

ST THOMAS OF CANTERBURY COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 331

Principal: Steve Hart

School Address: 69 Middlepark Rd, Sockburn, Christchurch

School Postal Address: Po Box 11-314, Sockburn, Christchurch

School Phone: 03-348-7010

School Email: info@stc.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Andy Steel	Chair Person	Appointed	
Steve Hart	Principal	Appointed	
Gareth Bruce	Proprietor Rep	Appointed	
Tana Luke	Proprietor Rep	Appointed	
Dan Ryan	Staff Rep	Appointed	17-Aug-25
Nigel Thomson	Parent Rep	Elected	17-Aug-25
Stuart Taylor	Parent Rep	Elected	17-Aug-25
Richard Tikolevu	Parent Rep	Elected	17-Aug-25
Trish Baird	Parent Rep	Elected	17-Aug-25
Patrice Feary	Parent Rep	Elected	17-Aug-25
Kalib Clarkson	Student Rep	Elected	31-Oct-23

ST THOMAS OF CANTERBURY COLLEGE

Annual Report - For the year ended 31 December 2022

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St Thomas of Canterbury College

Statement of Responsibility

For the year ended 31 December 2022

The Board 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 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

ANDREW KEVIN STEER

Full Name of Board Chairperson



Signature of Board Chairperson

8/12/23

Date:

Steven Hart

Full Name of Principal



Signature of Principal

8/12/23

Date:

St Thomas of Canterbury College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	6,240,041	5,963,211	5,857,270
Locally Raised Funds	3	969,699	1,032,204	1,004,543
Use of Proprietor's Land and Buildings		1,701,500	1,273,250	1,273,250
Interest Income		8,110	2,500	2,037
Other Revenue		76,866	74,333	103,163
		8,996,216	8,345,498	8,240,264
Expenses				
Locally Raised Funds	3	441,883	402,851	396,895
Learning Resources	4	5,623,481	5,516,037	5,445,342
Administration	5	703,689	646,870	590,560
Property	6	2,394,740	1,844,610	1,901,555
		9,163,793	8,410,368	8,334,352
Net Surplus / (Deficit) for the year		(167,577)	(64,870)	(94,088)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(167,577)	(64,870)	(94,088)

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

St Thomas of Canterbury College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		941,076	847,622	1,010,933
Total comprehensive revenue and expense for the year		(167,577)	(64,870)	(94,088)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		25,687	24,233	24,231
Equity at 31 December		799,186	806,985	941,076
Accumulated comprehensive revenue and expense		799,186	806,985	941,076
Reserves		-	-	-
Equity at 31 December		799,186	806,985	941,076

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

St Thomas of Canterbury College

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	305,373	238,350	38,348
Accounts Receivable	8	402,853	388,000	386,660
GST Receivable		74,321	70,000	69,598
Prepayments		16,286	30,000	25,868
Inventories	9	169,152	135,000	138,521
Investments	10	-	-	300,000
		967,985	861,350	958,995
Current Liabilities				
Accounts Payable	12	608,161	743,365	624,365
Revenue Received in Advance	13	156,665	162,200	160,810
Provision for Cyclical Maintenance	14	51,695	14,117	14,117
Finance Lease Liability	15	9,966	8,000	7,224
Funds held in Trust	16	99,612	-	85,924
		926,099	927,682	892,440
Working Capital Surplus/(Deficit)		41,886	(66,332)	66,555
Non-current Assets				
Investments	10	2,632	2,632	2,632
Property, Plant and Equipment	11	837,935	924,131	924,131
		840,567	926,763	926,763
Non-current Liabilities				
Provision for Cyclical Maintenance	14	74,802	41,446	41,446
Finance Lease Liability	15	8,465	12,000	10,796
		83,267	53,446	52,242
Net Assets		799,186	806,985	941,076
Equity		799,186	806,985	941,076

