

ST JOHNS COLLEGE(HILLCREST)



ANNUAL REPORT

School Directory

Ministry Number: 136

Principal: Shane Tong

School Address: 85 Hillcrest Road Hamilton

School Postal Address: PO Box 11086 Hillcrest Hamilton

School Phone: 07-856-7091

School Email: reception@stjohns-hamilton.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Brendan Lally	Chair Person	Elected	Apr-22
Shane Tong	ex Officio		
Stephen Chatwin	Deputy Chair	Elected	Apr-22
Kathy Duff	Parent Rep	Elected	Apr-22
Pat Coles	Parent Rep	Elected	Apr-22
Richard Spelman	Parent Rep	Elected	Apr-22
Jenna Wetere	Parent Rep	Elected	Apr-22
Briar Virtue	Parent Rep	Elected	Apr-22
Monique Reymer	Proprietors Rep	Elected	Apr-22
Angela McWilliam	Proprietors Rep	Elected	Apr-22
Judith Bartram	Staff Rep	Elected	Apr-22
Joshua Froggatt	Student Rep	Elected	Apr-22

ST JOHNS COLLEGE(HILLCREST)

Annual Report - For the year ended 31 December 2019

Index

Page	Statement
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	Financial Statements
--	-----------------------------

1	Statement of Responsibility
-------------------	-----------------------------

2	Statement of Comprehensive Revenue and Expense
-------------------	--

3	Statement of Changes in Net Assets/Equity
-------------------	---

4	Statement of Financial Position
-------------------	---------------------------------

5	Statement of Cash Flows
-------------------	-------------------------

6 - 10	Statement of Accounting Policies
------------------------	----------------------------------

11-20	Notes to the Financial Statements
-----------------------	-----------------------------------

	Other Information
--	--------------------------

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

	Kiwisport
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St Johns College(Hillcrest)

Statement of Responsibility

For the year ended 31 December 2019

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

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

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

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

Brendan Dally

Full Name of Board Chairperson



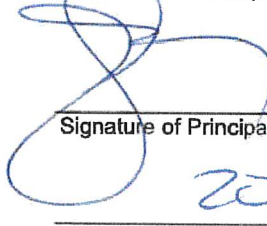
Signature of Board Chairperson

Date:

20/7/2020

Shane Tully

Full Name of Principal



Signature of Principal

Date:

20/7/2020

St Johns College(Hillcrest)
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	6,497,086	6,366,880	6,192,467
Locally Raised Funds	3	1,251,735	434,460	973,063
Use of Land and Buildings Integrated		1,567,200	1,567,200	1,567,200
Interest Revenue		44,380	37,000	41,382
International Students	4	306,214	320,000	294,401
		<u>9,666,615</u>	<u>8,725,540</u>	<u>9,068,513</u>
Expenses				
Locally Raised Funds	3	273,225	115,960	391,457
International Students	4	258,556	271,000	253,467
Learning Resources	5	5,869,984	5,663,440	5,567,634
Administration	6	441,111	489,900	381,611
Finance		3,269	-	3,146
Property	7	2,135,766	2,073,985	2,073,511
Depreciation	8	254,028	160,000	263,957
Impairment of Property, Plant and Equipment	13	-	-	78,874
Loss on Disposal of Property, Plant and Equipment	13	20,397	-	15,951
Amortisation of Intangible Assets	14	-	-	3,415
		<u>9,256,336</u>	<u>8,774,285</u>	<u>9,033,023</u>
Net Surplus / (Deficit) for the year		<u>410,279</u>	<u>(48,745)</u>	<u>35,490</u>
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>410,279</u>	<u>(48,745)</u>	<u>35,490</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 Johns College(Hillcrest)**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		<u>1,302,844</u>	<u>1,302,844</u>	<u>1,267,354</u>
Total comprehensive revenue and expense for the year		410,279	(48,745)	35,490
Capital Contributions from the Ministry of Education Furniture & Equipment Grant		27,396	26,000	-
Equity at 31 December	26	<u>1,740,519</u>	<u>1,280,099</u>	<u>1,302,844</u>
Retained Earnings		1,740,519	1,280,099	1,302,844
Reserves		-	-	-
Equity at 31 December		<u>1,740,519</u>	<u>1,280,099</u>	<u>1,302,844</u>

