



Sacred Heart College

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26 May 2021

Hamish Anton
Deloitte Limited
Chartered Accountants
PO Box 1990
WELLINGTON 6011

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2020

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Sacred Heart College (the School) for the year ended 31 December 2020 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
 - the financial position as at 31 December 2020; and
 - the 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.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

General representations

To the best of our knowledge and belief:

- the resources, activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (a requirement of paragraph NZ40.1(a) in ISA (NZ) 240).

We also confirm, to the best of our knowledge and belief, that we have maintained appropriate separation between our functions and governance structures, and those of the School's proprietor, in keeping with the principles of the Education and Training Act 2020.

Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87 of the Education Act 1989 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2020; and
 - the 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.
- we believe the significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.

- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with one another, and the other information does not contain any material misstatements.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2020. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from the date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern basis of accounting by the School.

Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully



Chairperson



Principal

SACRED HEART COLLEGE



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Address: 65 Laings Road, Woburn, Lower Hutt 5010

School Postal Address: 65 Laings Road, Woburn, Lower Hutt 5010

School Phone: 04 566 1089

School Email: college@sacredheartcollege.school.nz

Ministry Number: 262

Accountant/Service Provider: Accounting For Schools Limited

SACRED HEART COLLEGE

Annual Report - For the year ended 31 December 2020

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SACRED HEART COLLEGE
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.

Richard William Teohe
Full Name of Board Chairperson


Signature of Board Chairperson

26/5/21
Date:

Maria Ann Potter
Full Name of Principal


Signature of Principal

26/5/21
Date:

SACRED HEART COLLEGE

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	6,899,163	6,714,920	6,590,053
Locally Raised Funds	3	368,600	440,045	498,805
Use of Proprietors Land & Buildings		1,654,322	1,655,000	1,654,322
Interest Earned		38,840	32,000	38,320
Gain on Sale of Property, Plant and Equipment		400	-	-
International Students	4	163,973	213,666	340,851
		<u>9,125,298</u>	<u>9,055,631</u>	<u>9,122,351</u>
Expenses				
Locally Raised Funds	3	26,679	12,992	39,301
International Students	4	96,875	200,288	136,707
Learning Resources	5	6,097,365	6,207,343	6,042,106
Administration	6	422,395	479,702	461,734
Finance		13,003	3,000	12,416
Property	7	2,092,896	2,066,924	2,048,558
Depreciation	8	210,390	125,780	192,046
Amortisation of Intangible Assets	13	3,403	3,403	3,403
		<u>8,963,006</u>	<u>9,099,432</u>	<u>8,936,271</u>
Net (Deficit) / Surplus for the year		162,292	(43,801)	186,080
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>162,292</u>	<u>(43,801)</u>	<u>186,080</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.

SACRED HEART COLLEGE

Statement of Changes in Net Assets/Equity For the year ended 31 December 2020

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January	<u>1,543,337</u>	<u>1,543,337</u>	<u>1,327,962</u>
Total comprehensive revenue and expense for the year	162,292	(43,801)	186,080
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	30,427	27,000	29,295
Equity at 31 December	<u>1,736,056</u>	<u>1,526,536</u>	<u>1,543,337</u>
Retained Earnings	1,736,056	1,526,536	1,543,337
Equity at 31 December	<u>1,736,056</u>	<u>1,526,536</u>	<u>1,543,337</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.

SACRED HEART COLLEGE

Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	9	44,751	522,188	472,816
Accounts Receivable	10	417,088	403,000	403,733
GST Receivable		30,964	37,500	37,509
Investments	11	1,509,344	1,125,000	1,006,438
Prepayments		12,128	35,000	35,160
		<u>2,014,275</u>	<u>2,122,688</u>	<u>1,955,656</u>
Current Liabilities				
Accounts Payable	14	528,214	502,500	503,148
Revenue Received in Advance	15	5,170	208,000	207,059
Provision for Cyclical Maintenance	16	119,810	119,810	79,440
Finance Lease Liability - Current Portion	17	100,748	60,000	66,997
Funds held in Trust	18	2,612	86,500	86,509
		<u>756,554</u>	<u>976,810</u>	<u>943,153</u>
Working Capital Surplus/(Deficit)		1,257,721	1,145,878	1,012,503
Non-current Assets				
Investments	11	-	-	126,588
Property, Plant and Equipment	12	536,398	462,000	496,317
Intangible Assets	13	64,656	64,656	68,059
		<u>601,054</u>	<u>526,656</u>	<u>690,964</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	72,498	72,498	84,544
Finance Lease Liability	17	44,407	70,000	71,840
Funds held in Trust	18	5,814	3,500	3,746
		<u>122,719</u>	<u>145,998</u>	<u>160,130</u>
Net Assets		<u>1,736,056</u>	<u>1,526,536</u>	<u>1,543,337</u>
Equity		<u>1,736,056</u>	<u>1,526,536</u>	<u>1,543,337</u>

