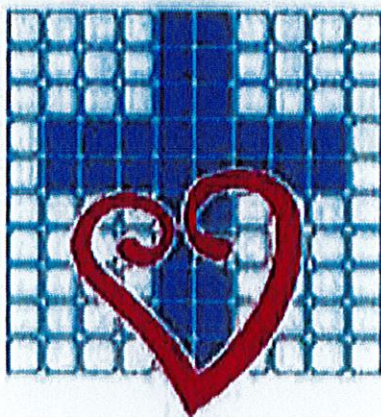


SACRED HEART SCHOOL PETONE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019



School Address:	33 Britannia Street, Petone, Lower Hutt
School Postal Address:	33 Britannia Street, Petone, Lower Hutt, 5012
School Phone:	04 568 6711
School Email:	admin@sacredheartpetone.school.nz
Ministry Number:	2984
Accountant / Service Provider:	Accounting For Schools Ltd

SACRED HEART SCHOOL PETONE

Financial Statements - For the year ended 31 December 2019

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SACRED HEART SCHOOL PETONE

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.

Helen Louise Kneekone.
Full Name of Board Chairperson

Elizabeth Anne Heatley
Full Name of Principal

H Kneekone
Signature of Board Chairperson

E A Heatley
Signature of Principal

27/5/20.
Date:

27/5/20
Date:

SACRED HEART SCHOOL PETONE

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	1,153,550	1,124,822	1,044,554
Locally Raised Funds	3	87,117	66,666	69,131
Use of Land and Buildings Integrated		269,281	270,000	200,264
Interest Earned		754	500	478
		1,510,702	1,461,988	1,314,427
Expenses				
Locally Raised Funds	3	43,359	40,175	48,713
Learning Resources	4	985,064	961,025	884,640
Administration	5	103,499	102,475	98,347
Finance Costs		1,554	600	1,317
Property	6	341,395	336,640	273,167
Depreciation	7	24,594	20,000	25,358
		1,499,465	1,460,915	1,331,542
Net Surplus / (Deficit)		11,237	1,073	(17,115)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		11,237	1,073	(17,115)

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 SCHOOL PETONE
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Balance at 1 January	14,351	14,351	31,466
Total comprehensive revenue and expense for the year	11,237	1,073	(17,115)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	4,869	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9	-	-	-
Equity at 31 December	30,457	15,424	14,351
Retained Earnings	30,457	15,424	14,351
Equity at 31 December	30,457	15,424	14,351

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 SCHOOL PETONE

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	52,492	38,624	14,009
Accounts Receivable	9	64,430	64,000	51,767
Inventories	10	5,347	5,300	7,848
GST Receivable		5,309	5,400	5,682
Prepayments		5,395	5,400	7,049
		<u>132,973</u>	<u>118,724</u>	<u>86,355</u>
Current Liabilities				
Accounts Payable	12	88,309	87,800	68,925
Finance Lease Liability - Current Portion	16	7,040	7,000	5,700
Revenue Received in Advance	13	2,107	2,000	997
Painting Contract Liability - Current Portion	15	-	-	8,392
		<u>97,456</u>	<u>96,800</u>	<u>84,014</u>
Working Capital Surplus/(Deficit)		35,517	21,924	2,341
Non-current Assets				
Property, Plant and Equipment	11	62,677	61,000	74,694
		<u>62,677</u>	<u>61,000</u>	<u>74,694</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	57,212	57,000	52,200
Finance Lease Liability	16	10,525	10,500	10,484
		<u>67,737</u>	<u>67,500</u>	<u>62,684</u>
Net Assets		<u>30,457</u>	<u>15,424</u>	<u>14,351</u>
Equity				
		<u>30,457</u>	<u>15,424</u>	<u>14,351</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 SCHOOL PETONE
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		335,547	304,822	298,870
Locally Raised Funds		87,370	66,764	65,500
Goods and Services Tax (net)		374	284	(279)
Payments to Employees		(209,723)	(184,081)	(187,547)
Payments to Suppliers		(155,885)	(140,492)	(163,833)
Cyclical Maintenance Payments in the year		(3,680)	(9,200)	(5,747)
Interest Paid		(1,554)	(600)	(1,317)
Interest Received		754	500	873
Net cash from / (to) the Operating Activities		53,203	37,997	6,520
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(4,543)	(6,306)	(3,258)
Net cash from / (to) the Investing Activities		(4,543)	(6,306)	(3,258)
Cash flows from Financing Activities				
Furniture and Equipment Grant		4,869	-	-
Finance Lease Payments		(6,654)	1,316	(5,213)
Painting contract payments		(8,392)	(8,392)	(447)
Net cash from Financing Activities		(10,177)	(7,076)	(5,660)
Net increase/(decrease) in cash and cash equivalents		38,483	24,615	(2,398)
Cash and cash equivalents at the beginning of the year	8	14,009	14,009	16,407
Cash and cash equivalents at the end of the year	8	52,492	38,624	14,009