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 Johns College(Hillcrest)
Statement of Financial Position
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	9	579,526	520,314	397,530
Accounts Receivable	10	401,950	394,600	326,127
GST Receivable		10,752	10,300	27,759
Prepayments		296,960	150,000	42,700
Inventories	11	-	-	232
Investments	12	1,004,621	563,280	900,000
		<u>2,293,809</u>	<u>1,638,494</u>	<u>1,694,348</u>
Current Liabilities				
Accounts Payable	15	494,992	500,895	434,950
Revenue Received in Advance	16	598,397	355,500	385,626
Provision for Cyclical Maintenance	17	90,450	103,000	103,564
Finance Lease Liability - Current Portion	18	36,066	26,000	51,497
Funds held in Trust	19	123,897	127,000	152,779
		<u>1,343,802</u>	<u>1,112,395</u>	<u>1,128,416</u>
Working Capital Surplus/(Deficit)		950,007	526,099	565,932
Non-current Assets				
Equitable Lease Liability	20	116,426	115,000	130,298
Property, Plant and Equipment	13	841,532	700,000	728,421
		<u>957,958</u>	<u>815,000</u>	<u>858,719</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	17	106,210	38,000	112,396
Finance Lease Liability	18	61,236	23,000	9,411
		<u>167,446</u>	<u>61,000</u>	<u>121,807</u>
Net Assets		<u>1,740,519</u>	<u>1,280,099</u>	<u>1,302,844</u>
Equity				
	26	<u>1,740,519</u>	<u>1,280,099</u>	<u>1,302,844</u>

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



St Johns College(Hillcrest)
Statement of Cash Flows
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		1,715,730	1,653,635	1,673,492
Locally Raised Funds		1,435,902	472,650	1,025,294
International Students		310,718	114,550	259,977
Goods and Services Tax (net)		17,008	18,000	9,649
Payments to Employees		(912,293)	(885,845)	(860,689)
Payments to Suppliers		(1,951,179)	(1,086,035)	(1,687,722)
Cyclical Maintenance Payments in the year		(49,317)	(104,000)	(15,436)
Interest Paid		(3,269)	-	(3,146)
Interest Received		45,560	38,400	41,580
Net cash from Operating Activities		608,860	221,355	442,999
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	2,610	
Purchase of PPE (and Intangibles)		(279,998)	-	(184,349)
Purchase of Investments		(104,621)	(63,280)	(200,000)
Net cash from Investing Activities		(384,619)	(60,670)	(384,349)
Cash flows from Financing Activities				
Finance Lease Payments		(41,299)	(42,010)	(62,627)
Funds Administered on Behalf of Third Parties		(28,882)	(24,000)	(27,305)
Furniture & Equipment Grant		27,936	-	-
Net cash from Financing Activities		(42,245)	(40,010)	(89,932)
Net increase/(decrease) in cash and cash equivalents		181,996	120,675	(31,282)
Cash and cash equivalents at the beginning of the year	9	397,530	399,639	428,812
Cash and cash equivalents at the end of the year	9	579,526	520,314	397,530

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

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



St Johns College(Hillcrest)
Notes to the Financial Statements
For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

Standard early adopted

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.



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 carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition**Government Grants**

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

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

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

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

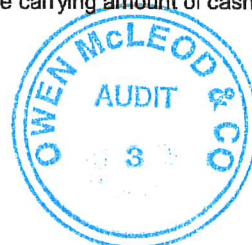
Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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



h) Accounts Receivable

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

Prior Year Policy

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

i) Inventories

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

j) Investments

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

Prior Year Policy

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

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

k) Property, Plant and Equipment

Land and buildings owned by the Proprietor are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

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	10-40 years
Furniture and equipment	5-20 years
Information and communication technology	at 30% CP
Motor vehicles	at 10% CP
Textbooks	12.5% Diminishing Value
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing Value

l) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) 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.

n) Accounts Payable

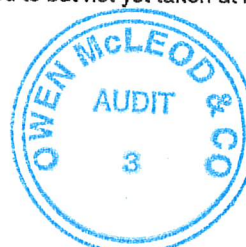
Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.



p) Revenue Received in Advance

Revenue received in advance relates to fees received from international students and 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.

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

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building and other facilities on the School site in a state of good order and repair.