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

SACRED HEART COLLEGE

Statement of Cash Flows

For the year ended 31 December 2020

	2020	2020	2019
Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	1,799,920	1,614,920	1,713,498
Locally Raised Funds	375,632	440,505	466,252
International Students	(22,214)	215,197	353,955
Goods and Services Tax (net)	6,545	8	(32,830)
Payments to Employees	(1,009,397)	(930,427)	(930,600)
Payments to Suppliers	(903,985)	(1,251,880)	(1,244,104)
Cyclical Maintenance Payments in the year	(31,108)	(2,226)	(46,280)
Interest Paid	(13,003)	(3,000)	(12,416)
Interest Received	41,018	31,804	40,673
Net cash from / (to) the Operating Activities	243,408	114,901	308,148
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	400	-	-
Purchase of PPE (and Intangibles)	(143,337)	(91,463)	(45,829)
Purchase of Investments	(376,318)	(118,562)	(40,161)
Proceeds from Sale of Investments	-	126,588	-
Net cash (to) / from the Investing Activities	(519,255)	(83,437)	(85,990)
Cash flows from Financing Activities			
Furniture and Equipment Grant	30,427	27,000	29,295
Finance Lease Payments	(100,816)	(8,837)	(67,501)
Funds Administered on Behalf of Third Parties	(81,829)	(255)	(44,790)
Net cash from Financing Activities	(152,218)	17,908	(82,996)
Net (decrease)/increase in cash and cash equivalents	(428,065)	49,372	139,162
Cash and cash equivalents at the beginning of the year	9 472,816	472,816	333,654
Cash and cash equivalents at the end of the year	9 44,751	522,188	472,816

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.

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Sacred Heart College (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.

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

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 16.

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.

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 (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.

i) Inventories

Inventories are consumable items held for sale and mainly comprise stationery and other items. 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.

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 equitable leasehold interest, and amortised over the useful life of the leasehold asset.

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:

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

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 \$500 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, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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

t) 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.

u) Budget Figures

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

v) 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.

SACRED HEART COLLEGE
Notes to the Financial Statements
For the year ended 31 December 2020

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	1,592,075	1,520,612	1,577,158
Other MoE Grants	207,845	94,308	122,157
Teachers' salaries Grants	5,099,243	5,100,000	4,890,738
	6,899,163	6,714,920	6,590,053

Other MOE Grants total includes additional COVID-19 funding totalling \$47,042 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Activities	132,633	225,794	212,760
Donations	166,876	168,000	193,221
Fundraising	18,064	20,000	54,440
Other Revenue	22,545	6,251	12,259
Trading	28,482	20,000	26,125
	368,600	440,045	498,805
Expenses			
Fundraising (costs of raising funds)	8,215	500	24,875
Trading	18,464	12,492	14,426
	26,679	12,992	39,301
<i>Surplus for the year Locally raised funds</i>	341,921	427,053	459,504

SACRED HEART COLLEGE
Notes to the Financial Statements
For the year ended 31 December 2020

4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	10.0	14.0	21.0
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
International student fees	163,973	213,666	340,851
Expenses			
Advertising	1,616	3,000	5,025
Commissions	19,013	25,556	20,382
Employee Benefits - Salaries	68,165	92,726	57,717
International Student Levy	6,461	5,042	4,741
Other Expenses	1,620	73,964	10,756
Recruitment	-	-	38,086
	<u>96,875</u>	<u>200,288</u>	<u>136,707</u>
<i>Surplus for the year International Students'</i>	<u>67,098</u>	<u>13,378</u>	<u>204,144</u>

