

# CLYDE QUAY SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 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 of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Thorsten Engel	Chair Person	Elected	Term Expires 2022
Liz Patara	Principal		
Rosaria Guadalupi	Parent Rep	Elected	Term Expires 2020
David Phipps	Parent Rep	Elected	Term Expires 2022
David Woods	Parent Rep	Elected	Term Expires 2022
Justine Mecchia	Parent Rep	Elected	Term Expires 2020
Anne Peranteau	Parent Rep	Elected	Term Expires 2020
Kathryn Anderson	Parent Rep	Elected	Resigned June 2020
Grant Manson	Parent Rep	Elected	Term Expires 2022
Mel Sutton	Staff Rep	Elected	Term Expires 2022

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

# CLYDE QUAY SCHOOL

Annual Report - For the year ended 31 December 2020

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# Clyde Quay School

## Statement of Responsibility

For the year ended 31 December 2020

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

THORSTEIN BINGEL

Full Name of Board Chairperson

Liz Patara

Full Name of Principal

*Thorstein Bingel*

Signature of Board Chairperson

*Liz Patara*

Signature of Principal

31 May 2021

Date:

31/5/2021

Date:

# Clyde Quay School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	2,398,415	1,985,832	2,130,217
Locally Raised Funds	3	177,523	171,372	172,048
Interest income		5,144	9,636	11,492
		<u>2,581,082</u>	<u>2,166,840</u>	<u>2,313,757</u>
<b>Expenses</b>				
Locally Raised Funds	3	46,275	64,980	71,059
Learning Resources	4	1,414,324	1,291,692	1,382,752
Administration	5	119,760	133,080	123,758
Finance		1,542	-	3,233
Property	6	902,187	683,448	740,791
Depreciation	7	51,594	52,452	57,508
Loss on Disposal of Property, Plant and Equipment		18,991	-	663
		<u>2,554,673</u>	<u>2,225,652</u>	<u>2,379,764</u>
<b>Net Surplus / (Deficit) for the year</b>		26,409	(58,812)	(66,007)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>26,409</u>	<u>(58,812)</u>	<u>(66,007)</u>

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

# Clyde Quay School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		393,501	459,508	459,508
Total comprehensive revenue and expense for the year		26,409	(58,812)	(66,007)
<b>Equity at 31 December</b>		419,910	400,696	393,501

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 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	211,156	50,000	175,839
Accounts Receivable	9	84,244	75,000	79,074
GST Receivable		14,330	(4,104)	-
Prepayments		5,968	4,500	7,693
Investments	10	207,338	262,000	228,768
		<u>523,036</u>	<u>387,396</u>	<u>491,374</u>
<b>Current Liabilities</b>				
GST Payable		-	-	2,042
Accounts Payable	12	100,812	105,000	99,349
Revenue Received in Advance	13	7,043	-	1,810
Provision for Cyclical Maintenance	14	4,706	18,600	16,688
Finance Lease Liability - Current Portion	16	7,696	10,300	10,247
Funds held for Capital Works Projects	17	82,338	5,000	105,942
		<u>202,595</u>	<u>138,900</u>	<u>236,078</u>
<b>Working Capital Surplus/(Deficit)</b>		320,441	248,496	255,296
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	173,291	214,200	206,393
		<u>173,291</u>	<u>214,200</u>	<u>206,393</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	70,150	52,000	57,600
Finance Lease Liability	16	3,672	10,000	10,588
		<u>73,822</u>	<u>62,000</u>	<u>68,188</u>
<b>Net Assets</b>		<u>419,910</u>	<u>400,696</u>	<u>393,501</u>
<b>Equity</b>	23	<u>419,910</u>	<u>400,696</u>	<u>393,501</u>