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 omitted.

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

SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 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 25.

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 SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

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 11.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

Other Grants

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

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

Donations, Gifts and Bequests

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

Interest Revenue

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

BTSR

SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

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.

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) 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.



SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

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 - 15 years
Information Technology	3 - 5 years
Leased assets held under a Finance Lease	3 - 5 years
Library resources	12.5% Diminishing value

k) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

l) Accounts Payable

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



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SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

m) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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 students, should the School be unable to provide the services to which they relate.

o) Provision for Cyclical Maintenance

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

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

p) Financial Assets and Liabilities

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

Investments that are shares are categorised as "fair value through profit or loss" for accounting purposes in accordance with financial reporting standards.

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

q) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

r) Budget Figures

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

s) Services received in-kind

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

BTSR

SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	239,889	235,030	233,723
Other Government Grants	13,419	2,240	20,473
Other MoE Grants	82,239	67,552	44,674
Teachers' Salaries Grants	818,003	820,000	745,684
	1,153,550	1,124,822	1,044,554

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Activities	34,333	21,755	23,541
Donations	20,016	16,900	14,704
Fundraising	9,241	10,000	13,276
Other revenue	5,692	3,000	2,884
Trading	17,835	15,011	14,726
	87,117	66,666	69,131
Expenses			
Activities	29,196	25,175	30,024
Fundraising (costs of raising funds)	-	-	4,401
Trading	14,163	15,000	14,288
	43,359	40,175	48,713
Surplus for the year Locally raised funds	43,758	26,491	20,418

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	11,884	13,853	10,237
Employee Benefits - Salaries	962,281	939,372	867,269
Information and Communication Technology	2,750	4,000	1,655
Library Resources	1,226	800	631
Staff Development	6,923	3,000	4,848
	985,064	961,025	884,640

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SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

5. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,423	5,112	5,265
Board of Trustees Expenses	1,987	1,000	1,707
Board of Trustees Fees	3,848	4,200	3,480
Communication	7,564	10,300	8,078
Consumables	2,777	1,750	2,514
Employee Benefits - Salaries	58,347	59,963	59,542
Insurance	4,940	3,600	4,025
Other	12,693	11,550	8,816
Service Providers, Contractors and Consultancy	5,820	5,000	4,920
	<u>103,499</u>	<u>102,475</u>	<u>98,347</u>

6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	29,974	27,900	30,923
Cyclical Maintenance Provision	8,692	14,000	6,449
Employee Benefits - Salaries	9,252	6,840	6,596
Grounds	470	1,000	765
Heat, Light and Water	6,712	6,500	7,159
Rates	2,057	1,400	1,397
Repairs and Maintenance	13,000	7,600	17,529
Security	1,957	1,400	2,085
Use of Land and Buildings	269,281	270,000	200,264
	<u>341,395</u>	<u>336,640</u>	<u>273,167</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.

