

# CLYDE QUAY SCHOOL

## ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### School Directory

**Ministry Number:** 2827

**Principal:** Liz Patara

**School Address:** Elizabeth Street, Mt Victoria, Wellington

**School Postal Address:** Elizabeth Street, Mt Victoria, Wellington

**School Phone:** 04 3850900

**School Email:** principal@cqs.school.nz

#### Members of the Board:

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Paul Venning-Slater	Co-Chair	Elected	November 2023
Michelle Little	Co-Chair	Elected	November 2026
Liz Patara	Principal		
Johnny Tripe	Parent Rep	Elected	November 2023
Sarah Todd	Parent Rep	Elected	September 2025
Sue Bibby	Parent Rep	Elected	September 2025
Nick Dravitzki	Parent Rep	Elected	September 2025
Rona Lemalu	Parent Rep	Elected	September 2025
Andrew Neal	Parent Rep	Elected	November 2026
Cameron Ross	Staff Rep	Elected	

**Accountant / Service Provider:** Education New Zealand

# CLYDE QUAY SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# Clyde Quay School

## Statement of Responsibility

For the year ended 31 December 2023

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 2023 fairly reflects the financial position and operations of the school.

The School's 2023 financial statements are authorised for issue by the Board.

Michelle Little

Full Name of Presiding Member



Signature of Presiding Member

19/06/2024

Date:

Elizabeth Patara

Full Name of Principal



Signature of Principal

19/06/2024

Date:

# Clyde Quay School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>				
Government Grants	2	2,387,549	2,300,026	2,424,890
Locally Raised Funds	3	222,499	141,280	165,078
Interest		23,290	5,000	8,829
Other Revenue		103	-	-
<b>Total Revenue</b>		<b>2,633,441</b>	<b>2,446,306</b>	<b>2,598,797</b>
<b>Expense</b>				
Locally Raised Funds	3	40,806	44,100	41,456
Learning Resources	4	1,576,347	1,570,684	1,661,723
Administration	5	158,740	152,438	175,165
Interest		1,365	1,150	1,417
Property	6	780,761	758,637	762,975
Loss on Disposal of Property, Plant and Equipment		3,011	-	-
<b>Total Expense</b>		<b>2,561,030</b>	<b>2,527,009</b>	<b>2,642,736</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>72,411</b>	<b>(80,703)</b>	<b>(43,939)</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>72,411</b>	<b>(80,703)</b>	<b>(43,939)</b>

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

# Clyde Quay School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Equity at 1 January</b>		447,863	386,128	491,802
Total comprehensive revenue and expense for the year		72,411	(80,703)	(43,939)
Contributions from / (Distributions to) the Ministry of Education		11,260	-	-
Contribution - Furniture and Equipment Grant		17,843	120,510	-
<b>Equity at 31 December</b>		549,377	425,935	447,863
Accumulated comprehensive revenue and expense		549,377	425,935	447,863
Reserves		-	-	-
<b>Equity at 31 December</b>		549,377	425,935	447,863

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.

# Clyde Quay School

## Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	253,389	83,964	91,486
Accounts Receivable	8	110,930	123,000	118,212
GST Receivable		3,395	8,770	6,019
Prepayments		8,187	8,000	7,237
Investments	9	373,599	344,300	351,609
		749,500	568,034	574,563
<b>Current Liabilities</b>				
Accounts Payable	11	116,446	143,000	135,507
Revenue Received in Advance	12	140,652	80,000	-
Provision for Cyclical Maintenance	13	118,664	20,000	98,752
Finance Lease Liability	14	7,016	8,550	6,344
Funds held for Capital Works Projects	15	28,092	15,780	44,496
		410,870	267,330	285,099
<b>Working Capital Surplus/(Deficit)</b>		338,630	300,704	289,464
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	224,404	148,781	170,155
		224,404	148,781	170,155
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	7,867	15,000	5,000
Finance Lease Liability	14	5,790	8,550	6,756
		13,657	23,550	11,756
<b>Net Assets</b>		549,377	425,935	447,863
<b>Equity</b>		549,377	425,935	447,863