5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	161,421	296,950	260,439
Employee Benefits - Salaries	5,546,961	5,448,669	5,299,796
Equipment Repairs	3,317	21,100	7,148
Extra-curricular Activities	196,026	257,111	281,506
Information and Communication Technology	171,145	150,513	153,014
Staff Development	18,495	33,000	40,203
	<u>6,097,365</u>	<u>6,207,343</u>	<u>6,042,106</u>

SACRED HEART COLLEGE
Notes to the Financial Statements
For the year ended 31 December 2020

6. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Audit Fee	9,371	9,336	9,064
Board of Trustees Expenses	7,617	16,000	13,391
Board of Trustees Fees	3,724	7,000	4,955
Communication	16,256	9,500	12,385
Consumables	42,406	685	54,468
Employee Benefits - Salaries	283,358	279,321	262,860
Insurance	31,365	27,000	33,223
Operating Lease	375	85,000	47,313
Other	22,763	37,860	16,758
Service Providers, Contractors and Consultancy	5,160	8,000	7,317
	<u>422,395</u>	<u>479,702</u>	<u>461,734</u>

7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Caretaking and Cleaning Consumables	9,206	7,000	7,109
Consultancy and Contract Services	136,555	142,985	148,013
Cyclical Maintenance Expense	59,432	30,550	24,801
Employee Benefits - Salaries	108,994	105,276	94,736
Grounds	6,838	8,500	3,928
Heat, Light and Water	57,761	61,863	61,610
Rates	2,876	4,000	4,497
Repairs and Maintenance	47,846	41,500	37,166
Security	9,066	10,250	12,376
Use of Land and Buildings	1,654,322	1,655,000	1,654,322
	<u>2,092,896</u>	<u>2,066,924</u>	<u>2,048,558</u>

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

8. Depreciation on Property, Plant & Equipment

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited) \$	\$
Furniture and Equipment	49,535	34,180	47,396
Information and Communication Technology	49,731	35,000	60,282
Leased Assets	98,852	50,000	67,512
Library Resources	3,573	1,500	3,037
Motor Vehicles	12	100	7,918
Textbooks	8,687	5,000	5,901
	<u>210,390</u>	<u>125,780</u>	<u>192,046</u>

SACRED HEART COLLEGE
Notes to the Financial Statements
For the year ended 31 December 2020

9. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	43,285	422,188	366,960
Bank Call Account	1,466	100,000	105,856
Cash equivalents and bank overdraft for Cash Flow Statement	<u>44,751</u>	<u>522,188</u>	<u>472,816</u>

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

10. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	3,316	25,000	26,050
Interest Receivable	10,626	13,000	12,804
Teacher Salaries Grant Receivable	403,146	365,000	364,879
	<u>417,088</u>	<u>403,000</u>	<u>403,733</u>
Receivables from Exchange Transactions	13,942	38,000	38,854
Receivables from Non-Exchange Transactions	403,146	365,000	364,879
	<u>417,088</u>	<u>403,000</u>	<u>403,733</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	1,509,344	1,125,000	1,006,438
Non-current Asset			
Long-term Bank Deposits	-	-	126,588

SACRED HEART COLLEGE
Notes to the Financial Statements
For the year ended 31 December 2020

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Furniture and Equipment	210,537	29,732	-	(822)	(49,536)	189,911
Information and Communication	96,373	96,629	-	-	(49,731)	143,271
Leased Assets	136,555	107,136	-	-	(98,852)	144,837
Library Resources	25,848	5,476	-	-	(3,573)	27,751
Motor Vehicles	11	-	-	-	(11)	-
Textbooks	26,993	12,322	-	-	(8,687)	30,628
Balance at 31 December 2020	496,317	251,295	-	(822)	(210,390)	536,398

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Furniture and Equipment	1,696,866	(1,506,955)	189,911
Information and Communication	825,988	(682,717)	143,271
Leased Assets	363,675	(218,838)	144,837
Library Resources	170,572	(142,821)	27,751
Motor Vehicles	52,782	(52,782)	-
Textbooks	313,923	(283,295)	30,628
Balance at 31 December 2020	3,423,806	(2,887,408)	536,398