7. Depreciation of Property, Plant and Equipment

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Furniture and Equipment	6,909	9,000	9,593
Information Technology	7,634	5,000	7,940
Leased Assets	8,874	5,000	6,553
Library Resources	1,177	1,000	1,272
	<u>24,594</u>	<u>20,000</u>	<u>25,358</u>

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SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	52,180	38,324	3,762
Bank Call Account	312	300	10,247
Net cash and cash equivalents for Cash Flow Statement	52,492	38,624	14,009

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	952	1,000	90
Interest Receivable	-	-	5
Teacher Salaries Grant Receivable	63,478	63,000	51,672
	64,430	64,000	51,767
Receivables from Exchange Transactions	952	1,000	95
Receivables from Non-Exchange Transactions	63,478	63,000	51,672
	64,430	64,000	51,767

10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
School Uniforms	5,347	5,300	7,848
	5,347	5,300	7,848

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SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Furniture and Equipment	25,571	-	-	-	(6,909)	18,662
Information Technology	25,651	3,893	-	-	(7,634)	21,910
Leased Assets	14,436	8,034	-	-	(8,874)	13,596
Library Resources	9,036	650	-	-	(1,177)	8,509
Balance at 31 December 2019	74,694	12,577	-	-	(24,594)	62,677

The net carrying value of equipment held under a finance lease is \$13,596 (2018: \$14,436).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Furniture and Equipment	193,992	(175,330)	18,662
Information Technology	110,197	(88,287)	21,910
Leased Assets	33,013	(19,417)	13,596
Library Resources	44,664	(36,155)	8,509
Balance at 31 December 2019	381,866	(319,189)	62,677

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Furniture and Equipment	35,164	-	-	-	(9,593)	25,571
Information Technology	30,645	2,946	-	-	(7,940)	25,651
Leased Assets	8,004	12,985	-	-	(6,553)	14,436
Library Resources	9,996	312	-	-	(1,272)	9,036
Balance at 31 December 2018	83,809	16,243	-	-	(25,358)	74,694

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Furniture and Equipment	193,992	(168,421)	25,571
Information Technology	106,304	(80,653)	25,651
Leased Assets	24,978	(10,542)	14,436
Library Resources	44,014	(34,978)	9,036
Balance at 31 December 2018	369,287	(294,593)	74,694

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SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	15,985	16,000	10,721
Accruals	5,786	5,800	5,626
Employee Entitlements - salaries	63,478	63,000	51,672
Employee Entitlements - leave accrual	3,060	3,000	906
	<u>88,309</u>	<u>87,800</u>	<u>68,925</u>
Payables for Exchange Transactions	88,309	87,800	68,925
Payables for Non-exchange Transactions - Other	-	-	-
	<u>88,309</u>	<u>87,800</u>	<u>68,925</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Grants in Advance	1,494	-	-
Student Fees in Advance	613	2,000	997
	<u>2,107</u>	<u>2,000</u>	<u>997</u>

14. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	52,200	52,200	51,498
Increase to the Provision During the Year	8,692	14,000	6,449
Adjustment to the Provision	(3,680)	(9,200)	(5,747)
Provision at the End of the Year	<u>57,212</u>	<u>57,000</u>	<u>52,200</u>
Cyclical Maintenance - Current	57,212	57,000	52,200
Cyclical Maintenance - Term	-	-	-
	<u>57,212</u>	<u>57,000</u>	<u>52,200</u>

BTSR

SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

15. Painting Contract Liability

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Liability	-	-	8,392
Non Current Liability	-	-	-
	-	-	8,392

In 2006 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering a 15 year period. The programme provides for a repaint of the Proprietor owned buildings in 2007, with regular maintenance in subsequent years. The agreement has an annual commitment of \$11,189. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

16. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	8,312	7,000	5,700
Later than One Year and no Later than Five Years	11,253	10,500	10,484
Later than Five Years	-	-	-
	17,565	17,500	16,184

17. Related Party Transactions

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

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

The Proprietor of the School (Archdiocese of Wellington) 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 that are material transactions that have occurred has been disclosed appropriately.

