

# ST THOMAS MORE SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

**Ministry Number:** 1636

**Principal:** Kath Joblin

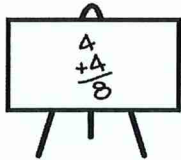
**School Address:** 19 Gloucester Road, Mt Maungauī 3116

**School Postal Address:** 19 Gloucester Road, Mt Maungauī 3116

**School Phone:** 07 574 6782

**School Email:** [secretary@stm.school.nz](mailto:secretary@stm.school.nz)

**Accountant / Service Provider:**



---

**EDUCATION  
FINANCE**

---

[www.educationfinance.co.nz](http://www.educationfinance.co.nz)

# ST THOMAS MORE SCHOOL

Annual Report - For the year ended 31 December 2020

## Index

Page	Statement
------	-----------

	<b>Financial Statements</b>
--	-----------------------------

<u>1</u>	Statement of Responsibility
----------	-----------------------------

<u>2</u>	Statement of Comprehensive Revenue and Expense
----------	--

<u>3</u>	Statement of Changes in Net Assets/Equity
----------	---

<u>4</u>	Statement of Financial Position
----------	---------------------------------

<u>5</u>	Statement of Cash Flows
----------	-------------------------

<u>6 - 19</u>	Notes to the Financial Statements
---------------	-----------------------------------

	<b>Other Information</b>
--	--------------------------

	Analysis of Variance
--	----------------------

	Kiwisport
--	-----------

	BOT List
--	----------

# St Thomas More 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.

Paul Gerard Cooney  
Full Name of Board Chairperson

[Signature]  
Signature of Board Chairperson

9/5/22.  
Date:

Kathleen Mary Joblin  
Full Name of Principal

[Signature]  
Signature of Principal

9/5/22  
Date:

# St Thomas More School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	1,182,853	1,287,000	1,291,715
Locally Raised Funds	3	32,484	46,000	95,619
Use of Proprietor's Land and Buildings		583,520	600,000	583,520
Interest income		183	1,000	735
		<u>1,799,040</u>	<u>1,934,000</u>	<u>1,971,589</u>
<b>Expenses</b>				
Locally Raised Funds	3	48,946	43,000	79,042
Learning Resources	4	993,837	1,076,900	1,126,912
Administration	5	121,710	101,650	102,349
Property	6	669,813	674,900	674,617
Depreciation	7	15,648	34,100	33,171
Loss on Disposal of Property, Plant and Equipment		-	-	1,248
Amortisation of Equitable Leasehold Improvements	12	2,319	2,000	2,319
		<u>1,852,273</u>	<u>1,932,550</u>	<u>2,019,658</u>
<b>Net Surplus / (Deficit) for the year</b>		(53,233)	1,450	(48,069)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(53,233)</u>	<u>1,450</u>	<u>(48,069)</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 Thomas More School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		62,065	62,065	103,939
Total comprehensive revenue and expense for the year		(53,233)	1,450	(48,069)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		7,398	-	6,195
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	24	16,230	63,515	62,065
Retained Earnings		16,230	63,515	62,065
Reserves		-	-	-
<b>Equity at 31 December</b>		16,230	63,515	62,065

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 Thomas More School

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	9,962	17,288	19,688
Accounts Receivable	9	59,738	69,097	69,097
GST Receivable		7,190	4,726	4,726
Prepayments		2,176	3,515	3,515
Inventories	10	11,737	24,790	24,790
		<u>90,803</u>	<u>119,416</u>	<u>121,816</u>
<b>Current Liabilities</b>				
Accounts Payable	13	85,894	88,948	88,948
Provision for Cyclical Maintenance	14	-	-	13,500
Finance Lease Liability - Current Portion	15	8,368	10,119	10,119
		<u>94,262</u>	<u>99,067</u>	<u>112,567</u>
<b>Working Capital Surplus/(Deficit)</b>		(3,459)	20,349	9,249
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	32,931	37,487	41,587
Equitable Leasehold Improvements	20	19,288	19,607	21,607
		<u>52,219</u>	<u>57,094</u>	<u>63,194</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	30,485	5,000	3,050
Finance Lease Liability	16	2,045	8,928	7,328
		<u>32,530</u>	<u>13,928</u>	<u>10,378</u>
<b>Net Assets</b>		<u>16,230</u>	<u>63,515</u>	<u>62,065</u>
<b>Equity</b>	24	<u>16,230</u>	<u>63,515</u>	<u>62,065</u>

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



# St Thomas More School

## Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		337,347	297,000	332,327
Locally Raised Funds		32,806	46,000	95,297
Goods and Services Tax (net)		(2,464)	-	(903)
Payments to Employees		(172,124)	(109,000)	(172,690)
Payments to Suppliers		(202,178)	(195,500)	(242,511)
Cyclical Maintenance Payments in the year		-	(13,500)	(2,807)
Interest Received		183	1,000	735
Net cash from/(to) Operating Activities		(6,430)	26,000	9,448
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(3,660)	(10,000)	-
Net cash from/(to) Investing Activities		(3,660)	(10,000)	-
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		7,398	-	6,195
Finance Lease Payments		(7,034)	(18,400)	(25,901)
Net cash from/(to) Financing Activities		364	(18,400)	(19,706)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(9,726)</b>	<b>(2,400)</b>	<b>(10,258)</b>
Cash and cash equivalents at the beginning of the year	8	19,688	19,688	29,946
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>9,962</b>	<b>17,288</b>	<b>19,688</b>

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



# St Thomas More School

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

St Thomas More 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 14.

#### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

#### **Critical Judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

#### *Classification of leases*

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

#### *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 Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

### **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 Crown 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 Crown 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:

Building improvements to Crown Owned Assets  
Furniture and equipment  
Information and communication technology  
Motor vehicles  
Leased assets held under a Finance Lease  
Library resources

20–50 years  
5–10 years  
5 years  
5 years  
Term of Lease  
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, 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.

### **o) Provision for Cyclical Maintenance**

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

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

### **p) Financial 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.

### **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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	305,883	283,000	280,092
Teachers' Salaries Grants	845,506	990,000	969,062
Other MoE Grants	20,608	7,000	10,068
Other Government Grants	10,856	7,000	32,493
	<u>1,182,853</u>	<u>1,287,000</u>	<u>1,291,715</u>

The school has opted in to the donations scheme for this year. Total amount received was \$27,600.

Other MOE Grants total includes additional COVID-19 funding totalling \$2,962 for the year ended 31 December 2020.

## 3. Locally Raised Funds

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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	5,452	17,500	49,588
Activities	15,587	14,000	27,540
Trading	5,364	10,500	12,655
Other Revenue	6,081	4,000	5,836
	<u>32,484</u>	<u>46,000</u>	<u>95,619</u>
<b>Expenses</b>			
Activities	37,127	32,500	53,927
Trading	11,819	10,500	25,115
	<u>48,946</u>	<u>43,000</u>	<u>79,042</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>(16,462)</u>	<u>3,000</u>	<u>16,577</u>

## 4. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	28,458	25,900	35,806
Employee Benefits - Salaries	957,052	1,043,000	1,084,624
Staff Development	8,327	8,000	6,482
	<u>993,837</u>	<u>1,076,900</u>	<u>1,126,912</u>



## 5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	4,500	4,200	4,500
Board of Trustees Fees	4,680	5,000	2,655
Board of Trustees Expenses	1,921	1,500	3,237
Communication	2,673	2,700	2,185
Consumables	3,932	4,400	5,520
Other	35,463	19,950	19,877
Employee Benefits - Salaries	60,578	56,000	57,128
Insurance	2,563	2,500	2,147
Service Providers, Contractors and Consultancy	5,400	5,400	5,100
	121,710	101,650	102,349

## 6. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	2,815	2,200	2,708
Consultancy and Contract Services	28,703	31,000	31,685
Cyclical Maintenance Provision	13,935	5,000	6,105
Grounds	7,721	5,000	6,738
Heat, Light and Water	14,089	16,000	17,776
Rates	2,820	2,700	2,213
Repairs and Maintenance	12,502	10,000	19,797
Use of Land and Buildings	583,955	600,000	583,520
Security	3,273	3,000	4,075
	669,813	674,900	674,617

The use of land and buildings figure represents 8% of the school's total property value. 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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Furniture and Equipment	5,926	15,000	6,886
Information and Communication Technology	4,634	17,600	5,299
Leased Assets	4,035	-	19,782
Library Resources	1,053	1,500	1,204
	15,648	34,100	33,171



## 8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Call Account	9,962	17,288	21,228
Credit Card	-	-	(1,540)
Cash and cash equivalents for Statement of Cash Flows	9,962	17,288	19,688

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

## 9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	-	322	322
Banking Staffing Underuse	5,166	5,550	5,550
Teacher Salaries Grant Receivable	54,572	63,225	63,225
	59,738	69,097	69,097
Receivables from Exchange Transactions	-	322	322
Receivables from Non-Exchange Transactions	59,738	68,775	68,775
	59,738	69,097	69,097

## 10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	633	14,733	14,733
School Uniforms	11,104	10,057	10,057
	11,737	24,790	24,790