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

# Clyde Quay School

## Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		499,194	458,544	477,663
Locally Raised Funds		345,608	220,280	164,469
Goods and Services Tax (net)		2,624	(6,570)	8,839
Payments to Employees		(347,092)	(358,303)	(402,580)
Payments to Suppliers		(247,216)	(325,974)	(241,584)
Interest Paid		(1,365)	(1,150)	(1,417)
Interest Received		19,093	3,000	7,039
Net cash from/(to) Operating Activities		270,846	(10,173)	12,429
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(91,687)	(65,453)	(28,617)
Purchase of Investments		(21,990)	(84,300)	3,729
Net cash from/(to) Investing Activities		(113,677)	(149,753)	(24,888)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		17,843	120,510	-
Contributions from / (Distributions to) Ministry of Education		11,260	-	-
Finance Lease Payments		(7,965)	17,600	(7,836)
Funds Administered on Behalf of Other Parties		(16,404)	(34,220)	(8,168)
Net cash from/(to) Financing Activities		4,734	103,890	(16,004)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>161,903</b>	<b>(56,036)</b>	<b>(28,463)</b>
Cash and cash equivalents at the beginning of the year	7	91,486	140,000	119,949
<b>Cash and cash equivalents at the end of the year</b>	7	<b>253,389</b>	<b>83,964</b>	<b>91,486</b>

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense and other notional items 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.

# Clyde Quay School

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Clyde Quay School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

##### b) Basis of Preparation

###### **Reporting Period**

The financial statements have been prepared for the period 1 January 2023 to 31 December 2023 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 expense 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 best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

###### **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 9.

###### **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 14. Future operating lease commitments are disclosed in note 20.

#### *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 Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are 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 Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash 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 where conditions exist**

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 expected 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) 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 material.

### **i) Property, Plant and Equipment**

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

Improvements (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

### **Finance Leases**

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

### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements	10–75 years
Board Owned Buildings	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Playground Development	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

#### **j) 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. If such indication exists, the School estimates the asset's recoverable service amount. 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.

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.).

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 surplus or deficit.

The reversal of an impairment loss is recognised in 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.

#### **k) 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.

#### **l) 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 and annual leave earned, by non teaching staff, but not yet taken at balance date.

##### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 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.

#### **m) Revenue Received in Advance**

Revenue received in advance relates to grants received where there are unfulfilled obligations for the School to provide services in the future. The grants are recorded as revenue as the obligations are fulfilled and the grants are earned.

#### **n) Funds held for Capital works**

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose. As such, these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

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

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a 7 to 10 year period. The economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

**p) Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

**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.

## 2. Government Grants

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	499,194	428,816	477,663
Teachers' Salaries Grants	1,258,293	1,234,000	1,310,230
Use of Land and Buildings Grants	630,062	637,210	636,997
	<u>2,387,549</u>	<u>2,300,026</u>	<u>2,424,890</u>

## 3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Revenue</b>			
Donations & Bequests	128,559	56,000	56,170
Curriculum related Activities - Purchase of goods and services	5,365	5,500	4,835
Fees for Extra Curricular Activities	39,991	48,800	47,063
Trading	7,345	9,700	7,238
Fundraising & Community Grants	40,859	21,280	49,772
Other Revenue	380	-	-
	<u>222,499</u>	<u>141,280</u>	<u>165,078</u>
<b>Expense</b>			
Extra Curricular Activities Costs	23,840	30,000	27,970
Trading	7,271	10,100	7,716
Fundraising and Community Grant Costs	9,695	4,000	5,770
	<u>40,806</u>	<u>44,100</u>	<u>41,456</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>181,693</u>	<u>97,180</u>	<u>123,622</u>

## 4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	39,832	38,500	47,232
Library Resources	2,070	2,690	1,965
Employee Benefits - Salaries	1,481,574	1,473,922	1,559,518
Staff Development	10,773	13,200	9,027
Depreciation	42,098	42,372	43,981
	<u>1,576,347</u>	<u>1,570,684</u>	<u>1,661,723</u>

## 5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	6,535	6,535	6,345
Board Fees	2,670	650	1,670
Board Expenses	3,323	2,700	7,000
Communication	3,327	3,600	3,229
Consumables	15,939	17,250	12,364
Operating Leases	366	4,000	-
Other	12,556	8,040	8,375
Employee Benefits - Salaries	91,707	87,371	115,157
Insurance	5,621	5,000	5,101
Service Providers, Contractors and Consultancy	16,696	17,292	15,924
	<u>158,740</u>	<u>152,438</u>	<u>175,165</u>