17. Related Party Transactions (cont).

BTSR

SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

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".

18. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
Board Members		
Remuneration	3,948	3,480
Full-time equivalent members	0.15	0.15
Leadership Team		
Remuneration	317,114	208,312
Full-time equivalent members	3.00	2.00
Total key management personnel remuneration	321,062	211,792
Total full-time equivalent personnel	3.15	2.15

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.

18. Remuneration (Continued)

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	130 - 140	120 - 130
Benefits and Other Emoluments	-	-

Other Employees

There were no other employees with remuneration greater than \$100,000.

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

19. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was \$nil (31 December 2018: nil).



SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

20. Contingencies

There are no contingent liabilities 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.

21. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has not entered into any contracts.

22. 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.



SACRED HEART SCHOOL PETONE

Notes to the Financial Statements

For the year ended 31 December 2019

23. Financial Instruments

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	62,492	38,624	14,009
Receivables	64,430	64,000	51,767
Total financial assets measured at amortised cost	116,922	102,623	65,776
Financial liabilities measured at amortised cost			
Payables	88,309	87,800	68,925
Finance Leases	17,565	17,500	16,184
Painting Contract Liability	-	-	8,392
Total Financial Liabilities Measured at Amortised Cost	105,874	105,300	93,501

24. 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 of 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.

25. 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 9 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 Investments:

Term deposits: 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.

BTSR

SACRED HEART SCHOOL PETONE

Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How position on Board gained	Occupation	Term expired / expires
Helen Kneebone	Proprietor's Rep	Elected 2016, elected Chair 2019	Accountant	May 2022
Sean Mahony	Chairperson	Elected 2016, elected Chair May 2018	Accountant	Retired May 2019
Liz Heatley	Principal	Appointed	Principal	
Henio Kolio	Parent Rep	Elected 2018, re-elected 2019	Youth Worker	May 2022
Mark Fairfield	Parent Rep	Elected 2019	Financial Advisor	May 2022
Anna Redfearn	Parent Rep	Elected 2019	Yoga Instructor	May 2022
Anita McKegg	Parent Rep	Elected 2019	Business Owner	May 2022
Kate Wright	Parent Rep	Elected 2019	Safety Inspector	May 2022
Genevieve Hanify	Proprietor's Rep	Appointed 2016, re-elected 2019	Secondary Teacher	May 2022
Vaka Lemisio	Proprietor's Rep	Elected 2019	Corporate Planner	May 2022
Tane Wilson	Proprietor's Rep	Elected 2019	IT Professional	May 2022
Onieka Tristram	Staff Rep	Elected 2019	Teacher	May 2022
Cath Fitzgerald	Proprietor's Rep	Appointed 2015	Parent	Retired May 2019
Emma Gendall	Parent Rep	Elected 2018	School Office	Retired May 2019
Rachael Leafe	Parent Rep	Elected 2013, re-elected 2016	Learning Advisor Massey University	Retired May 2019
Julius Solia	Staff Rep	Elected March 2015, re-elected 2016	Teacher	Retired May 2019

SACRED HEART SCHOOL PETONE

Kiwisport Statement

For the year ended 31 December 2019

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

In 2019 the School received funding of \$2,240 (2018: \$2,165) to increase our student participation in organised sport.

Kiwisport funding was spent on subsidising swimming lessons, costs for team sports and sports programmes provided by outside providers.

Sacred Heart Petone -Analysis of Variance 2019

Strategic Aim 1: Ensure that the Catholic Special Character of Sacred Heart School is pervasive, based on RISE values, and gospel virtues and demonstrated in all aspects of school life.