# 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Furniture and Equipment	19,784	3,660	-	-	(5,926)	17,518
Information and Communication Technology	9,340	-	-	-	(4,634)	4,706
Leased Assets	4,035	3,332	-	-	(4,035)	3,332
Library Resources	8,428	-	-	-	(1,053)	7,375
<b>Balance at 31 December 2020</b>	<b>41,587</b>	<b>6,992</b>	<b>-</b>	<b>-</b>	<b>(15,648)</b>	<b>32,931</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	-	-	-
Furniture and Equipment	64,921	(47,403)	17,518
Information and Communication Technology	27,350	(22,644)	4,706
Leased Assets	66,582	(63,250)	3,332
Library Resources	48,929	(41,554)	7,375
<b>Balance at 31 December 2020</b>	<b>207,782</b>	<b>(174,851)</b>	<b>32,931</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Furniture and Equipment	27,316	-	(646)	-	(6,886)	19,784
Information and Communication Technology	15,241	-	(602)	-	(5,299)	9,340
Leased Assets	23,817	-	-	-	(19,782)	4,035
Library Resources	9,632	-	-	-	(1,204)	8,428
<b>Balance at 31 December 2019</b>	<b>76,006</b>	<b>-</b>	<b>(1,248)</b>	<b>-</b>	<b>(33,171)</b>	<b>41,587</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Furniture and Equipment	62,381	(42,597)	19,784
Information and Communication Technology	30,941	(21,601)	9,340
Leased Assets	66,211	(62,176)	4,035
Library Resources	48,929	(40,501)	8,428
<b>Balance at 31 December 2019</b>	<b>208,462</b>	<b>(166,875)</b>	<b>41,587</b>



### 13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	16,280	21,221	21,223
Accruals	15,042	4,351	4,500
Employee Entitlements - Salaries	54,572	63,225	63,225
	<u>85,894</u>	<u>88,797</u>	<u>88,948</u>
Payables for Exchange Transactions	85,894	88,797	88,948
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>85,894</u>	<u>88,797</u>	<u>88,948</u>

The carrying value of payables approximates their fair value.

### 14. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	16,550	16,550	13,252
Increase/ (decrease) to the Provision During the Year	13,935	5,000	6,105
Use of the Provision During the Year	-	-	(2,807)
Provision at the End of the Year	<u>30,485</u>	<u>21,550</u>	<u>16,550</u>
Cyclical Maintenance - Current	-	-	13,500
Cyclical Maintenance - Term	30,485	5,000	3,050
	<u>30,485</u>	<u>5,000</u>	<u>16,550</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:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	8,368	10,119	7,786
Later than One Year and no Later than Five Years	2,045	8,928	7,328
Later than Five Years	-	-	-
	<u>10,413</u>	<u>19,047</u>	<u>15,114</u>



## 17. 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.

## 18. 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	4,680	2,655
Full-time equivalent members	0.19	0.18
<i>Leadership Team</i>		
Remuneration	332,247	367,443
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	336,927	370,098
Total full-time equivalent personnel	3.19	3.18

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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	150-160
Benefits and Other Emoluments	0-5	3-4
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100-110	1.00	2.00
	1.00	2.00

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



## 19. 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	-	-
Number of People	-	-

## 20. Equitable Leasehold Improvements

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the board's interest in capital works assets owned by the proprietor but paid for in whole or in part by the Board of Trustees, either from Government funding or from community raised funds.

A lease between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. The equitable leasehold interest is amortised over 25 years based on the economic life of the capital works asset(s) involved. The interest may be realised on the sale of the capital works by the proprietor of the closure of the school.

	2020 Actual \$	2019 Budget \$	2019 Actual \$
The major capital works assets included in the equitable leasehold interest are:			
Network cabling	19,288	0	21,607
Total	19,288	0	21,607

## 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.



## 23. Commitments

### (a) Capital Commitments

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

(Capital commitments at 31 December 2019: Nil)

### (b) Operating Commitments

As at 31 December 2020 there are no operating commitments.(2019: Nil)

## 24. 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.

## 25. 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	9,962	17,288	19,688
Receivables	59,738	69,097	69,097
Total Financial assets measured at amortised cost	69,700	86,385	88,785

### Financial liabilities measured at amortised cost

Payables	85,894	88,797	88,948
Finance Leases	10,413	19,047	17,447
Total Financial Liabilities Measured at Amortised Cost	96,307	107,844	106,395

## 26. Events After Balance Date

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

## 27. Comparatives

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

## 28. Breach of Law Statutory Reporting

The Board of Trustees has failed to comply with Section 137 of the Education and Training Act 2020 in that the Board did not report by 31 May 2021, the date fixed by the Minister of Education, by which schools were required to have sent their financial statements to the Ministry of Education.





Tel: +64 07 571 6280  
Fax: +64 07 571 6281  
www.bdo.nz

BDO TAURANGA  
Level 1 The Hub, 525 Cameron Road,  
Tauranga 3110  
PO Box 15660, Tauranga 3144  
New Zealand

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE READERS OF ST THOMAS MORE CATHOLIC SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

The Auditor-General is the auditor of St Thomas More Catholic School (the School). The Auditor-General has appointed me, Fraser Lellman, using the staff and resources of BDO Tauranga, 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 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 10th May 2022. 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.

**PARTNERS:** Fraser Lellman CA  
Donna Taylor CA

Janine Hellyer CA  
Paul Manning CA

Jenny Lee CA

**ASSOCIATE:** Michael Lim CA

BDO New Zealand Ltd, a New Zealand limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

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 arise from the Public Audit Act 2001.

### **Other information**

The Board is responsible for the other information. The other information comprises the analysis of variance, Board of Trustees listing and Kiwisport report, 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.



Fraser Lellman  
BDO Tauranga  
On behalf of the Auditor-General  
Tauranga, New Zealand