## 6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	6,202	6,540	7,658
Consultancy and Contract Services	43,183	43,477	43,519
Cyclical Maintenance	22,779	10,000	12,949
Grounds	13,049	10,000	10,557
Heat, Light and Water	14,687	12,000	11,944
Rates	2,472	2,400	1,701
Repairs and Maintenance	17,467	8,000	11,656
Use of Land and Buildings	630,062	637,210	636,997
Employee Benefits - Salaries	30,860	29,010	25,994
	<u>780,761</u>	<u>758,637</u>	<u>762,975</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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	253,389	83,964	91,486
Cash and cash equivalents for Statement of Cash Flows	<u>253,389</u>	<u>83,964</u>	<u>91,486</u>

Of the \$253,389 Cash and Cash Equivalents, \$28,094 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

Of the \$253,389 Cash and Cash Equivalents, \$140,652 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

## 8. Accounts Receivable

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Receivables	18,716	1,000	1,070
Interest Receivable	6,730	2,000	2,533
Teacher Salaries Grant Receivable	85,484	120,000	114,609
	<u>110,930</u>	<u>123,000</u>	<u>118,212</u>
Receivables from Exchange Transactions	25,446	3,000	3,603
Receivables from Non-Exchange Transactions	85,484	120,000	114,609
	<u>110,930</u>	<u>123,000</u>	<u>118,212</u>

## 9. Investments

The School's investment activities are classified as follows:

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Current Asset			
Short-term Bank Deposits	373,599	344,300	351,609
	<u>373,599</u>	<u>344,300</u>	<u>351,609</u>
Total Investments			

## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	43,516	34,818			(2,709)	75,625
Furniture and Equipment	64,096	354	(2,443)		(11,537)	50,470
Information and Communication Technology	17,680	11,260		-	(8,440)	20,500
Playground Development	28,870	45,257	(569)		(11,247)	62,311
Leased Assets	7,631	7,670			(7,120)	8,181
Library Resources	8,362				(1,045)	7,317
<b>Balance at 31 December 2023</b>	<b>170,155</b>	<b>99,359</b>	<b>(3,012)</b>	<b>-</b>	<b>(42,098)</b>	<b>224,404</b>

The net carrying value of furniture and equipment held under a finance lease is \$10,139 (2022: \$7,631)

### 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.

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	106,739	(31,114)	75,625	71,922	(28,406)	43,516
Furniture and Equipment	233,201	(182,731)	50,470	254,708	(190,612)	64,096
Information and Communication Technology	127,487	(106,987)	20,500	134,980	(117,300)	17,680
Playground Development	217,290	(154,979)	62,311	192,002	(163,132)	28,870
Leased Assets	27,633	(19,452)	8,181	19,963	(12,332)	7,631
Library Resources	14,452	(7,135)	7,317	14,452	(6,090)	8,362
<b>Balance at 31 December 2023</b>	<b>726,802</b>	<b>(502,398)</b>	<b>224,404</b>	<b>688,027</b>	<b>(517,872)</b>	<b>170,155</b>

## 11. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	19,476	10,000	8,386
Accruals	5,790	6,000	5,572
Employee Entitlements - Salaries	85,484	120,000	114,609
Employee Entitlements - Leave Accrual	5,696	7,000	6,940
	<b>116,446</b>	<b>143,000</b>	<b>135,507</b>
Payables for Exchange Transactions	116,446	143,000	135,507
	<b>116,446</b>	<b>143,000</b>	<b>135,507</b>

The carrying value of payables approximates their fair value.



## 12. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Other revenue in Advance	140,652	80,000	-
	<u>140,652</u>	<u>80,000</u>	<u>-</u>

## 13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	103,752	25,000	90,803
Increase to the Provision During the Year	22,779	10,000	12,949
Provision at the End of the Year	<u>126,531</u>	<u>35,000</u>	<u>103,752</u>
Cyclical Maintenance - Current	118,664	20,000	98,752
Cyclical Maintenance - Non current	7,867	15,000	5,000
	<u>126,531</u>	<u>35,000</u>	<u>103,752</u>

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2024. This plan is based on the schools 10 Year Property plan.

