	-
Equity at 31 December	<u>144,426</u>	<u>169,885</u>	<u>169,885</u>

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



St Joseph's School Te Kuiti

Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	45,715	45,045	41,034
Accounts Receivable	9	40,908	40,672	50,637
GST Receivable		1,104	4,931	4,931
Prepayments		1,561	5,376	5,377
Inventories	10	-	5,920	5,920
Investments	11	62,087	59,296	59,296
		<u>151,375</u>	<u>161,240</u>	<u>167,195</u>
Current Liabilities				
Accounts Payable	13	48,113	40,000	46,001
Provision for Cyclical Maintenance	14	4,751	11,063	5,293
Finance Lease Liability - Current Portion	15	3,919	6,600	6,600
		<u>56,783</u>	<u>57,663</u>	<u>57,894</u>
Working Capital Surplus/(Deficit)		94,591	103,577	109,301
Non-current Assets				
Property, Plant and Equipment	12	69,031	70,487	69,827
		<u>69,031</u>	<u>70,487</u>	<u>69,827</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	10,500	-	7,563
Finance Lease Liability	15	8,697	4,179	1,679
		<u>19,197</u>	<u>4,179</u>	<u>9,242</u>
Net Assets		<u>144,426</u>	<u>169,885</u>	<u>169,886</u>
Equity		<u>144,426</u>	<u>169,885</u>	<u>169,886</u>

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



St Joseph's School Te Kuiti

Statement of Cash Flows

For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		203,622	196,000	190,093
Locally Raised Funds		81,800	52,100	65,302
Goods and Services Tax (net)		3,827	-	2,017
Payments to Employees		(102,918)	(74,000)	(77,347)
Payments to Suppliers		(161,291)	(152,996)	(162,945)
Cyclical Maintenance Payments in the year		-	(5,293)	
Interest Paid		(232)	-	(448)
Interest Received		1,585	1,500	1,513
Net cash from / (to) the Operating Activities		26,393	17,311	18,185
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(16,234)	(10,000)	(4,195)
Purchase of Investments		(2,791)	-	-
Net cash from / (to) the Investing Activities		(19,024)	(10,000)	(4,195)
Cash flows from Financing Activities				
Finance Lease Payments		(2,688)	(3,300)	(2,418)
Net cash from Financing Activities		(2,688)	(3,300)	(2,418)
Net increase/(decrease) in cash and cash equivalents		4,681	4,011	11,572
Cash and cash equivalents at the beginning of the year	8	41,034	41,034	29,462
Cash and cash equivalents at the end of the year	8	45,715	45,045	41,034

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 Joseph's School Te Kuiti

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

St Joseph's School Te Kuiti (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 12.



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) Investments

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

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

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

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

k) 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	5–10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

l) 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.

m) 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.

n) 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.

o) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, 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).

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 and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

q) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

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

s) Services received in-kind

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



2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	194,833	194,000	187,472
Teachers' salaries grants	484,500	410,000	503,654
Resource teachers learning and behaviour grants	2,140	-	-
Other MoE Grants	10,979	2,000	4,810
Transport grants	-	-	-
Other government grants	-	-	5,423
	<u>692,452</u>	<u>606,000</u>	<u>701,359</u>

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	19,217	14,700	28,977
Activities	27,717	18,400	32,210
Trading	15,504	16,000	5,189
Fundraising	2,762	-	-
Other Revenue	12,676	3,000	-
	<u>77,876</u>	<u>52,100</u>	<u>66,376</u>
Expenses			
Activities	32,664	18,800	23,764
Trading	11,193	10,700	5,064
Transport (local)	3,166	2,500	6,458
	<u>49,284</u>	<u>32,000</u>	<u>35,286</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>28,592</u>	<u>20,100</u>	<u>31,090</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	15,724	21,500	13,316
Library resources	2,222	3,500	1,069
Employee benefits - salaries	545,891	443,000	548,641
Staff development	9,403	11,000	5,425
	<u>573,240</u>	<u>479,000</u>	<u>568,451</u>



5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	3,530	3,500	3,500
Board of Trustees Fees	5,095	5,000	4,545
Board of Trustees Expenses	1,327	1,000	269
Communication	1,962	4,000	2,475
Consumables	3,735	3,200	1,642
Other	32,064	26,000	23,535
Employee Benefits - Salaries	33,855	31,000	28,052
Insurance	2,024	2,500	336
Service Providers, Contractors and Consultancy	4,500	4,500	4,500
	<u>92,004</u>	<u>81,500</u>	<u>68,854</u>

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	4,877	1,500	4,510
Consultancy and Contract Services	16,619	17,500	17,816
Cyclical Maintenance Expense	2,395	3,500	5,885
Grounds	3,231	5,300	8,808
Heat, Light and Water	6,422	7,500	7,307
Rates	2,441	3,000	2,881
Repairs and Maintenance	8,874	3,500	3,330
Use of Land and Buildings	140,256	125,000	120,960
Security	2,016	1,500	2,123
Employee Benefits - Salaries	8,155	10,000	8,587
	<u>195,285</u>	<u>178,300</u>	<u>182,207</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Depreciation

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Furniture and Equipment	14,635	6,000	11,372
Information and Communication Technology	7,871	3,800	9,105
Leased Assets	2,550	3,000	2,550
Library Resources	1,174	1,000	1,260
	<u>26,230</u>	<u>13,800</u>	<u>24,287</u>



8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Westpac Cheque Account	1,688	5,045	(2,207)
Westpac Cattle Account	21,619	20,000	8,795
Westpac 01 Online Saver	13,634	13,000	34,106
Westpac 02 Account	6,727	7,000	340
Westpac Visa	2,047	-	-
Cash and cash equivalents for Cash Flow Statement	<u>45,715</u>	<u>45,045</u>	<u>41,034</u>

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

9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Sundry Debtors	1,074		8,900
Bus Committee	2,888	4,672	4,672
Receivables from the Ministry of Education	-	-	-
Banked Staffing Underuse	-	-	-
Interest Receivable	-	-	1,615
Teacher Salaries Grant Receivable	36,946	36,000	35,450
	<u>40,908</u>	<u>40,672</u>	<u>50,637</u>
Receivables from Exchange Transactions	1,074	-	10,515
Receivables from Non-Exchange Transactions	39,834	40,672	40,122
	<u>40,908</u>	<u>40,672</u>	<u>50,637</u>

10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cattle on hand	-	5,920	5,920
	<u>-</u>	<u>5,920</u>	<u>5,920</u>

11. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	62,087	59,296	59,296
Non-current Asset			
Long-term Bank Deposits	-	-	-

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Furniture and Equipment	42,773	16,234	80	-	(17,755)	41,332
Information and Communication Technology	14,391	-	-	-	(7,871)	6,520
Leased Assets	3,273	15,300	-	-	(5,610)	12,963
Library Resources	9,390	-	-	-	(1,174)	8,216
Balance at 31 December 2018	69,827	31,534	80	-	(32,410)	69,031

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Furniture and Equipment	102,729	(61,397)	41,332
Information and Communication Technology	69,521	(63,001)	6,520
Leased Assets	22,958	(9,995)	12,963
Library Resources	62,143	(53,927)	8,216
Balance at 31 December 2018	257,351	(188,320)	69,031

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Furniture and Equipment	52,300	1,845	-	-	(11,372)	42,773
Information and Communication Technology	21,774	1,722	-	-	(9,105)	14,391
Leased Assets	5,823	-	-	-	(2,550)	3,273
Library Resources	10,022	628	-	-	(1,260)	9,390
Balance at 31 December 2017	89,919	4,195	-	-	(24,287)	69,827

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Furniture and Equipment	105,128	(62,355)	42,773
Information and Communication Technology	77,012	(62,621)	14,391
Leased Assets	7,658	(4,385)	3,273
Library Resources	62,143	(52,753)	9,390
Balance at 31 December 2017	251,941	(182,114)	69,827



13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	6,110	2,000	4,860
Accruals	3,500	2,000	3,498
Banking staffing overuse	-	-	1,337
Employee Entitlements - salaries	36,946	36,000	35,450
Employee Entitlements - leave accrual	1,557	-	856
	<u>48,113</u>	<u>40,000</u>	<u>46,001</u>
Payables for Exchange Transactions	48,113	40,000	46,001
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>48,113</u>	<u>40,000</u>	<u>46,001</u>

The carrying value of payables approximates their fair value.