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

s) Financial Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

t) Borrowings

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

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

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

u) 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.

v) Budget Figures

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

w) Services received in-kind

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



2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	1,437,730	1,434,000	1,379,207
Teachers' Salaries Grants	4,739,924	4,739,950	4,485,600
Other MoE Grants	264,505	149,000	268,645
Other Government Grants	54,927	43,930	59,015
	<u>6,497,086</u>	<u>6,366,880</u>	<u>6,192,467</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	504,174	191,500	236,524
Activities	257,695	74,000	204,408
Trading	37,708	37,000	83,693
Overseas Trip Revenue	46,468	46,460	95,352
Other Revenue	405,690	85,500	353,086
	<u>1,251,735</u>	<u>434,460</u>	<u>973,063</u>
Expenses			
Activities	167,439	32,500	161,163
Trading	45,194	37,000	86,608
Overseas Trip Expenses	55,973	46,460	91,076
Other Locally Raised Funds Expenditure	4,619	-	52,610
	<u>273,225</u>	<u>115,960</u>	<u>391,457</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>978,510</u>	<u>318,500</u>	<u>581,606</u>

The school went on a certified Advanced Water Dive to Vanuatu. The tour was self-funded through pay increments from the families involved. This trip is now a biannual event. \$46,468 funds were raised and \$45,194 expensed for the trip.

4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	21	21	24
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
International Student Fees	306,214	320,000	294,401
Expenses			
Commissions	32,227	32,000	27,613
International Student Levy	41,042	41,000	31,489
Employee Benefit - Salaries	119,004	121,000	115,628
Other Expenses	66,283	77,000	78,737
	<u>258,556</u>	<u>271,000</u>	<u>253,467</u>
Surplus/ (Deficit) for the year International Students'	<u>47,658</u>	<u>49,000</u>	<u>40,934</u>



5. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	277,500	315,395	228,047
Information and Communication Technology	93,807	90,300	120,263
Extra-Curricular Activities	262,457	8,000	239,388
Employee Benefits - Salaries	5,200,059	5,190,745	4,926,244
Staff Development	36,161	59,000	53,692
	<u>5,869,984</u>	<u>5,663,440</u>	<u>5,567,634</u>

6. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,600	5,600	5,300
Board of Trustees Fees	6,380	7,000	6,214
Board of Trustees Expenses	17,196	9,500	9,721
Communications	14,002	11,500	12,118
Consumables	42,527	49,000	30,924
Operating Lease	4,961	54,000	(1,828)
Other	82,267	84,300	52,562
Employee Benefits - Salaries	246,589	248,000	246,005
Insurance	15,209	13,000	12,195
Service Providers, Contractors and Consultancy	6,380	8,000	8,400
	<u>441,111</u>	<u>489,900</u>	<u>381,611</u>

7. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	5,178	4,500	5,215
Consultancy and Contract Services	138,156	164,285	152,615
Cyclical Maintenance Provision	30,017	34,000	35,588
Grounds	35,399	40,000	37,677
Heat, Light and Water	110,763	109,000	113,981
Rates	15,892	20,000	16,407
Repairs and Maintenance	153,248	63,000	73,864
Use of Land and Buildings	1,567,200	1,567,200	1,567,200
Security	7,681	5,000	8,387
Employee Benefits - Salaries	72,232	67,000	62,577
	<u>2,135,766</u>	<u>2,073,985</u>	<u>2,073,511</u>

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.



8. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	3,824	2,410	7,996
Equitable Lease	13,872	8,735	13,872
Furniture and Equipment	63,615	40,070	60,481
Information and Communication Technology	92,365	58,175	95,099
Motor Vehicles	10,144	6,390	11,156
Textbooks	5,270	3,320	4,652
Leased Assets	59,128	37,240	62,032
Library Resources	5,810	3,660	8,669
	<u>254,028</u>	<u>160,000</u>	<u>263,957</u>

9. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	363,601	310,314	387,589
Bank Call Account	15,925	10,000	9,941
Short-term Bank Deposits	200,000	200,000	-
Cash and cash equivalents for Cash Flow Statement	<u>579,526</u>	<u>520,314</u>	<u>397,530</u>

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

10. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	28,862	28,850	4,762
Interest Receivable	4,106	4,100	5,286
Banking Staffing Underuse	24,655	31,650	-
Teacher Salaries Grant Receivable	344,327	330,000	316,079
	<u>401,950</u>	<u>394,600</u>	<u>326,127</u>
Receivables from Exchange Transactions	32,968	32,950	10,048
Receivables from Non-Exchange Transactions	368,982	361,650	316,079
	<u>401,950</u>	<u>394,600</u>	<u>326,127</u>

11. Inventories

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	-	-	232
	<u>-</u>	<u>-</u>	<u>232</u>



12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	1,004,621	563,280	900,000
Total Investments	1,004,621	563,280	900,000

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Buildings	65,151	2,860	-	-	(3,824)	64,187
Furniture and Equipment	301,755	127,029	-	-	(63,615)	365,169
Information and Communication	148,924	131,089	-	-	(92,365)	187,648
Motor Vehicles	57,517	-	-	-	(10,144)	47,373
Textbooks	34,677	12,824	-	-	(5,270)	42,231
Leased Assets	59,716	93,666	-	-	(59,128)	94,254
Library Resources	60,681	6,196	(20,397)	-	(5,810)	40,670
Balance at 31 December 2019	728,421	373,664	(20,397)	-	(240,156)	841,532