The net carrying value of equipment held under a finance lease is \$144,837 (2019: \$136,555).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Furniture and Equipment	238,872	19,062	-	-	(47,397)	210,537
Information and Communication	143,374	13,281	-	-	(60,282)	96,373
Leased Assets	27,063	177,004	-	-	(67,512)	136,555
Library Resources	23,874	5,011	-	-	(3,037)	25,848
Motor Vehicles	7,928	-	-	-	(7,917)	11
Textbooks	24,419	8,475	-	-	(5,901)	26,993
Balance at 31 December 2019	465,530	222,833	-	-	(192,046)	496,317

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Furniture and Equipment	1,667,955	(1,457,418)	210,537
Information and Communication Technology	729,359	(632,986)	96,373
Motor Vehicles	52,782	(52,771)	11
Textbooks	301,601	(274,608)	26,993
Leased Assets	256,541	(119,986)	136,555
Library Resources	165,095	(139,247)	25,848
Balance at 31 December 2019	3,173,333	(2,677,016)	496,317

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

13. 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 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 32 years, based on the economic life of the capital works assets involved. The interest may be realised on the sale of the capital works by the Proprietor or the closure of the College.

The major capital works assets included in the equitable leasehold interest is:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Canteen Refurbishment - 2018	64,656	64,656	68,059

14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	68,492	90,000	91,386
Accruals	6,973	5,500	5,439
Employee Entitlements - Salaries	403,146	365,000	364,879
Employee Entitlements - Leave Accrual	49,603	42,000	41,444
	<u>528,214</u>	<u>502,500</u>	<u>503,148</u>
Payables for Exchange Transactions	528,214	502,500	503,148
	<u>528,214</u>	<u>502,500</u>	<u>503,148</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
International Student Fees	2,282	190,000	188,469
Student Fees	2,888	18,000	18,590
	<u>5,170</u>	<u>208,000</u>	<u>207,059</u>

SACRED HEART COLLEGE
Notes to the Financial Statements
For the year ended 31 December 2020

16. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	163,984	163,984	185,463
Increase to the Provision During the Year	59,432	30,550	24,801
Use of the Provision During the Year	(31,108)	(2,226)	(46,280)
Provision at the End of the Year	<u>192,308</u>	<u>192,308</u>	<u>163,984</u>
Cyclical Maintenance - Current	119,810	119,810	79,440
Cyclical Maintenance - Term	72,498	72,498	84,544
	<u>192,308</u>	<u>192,308</u>	<u>163,984</u>

17. Finance Lease Liability

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

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	100,748	60,000	66,997
Later than One Year and no Later than Five Years	44,407	70,000	71,840
	<u>145,155</u>	<u>130,000</u>	<u>138,837</u>

18. Funds held in Trust

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Student Funds Held in Trust	2,612	86,500	86,509
Other Funds Held in Trust	5,814	3,500	3,746
	<u>8,426</u>	<u>90,000</u>	<u>90,255</u>

These funds are held in trust for international students homestay monies and donations collected on behalf of the Proprietor.

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

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

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

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, building levy and special character donations payable to the Proprietor. These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$16,111 (2019: \$445).

Religious Instruction

The Proprietor provides Religious instruction to pupils of the College. This service is provided free of charge in accordance with the Private Schools Conditional Integration Act 1975.

Collection of donations, contributions and dues

Under an agency agreement the Board collected voluntary financial contributions on behalf of the Proprietor. This service is currently provided free of charge.

Uniform shop Salaries

The Colleges' uniform shop is operated by the Proprietor. The salaries for uniform shop staffing are processed by the Board and reimbursed by the Proprietor. This service is currently provided free of charge.

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

20. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,724	4,955
Full-time equivalent members	0.12	0.17
<i>Leadership Team</i>		
Remuneration	2,024,964	1,625,343
Full-time equivalent members	20.22	17.00
Total key management personnel remuneration	2,028,688	1,630,298
Total full-time equivalent personnel	20.34	17.17

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
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	160 - 170	150 - 160
Benefits and Other Emoluments	5 - 6	4 - 5
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	6.00	3.00
110 - 120	4.00	0.00
120 - 130	1.00	0.00
	11.00	3.00