Annual Aim 1: Sacred Heart School is an inclusive community where everyone is able to articulate the RISE values and gospel virtues and demonstrate them in all aspects of school life.

Baseline data: Community consultation took place in Term 4, 2016 and from the feedback received from the community and the recommendations from the external special character review the school will work on reviewing the delivery of the religious education curriculum , ensuring that all students have access to the Sacraments of Initiation including Baptism, developing a set of virtues based on the Gospel to underpin and support our RISE Values, and developing service opportunities for the students based on the principles of Catholic Social Teaching. These ideas have formed the basis of our Special Character aim for the next 3 years.

Target:

- Embed the REBD and review our curriculum statement in line with this document.
- Align our assessment and reporting practices with this document
- Develop an action plan to look at the Synod outcomes in our school
- Complete an Internal review of Te Tutaki Ki A Te Karaiti- Encounter with Christ.
- Develop service opportunities for the students based on the principles of Catholic Social Teaching

Actions:	Analysis	Result	Evaluation
<ol style="list-style-type: none"> Internal review of Te Tutaki Ki A Te Karaiti-Encounter with Christ. Embed the REBD and review our curriculum statement in line with this document. Align our assessment and reporting practices with the REBD- including reporting to the BOT Continue to ensure that all students have access to the Sacraments of Initiation including Baptism Continue to find new service opportunities for students based on the principles of Catholic Social Teaching Develop ways of incorporating relevant Synod outcomes into our practice To include a DRS piece in each newsletter 	<ul style="list-style-type: none"> We have worked on embedding the REBD into our practice and the curriculum statement has been reviewed. Assessment and reporting processes have been trialled. Staff worked with the RE advisor over the year. All eligible children were offered the opportunity to participate in the Sacramental Programme and 18 of our students took this opportunity including 1 non-preference student who was received into the church in June. We included a piece from the DRS in each newsletter We have continued to look for ways of service for our students 	<p>Our RE curriculum statement has been reviewed and changed to embed the REBD. We have worked as a staff with the RE advisor on the assessment of RE and now we need to streamline our Assessment processes in RE</p> <p>We completed an internal review of Te Tutaki Ki A Te Karaiti and we will carry the recommendations forward to next year.</p> <p>18 students from our school participated in the sacramental programme this year and 2 of our non-preference students were received into the church.</p> <p>DRS piece in most newsletters</p> <p>We need to continue to find ways for our students to serve others.</p>	<p>Next year we intend to:</p> <ul style="list-style-type: none"> Streamline our assessment practices to ensure they are relevant and manageable. Review the RE progressions Work on suggestions which come out of our new Strategic plan Participate in an internal review of Te Whakatupu ma te Matauranga-Growth in Knowledge

Strategic Aim 2: Ensure that all students are able to effectively access the New Zealand Curriculum as evidenced by progress and achievement.

Annual Aim 2.1 Raise the level of achievement for at risk Maori, Pasifika and other target students identified as not making appropriate progress across the curriculum

Increase the percentage of students making progress across the curriculum.

Baseline data:

This baseline data is extracted from the 2018 end of year assessment data.

Analysis of data:

156 results for all students from Year 1-8 (only students who have completed 6 months at school are included in the data)

17 results for Māori students

55 results for Pasifika students

- 132 students out of all students in Years 1-8 achieved or exceeded expected achievement levels in Reading, 130 in Writing and 147 in Maths
- 20 students out of all students in Years 1-8 were below expectation in Reading, 24 in Writing and 8 in Maths
- 4 students out of all students in Years 1-8 were well below expectation in Reading, 2 in Writing and 1 in Maths
- Data for Māori students showed that 13 students achieved or exceeded achievement levels in Reading, 14 in Writing and 15 in Maths. 3 students were below expectation in Reading, 2 in Writing and 1 in Maths. 1 student was well below in all 3 areas.
- Data for Pasifika students showed that 44 students achieved or exceeded achievement levels in Reading, 44 in Writing and 53 in Maths. 11 students were below expectation in Reading, 11 in Writing and 2 in Maths.