The net carrying value of equipment held under a finance lease is \$94,254 (2018: \$59,716)

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Buildings	94,661	(30,474)	64,187
Furniture and Equipment	810,686	(445,517)	365,169
Information and Communication	435,574	(247,926)	187,648
Motor Vehicles	123,696	(76,323)	47,373
Textbooks	67,242	(25,011)	42,231
Leased Assets	287,508	(193,254)	94,254
Library Resources	109,692	(69,022)	40,670
Balance at 31 December 2019	1,929,059	(1,087,527)	841,532

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Buildings	62,902	10,245	-	-	(7,996)	65,151
Furniture and Equipment	312,010	50,226	-	-	(60,481)	301,755
Information and Communication					(95,099)	148,924
Technology	166,176	77,847	-	-		
Motor Vehicles	42,687	25,986	-	-	(11,156)	57,517
Textbooks	113,135	5,068	-	(78,874)	(4,652)	34,677
Leased Assets	109,824	11,924	-	-	(62,032)	59,716
Library Resources	79,442	5,859	(15,951)	-	(8,669)	60,681
Balance at 31 December 2018	886,176	187,155	(15,951)	(78,874)	(250,085)	728,421

The net carrying value of equipment held under a finance lease is \$59,716 (2017: \$109,824)



2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	101,301	(36,150)	65,151
Furniture and Equipment	754,314	(452,559)	301,755
Information and Communication Technology	410,117	(261,193)	148,924
Motor Vehicles	123,696	(66,179)	57,517
Textbooks	54,418	(19,741)	34,677
Leased Assets	193,842	(134,126)	59,716
Library Resources	155,898	(95,217)	60,681
Balance at 31 December 2018	1,793,586	(1,065,165)	728,421

14. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2018	17,037	-	17,037
Additions	-	-	-
Balance at 31 December 2018/1 January 2019	17,037	-	17,037
Disposals	(17,037)	-	(17,037)
Balance at 31 December 2019	-	-	-
Accumulated Amortisation and impairment losses			
Balance at 1 January 2018	13,622	-	13,622
Amortisation expense	3,415	-	3,415
Balance at 31 December 2018/1 January 2019	17,037	-	17,037
Disposals	(17,037)	-	(17,037)
Balance at 31 December 2019	-	-	-
Carrying amounts			
At 1 January 2018	3,415	-	3,415
At 31 December 2018/ 1 January 2019	-	-	-
At 31 December 2019	-	-	-

Restrictions

There are no restrictions over the title of the school's intangible assets, nor are there any intangible assets pledged as security.

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil(2018 \$nil)

15. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	129,810	134,395	84,028
Accruals	10,120	10,500	9,775
Employee Entitlements - Salaries	344,327	345,000	316,079
Employee Entitlements - Leave Accrual	10,735	11,000	25,068
	494,992	500,895	434,950
Payables for Exchange Transactions	494,992	500,895	434,950
	494,992	500,895	434,950

The carrying value of payables approximates their fair value.



16. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees	175,839	180,000	171,335
Other	422,558	175,500	214,291
	<u>598,397</u>	<u>355,500</u>	<u>385,626</u>

17. Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	215,960	215,960	195,808
Increase/ (decrease) to the Provision During the Year	30,017	24,040	35,588
Use of the Provision During the Year	(49,317)	(95,000)	(15,436)
Provision at the End of the Year	<u>196,660</u>	<u>145,000</u>	<u>215,960</u>
Cyclical Maintenance - Current	90,450	126,000	103,564
Cyclical Maintenance - Term	106,210	19,000	112,396
	<u>196,660</u>	<u>145,000</u>	<u>215,960</u>

18. Finance Lease Liability

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

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	36,066	26,000	51,497
Later than One Year and no Later than Five Years	61,236	23,000	9,411
	<u>97,302</u>	<u>49,000</u>	<u>60,908</u>

19. Funds Held in Trust

	2019	2019	2018
	Actual	Budget	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	123,897	127,000	152,779
	<u>123,897</u>	<u>127,000</u>	<u>152,779</u>

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

20. Equitable Leasehold Interest

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 part by the board of trustees, either from government funding or community raised funds.