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

21. 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	-	-

SACRED HEART COLLEGE

Notes to the Financial Statements

For the year ended 31 December 2020

22. 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

Operating Commitments

As at 31 December 2020 the Board has not entered into any contracts (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:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	44,751	522,188	472,816
Receivables	417,088	403,000	403,733
Investments - Term Deposits	1,509,344	1,125,000	1,133,026
Total Financial Assets Measured at Amortised Cost	<u>1,971,183</u>	<u>2,050,188</u>	<u>2,009,575</u>
Financial liabilities measured at amortised cost			
Payables	528,214	502,500	503,148
Finance Leases	145,155	130,000	138,837
Total Financial Liabilities Measured at Amortised Cost	<u>673,369</u>	<u>632,500</u>	<u>641,985</u>

26. Events After Balance Date

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

SACRED HEART COLLEGE

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How position on Board gained	Occupation	Term expired/expires
Richard Te One	Chairperson	Appointed	Franchisee	May 2022
Maria Potter	Principal		Principal	
Josephine Collins	Proprietors Rep	Appointed	MP Support	May 2022
Lucy Andrew	Proprietors Rep	Appointed	Homemaker	May 2022
Gurleen Kaur	Student Rep	Elected September 2019	Student	September 2020
Renee Bajaj	Student Rep	Elected September 2020	Student	September 2021
Sharon Lapwood	Staff Rep	Elected	Teacher	May 2022
Tyler Skipper-King	Parent Rep	Elected	Youth Development Specialist	May 2022
Nicola Medway	Parent Rep	Elected	National Manager	May 2022
Raewyn Peters	Parent Rep	Elected	Professional Standards Adviser	May 2022
Vikki-Lee Remuera	Parent Rep	Elected	Sales Manager	May 2022
Gina Foster	Proprietors Rep	Elected	Teacher	February 2020
Rowan Southee	Proprietors Rep	Appointed	Retired	November 2020
Jeanette Quill- Wilcock	Parent Rep	Elected	Teacher Aide	November 2020

SACRED HEART COLLEGE

Kiwisport Statement

For the year ended 31 December 2020

Kiwisport is a Government funding initiative to support students participation in organised sport.

In 2020 the School received total Kiwisport funding of \$19,667 excluding GST (2019: \$19,680 excluding GST).

The funding was spent on internal co-ordinators and external coaches to enhance student core skills and fundamental skills to help assist them in gaining confidence to be able to participate in a wide range of sports.



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF SACRED HEART COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Sacred Heart College (the School). The Auditor-General has appointed me, Hamish Anton, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 21, 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.

Our audit was completed on 26 May 2021. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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



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

The Board'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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. Other Information has not been received by the auditor at the date the audit report is signed. Other information 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.



Hamish Anton
Deloitte Limited
On behalf of the Auditor-General
Wellington, New Zealand

STUDENT ACHIEVEMENT TARGETS: 2020 Analysis of Variance and 2021 targets

Target One: Teaching as Inquiry

Strategic target:

Developing Teaching – Mana Matauranga
Building Student Engagement - Mana
Matauranga/Mana Tangata

Historical position:

Excellences	2015	2016	2017	2018	2019
L1	17.2	13.6	17.4	16.9	13.9
L2	9.5	16.4	8.8	10.2	14.6
L3	7.6	6.8	12.3	6.4	5.8

Merits	2015	2016	2017	2018	2019
L1	34.4	48.7	36.4	41.5	44.8
L2	36.2	30.3	30.9	28.6	26.8
L3	29.5	27.2	21.7	27.3	26.9

Annual target:

To maintain the level of **all** student achievement at all levels;

	Goal	2019	Variance
L 1	90	89.6	-0.4
L 2	90	89	1
L 3	80	74.3	-5.7

To increase the percentage of excellent and merit endorsements to that of the national level. Focus on quality not quantity.