Target:

- All students will achieve at or above the appropriate curriculum level and make appropriate progress.
- All Maori, Pasifika and other students (as identified in Special Needs Register) who are not working at the appropriate Curriculum level will be supported to progress towards and reach the appropriate level

Actions	Analysis	Result	Evaluation
<ol style="list-style-type: none"> 1. Identify priority students from 2018 achievement data. Identify areas of weakness. 2. Review priority students once testing is completed and update Special Needs register. 3. Develop learning programmes for priority students. Plan and deliver an instructional writing programme based on student needs. 4. Embed Professional Development into practice. Implement professional learning into class programmes. 5. Monitor priority students at syndicate and school wide levels. 6. Utilise outside agencies where necessary to assist with learning of priority students. 7. Develop class programmes which encourage and improve student agency. 8. Report to the BOT on 	<p>6 Year 0 students are not included in the data</p> <p>Reading: 120 out of 156 students -76% At/Above</p> <p>23 out of 156 students -15% Below</p> <p>13 out of 156- 9% Well Below</p> <p>Out of 78 Students in Yrs 1, 3, 5 and 7: 64% At/ Above, 21% Below, 15% Well below</p> <p>Out of 78 students in Yrs 2, 4, 6, 8: 90% At/ Above, 9% Below, 1% Well below</p> <p>Writing: 131 out of 156-84% At/Above</p> <p>23 out of 156- 15% Below</p> <p>2 out of 156- 1% well below</p> <p>Out of 78 Students in Yrs 1, 3, 5 and 7: 87% At/ Above, 10 % Below, 3% Well below</p> <p>Out of 78 students in Yrs 2, 4, 6, 8: 81% At/ Above, 19% Below, 0% Well below</p> <p>Numicon (Number & Algebra) 129 out of 156-83% At/Above</p> <p>23 out of 156- 15% Below</p> <p>4 out of 156- 2% well below</p> <p>Out of 78 Students in Yrs 1, 3, 5 and 7: 83% At/ Above, 12% Below, 5% Well below</p>	<ul style="list-style-type: none"> • Our Special Needs register was reviewed at the end of each term and students are removed or added as necessary. • All parents were offered the opportunity to come to a Learning Celebration with their child's teacher. • Teachers update goals throughout the year. This informs Mid and End of year data. This year we have used progressions against the relevant curriculum level. • All teacher's planning has been checked as part of our appraisal process and it has been great to see the provisions our teacher's make to meet individual needs. • Student agency is a work in progress. Junior children show agency through the RISE UP programme. • BOT reporting was completed in November 	<p>Next year we intend to:</p> <ul style="list-style-type: none"> • Continue to streamline assessment procedures and make sure they are targeted and therefore provide data, which provides next learning steps. • Priority students for 2020 were identified at the end of the year and so programmes can begin immediately in the new year. • Set up a similar programme next year. • Again highlight target in teacher's planning • Continue to streamline the detailed tracking processes set up on Linc- Ed by the SENCO and make sure all staff are keeping this data up to date. • Ensure that the Numicon programme continues with

<p>progress and achievement against the Curriculum</p>	<p>Out of 78 students in Yrs 2, 4, 6, 8: 82% At/ Above, 18% Below, 0% Well below</p> <p>Maori Students: 60% of Maori students are At/Above in Reading, 65% are At/ Above in Writing, 65% are At/ Above in Numicon</p> <p>Pasifika Students: 82% of Pasifika students are At/ Above in Reading, 88% are At/Above in Writing, 92% are At/Above in Numicon</p> <p>Students in Yrs 1, 3, 5, 7 have 2 years to complete the appropriate curriculum level and most students are tracking well to complete the appropriate level by the end of 2 years.</p> <p>Most students in Yrs 2, 4, 6, 8 are working at the appropriate level and have achieved completion. Several students who are below, are only just below and most have made significant progress. Our Year 8 cohort on the whole have completed Level 4 and the ones who are below are working on Level 4 but they have not achieved all the goals. We are confident they will be able to succeed at College.</p>		<p>PLD as required</p> <ul style="list-style-type: none"> Put in place any new curriculum ideas from our new strategic plan.
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Annual Aim 3.1 Sacred Heart is a community where effective partnerships between parents, school and community enable all our students to achieve their learning goals.