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 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		434,854	428,140	416,949
Locally Raised Funds		181,518	173,372	176,579
Goods and Services Tax (net)		(16,374)	4,104	1,325
Payments to Employees		(379,566)	(503,359)	(354,125)
Payments to Suppliers		(142,816)	(208,900)	(236,323)
Cyclical Maintenance Payments in the year		-	(39,900)	(4,950)
Interest Paid		(1,542)	-	(3,233)
Interest Received		6,365	9,636	10,923
Net cash from/(to) Operating Activities		82,439	(136,907)	7,145
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(18,991)	111,000	(663)
Purchase of Property Plant & Equipment (and Intangibles)		(9,075)	(19,652)	(22,163)
Purchase of Investments		21,430	(124,456)	-
Proceeds from Sale of Investments		-	60,000	50,149
Net cash from/(to) Investing Activities		(6,636)	26,892	27,322
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(16,882)	(43,700)	(8,441)
Painting contract payments		-	(61,000)	-
Funds Held for Capital Works Projects		(23,604)	5,000	87,946
Net cash from/(to) Financing Activities		(40,486)	(99,700)	79,505
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>35,317</b>	<b>(209,715)</b>	<b>113,972</b>
Cash and cash equivalents at the beginning of the year	8	175,839	259,715	61,867
<b>Cash and cash equivalents at the end of the year</b>	8	<b>211,156</b>	<b>50,000</b>	<b>175,839</b>

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.

# Clyde Quay School

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

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 of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

#### **b) Basis of Preparation**

##### **Reporting Period**

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

##### **Basis of Preparation**

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

##### **Financial Reporting Standards Applied**

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

##### **PBE Accounting Standards Reduced Disclosure Regime**

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

##### **Measurement Base**

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

##### **Presentation Currency**

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

##### **Specific Accounting Policies**

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

##### **Critical Accounting Estimates And Assumptions**

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

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

##### **Cyclical maintenance**

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 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. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

#### **Recognition of grants**

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

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These 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.

#### **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 recorded as revenue when their receipt is formally acknowledged by the School.

#### **Interest Revenue**

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

### **d) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

### **e) Operating Lease Payments**

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

### **f) Finance Lease Payments**

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

### **g) Cash and Cash Equivalents**

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

#### **h) Accounts Receivable**

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

#### **i) 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 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 to buildings owned by the Crown 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 to Crown Owned Assets	10–50 years
Furniture and equipment	5–15 years
Information and communication technology	4–5 years
Playground and ground improvements	10–18 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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

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

#### **Non cash generating assets**

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

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

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

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

#### **l) Accounts Payable**

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

#### **m) Employee Entitlements**

##### *Short-term employee entitlements*

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

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

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

#### **n) Revenue Received in Advance**

Revenue received in advance relates to fees received from [international, hostel students and grants received] (delete as appropriate) 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.

#### **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 for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

#### **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 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.

#### **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.

#### **s) Services received in-kind**

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

## 2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	339,863	338,412	335,655
Teachers' Salaries Grants	1,150,796	1,040,400	1,100,515
Use of Land and Buildings Grants	812,765	556,800	612,753
Other MoE Grants	94,991	50,220	81,294
	<u>2,398,415</u>	<u>1,985,832</u>	<u>2,130,217</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$5,810 for the year ended 31 December 2020.

## 3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>			
Donations	91,026	60,000	55,890
Activities	36,571	61,416	45,006
Trading	7,981	9,888	9,827
Fundraising	35,565	34,480	40,009
Other Revenue	6,380	5,588	21,316
	<u>177,523</u>	<u>171,372</u>	<u>172,048</u>
<b>Expenses</b>			
Activities	34,410	52,776	55,349
Trading	7,289	9,504	7,941
Fundraising (Costs of Raising Funds)	4,576	2,700	7,769
	<u>46,275</u>	<u>64,980</u>	<u>71,059</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>131,248</u>	<u>106,392</u>	<u>100,989</u>

## 4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	12,067	39,180	13,780
Information and Communication Technology	1,466	2,700	4,748
Library Resources	2,009	4,308	2,252
Employee Benefits - Salaries	1,388,197	1,231,608	1,347,156
Staff Development	10,585	13,896	14,816
	<u>1,414,324</u>	<u>1,291,692</u>	<u>1,382,752</u>

## 5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,100	5,196	3,062
Board of Trustees Fees	2,277	1,800	1,885
Board of Trustees Expenses	3,797	5,604	4,253
Communication	3,534	1,656	1,663
Consumables	11,427	24,300	20,585
Operating Lease	515	5,496	-
Other	1,334	924	130
Employee Benefits - Salaries	80,962	78,696	82,790
Insurance	4,749	4,704	4,685
Service Providers, Contractors and Consultancy	5,065	4,704	4,705
	<u>119,760</u>	<u>133,080</u>	<u>123,758</u>

## 6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	14,018	9,936	10,104
Consultancy and Contract Services	-	-	31,987
Cyclical Maintenance Provision	568	7,500	13,587
Heat, Light and Water	11,687	13,752	13,663
Rates	2,618	2,004	1,543
Repairs and Maintenance	(9,786)	19,260	17,066
Use of Land and Buildings	812,765	556,800	612,753
Security	10,628	12,000	11,757
Employee Benefits - Salaries	59,689	62,196	28,331
	<u>902,187</u>	<u>683,448</u>	<u>740,791</u>

## 7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	1,837	1,900	1,837
Furniture and Equipment	10,636	11,004	11,229
Information and Communication Technology	12,804	12,996	15,581
Playground Equipment	12,244	14,000	13,929
Leased Assets	11,167	9,000	11,576
Library Resources	2,906	3,552	3,356
	<u>51,594</u>	<u>52,452</u>	<u>57,508</u>

## 8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	668	150	668
Bank Current Account	99,758	9,850	24,553
Bank Call Account	110,730	40,000	150,618
Cash and cash equivalents for Statement of Cash Flows	<u>211,156</u>	<u>50,000</u>	<u>175,839</u>

Of the \$211,156 Cash and Cash Equivalents, \$100,473 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

## 9. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	3,477	-	2,239
Interest Receivable	262	-	1,483
Teacher Salaries Grant Receivable	80,505	75,000	75,352
	<u>84,244</u>	<u>75,000</u>	<u>79,074</u>
Receivables from Exchange Transactions	3,739	-	3,722
Receivables from Non-Exchange Transactions	80,505	75,000	75,352
	<u>84,244</u>	<u>75,000</u>	<u>79,074</u>

## 10. Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	207,338	262,000	228,768
Total Investments	<u>207,338</u>	<u>262,000</u>	<u>228,768</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	49,028				(1,837)	47,190
Furniture and Equipment	40,131	16,114			(10,636)	45,609
Information and Communication Technology	29,182	13,073			(12,804)	29,451
Playground equipment	46,954				(12,244)	34,711
Leased Assets	17,303	7,415			(11,167)	13,551
Library Resources	23,796	881	(989)		(2,906)	20,782
<b>Balance at 31 December 2020</b>	<b>206,394</b>	<b>37,483</b>	<b>(989)</b>	<b>-</b>	<b>(51,594)</b>	<b>191,294</b>

The net carrying value of equipment held under a finance lease is \$13,551 (2019: \$17,303)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	71,922	(24,732)	47,190
Furniture and Equipment	210,912	(165,303)	45,609
Information and Communication Technology	122,584	(93,133)	29,451
Playground equipment	176,563	(141,852)	34,711
Leased Assets	52,324	(38,773)	13,551
Library Resources	9,330	(6,551)	2,779
<b>Balance at 31 December 2020</b>	<b>643,635</b>	<b>(470,344)</b>	<b>173,291</b>

	Opening	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	50,865				(1,837)	49,028
Furniture and Equipment	46,261	5,099			(11,229)	40,131
Information and Communication Technology	29,354	15,409			(15,581)	29,182
Playground equipment	60,883				(13,929)	46,954
Leased Assets	28,879				(11,576)	17,303
Library Resources	25,495	2,318	(663)		(3,356)	23,795
<b>Balance at 31 December 2019</b>	<b>241,737</b>	<b>22,826</b>	<b>(663)</b>	<b>-</b>	<b>(57,508)</b>	<b>206,393</b>

The net carrying value of equipment held under a finance lease is \$17,303 (2018: \$28,879)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	71,922	(22,894)	49,028
Furniture and Equipment	195,928	(155,797)	40,131
Information and Communication Technology	109,511	(80,329)	29,182
Playground equipment	176,563	(129,609)	46,954
Leased Assets	44,909	(27,606)	17,303
Library Resources	110,261	(86,465)	23,795
<b>Balance at 31 December 2019</b>	<b>709,094</b>	<b>(502,700)</b>	<b>206,393</b>

