



ST JAMES SCHOOL

ST JAMES ANNUAL REPORT PRIMARY SCHOOL

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

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ST JAMES SCHOOL

Annual Report - For the year ended 31 December 2020

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St James School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Term Expired/ Expires
Dave Fairless	Chairperson	Re-Elected May 2019	May 2022
Glen Liu	Parent Representative	Re-Elected May 2019	May 2022
Letitia Seumanutafa	Parent Representative	Re-Elected May 2019	May 2022
Carol Tangelder	Parent Representative	Elected Jun 2019	May 2022
Taryn Williams	Parent Representative	Elected Jun 2019	May 2022
Sola Timu	Proprietor Representative		
Ioana Lemi	Proprietor Representative		
Bryan Parish	Proprietor Representative		Jan 2020
Colleen Gray	Staff Representative	Elected Jun 2019	May 2022

St James School

Statement of Responsibility

For the year ended 31 December 2020

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 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

David James Fairless
Full Name of Board Chairperson

Josephine Mary Barlow
Full Name of Principal


Signature of Board Chairperson


Signature of Principal

26.05.2021
Date:

26.05.2021
Date:

St James School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	1,300,054	1,229,529	1,173,411
Locally Raised Funds	3	28,160	7,680	47,822
Use of Proprietor's Land and Buildings		180,455	180,455	180,455
Interest income		19,398	20,000	23,967
Other Revenue		2,337	-	2,388
		<u>1,530,404</u>	<u>1,437,664</u>	<u>1,428,043</u>
Expenses				
Locally Raised Funds	3	11,118	12,280	1,014
Learning Resources	4	1,169,776	1,107,433	1,059,961
Administration	5	85,848	68,988	61,175
Finance		2,050	2,498	2,410
Property	6	235,596	234,543	232,458
Depreciation	7	45,158	34,370	42,231
Loss on Disposal of Property, Plant and Equipment		1,542	-	781
		<u>1,551,088</u>	<u>1,460,112</u>	<u>1,400,030</u>
Net Surplus / (Deficit) for the year		(20,684)	(22,448)	28,013
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(20,684)</u>	<u>(22,448)</u>	<u>28,013</u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

St James School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		966,529	966,530	935,097
Total comprehensive revenue and expense for the year		(20,684)	(22,448)	28,013
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		3,482	-	3,419
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9				
Equity at 31 December	23	949,327	944,082	966,529
Retained Earnings		949,327	944,082	966,529
Reserves		-	-	-
Equity at 31 December		949,327	944,082	966,529

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

St James School

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	112,917	76,385	91,086
Accounts Receivable	9	79,871	79,249	69,593
GST Receivable		7,322	7,000	3,822
Prepayments		8,615	8,000	8,073
Inventories	10	370	-	-
Investments	11	803,826	830,000	834,825
		<u>1,012,921</u>	<u>1,000,634</u>	<u>1,007,399</u>
Current Liabilities				
Accounts Payable	13	102,316	95,152	99,138
Revenue Received in Advance	14	14,000	-	6,173
Finance Lease Liability - Current Portion	16	7,463	7,463	14,777
Funds held on behalf of Kiwi Park Cluster	17	45,140	49,696	33,751
		<u>168,919</u>	<u>152,311</u>	<u>153,839</u>
Working Capital Surplus/(Deficit)		844,002	848,323	853,560
Non-current Assets				
Property, Plant and Equipment	12	121,966	112,400	129,654
		<u>121,966</u>	<u>112,400</u>	<u>129,654</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	12,683	12,683	9,195
Finance Lease Liability	16	3,958	3,958	7,490
		<u>16,641</u>	<u>16,641</u>	<u>16,685</u>
Net Assets		<u>949,327</u>	<u>944,082</u>	<u>966,529</u>
Equity	23	<u>949,327</u>	<u>944,082</u>	<u>966,529</u>

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

St James School

Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		356,803	318,457	285,115
Locally Raised Funds		32,928	7,680	49,501
Goods and Services Tax (net)		(3,500)	-	2,769
Funds Administered on Behalf of Third Parties		11,389	49,696	13,018
Payments to Employees		(209,477)	(147,929)	(141,441)
Payments to Suppliers		(171,561)	(117,730)	(121,456)
Cyclical Maintenance Payments in the year		-	3,488	-
Interest Paid		(2,050)	(2,498)	(2,410)
Interest Received		22,677	24,000	25,614
Net cash from/(to) Operating Activities		37,209	135,164	110,710
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(1,542)	296	(781)
Purchase of Property Plant & Equipment (and Intangibles)		(34,663)	(40,932)	(40,650)
Purchase of Investments		30,999	(30,000)	3,515
Net cash from/(to) Investing Activities		(5,206)	(70,636)	(37,916)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,482	-	3,419
Finance Lease Payments		(13,652)	(10,798)	(8,607)
Net cash from/(to) Financing Activities		(10,170)	(10,798)	(5,188)
Net increase/(decrease) in cash and cash equivalents		21,833	53,730	67,606
Cash and cash equivalents at the beginning of the year	8	91,086	22,656	23,481
Cash and cash equivalents at the end of the year	8	112,919	76,386	91,087

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.