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

St Thomas of Canterbury College

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		1,877,319	1,682,752	1,513,829
Locally Raised Funds		913,672	1,044,653	1,122,709
International Students		126,684	61,884	77,934
Goods and Services Tax (net)		(4,723)	(70,000)	(45,242)
Payments to Employees		(1,478,810)	(1,259,001)	(1,281,581)
Payments to Suppliers		(1,431,290)	(1,084,745)	(1,229,431)
Interest Received		8,676	2,500	2,105
Net cash from/(to) Operating Activities		11,528	378,043	160,323
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(84,287)	(224,904)	(207,989)
Purchase of Investments		-	-	(100,000)
Proceeds from Sale of Investments		300,000	2,632	-
Net cash from/(to) Investing Activities		215,713	(222,272)	(307,989)
Cash flows from Financing Activities				
Furniture and Equipment Grant		25,687	24,231	24,231
Finance Lease Payments		411	20,000	18,020
Funds Administered on Behalf of Third Parties		13,687	-	-
Net cash from/(to) Financing Activities		39,785	44,231	42,251
Net increase/(decrease) in cash and cash equivalents		267,026	200,002	(105,415)
Cash and cash equivalents at the beginning of the year	7	38,348	38,348	143,763
Cash and cash equivalents at the end of the year	7	305,374	238,350	38,348

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

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

St Thomas of Canterbury College

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

St Thomas of Canterbury 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 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 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its third party condition assessment on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

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. Finance lease liability disclosures are contained in note 20. Future operating lease commitments are disclosed in note 28.

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.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

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.

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

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

d) 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.

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Board Owned Buildings	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease

k) 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 and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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.

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

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

m) Accounts Payable

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

n) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide 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, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from international 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.

p) 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.

q) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

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, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

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

t) Borrowings

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

u) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

v) Budget Figures

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

w) Services received in-kind

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

2. Government Grants

Government Grants - Ministry of Education
Teachers' Salaries Grants
Other Government Grants

2022 Actual	2022 Budget (Unaudited)	2021 Actual
\$	\$	\$
1,892,677	1,630,031	1,523,950
4,312,461	4,280,459	4,280,459
34,903	52,721	52,861
6,240,041	5,963,211	5,857,270

The school has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

Revenue

Donations & Bequests
Curriculum related Activities - Purchase of goods and services
Fees for Extra Curricular Activities
Trading
Fundraising & Community Grants
International Student Fees

2022 Actual	2022 Budget (Unaudited)	2021 Actual
\$	\$	\$
367,894	388,395	408,167
57,157	43,741	43,741
102,352	120,900	104,382
261,647	314,284	253,998
97,888	103,000	142,734
82,761	61,884	51,522
969,699	1,032,204	1,004,543

Expenses

Extra Curricular Activities Costs
Trading
Fundraising and Community Grant Costs
International Student - Student Recruitment
International Student - Employee benefits - Salaries
Other Expenses

2022 Actual	2022 Budget (Unaudited)	2021 Actual
\$	\$	\$
236,437	212,400	172,525
137,608	137,152	150,562
39,457	33,299	36,343
13,638	10,000	7,565
12,234	9,000	9,570
2,509	1,000	20,329
441,883	402,851	396,895
527,816	629,353	607,648

Surplus/ (Deficit) for the year Locally raised funds

During the year the school hosted 17 international students (2021: 8)

4. Learning Resources

Curricular
Information and Communication Technology
Library Resources
Employee Benefits - Salaries
Staff Development
Depreciation

2022 Actual	2022 Budget (Unaudited)	2021 Actual
\$	\$	\$
275,677	268,356	194,862
26,252	45,000	7,896
-	500	579
5,143,176	5,027,633	5,069,508
7,893	15,000	12,949
170,483	159,548	159,548
5,623,481	5,516,037	5,445,342