Student group:

Year: 11-13

Ethnicity: All

All data is rolled based;

L1 184
L2 134
L3 135
Total: 453

Action Plan:

What will be done to meet the target?	Key Indicators	Who is involved/responsible?	When will it be done by?
Student data will be tracked	Data collected using KAMAR Data analysed and at risk students identified Data displayed for all staff to see Students have own tracking and goal setting – individual plan, access to results apps and logins	Deans HOD's Form teachers Subject teachers Transition/careers Students PN Assessment committee	At the end of every term Ongoing
Department Action Plans will document actions taken to support target	Dept goals are aligned with school goals Actions are evident Regular review of actions and update according to review Monitoring of student achievement (new courses in particular) Each course is reviewed and the number of credits available to be between 14 -18.	HOD's Subject teachers Department liason	Beginning term 1 Ongoing

At risk students will be identified and a pathway to achievement plan is put in place	Students are identified through referral and/or data Plans are put in place Parents are involved in process, parent voice collected Thurs meetings focus on identified students Students feel agency Teachers feel supported Hardship fund utilised when necessary Attendance at study group/big sister	Deans SLT Form teachers Vibe (Jodie) Learning Support (teacher aide hrs) Careers	At the end of every term Ongoing
Teachers will inquire on the impact of their teaching on their students	An inquiry will be completed by all staff PLG's will be set up to support inquiries Inquiries align with dept and school goals Appraisal links to inquiry	All staff	Ongoing all year
Student engagement data will be collected	Student surveys will be completed Lesson observations will occur Data will be analysed and changes made according to results Attendance monitored	HOD's Subject teachers Deans SLT	At the end of every term Ongoing
Staff PD on appropriate pedagogy including culturally effective pedagogy	Whole staff PD on differentiated learning occurs Best practise within staff is shared, collaboration across departments Access to best practise resources including teachers in other schools. Attendance at BES PD	SLT HOD's All staff	Weekly briefings & PLD's Ongoing

End of Year Data:

Using new enrolment-based measure

	2016	2017	2018	2019	2020	Variance (from 2019-2020)
Level 1	91.1	80.5	81.3	89.6	87.3	-2.3
Level 2	92.1	85.0	90.2	89.0	92.5	+3.5
Level 3	83.1	74.6	79.7	74.3	92.7	+18.4

	Result 2020	National Result	Variance from National	Decile 7 Result	Variance from Decile 7
Level 1	87.3	71.8	+15.5	80.6	+6.7
Level 2	92.5	80.1	+12.4	87.6	+4.9
Level 3	92.7	72.1	+20.6	79.5	+13.2

2020 All students	2020 Maori Students	Gap 2018	Gap 2019	Gap 2020
87.3	76.3	9.9	6.7	11.0
92.5	87.5	1.3	2.0	5.0
92.7	93.3	6.6	3.9	-0.6

2020 All students	2020 Pasifika Students	Gap 2018	Gap 2019	Gap 2020
87.3	76.7	1.3	5.7	10.6
92.5	85.3	3.8	7.5	7.2
92.7	81.0	11.5	22.8	11.7

Discussion:

- Overall our results have improved from 2019 to 2020 in L2 and markedly in L3. We had a slight drop at L1
- We are above both the National results and that of other decile 7 schools at all 3 levels.
- There is still a gap between Maori and All students at L1 and L2 but not at L3. This gap increased both levels 1 and 2. Maori gained better results than all students at L3
- There is still a gap between Pasifika and All students at all 3 levels and this increased for L1 but decreased slightly for L2 and markedly for L3.

Next steps;

- Attendance goal
- Profiling of classes/students
- Tracking of student achievement
- Identifying at risk students
- Modifying courses as necessary
- Int vs Ext balance – new NCEA rules
- Student wellbeing – AKO
- Staff wellbeing
- Culturally responsive inquiries
- Whole staff PD
- Dept liaison
- Weekly reporting
- Korero ā whanau
- Year 12 alternative education
- Kahui Ako engagement

For Maori students

- Maori language week
- Students studying at higher levels
- Whanau hui
- Maori Achieve/Kapa Haka
- A staff team to help with Maori Achieve
- TA to work with identified students
- Vibe engagement

- Leadership opportunities
- Curriculum opportunities eg STEM

For Pasifika students

- Culturally responsive PD
- Pacific Language weeks
- Samoan Level 1 students
- Big Sister/Poly group
- Fono – subcommittee being formed
- A staff team to help with Pasifika group
- TA to work with identified students
- Vibe engagement
- Leadership opportunities
- Curriculum opportunities eg STEM

End of Year Data:

EXCELLENCE ENDORSEMENTS

Year	L1	L2	L3
2016	13.6	16.4	6.8
2017	17.4	8.8	12.3
2018	16.9	10.2	6.4
2019	14.1	14.0	5.8
2020	20.5	13.0	10.9
National	20.7	17.9	17.5