St James School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

St James School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board 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 2020 to 31 December 2020 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 and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

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

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

h) Inventories

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

i) Investments

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

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.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

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

The estimated useful lives of the assets are:

Furniture and equipment	10 years
Information and communication technology	5 years
Plant and equipment	5-10 years
Leased assets held under a Finance Lease	As per lease
Library resources	12.50% 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, and also annual leave earned, by non teaching staff, 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 grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

o) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

p) Provision for Cyclical Maintenance

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

q) Financial Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) Services received in-kind

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

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	304,737	262,894	250,126
Teachers' Salaries Grants	942,505	942,505	888,296
Other MoE Grants	52,812	24,130	34,989
	1,300,054	1,229,529	1,173,411

The school has opted in to the donations scheme for this year. Total amount received was \$16,500.

Other MOE Grants total includes additional COVID-19 funding totalling \$2,932 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	24,034	1,700	37,480
Bequests & Grants	1,414	3,000	-
Activities	-	-	3,637
Trading	1,583	2,580	2,790
Fundraising	843	400	2,979
Other Revenue	286	-	936
	28,160	7,680	47,822
Expenses			
Activities	8,674	9,500	-
Trading	2,183	2,580	774
Fundraising (Costs of Raising Funds)	261	200	240
	11,118	12,280	1,014
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	17,042	(4,600)	46,808

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	32,838	37,200	39,700
Library Resources	647	300	472
Employee Benefits - Salaries	1,128,200	1,061,933	1,012,999
Staff Development	8,091	8,000	6,790
	1,169,776	1,107,433	1,059,961

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,604	3,604	3,499
Board of Trustees Fees	3,130	4,600	2,810
Board of Trustees Expenses	12,837	1,900	2,392
Communication	4,496	4,540	4,752
Consumables	3,128	5,100	3,318
Legal Fees	3,483	-	-
Other	23,542	20,244	22,413
Employee Benefits - Salaries	31,628	29,000	21,991
	85,848	68,988	61,175

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	4,298	2,800	2,868
Consultancy and Contract Services	22,346	22,000	20,864
Cyclical Maintenance Provision	3,488	3,488	3,488
Grounds	6,749	8,000	8,459
Heat, Light and Water	4,962	9,500	9,048
Rates	2,158	2,900	2,726
Repairs and Maintenance	7,410	5,400	3,052
Use of Land and Buildings	180,455	180,455	180,455
Employee Benefits - Salaries	3,730	-	1,498
	235,596	234,543	232,458

7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Furniture and Equipment	5,596	4,980	6,119
Information and Communication Technology	18,449	13,022	16,000
RTLit Assets	2,337	1,943	2,388
Plant and Equipment	5,302	3,511	4,314
Leased Assets	12,799	10,256	12,601
Library Resources	675	658	809
	45,158	34,370	42,231

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	112,917	76,385	91,086
Cash and cash equivalents for Statement of Cash Flows	112,917	76,385	91,086

Of the \$112,917 Cash and Cash Equivalents, \$5,500 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$112,917 Cash and Cash Equivalents, \$8,500 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

Of the \$112,917 Cash and Cash Equivalents, \$45,140 is held by the School on behalf of the RT Lit Cluster. See note 17 for details of how the funding received for the cluster has been spent in the year.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	675	-	779
Interest Receivable	2,447	2,500	5,726
Teacher Salaries Grant Receivable	76,749	76,749	63,088
	79,871	79,249	69,593
Receivables from Exchange Transactions	3,122	2,500	6,505
Receivables from Non-Exchange Transactions	76,749	76,749	63,088
	79,871	79,249	69,593

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	370	-	-
	370	-	-

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset Short-term Bank Deposits	803,826	830,000	834,825
Total Investments	803,826	830,000	834,825

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Furniture and Equipment	34,675	5,769			(5,596)	34,848
Information and Communication Technology	39,383	10,446			(18,449)	31,380
RTLit Assets	2,385	1,403			(2,337)	1,451
Plant and Equipment	28,162	17,306			(5,302)	40,166
Leased Assets	19,389	2,806			(12,799)	9,396
Library Resources	5,660	1,282	(1,542)		(675)	4,725
Balance at 31 December 2020	129,654	39,012	(1,542)	-	(45,158)	121,966

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Furniture and Equipment	153,656	(118,808)	34,848
Information and Communication Technology	164,923	(133,543)	31,380
RTLit Assets	2,053	(602)	1,451
Plant and Equipment	122,000	(81,834)	40,166
Leased Assets	24,817	(15,421)	9,396
Library Resources	46,784	(42,059)	4,725
Balance at 31 December 2020	514,233	(392,267)	121,966