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	10,200	9,983	8,681
Board Fees	5,323	5,000	6,490
Board Expenses	15,006	12,000	10,668
Communication	9,388	10,000	9,114
Consumables	9,262	9,000	3,272
Operating Lease	17,256	25,000	23,559
Other	99,822	93,820	94,183
Employee Benefits - Salaries	457,319	401,067	343,188
Insurance	20,322	21,000	20,496
Service Providers, Contractors and Consultancy	59,791	60,000	67,158
	<u>703,689</u>	<u>646,870</u>	<u>586,809</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Consultancy and Contract Services	142,910	135,000	132,962
Cyclical Maintenance Provision	70,934	-	55,563
Grounds	27,059	54,000	49,064
Heat, Light and Water	72,435	80,000	74,518
Rates	36,005	35,000	33,804
Repairs and Maintenance	147,939	73,500	82,577
Use of Land and Buildings	1,701,500	1,273,250	1,273,250
Security	12,771	25,000	19,514
Employee Benefits - Salaries	183,187	168,860	180,303
	<u>2,394,740</u>	<u>1,844,610</u>	<u>1,901,555</u>

The use of land and buildings figure represents 5% 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. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	305,373	238,350	38,348
Cash and cash equivalents for Statement of Cash Flows	<u>305,373</u>	<u>238,350</u>	<u>38,348</u>

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	54,297	22,000	21,231
Interest Receivable	12	1,000	578
Teacher Salaries Grant Receivable	348,544	365,000	364,851
	<u>402,853</u>	<u>388,000</u>	<u>386,660</u>
Receivables from Exchange Transactions	54,309	23,000	21,809
Receivables from Non-Exchange Transactions	348,544	365,000	364,851
	<u>402,853</u>	<u>388,000</u>	<u>386,660</u>

9. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
School Uniforms	169,152	135,000	138,521
	<u>169,152</u>	<u>135,000</u>	<u>138,521</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	-	-	300,000
Non-current Asset			
Shares	2,632	2,632	2,632
Total Investments	<u>2,632</u>	<u>2,632</u>	<u>302,632</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings	19,903	-	-	-	(614)	19,289
Furniture and Equipment	583,811	71,858	-	-	(108,077)	547,592
Information and Communication Technology	104,366	12,429	-	-	(41,903)	74,892
Motor Vehicles	23,042	-	-	-	(9,235)	13,807
Leased Assets	193,009	-	-	-	(10,654)	182,355
Balance at 31 December 2022	<u>924,131</u>	<u>84,287</u>	<u>-</u>	<u>-</u>	<u>(170,483)</u>	<u>837,935</u>

The net carrying value of furniture and equipment held under a finance lease is \$6,647 (2021: \$0)

The net carrying value of information and communication technology held under a finance lease is \$12,065 (2021: \$18,020)

Restrictions

With the exception of the contractual restrictions related to the above noted finance leases, there are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	24,549	(5,260)	19,289	24,549	(4,646)	19,903
Furniture and Equipment	1,582,152	(1,034,559)	547,592	1,510,293	(926,482)	583,811
Information and Communication Technology	284,135	(209,243)	74,892	271,706	(167,340)	104,366
Motor Vehicles	46,174	(32,367)	13,807	46,174	(23,132)	23,042
Leased Assets	426,128	(243,773)	182,355	426,128	(233,119)	193,009
Balance at 31 December 2022	<u>2,363,138</u>	<u>(1,525,202)</u>	<u>837,935</u>	<u>2,278,850</u>	<u>(1,354,719)</u>	<u>924,131</u>

The net carrying value of furniture and equipment held under a finance lease is \$18,712 (2021: \$16,087)

12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	194,992	220,665	187,193
Accruals	16,607	95,600	9,691
Banking Staffing Overuse	1,542	19,500	19,258
Employee Entitlements - Salaries	339,218	355,600	355,606
Employee Entitlements - Leave Accrual	55,802	52,000	52,617
	<u>608,161</u>	<u>743,365</u>	<u>624,365</u>
Payables for Exchange Transactions	608,161	743,365	624,365
	<u>608,161</u>	<u>743,365</u>	<u>624,365</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	-	30,000	31,003
International Student Fees in Advance	121,887	80,000	77,963
Other revenue in Advance	34,778	52,200	51,844
	<u>156,665</u>	<u>162,200</u>	<u>160,810</u>

14. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Provision at the Start of the Year	55,563	55,563	55,563
Increase to the Provision During the Year	80,567		
Use of the Provision During the Year	(9,633)		
Provision at the End of the Year	<u>126,497</u>	<u>55,563</u>	<u>55,563</u>
Cyclical Maintenance - Current	51,695	14,117	14,117
Cyclical Maintenance - Non current	74,802	41,446	41,446
	<u>126,497</u>	<u>55,563</u>	<u>55,563</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023. This plan is based on a third party condition assessment. The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year.

15. Finance Lease Liability

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
No Later than One Year	10,841	9,000	7,966
Later than One Year and no Later than Five Years	8,725	12,500	11,300
Later than Five Years	-	-	-
Future Finance Charges	(1,135)	(1,500)	(1,246)
	<u>18,431</u>	<u>20,000</u>	<u>18,020</u>

Represented by

Finance lease liability - Current
Finance lease liability - Term

9,966	8,000	7,224
8,465	12,000	10,796
<u>18,431</u>	<u>20,000</u>	<u>18,020</u>

16. Funds held in Trust

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	99,612	-	85,924
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>99,612</u>	<u>-</u>	<u>85,924</u>

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

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 (Paul Conn) 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 attendance dues on behalf of the Proprietor. The amounts collected in total were \$455,714 (2021: \$453,591). 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 \$41,830 (2021: \$43,241).

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	5,323	6,490
<i>Leadership Team</i>		
Remuneration	1,084,693	1,046,516
Full-time equivalent members	9	9
Total key management personnel remuneration	1,090,016	1,053,006

There are 11 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. The Board also has 4 Finance and 2 Property representatives that meet quarterly. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	150-160
Benefits and Other Emoluments	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100-110	14	11
110-120	4	4
120-130	2	1
	20	16

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 board members, committee members, 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:

	2022 Actual	2021 Actual
Total	0	0
Number of People	0	0

20. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has not entered into contract agreements for capital works as follows:

(Capital commitments at 31 December 2021: Nil)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2022 Actual \$	2021 Actual \$
No later than One Year	17,628	19,576
Later than One Year and No Later than Five Years	29,658	36,738
Future Finance Charges	-	-
	<u>47,286</u>	<u>56,314</u>

The total lease payments incurred during the period were \$17,256 (2021: \$23,589)

21. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	305,373	238,350	38,348
Receivables	402,853	388,000	386,660
Investments - Shares	2,632	2,632	302,632
Total Financial assets measured at amortised cost	<u>710,858</u>	<u>628,982</u>	<u>727,640</u>

Financial liabilities measured at amortised cost

Payables	608,161	743,365	624,365
Finance Leases	18,431	20,000	18,020
Total Financial Liabilities Measured at Amortised Cost	<u>626,593</u>	<u>763,365</u>	<u>642,385</u>

22. Events After Balance Date

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

23. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, 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. 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 2022, a contingent liability for the school may exist.

24. Comparatives

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

25. Annual Reporting Deadline

The school breached the following statutory reporting deadline in relation to the financial statements:

Section 137 of the Education and Training Act 2020 requires the school to provide draft financial statements to the auditor by 31 March each year.

The Board of Trustees did not comply with section 135 of the Education and Training Act 2020 in that the board did not report by 31 May 2023, by which schools were required to have sent their financial statements to the Ministry.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ST THOMAS OF CANTERBURY COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of St Thomas of Canterbury College (the School). The Auditor-General has appointed me, Anthony Smith, 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 18, that comprise the statement of financial position as at 31 December 2022 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 2022 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 8 December 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Analysis of Variance, Kiwisport Statement and the Board Member List, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Anthony Smith
Deloitte Limited
On behalf of the Auditor-General
Christchurch, New Zealand