## 12. Accounts Payable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	7,770	15,000	12,130
Accruals	4,600	8,000	4,416
Employee Entitlements - Salaries	80,505	75,000	75,352
Employee Entitlements - Leave Accrual	7,937	7,000	7,451
	<u>100,812</u>	<u>105,000</u>	<u>99,349</u>
Payables for Exchange Transactions	100,812	105,000	99,349
	<u>100,812</u>	<u>105,000</u>	<u>99,349</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Other	7,043	-	1,810
	<u>7,043</u>	<u>-</u>	<u>1,810</u>

## 14. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	74,288	74,288	65,651
Increase/ (decrease) to the Provision During the Year	568	7,500	13,587
Use of the Provision During the Year	-	(11,188)	(4,950)
Provision at the End of the Year	<u>74,856</u>	<u>70,600</u>	<u>74,288</u>
Cyclical Maintenance - Current	4,706	18,600	16,688
Cyclical Maintenance - Term	70,150	52,000	57,600
	<u>74,856</u>	<u>70,600</u>	<u>74,288</u>



## 16. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	7,696	10,300	10,247
Later than One Year and no Later than Five Years	3,672	10,000	10,588
	11,368	20,300	20,835

## 17. 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:

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Replace Blks A&B roof & spouting	<i>completed</i>	9,850	-	-	(9,850)	-
Basement project	<i>completed</i>	8,285	-	-	(8,285)	-
Refurbish Blk E classrooms/toilets	<i>completed</i>	(138)	-	-	138	-
Blk B refurbish classrooms/heaters/ membrane roof	<i>in progress</i>	87,945	439,674	(445,280)	-	82,338
Totals		105,942	439,674	(445,280)	(17,997)	82,338

### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Due from the Ministry of Education

82,338

-

82,338

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Replace Blks A&B roof & spouting	<i>completed</i>	9,850	-	-	-	9,850
Basement project	<i>completed</i>	8,285	-	-	-	8,285
Refurbish Blk E classrooms/toilets	<i>in progress</i>	(138)	-	-	-	(138)
Blk B refurbish classrooms/heaters	<i>in progress</i>	-	146,100	(58,155)	-	87,945
Totals		17,997	146,100	(58,155)	-	105,942

## 18. 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.

## 19. Remuneration

### Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,277	1,885
Full-time equivalent members	0.21	0.15
<i>Leadership Team</i>		
Remuneration	398,890	466,414
Full-time equivalent members	4	5
Total key management personnel remuneration	401,167	468,299
Total full-time equivalent personnel	4.21	5.15

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

### Principal 1

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

### Other Employees

No other employees received remuneration greater than \$100,000.

Remuneration \$000	2020 FTE Number	2019 FTE Number
0	0.00	0.00
	0.00	0.00
	0.00	0.00

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

## 20. Compensation and Other Benefits Upon Leaving

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

	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-

## 21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

### *Holidays Act Compliance – schools payroll*

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

## 22. Commitments

### (a) Capital Commitments

As at 31 December 2020 the Board had not entered into any contract agreements for capital works.

(a) \$625,860 contract for AMS Block B refurbish classrooms/toilets, replace heaters to be completed in 2021, which will be fully funded by the Ministry of Education. \$585,774 has been received of which \$503,436 has been spent on the project to date.

(Capital commitments at 31 December 2019: \$Nil)

### (b) Operating Commitments

As at 31 December 2020 the Board had not entered into any operating commitments.

## 23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

## 24. 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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	211,156	50,000	175,831
Receivables	84,244	75,000	79,074
Investments - Term Deposits	207,338	262,000	228,761
Total Financial assets measured at amortised cost	<u>502,738</u>	<u>387,000</u>	<u>483,666</u>

### Financial liabilities measured at amortised cost

Payables	100,812	105,000	99,341
Finance Leases	11,368	20,300	20,831
Total Financial Liabilities Measured at Amortised Cost	<u>112,180</u>	<u>125,300</u>	<u>120,172</u>

## 25. Events After Balance Date

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

## 26. Comparatives

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



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## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF CLYDE QUAY SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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 2 to 18, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2020; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity (Public Sector) Reduced Disclosure Regime Accounting Framework as applicable to Tier 2 entities

Our audit was completed on 31 May 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board 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.



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

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

We communicate with the Board 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, Board of Trustees Listing and Kiwisport Report, 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.



Geoff Potter  
BDO Wellington Audit Limited  
On behalf of the Auditor-General  
Wellington, New Zealand