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Furniture and Equipment	31,407	9,387			(6,119)	34,675
Information and Communication Technology	29,545	25,838			(16,000)	39,383
RTLit Assets	4,773				(2,388)	2,385
Plant and Equipment	32,476				(4,314)	28,162
Leased Assets	24,741	7,249			(12,601)	19,389
Library Resources	7,250	-	(781)		(809)	5,660
Balance at 31 December 2019	130,192	42,474	(781)	-	(42,231)	129,654

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Furniture and Equipment	147,888	(113,213)	34,675
Information and Communication Technology	154,477	(115,094)	39,383
RTLit Assets	7,422	(5,037)	2,385
Plant and Equipment	104,694	(76,532)	28,162
Leased Assets	41,537	(22,148)	19,389
Library Resources	62,540	(56,880)	5,660
Balance at 31 December 2019	518,558	(388,904)	129,654

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	5,674	10,000	21,742
Accruals	4,404	4,404	4,149
Banking Staffing Overuse	6,246	-	6,246
Employee Entitlements - Salaries	76,748	76,748	63,088
Employee Entitlements - Leave Accrual	9,244	4,000	3,913
	<u>102,316</u>	<u>95,152</u>	<u>99,138</u>
Payables for Exchange Transactions	102,316	95,152	99,138
	<u>102,316</u>	<u>95,152</u>	<u>99,138</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Grants in Advance - Ministry of Education	5,500	-	-
Other	8,500	-	6,173
	<u>14,000</u>	<u>-</u>	<u>6,173</u>

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	9,195	9,195	5,707
Increase/ (decrease) to the Provision During the Year	3,489	3,488	3,488
Provision at the End of the Year	<u>12,684</u>	<u>12,683</u>	<u>9,195</u>
Cyclical Maintenance - Term	12,683	12,683	9,195
	<u>12,683</u>	<u>12,683</u>	<u>9,195</u>

16. Finance Lease Liability

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
No Later than One Year	6,921	6,921	14,777
Later than One Year and no Later than Five Years	3,718	3,718	7,490
	<u>10,639</u>	<u>10,639</u>	<u>22,267</u>

17. Funds Held on Behalf of RT Lit Cluster

St James School is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

	2020	2020	2019
	Actual	Budget	Actual
	\$	\$	\$
Funds Held at Beginning of the Year	33,751	33,751	20,733
Funds Received from MoE	40,223	46,000	40,839
Funds Spent on Behalf of the Cluster	(28,834)	(30,055)	(27,821)
	<u>45,140</u>	<u>49,696</u>	<u>33,751</u>

These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.

Current Assets

Cash at bank	45,140	49,696	33,751
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Non Current Assets

Property Plant and Equipment	1,451	1,451	2,385
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Equity

	<u>46,591</u>	<u>51,147</u>	<u>36,136</u>
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18. Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Proprietor of the School (Catholic Diocese of Christchurch) 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'.

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues payable to the Proprietor. The amounts collected in total were \$381 (2019: \$714). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$140, (2019: \$1,131).

19. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,130	2,810
Full-time equivalent members	0.04	0.02
<i>Leadership Team</i>		
Remuneration	326,358	221,745
Full-time equivalent members	3	2
Total key management personnel remuneration	<u>329,488</u>	<u>224,555</u>
Total full-time equivalent personnel	<u>3.04</u>	<u>2.02</u>

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

Principal 1

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	120 - 130
Benefits and Other Emoluments	0-5	0 - 10
Termination Benefits	-	-

Other Employees

No other employees received remuneration greater than \$100,000.

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

20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2020 Actual	2019 Actual
Total	0-10	-
Number of People	1	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: 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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into no contract agreements for capital works .

(Capital commitments at 31 December 2019: \$nil.)

23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

24. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	112,917	76,385	91,086
Receivables	79,871	79,249	69,593
Investments - Term Deposits	803,826	830,000	834,825
Total Financial assets measured at amortised cost	<u>996,614</u>	<u>985,634</u>	<u>995,504</u>

Financial liabilities measured at amortised cost

Payables	102,316	95,152	99,138
Finance Leases	11,421	11,421	22,267
Total Financial Liabilities Measured at Amortised Cost	<u>113,737</u>	<u>106,573</u>	<u>121,405</u>

25. 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 JAMES SCHOOL ARANUI'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of St James School Aranui (the School). The Auditor-General has appointed me, Warren Johnstone, using the staff and resources of BDO Christchurch, 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 3 to 19, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, 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 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 26 May 2021. 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 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 for the financial statements

The Board 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board 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's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of 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.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board 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 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 is responsible for the other information. The other information comprises the board of trustees, kiwisport and analysis of variance reports but does not include the financial statements, and our auditor's report thereon.

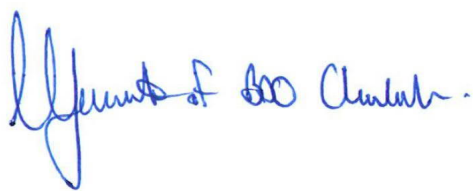
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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: International 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.



Warren Johnstone
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand