

# CLYDE QUAY SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### 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

Name	Position	How Position Gained	
	Chair Person	Thorsten Engel	Elected Term Expires 2019
	Principal	ex Officio Liz Patara	
	Parent Rep	Xavier Ruch	Elected Term Expires 2019
	Parent Rep	David Phipps	Elected Term Expires 2019
	Parent Rep	David Woods	Elected Term Expires 2019
	Parent Rep	Charles Morley-Hall	Elected Term Expires 2019
	Parent Rep	Shane Ngan	Elected Term Expires 2019
	Parent Rep	Anne Peranteau	Elected Term Expires 2019
	Parent Rep	Kathryn Anderson	Elected Term Expires 2019
	Parent Rep	Claire Murdoch	Elected Resigned July 2018
	Staff Rep	Keith Hutton	Elected Term Expires 2019

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

# CLYDE QUAY SCHOOL

Annual Report - For the year ended 31 December 2018

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# Clyde Quay School

## Statement of Responsibility

For the year ended 31 December 2018

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 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

THORSTEN ENGEL

Full Name of Board Chairperson



Signature of Board Chairperson

30 May 2019

Date:

Liz Pottery

Full Name of Principal



Signature of Principal

30 May 2019

Date:

# Clyde Quay School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>				
Government Grants	2	2,038,341	1,930,554	1,968,944
Locally Raised Funds	3	188,326	157,768	176,057
Interest Earned		12,310	11,000	12,313
		<u>2,238,977</u>	<u>2,099,322</u>	<u>2,157,314</u>
<b>Expenses</b>				
Locally Raised Funds	3	51,662	62,120	62,674
Learning Resources	4	1,342,865	1,285,651	1,275,850
Administration	5	123,607	128,170	117,573
Finance		5,216	-	840
Property	6	702,004	692,270	680,148
Depreciation	7	52,158	42,950	48,136
Loss on Disposal of Property, Plant and Equipment		3,411	-	-
		<u>2,280,923</u>	<u>2,211,161</u>	<u>2,185,221</u>
<b>Net Surplus / (Deficit) for the year</b>		(41,946)	(111,839)	(27,907)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(41,946)</u>	<u>(111,839)</u>	<u>(27,907)</u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

# Clyde Quay School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Balance at 1 January</b>	<b>492,510</b>	<b>520,416</b>	<b>512,003</b>
Total comprehensive revenue and expense for the year	(41,946)	(111,839)	(27,907)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	8,944	-	8,414
<b>Equity at 31 December</b>	<b>459,508</b>	<b>408,577</b>	<b>492,510</b>
 Retained Earnings	 459,508	 408,577	 492,510
<b>Equity at 31 December</b>	<b>459,508</b>	<b>408,577</b>	<b>492,510</b>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.

# Clyde Quay School

## Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	61,867	40,000	58,871
Accounts Receivable	9	68,918	63,000	65,323
GST Receivable		-	-	461
Prepayments		4,507	3,500	4,220
Investments	10	278,917	275,000	275,602
		<u>414,209</u>	<u>381,500</u>	<u>404,477</u>
<b>Current Liabilities</b>				
GST Payable		717	4,423	-
Accounts Payable	12	82,798	83,000	86,440
Revenue Received in Advance	13	-	2,000	2,053
Provision for Cyclical Maintenance	14	13,636	8,000	5,400
Finance Lease Liability - Current Portion	15	11,712	7,500	9,742
Funds held for Capital Works Projects	16	17,997	10,000	(17,086)
		<u>126,860</u>	<u>114,923</u>	<u>86,549</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>287,349</b>	<b>266,577</b>	<b>317,928</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	241,738	207,000	235,796
		<u>241,738</u>	<u>207,000</u>	<u>235,796</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	52,015	45,000	46,882
Finance Lease Liability	15	17,564	20,000	14,332
		<u>69,579</u>	<u>65,000</u>	<u>61,214</u>
<b>Net Assets</b>		<u><b>459,508</b></u>	<u><b>408,577</b></u>	<u><b>492,510</b></u>
<b>Equity</b>		<u><b>459,508</b></u>	<u><b>408,577</b></u>	<u><b>492,510</b></u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**Clyde Quay School**  
**Statement of Cash Flows**  
For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		379,443	469,073	366,856
Locally Raised Funds		183,887	152,768	169,539
Goods and Services Tax (net)		1,179	8,320	2,861
Payments to Employees		(360,600)	(354,251)	(308,404)
Payments to Suppliers		(192,571)	(238,960)	(222,784)
Cyclical Maintenance Payments in the year		-	(10,000)	-
Interest Paid		(5,216)	-	(840)
Interest Received		12,471	10,000	12,493
<b>Net cash from / (to) the Operating Activities</b>		<b>18,593</b>	<b>36,950</b>	<b>19,722</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		1,589	-	5,000
Purchase of PPE (and Intangibles)		(50,450)	(21,950)	(29,838)
Purchase of Investments		(3,315)	(25,000)	(25)
<b>Net cash from / (to) the Investing Activities</b>		<b>(52,176)</b>	<b>(46,950)</b>	<b>(24,863)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		8,944	-	8,414
Finance Lease Payments		(7,448)	-	(8,185)
Funds Held for Capital Works Projects		35,083	10,000	(300)
<b>Net cash from Financing Activities</b>		<b>36,579</b>	<b>10,000</b>	<b>(71)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,996</b>	<b>-</b>	<b>(5,211)</b>
Cash and cash equivalents at the beginning of the year	8	58,871	40,000	64,082
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>61,867</b>	<b>40,000</b>	<b>58,871</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 Cash Flow Statement should be read in conjunction with the accompanying notes.