14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	12,856	12,856	6,971
Increase/ (decrease) to the Provision During the Year	2,395	3,500	5,885
Use of the Provision During the Year	-	-5,293	-
Provision at the End of the Year	<u>15,251</u>	<u>11,063</u>	<u>12,856</u>
Cyclical Maintenance - Current	4,751	11,063	5,293
Cyclical Maintenance - Term	10,500	-	7,563
	<u>15,251</u>	<u>11,063</u>	<u>12,856</u>

15. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	3,919	6,600	6,600
Later than One Year and no Later than Five Years	8,697	4,179	1,679
Later than Five Years	-	-	-
	<u>12,616</u>	<u>10,779</u>	<u>8,279</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 (name of proprietor) 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	5,095	4,545
Full-time equivalent members	0.46	0.22
<i>Leadership Team</i>		
Remuneration	115,484	114,354
Full-time equivalent members	1	1
Total key management personnel remuneration	120,579	118,899
Total full-time equivalent personnel	1.46	1.22

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	110-120	110-120
Benefits and Other Emoluments	2-3	2-3
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	-	-
	<u>0.00</u>	<u>0.00</u>

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 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 there are no Capital Commitments

(Capital commitments at 31 December 2017: nil)



(b) Operating Commitments

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

Nil

	2018 Actual \$	2017 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>-</u>	<u>-</u>

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 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	45,715	45,045	41,034
Receivables	40,908	40,672	50,638
Investments - Term Deposits	62,087	59,296	59,296
Total Loans and Receivables	<u>148,709</u>	<u>145,013</u>	<u>150,968</u>

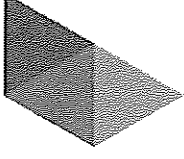
Financial liabilities measured at amortised cost

Payables	48,113	40,000	46,001
Finance Leases	12,616	10,779	8,279
Total Financial Liabilities Measured at Amortised Cost	<u>60,729</u>	<u>50,779</u>	<u>54,280</u>

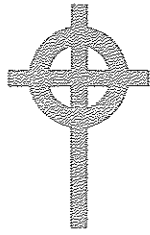
23. Events After Balance Date

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

Analysis of Variance Reporting



School Name:	St Joseph's Catholic Te Kuiti	School Number: 1953
Strategic Aim:	All students will access and be engaged with the curriculum, through diverse flexible and inclusive learning and teaching environment, that reflects our special character and our passion for learning.	
Annual Aim:	<p>LITERACY: To build oral language skills as a base to becoming better readers/writers To improve written literacy achievement through rich scientific inquiry</p> <p>NUMERACY: To review and develop a cohesive Mathematics curriculum delivery plan</p> <p>STUDENT LEARNING To develop an innovative learning environment to provide support for learners that is respectful of, and responsive to, individual learner preference, needs, and values</p>	
Target:	<p>LITERACY: The target students for 2018 are:</p> <p>Reading: 9 students Year 2 - 8 males 3 NZ European, 3 Maori, 2 Filipino Year 2 - 1 female - 1 Indian</p>	



St. Joseph's School

Together we will provide a quality all round education, developing valuable contributors to society who reflect the teachings and values of Jesus Christ.

02 August 2019

Finnz Chartered Accountants
P O Box 17
Te Awamutu
3840

Re: Kiwisport Expenditure for 2018 Financial Year

Dear Sir

Please be advised that in the 2018 Financial Year we received \$ 1563.73 in respect of Kiwisport Funding.

This funding was used to purchase sports equipment, have tutors visit the school do to training and for swimming.

We trust that the above information will be sufficient.

Yours sincerely

Suzanne Downey

Principal: St. Joseph's Catholic School - Te Kuiti

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ST JOSEPH'S SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of St Joseph's School (the School). The Auditor-General has appointed me, Jonathan Hurst, using the staff and resources of Finnz Limited, 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 18 that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue & expense, statement of changes in net assets/equity, and statement of cashflows 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
 - financial performance and cashflows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector - Public Benefit Entity (PBE) Standards, Reduced Disclosure Regime.

Our audit was completed on 14th October 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 arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance Report, Kiwisport Note, and Trustee list, 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.



Jonathan Hurst
Finnz Limited
On behalf of the Auditor-General
Te Awamutu, New Zealand