## 14. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	7,788	9,150	7,134
Later than One Year and no Later than Five Years	6,294	9,150	7,194
Future Finance Charges	(1,277)	(1,200)	(1,228)
	<u>12,806</u>	<u>17,100</u>	<u>13,100</u>
<b>Represented by</b>			
Finance lease liability - Current	7,016	8,550	6,344
Finance lease liability - Non current	5,790	8,550	6,756
	<u>12,806</u>	<u>17,100</u>	<u>13,100</u>

## 15. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 9.

2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block B Refurbish Classrooms/Heaters/Roof	(4,775)	-	-	4,775	-
Blocks C, D & F External Cladding	37,691	-	(16,603)	-	21,088
Blocks C & E Rectify Flooding Issues	11,580	-	(4,576)	-	7,004
<b>Totals</b>	<b>44,496</b>	<b>-</b>	<b>(21,179)</b>	<b>4,775</b>	<b>28,092</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	28,092
Funds Receivable from the Ministry of Education	-

2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block B Refurbish Classrooms/Heaters/Roof	(9,494)	-	4,719	-	(4,775)
Blocks C, D & F External Cladding	62,157	-	(24,466)	-	37,691
Blocks C & E Rectify Flooding Issues	-	11,580	-	-	11,580
<b>Totals</b>	<b>52,663</b>	<b>11,580</b>	<b>(19,747)</b>	<b>-</b>	<b>44,496</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	49,271
Funds Receivable from the Ministry of Education	(4,775)

## 16. 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.

## 17. Remuneration

### Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	2,670	1,670
<i>Leadership Team</i> Remuneration Full-time equivalent members	449,997 4	395,098 4
Total key management personnel remuneration	452,667	396,768

There are 10 members of the Board excluding the Principal. The Board has held 7 full meetings of the Board in the year. The Board also has Finance (3 members) and Property (3 members) committees that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member 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:

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
110 - 120	1.00	1.00
100 - 110	2.00	0.00
	3.00	1.00

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

## 18. 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:

	2023 Actual	2022 Actual
Total Number of People	-	-

## 19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2023 (Contingent liabilities and assets at 31 December 2022: 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 continues to review the schools sector payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals, as such this is expected to resolve the liability for school boards.

In 2023 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The school is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2023.

The Ministry is in the process of determining the amount of the final wash up payment for the year ended 31 December 2023. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The school has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2024.

## 20. Commitments

### (a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$46,355 (2022:\$49,271) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	
External Cladding of the School	102,434	63,083	39,35
Rectify Flooding Issues Blks C & E	11,580	4,576	7,00
<b>Total</b>	<b>114,014</b>	<b>67,659</b>	<b>46,35</b>

## 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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Cash and Cash Equivalents	253,389	83,964	91,48
Receivables	110,930	123,000	118,21
Investments - Term Deposits	373,599	344,300	351,60
Total financial assets measured at amortised cost	<u>737,918</u>	<u>551,264</u>	<u>561,30</u>

### Financial liabilities measured at amortised cost

Payables	116,446	143,000	135,50
Finance Leases	12,806	17,100	13,10
Total financial liabilities measured at amortised cost	<u>129,252</u>	<u>160,100</u>	<u>148,60</u>

## **22. Events After Balance Date**

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

## **23. Comparatives**

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

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF CLYDE QUAY SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Clyde Quay School (the School). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington 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 1 to 19, that comprise the statement of financial position as at 31 December 2023, 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 2023; 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 (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 19 June 2024. 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 arise from section 134 of the Education and Training Act 2020.

### **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 arises from the Public Audit Act 2001.

### **Other information**

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, Presiding Members Report, Members of the Board Listing, Statement of Variance, Kiwisport Report, Report on how the school has given effect to Te Tiriti o Waitangi, Evaluation of School's Students' Progress and Achievement and the Statement of Compliance with Employment Policy, 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 (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

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



**Geoff Potter,**  
**BDO WELLINGTON AUDIT LIMITED**  
**On behalf of the Auditor-General**  
**Wellington, New Zealand**