A lease prepared between the board and the proprietor records the terms of the equitable leasehold interest and includes a detailed schedule of capital works assets. These equitable leasehold interests are amortised over a period of 19 and 21 years, based on the economic life of the capital works assets involved. The interest may be realised on the sale of the capital works assets by the proprietor or the closure of the school. The major capital works assets included in the equitable leasehold interest are:

	NBV at 31 December	
Asset	2019	2018
	\$	\$
Gymnasium Upgrade	29,465	33,675
Tennis & Hockey Centre, Function Centre	86,961	96,623
	<u>116,426</u>	<u>130,298</u>



21. Related Party Transactions

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

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

The Proprietor of the School, the Catholic Bishop of Hamilton 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".

The following transactions occur between the Board and the Proprietor:

1. The Proprietor provides land and buildings free of charge for use by the Board as noted in the Statement of Accounting Policies. The estimated value of this use during 2019 is \$1,567,200 which is included in the Revenue Statement as "Use of Land & Buildings."
2. The Proprietor provides religious instruction to pupils of the School. This service is provided free of charge in accordance with the Private Schools Conditional Integration Act 1975.
3. Under an agency agreement the Board collected attendance dues for international students and voluntary financial contributions on behalf of the Proprietor. This service was provided free of charge. During the 2019 year the Board collected \$165,417 on behalf of the Proprietor(2018:135,044). These do not represent revenue in the financial statements of the school. Any balance not treated at year end is treated as a liability. \$11,361 is held on behalf of the proprietor at year end(2018:Nil).
4. Saint John's College (Hillcrest) Foundation Trust is a related party.
Shane Tong, Principal, is an officer of the Trust. During 2019 the school received \$26,475 for student welfare and sponsorship and collected \$20,786 on behalf of the Trust. \$4,000 is receivable from the Trust for student welfare and a scholarship grant. The 2018 equivalent was \$2,000.
5. During 2019 the Hamilton Catholic Development Fund held funds on behalf of the Board. At 31 December 2019 the amount held by the Proprietor was \$200,000 with an interest rate of 2.15%. Interest earned during the year was \$3,743.(2018: \$200,000; interest earned \$5,678)
The Hamilton Catholic Development Fund is a Ministry of Education approved investment.
6. The Proprietor charges a levy on international students. In 2019 the Board paid \$19,177 to the Proprietor for International student levies.
7. The school paid the Proprietor a one off payment of \$75,000 for the initial paint of the new gymnasium.



22. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
Board Members		
Remuneration	6,380	6,214
Full-time equivalent members	0.20	0.16
Leadership Team		
Remuneration	1,134,544	1,118,582
Full-time equivalent members	11	11
Total key management personnel remuneration	1,140,924	1,124,796
Total full-time equivalent personnel	11.20	11.16

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

Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	155-160	150-155
Benefits and Other Emoluments	0-5	0-5

Other Employees

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

Remuneration \$000	2019	2018 FTE Number
100-110	1.00	1.00
110-120	1.00	1.00
	2.00	2.00

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

23. Compensation and Other Benefits Upon Leaving

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

	2019 Actual	2018 Actual
Total	-	-
Number of People	-	-



24. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

25. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has no capital commitments (2018:Nil)

(b) Operating Commitments

As at 31 December 2019 the Board has no capital commitments (2018:Nil)

26. 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.

27. Financial Instruments

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

Financial assets measured at amortised cost (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	579,526	520,314	397,530
Receivables	401,950	394,600	326,127
Investments - Term Deposits	1,004,621	563,280	900,000
Total Financial assets measured at amortised cost	1,986,097	1,478,194	1,623,657

Financial liabilities measured at amortised cost

Payables	494,992	500,895	434,950
Borrowings - Loans	-	-	-
Finance Leases	97,302	49,000	60,908
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	592,294	549,895	495,858



28. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 10 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 12 Investments: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

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

29. Events After Balance Date

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

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

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

30. Comparatives

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

31. Breach of Law - Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with Section 87A(1) of the Education Act 1989, in that it did not submit its annual financial statements for audit by 31 March 2020. On March 11 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to level 4 and a nationwide lockdown commenced which has caused time delays and resulted in a breach of Section 87A (1). As this situation is out of the Board of Trustees control no audit qualification has been issued for breach of Section 87A (1) of the Education Act.

32. Breach of 31 May Deadline Due to COVID-19

Section 87 (c) of the Education Act states that "A board must provide its audited financial statements to the Secretary no later than 31 May in the year after the previous financial year"

On March 11 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to level 4 and a nationwide lockdown commenced which has caused time delays and resulted in a breach of Section 87(c) of the Education Act. As this situation is out of the Board of Trustees control no audit qualification has been issued for breach of Section 87 (c) of the Education Act.