Baseline Data: Community consultation took place in Term 4, 2016 and from the feedback received the BOT has decided to focus on developing effective ways to communicate and engage with the community, to continually review the way the school reports to parents in line with current educational directions and to ensure that policies and procedures are communicated effectively to the community.

Target:

- Review and enhance our transition to college practices.
- Continue to work on our Progressions Based reporting to parents.
- Continue to work on our communication to ensure it remains effective.
- Build on this year's great results with our FOSH group
- Begin the inquiry phase with our Kahui Ako
- Run a successful BOT election
- Consult with the community to write a Strategic plan for the next 3 years

Actions	Analysis	Result	Evaluation Next year we intend to:
<ol style="list-style-type: none"> Continue to embed the diverse cultures into the school curriculum Build on the successes of our FOSH Group Continue to work on effective ways to communicate with parents using digital tools where possible including our Right Now Reporting. Review and enhance Transition practices across the school Begin the Inquiry phase with our Kahui Ako Achievement Challenge Continue to keep the community informed about school initiatives Run a successful BOT election Consult with the community to determine the 	<ul style="list-style-type: none"> Through the Kahui Ako we are looking at transition to college. It is also being looked at by the Principal and a survey of Year 8 parents and some former parents has been conducted. Whole school now using one system of progression based reporting based on goals set and completed and progress against school and curriculum expectations FOSH continues to be a hardworking group who have continued to raise funds to support our school operations. Communication with parents is an ongoing project. We continue to send a newsletter, emails, notices and alerts to give information to parents. 	<p>Our Kahui Ako is well underway and we have collected student voice for Hauora and Transition. Our ASL and WSL have just been reappointed.</p> <p>Due to the Kahui Ako working on Transition practices we have not done a lot of work on our transition to College practices. We will be part of the new Kahui Ako processes.</p> <p>FOSH has had a good year but because of camp fundraising also going on it has been quite hard at times to get people involved.</p> <p>A new BOT was elected in June and 4 proprietor's appointees were appointed, so along with the staff rep and the Principal we have a full BOT of 11 people. We have representation of both Pasifika and Maori parents. Committees have been streamlined so that the load is shared across the BOT</p> <p>Communication is very effective and we continually strive to make sure that everyone gets the</p>	<ul style="list-style-type: none"> Build on the work already begun in the Kahui Ako Streamline our school fundraising efforts including FOSH Continue to communicate effectively with the community using many platforms Put the first year of the new strategic plan in place.

<p>strategic direction for the next 3 years and write a Strategic Plan</p>	<p>Teachers send a weekly email to their classes. We use LINC-ED for Right Now reporting. Juniors use Seesaw for communication.</p> <ul style="list-style-type: none"> • Our Kahui Ako has appointed teachers to all positions and begun an Inquiry into 2 areas Hauora/Well-being and Transition to College. • A successful BOT election took place in June and we now have a full BOT- 11 people • Community Consultation took place in October to enable us to write a new Strategic Plan. The information gathered is being collated and then a new plan will be written. 	<p>information they require.</p> <p>Community Consultation took place in October to enable us to write a new Strategic Plan.</p>	
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Strategic Aim 4: Ensure that every child will be a confident, connected, actively involved, lifelong learner

Annual Aim 4.1 Provide a balanced curriculum which will enable all students to continue to develop skills to become life-long learners

Baseline Data: Community consultation took place in Term 4, 2016 and from the feedback received the BOT has decided to focus on ensuring that we are educating the whole child (academically, physically, emotionally and spiritually) in partnership with parents. We will be focussing over the next 3 years on developing the key competencies, developing resilience, ensuring smooth transitions to and from school and reinforcing and celebrating all our successes.