MERIT ENDORSEMENTS

Year	L1	L2	L3
2016	48.7	30.3	27.2
2017	36.4	30.9	21.7
2018	41.5	28.6	27.3
2019	45.4	27.3	26.9
2020	41.1	30.4	19.8
National	32.3	24.9	26.3

OVERALL ENDORSEMENTS

Year	L1	L2	L3
2016	62.3	46.7	34.0
2017	53.8	39.7	37.0
2018	58.4	38.8	33.7
2019	59.5	41.3	32.7
2020	61.6	43.4	30.7
National	53.0	42.8	43.8

Discussion:

- From 2019; Our overall endorsement results have improved in both L1 and L2, but have decrease slightly at L3
- We are higher than the National average at both L1 and L2 but significantly lower at L3. This is also true when compared to decile 4-7 schools. And was the same last year.

Next Steps:

- Use of HOD's to effect a positive change; unpack the data at HOD meetings, share best practice, decide on steps moving forward, monitor with each dept and feedback to meeting 1/term
- L3 needs to be a focus, Pasifika students need to be a focus.

Target/goals for 2021

To maintain the percentage of excellent and merit endorsements for L1 and L2 from 2020 and get closer to that of the national level and other decile 7 schools at L3. Focus on quality not quantity.

To close the gap between all students and Maori and Pasifika students at all levels

STUDENT ACHIEVEMENT TARGETS: 2020 Analysis of Variance and 2021 targets

Target Two: Numeracy and Literacy

Strategic target:

Developing Teaching – Mana Matauranga
Building Student Engagement - Mana Matauranga/Mana Tangata

Historical position:

We have not had whole school targets for junior students so data lies within each department.

Annual target:

To raise the level of junior student achievement at all levels;

	Goal
Yr 9	Lift by 1 complete AsTTle level over 2 years in both numeracy and literacy
Yr 10	

Student group:

Year: 9 - 10

Ethnicity: All

	Roll
Yr 9	181
Yr 10	176
Total:	357

Action Plan:

What will be done to meet the target?	Key Indicators	Who is involved/responsible?	When will it be done by?
Student data will be tracked	Data collected using KAMAR Data analysed and at risks students identified Data displayed for all staff to see Students have own tracking and goal setting – individual plan, access to results apps and logins	Deans HOD's Kaiarahi Transition/careers Students	At the end of every term Ongoing
Department Action Plans will document actions taken to support the numeracy and literacy target	Dept goals are aligned with school goals Actions are evident Regular review of actions and update according to review Monitoring of student achievement Appropriate resourcing is available Consultation across depts	HOD's Subject teachers	Beginning term 1 Ongoing
At risk students will be identified and a pathway to achievement plan is put in place	Students are identified Plans are put in place including the use of teacher aides for support Parents are involved in process, parent voice collected Thurs meetings focus on identified students Students feel agency Teachers feel supported Project K for selected students Hardship fund is utilised to support identified students Class profiling to ensure awareness of these students	Deans SLT Kaiarahi Learning Support Careers/Transition	At the end of every term Ongoing

Teachers will inquire on the impact of their teaching on their students	An inquiry will be completed by all staff PLG's will be set up to support inquiries Inquiries align with dept and school goals Appraisal links to inquiry Use of data to demonstrate impact	All staff	Ongoing all year
Student engagement data will be collected	Student surveys will be completed Lesson observations will occur Data will be analysed and changes made according to results Departments to discuss/evaluate what data would be most valuable Attendance monitored	HOD's Subject teachers Kaiarahi Deans	At the end of every term Ongoing
Staff PD on appropriate pedagogy	Whole staff PD on differentiated learning occurs Best practise within staff is shared, collaboration across departments Access to best practise resources including teachers in other schools	SLT HOD's All staff	Weekly briefings & PLD's Ongoing

End of Year Data:

- What does the data say?
- What that means

SUMMARY Year 10 eAsTTle results (2018 - 2020) – ENGLISH

	2018	2019	2020
2B			
2P	1.2	1.2	
2A	2.4	1.8	
3B	3.6	1.8	1.2
3P	6.1	6.7	2.4
3A	7.9	6.0	3.0
4B	12.7	4.9	3.0
4P	10.9	14.5	10.2
4A	37.6	37.0	29.3
5B	9.1	13.3	20.9
5P	4.9	4.3	18.6
5A	2.4	7.9	8.4
6B	1.2	0.6	3.0
Total	100.0	100.0	100.0