# **Clyde Quay School**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2018**

#### **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 Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

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

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

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

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

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

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

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

###### ***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.

###### ***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***

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

#### ***Recognition of grants***

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

### **c) Revenue Recognition**

#### ***Government Grants***

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

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

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

#### ***Other Grants***

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

#### ***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) 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**

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

#### **h) Investments**

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

#### **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 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

#### **Leased Assets**

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

#### **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
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

## **j) Intangible Assets**

### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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

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

### *Non cash generating assets*

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

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

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

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

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

### *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.

**m) 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).

**n) Financial Assets and Liabilities**

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 "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" 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.

**o) 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.

**p Budget Figures**

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

**q) 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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	321,262	310,660	315,966
Teachers' salaries grants	1,072,505	1,000,000	1,044,335
Use of Land and Buildings grants	586,393	580,000	557,753
Other MoE Grants	58,181	39,894	50,890
	<b>2,038,341</b>	<b>1,930,554</b>	<b>1,968,944</b>

## 3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	77,959	60,000	58,566
Activities	36,913	51,398	47,691
Trading	9,924	8,120	6,294
Fundraising	45,490	29,700	31,267
Other Revenue	18,040	8,550	32,239
	<b>188,326</b>	<b>157,768</b>	<b>176,057</b>
<b>Expenses</b>			
Activities	31,987	48,500	45,005
Trading	8,225	6,920	5,834
Fundraising costs	11,450	6,700	11,835
	<b>51,662</b>	<b>62,120</b>	<b>62,674</b>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<b>136,664</b>	<b>95,648</b>	<b>113,383</b>

## 4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	18,927	28,000	11,804
Information and communication technology	11,701	15,800	16,783
Library resources	2,230	3,400	1,394
Employee benefits - salaries	1,299,259	1,222,751	1,225,229
Staff development	10,748	15,700	20,640
	<b>1,342,865</b>	<b>1,285,651</b>	<b>1,275,850</b>

## 5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,684	5,750	5,185
Board of Trustees Fees	1,250	3,600	691
Board of Trustees Expenses	3,341	3,600	2,745
Communication	1,710	2,000	1,980
Consumables	17,685	21,800	20,269
Operating Lease	870	520	1,313
Other	2,882	1,800	1,363
Employee Benefits - Salaries	80,320	80,500	75,273
Insurance	4,400	4,000	4,289
Service Providers, Contractors and Consultancy	4,465	4,600	4,465
	<u>123,607</u>	<u>128,170</u>	<u>117,573</u>

## 6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	10,288	10,600	9,771
Cyclical Maintenance Expense	13,369	10,000	10,509
Grounds	-	20	49
Heat, Light and Water	13,964	12,750	13,329
Rates	1,974	1,900	1,947
Repairs and Maintenance	22,051	26,000	33,951
Use of Land and Buildings	586,393	580,000	557,753
Employee Benefits - Salaries	53,965	51,000	52,839
	<u>702,004</u>	<u>692,270</u>	<u>680,148</u>

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

## 7. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	1,838	14,365	1,718
Furniture and Equipment	10,767	23,085	12,114
Information and Communication Technology	12,944	-	10,923
Playground Equipment	14,028	-	12,612
Leased Assets	9,038	1,500	6,992
Library Resources	3,543	4,000	3,777
	<u>52,158</u>	<u>42,950</u>	<u>48,136</u>

## 8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	618	-	677
Bank Current Account	15,199	10,000	20,671
Bank Call Account	46,050	30,000	37,523
Cash and cash equivalents for Cash Flow Statement	<u>61,867</u>	<u>40,000</u>	<u>58,871</u>

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

Of the \$119,588 Cash and Cash Equivalents, \$17,997 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

## 9. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	4,960	2,000	2,574
Interest Receivable	914	1,000	1,076
Teacher Salaries Grant Receivable	63,044	60,000	61,673
	<u>68,918</u>	<u>63,000</u>	<u>65,323</u>
Receivables from Exchange Transactions	5,874	3,000	3,650
Receivables from Non-Exchange Transactions	63,044	60,000	61,673
	<u>68,918</u>	<u>63,000</u>	<u>65,323</u>

## 10. Investments

The School's investment activities are classified as follows:

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	<u>278,917</u>	<u>275,000</u>	<u>275,602</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2018</b>						
Buildings	52,703				(1,838)	50,865
Furniture and Equipment	48,644	11,489	(3,105)		(10,767)	46,261
Information and Communication	30,734	11,564			(12,944)	29,354
Playground & Ground Equipment	50,762	24,149			(14,028)	60,883
Leased Assets	25,267	12,650			(9,038)	28,879
Library Resources	27,686	1,656	(303)		(3,543)	25,496
<b>Balance at 31 December 2018</b>	<b>235,796</b>	<b>61,508</b>	<b>(3,408)</b>	<b>-</b>	<b>(52,158)</b>	<b>241,738</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2018</b>			
Buildings	71,922	(21,057)	50,865
Furniture and Equipment	190,829	(144,568)	46,261
Information and Communication	94,102	(64,748)	29,354
Playground & Ground Equipment	176,563	(115,680)	60,883
Leased Assets	44,909	(16,030)	28,879
Library Resources	110,823	(85,327)	25,496
<b>Balance at 31 December 2018</b>	<b>689,148</b>	<b>(447,410)</b>	<b>241,738</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2017</b>						
Buildings	52,005	2,416	-	-	(1,718)	52,703
Furniture and Equipment	49,602	11,156	-	-	(12,114)	48,644
Information and Communication Technology	32,928	8,729	-	-	(10,923)	30,734
Playground & Ground Equipment	63,374	-	-	-	(12,612)	50,762
Leased Assets	25,445	6,814	-	-	(6,992)	25,267
Library Resources	28,926	2,537	-	-	(3,777)	27,686
<b>Balance at 31 December 2017</b>	<b>252,280</b>	<b>31,652</b>	<b>-</b>	<b>-</b>	<b>(48,136)</b>	<b>235,796</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2017</b>			
Buildings	71,922	(19,219)	52,703
Furniture and Equipment	238,827	(195,159)	43,668
Information and Communication Technology	94,184	(58,474)	35,710
Playground & Ground Equipment	152,414	(101,652)	50,762
Leased Assets	32,259	(6,992)	25,267
Library Resources	113,880	(86,194)	27,686
<b>Balance at 31 December 2017</b>	<b>703,486</b>	<b>(467,690)</b>	<b>235,796</b>



## 12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	8,051	15,000	15,430
Accruals	7,889	5,000	5,962
Employee Entitlements - salaries	63,044	60,000	61,673
Employee Entitlements - leave accrual	3,814	3,000	3,375
	<u>82,798</u>	<u>83,000</u>	<u>86,440</u>
Payables for Exchange Transactions	82,798	83,000	86,440
	<u>82,798</u>	<u>83,000</u>	<u>86,440</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received In Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Other	-	2,000	2,053
	<u>-</u>	<u>2,000</u>	<u>2,053</u>

## 14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	52,282	52,282	41,773
Increase/ (decrease) to the Provision During the Year	13,369	10,000	10,509
Use of the Provision During the Year	-	(9,282)	-
Provision at the End of the Year	<u>65,651</u>	<u>53,000</u>	<u>52,282</u>
Cyclical Maintenance - Current	13,636	8,000	5,400
Cyclical Maintenance - Term	52,015	45,000	46,882
	<u>65,651</u>	<u>53,000</u>	<u>52,282</u>

## 15. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	11,712	10,000	9,742
Later than One Year and no Later than Five Years	17,564	15,000	14,332
	<u>29,276</u>	<u>25,000</u>	<u>24,074</u>

## 16. 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:

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Replace roof & spouting Blks A&B	<i>completed</i>	9,850	-	-	-	9,850
Basement project	<i>completed</i>	(26,636)	35,921	1,000	-	8,285
Refurbish classrooms/toilets Blk E	<i>in progress</i>	(300)	107,548	107,386	-	(138)
Retaining wall fence	<i>completed</i>	-	8,245	8,245	-	-
Totals		(17,086)	151,714	116,631	-	17,997

### Represented by:

Funds Held on Behalf of the Ministry of Education

17,997

17,997

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Replace roof & spouting Blks A&B	<i>completed</i>	9,850	-	-	-	9,850
Basement project	<i>completed</i>	(26,636)	-	-	-	(26,636)
Refurbish classrooms/toilets Blk E	<i>in progress</i>	-	-	300	-	(300)
Totals		(16,786)	-	300	-	(17,086)

## 17. Related Party Transactions

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

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

## 18. Remuneration

### Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<b>Board Members</b>		
Remuneration	1,250	1,250
Full-time equivalent members	0.13	0.46
<b>Leadership Team</b>		
Remuneration	273,117	338,461
Full-time equivalent members	3.00	3.60
<b>Total key management personnel remuneration</b>	<b>274,367</b>	<b>339,711</b>
<b>Total full-time equivalent personnel</b>	<b>3.13</b>	<b>4.06</b>

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

### Principal

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

	2018 Actual \$000	2017 Actual \$000
<b>Salaries and Other Short-term Employee Benefits:</b>		
Salary and Other Payments	120 - 130	120 - 130
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

### Other Employees

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

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

## 19. Compensation and Other Benefits Upon Leaving

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

	2018 Actual	2017 Actual
<b>Total</b>		
Number of People	-	-

## 20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

### Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

## 21. Commitments

### (a) Capital Commitments

As at 31 December 2018 the Board has entered into contract agreements for capital works as follows:  
(Capital commitments at 31 December 2017: nil)

### (b) Operating Commitments

As at 31 December 2018 the Board had not entered into any operating commitments.  
(Operating commitments at 31 December 2017: Nil).

## 22. Managing Capital

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

## 23. Financial Instruments

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

### Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	61,867	40,000	58,871
Receivables	68,918	63,000	65,323
Investments - Term Deposits	278,917	275,000	275,602
Total Loans and Receivables	409,702	378,000	399,796

### Financial liabilities measured at amortised cost

Payables	82,798	83,000	86,440
Finance Leases	29,276	27,500	24,074
Total Financial Liabilities Measured at Amortised Cost	112,074	110,500	110,514

## 24. Events After Balance Date

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

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF CLYDE QUAY SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018, 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 2018; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 30 March 2019. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

#### Responsibilities of the Board of Trustees for the financial statements

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

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

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

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

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

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

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

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

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

### Other information

The Board of Trustees is responsible for the other information. The other information 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 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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



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

**Analysis of Variance**  
**Clyde Quay School Work Plan 2018**

Action Item Description			Who?	When in 2018	Comment 25.3.2019
What is the Action? (Description)	(SMART) Objective - what does "Done" look like?	Special Resources?	Owner	Target Term	2018/2019
Creating more systematic logs and notes on children for briefing and hand-over between staff (e.g. teachers and teacher aides)	The aim is to record these on ipads ready for change over.		Liz Patara	T4	Needs further trialling.
Reviewing other school's use of Chromebooks and iPads to maximize the use of IT in the class-room by staff (efficiency) and for learning (achievement)	IT Strategy and Plan Current State 2019		Thorsten Engel Mel Sutton Keith Hutton Liz Patara	T4	Completed T1 2019
Develop a technology plan to feed into the budgeting process and 4-Yr Plan and to help inform the longer term capital needs	IT Strategy and Plan Current State 2019 feeds into the budgeting process.		Thorsten Engel Mel Sutton Keith Hutton Liz Patara	T4	Completed term 1 2019
Maximize teacher hours in the class room and reviewing the scheduling and rostering practices	Incomplete		Thorsten Engel	T4	On-going
Continue with improvements around the Finance reports and the migration to Xero for the school's accounting system	Financial reports transparent, access and retrieval procedure efficient, reports delivered in a timely fashion.		Shane Ngan Charles Morley- Hall	T4	Finalising term 1 2019
Continue with the school values and culture work and socialize the outputs with students, whanau and the community	Embed values across school		Liz Patara Mel Sutton	T3	Well underway term 1 2019





# CLYDE QUAY SCHOOL

Te Kura O Matairangi

27 Elizabeth St Mt Victoria Wellington 6011

Ph 04 385 0900 Fax 04 385 0983 Email [office@clydequay.school.nz](mailto:office@clydequay.school.nz)

Kiwi Sports Funding 2018

This to confirm the Kiwi Sports Funding was used for the purpose intended:

1. To support a number of sports programmes.
2. To purchase equipment to support programmes.

Signed

Liz Patara  
Principal