Target:

- Continue to provide a balanced curriculum
- Ensure we are educating the whole child focusing on academic, physical, emotional and spiritual needs through emphasis on the Key Competencies and individual learning styles
- Continue to embed our Right Now progressions based reporting
- Enhance our transition to college practices.
- Continue to embed the Te Ao Maori Curriculum to help normalise te reo and organise a Marae visit this year.

Actions	Analysis	Result	Evaluation
<ol style="list-style-type: none"> Through the key competencies and what they mean at Sacred Heart School continue to develop the whole child and report this development to the parents Continue to provide meaningful and innovative experiences to allow students to develop their leadership skills Continue to work on providing class programmes which develop resilience and risk taking in the students Continue to ensure that the curriculum is balanced and that The Arts, Enviro studies and Digital literacy are all embedded in classroom practice. Continue to embed and review the Te Ao Maori Curriculum in class practice Continue to liaise with Early Childhood providers and Colleges to ensure 	<ul style="list-style-type: none"> Balanced curriculum across the school with many new learning opportunities Right Now Reporting using progressions based reporting and goals is well embedded in the school and teacher practice. Students are given many leadership opportunities particularly in Year 6-8 Te Ao Maori Curriculum embedded in practice and reviewed each term. Early Risers Transition to school programme fully embedded. Work has begun on Transition to College through our Kahui Ako. Students are acknowledged in the newsletter and at Assembly and school Prayer. Successes are celebrated. 	<p>Curriculum coverage is balanced and focussed on all areas of the curriculum. This included participation at Artsplash and a whole school production featuring every child.</p> <p>This year we introduced mid and end of year reporting on goals and progress towards the appropriate curriculum level.</p> <p>We give students many opportunities to lead in Years 6-8.</p> <p>The Te Ao Maori curriculum is now complete and provides a 2 year cycle of learning.</p> <p>Early Risers our transition to school programme continues to prepare our new entrants very well for their transition to school. We are working</p>	<p>Next year we intend to:</p> <ul style="list-style-type: none"> Review our curriculum and include ideas from the new strategic plan Review our Right Now reporting based and include suggestions gathered at the Strategic Consultation. Work with the Tenths Trust on the Kura Ahurea programme which supports and complements our Te Ao Maori Curriculum Continue to look at our Transition practices. Develop a schoolwide rewards system based on our school values Focus on our new strategic plan

<p>smooth transitions to and from school</p> <p>7. Ensure all school and student successes are celebrated appropriately</p>		<p>with our Kahui Ako to look at transition to College</p> <p>All students who enjoy success are celebrated at Assembly and in the Newsletter. We acknowledge children showing our school values at Assembly</p>	
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INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF SACRED HEART SCHOOL PETONE'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Sacred Heart School Petone (the School). The Auditor-General has appointed me, Chrissie Murray, using the staff and resources of Baker Tilly Staples Rodway Audit 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 19, that comprise the statement of financial position as at 31 December 2019, 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 2019; 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 the Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 27 May 2020. 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.

Emphasis of Matter – COVID-19

Without modifying our opinion/without further modifying our opinion, we draw attention to the disclosures in note 24 on page 19 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Trustees is responsible for the other information. The other information obtained at the date of our report is the analysis of variance, a Kiwisport statement and a list of the Trustees, but does not include the financial statements, and our auditor's report thereon.

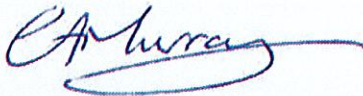
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



Chrissie Murray
Baker Tilly Staples Rodway Audit Limited

On behalf of the Auditor-General
Wellington, New Zealand