2020	
Shift	Number
-4	1
-3	
-2	3
-1	7
0	31
1	41
2	34
3	28
4	11
5	8
6	3
7	
Average	1.66

Shift	Maori	Pasifika
-4		
-3		
-2	1	
-1	1	2
0	11	4
1	17	2
2	4	5
3	5	5
4	2	3
5	2	1
6		2
7		
Average	1.28	2.25

SUMMARY Year 10 eAsTTle results (2018 - 2020) – MATHEMATICS

	2018	2019	2020
2B	1.9		
2P	0.6		
2A	1.3		
3B	5.2	1.3	0.6
3P	19.4	8.4	3.0
3A	20.0	10.3	6.7
4B	7.7	10.3	12.8
4P	14.2	12.3	15.9
4A	16.8	13.5	12.3
5B	4.5	7.7	12.8
5P	6.5	22.6	20.1
5A	1.9	12.9	11.6
6B		0.7	3.0
6P			
6A			1.2
Total	100.0	100.0	100.0

2020		2020		
Shift	Number	Shift	Maori	Pasifika
-4		-4		
-3		-3		
-2	1	-2		
-1	5	-1	2	
0	12	0		4
1	31	1	14	7
2	42	2	12	3
3	40	3	9	4
4	21	4	6	1
5	6	5		1
6	6	6	1	1
7		7		
Average	2.30	Average	2.11	1.9

Discussion/Recommendations:

What should we do?

Results indicate that over 2 years we are not yet meeting our targets

A more detailed analysis has shown that we are making better progress with our Maori and Pasifika students (they are starting from a lower point)

Meet with HOD's English and Mathematics – further analysis

Share data with all staff

Within each department/subject plan to address

Make use of link groups

Identify individuals at risk and deliver appropriate programmes

How can Big Sister/Maori achieve support?

For all students we will continue to focus on profiling, tracking and meeting individual needs.

2021 Curriculum Development plan

Strategic goals:

Ensure teaching programmes continue to meet the individual needs and interests of student's experiences.

Ensure professional development opportunities that support staff members being reflective and inquiring practitioners.

Provide appropriate professional support and guidance to staff.

Key Objectives:

- Implementation of new senior curriculum; New senior courses are taught in all curriculum areas and students enjoy the new courses and are engaged/enthused by the courses.
- Develop Course selection process: Students make informed course selections for 2022.

- Junior curriculum development: A proposal/ idea for a 2023 new junior curriculum is formed by the end of 2021.
 Consider implication of senior school change for the junior school
 Consider implications of NCEA change for juniors
 Define a SHC way for the junior school/ consider the balance of curriculum subjects
 Investigate junior school approaches
 Prepare suggestions/ idea for a junior school curriculum
 What is important to us?
 Core subjects:
 Tasters of every subject across 2 years- termly or semester (2 years)- rotation across 2 years
 Consider across two years rather than one year at a time
 Student choice
 Year 10 options not working as they are
 Are currently investigating schools to research and visit
- Active participation in NCEA change implementation: Teaching staff are up-to-date and engaged in preparing NCEA changes. Actively engage staff to be involved in Accord days to ensure staff readiness for change and what supports we might need to implement change.

Kahui Ako

Engage with Poutama Pounamu through our Kahui Ako group to provide their programme Rongohia te Hau in Term 2. Poutama Pounamu are from the University of Waikato and have a broad range of education knowledge and iterative research expertise in support of promoting equity, excellence and belonging. They are committed to every child being able to learn and achieve, with their culture and identity strong and secure.

Rongohia te Hau is a comprehensive set of electronic tools for gathering student, teacher and whānau perceptions of relational and culturally responsive pedagogy, together with detailed information from classroom observations.

They will work with us to conduct surveys and classroom observations and in the analysis of the data received. Facilitators will then work with the school in interpreting the data and planning next steps.

What it is : An audit - series of surveys and observations designed to ask:

How is teaching being done and how is learning experienced at SHC?

Evidence gathered indicates:

How can we develop our pedagogy to make more of a difference for all students, in particular our Māori and Polynesian students.