

COMMUNITY EDUCATION TRUST AUCKLAND

GENERAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

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COMMUNITY EDUCATION TRUST AUCKLAND

ENTITY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2024

Legal Name	Community Education Trust Auckland
Other Name	Te Hononga Akoranga, Te Hononga Akoranga COMET, COMET Auckland
Type of Entity	Charitable Trust
Objectives of Trust	To undertake actions, programmes and initiatives that support and promote education and improve educational outcomes for persons living in Auckland, with a special focus on the areas of greatest education need.
Settlor	Auckland Council
Entity Structure	The Trustees are incorporated as a Board under Part II of the Charitable Trusts Act 1957. The power of appointing Trustees, control, management and conduct of the Trust is vested in the Trust Board.
Trustees	Ioane Afoa (appointed 1 July 2022) Melissa Crawford (appointed 1 November 2019) Ginnie Denny (resigned 8 May 2024) Sulu Fitzpatrick (appointed 1 July 2023) William Karaitiana (appointed 1 July 2023) Narissa Lewis (appointed 1 July 2022) Tracy Massam, Chairperson (appointed 1 December 2018) Jignasha Patel (resigned 23 April 2024) Judith Thompson (appointed 1 July 2020) Richard Thornton (appointed 1 December 2018)
Main Sources of Funding	The Trust is primarily funded by Auckland Council by way of an annual operating grant. The Trust also receives other assistance from government and non-government organisations for specific projects.
Solicitors	Bell Gully
Independent Auditors	BDO Auckland
Commencement Date	July 1, 2012
Physical Address	Level 5, 55 Anzac Avenue Auckland Central Auckland 1010
Postal Address	PO Box 3430 Shortland Street Auckland 1140
Website	www.cometauckland.org.nz

COMMUNITY EDUCATION TRUST AUCKLAND

STATEMENT OF SERVICE PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2024

Community Education Trust Auckland (also known as Te Hononga Akoranga COMET) was a Council Controlled Organisation (CCO) of Auckland Council until its CCO status was revoked on 31 October 2023. Te Hononga Akoranga COMET is now an independent Charitable Trust, working to close the education gaps for better futures.

The change in structure has resulted in a change of strategic direction. The core principles for which we were founded remain the same, Mana motuhake (by whānau, for whānau) and Equity (driving change to balance biased systems) are the foundation for what, why and how we do our work.

We continue to learn and grow as a Tangata Te Tiriti inspired organisation. Understanding how we live the principles of Partnership, Participation and Protection is constantly evolving. We strive to be an enhancing and enabling Te Tiriti partner.

Vision:	Tino rangatiratanga for everyone through lifelong learning.
What we do:	We work with communities to close the education gaps for better futures
Why we do what we do:	8 – 16 – 40 We know that fewer than 8% of students currently enrolled in STEM (science, technology, engineering and mathematics) studies identify as Māori or Pasifika. In 16 years, these communities will represent 40% of our nation’s workforce. Encouraging them to recognise STEM as a viable career pathway is our priority.
Values	<ul style="list-style-type: none"> • Whanaungatanga: At Te Hononga Akoranga COMET we build relationships, collaborate and partner. • Manaakitanga: At Te Hononga Akoranga COMET we care, respect & embrace the diversity and mana of our team and our communities. • Mana Motuhake: At Te Hononga Akoranga COMET we affirm and work towards all people having control of their future through learning.
How we work:	<ul style="list-style-type: none"> • Through creative writing and participatory STEM projects, we allow Rangatahi to explore futures available to them • We provide whanau and caregivers with information and experiences that allow them to become wise career counsellors • We connect educators with external support and resources to inspire their students into career pathways • We connect industry with Rangatahi and their communities to support and inspire careers that grow Aotearoa NZ

The following table summarises our performance against our organisation-wide targets from our 2023/24 to 2025/26 Statement of Intent, which was approved by Auckland Council in August 2023. These measures track the effectiveness of our overall work towards our vision and mission.

COMMUNITY EDUCATION TRUST AUCKLAND

STATEMENT OF SERVICE PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

Service level statement	Measure	2024 Actual	2024 Budget	2023 Actual
Delivering initiatives and projects to agreed timeframes and outputs	% of initiatives that fully meet timelines and outputs as listed in the SOI	65%	80%	97%
Quality of work to support education and skills	% of stakeholders who rate COMET Auckland's work as valuable or very valuable	85%	75%	92%
Influencing action towards more effective and equitable education and skills in Auckland	% of stakeholders who attended COMET Auckland events rating them moderately to highly valuable for influencing action	87%	75%	96%
Raising awareness of key education and skills issues	Number of media articles generated	15	18	20
	Total social media followers (at end of period)	2,226	1,750	1,797
Providing data and information that is valued and used by stakeholders	% of stakeholders rating COMET Auckland data snapshots and infographics as moderately to highly valuable	82%	80%	88%
Leveraging Auckland Council support	Value of external funding as a percentage of Auckland Council grant	149%	>120%	123%
Commitment to Te Tiriti o Waitangi	% of stakeholders agree or strongly agree that COMET Auckland shows a commitment to Te Tiriti o Waitangi through the way they engage and work *	89%	N/A	93%

* This performance measure was added last year, but the budget was not available.

In addition to the above organisation-wide quantitative measures, Te Hononga Akoranga COMET tracks measures for each of our campaigns, and examples of systems change that result from our work. A selection of these are reported as data and case studies in the performance reporting pages of our Annual Report.

COMMUNITY EDUCATION TRUST AUCKLAND

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024	2023 \$
REVENUE			
Revenue from exchange transactions			
Funding from central or local government		250,885	319,819
Funding from Non-government organisations		10,000	-
Interest earned		47,624	40,657
Membership fee received		1,000	-
Other revenue		117,882	88,640
Project contribution revenue		-	2,100
Revenue from non-exchange transactions			
Auckland Council grant	7	350,000	558,000
Grants		90,624	147,255
Donations		5,000	38,120
Government wage subsidy		-	1,200
Total revenue	7	873,015	1,195,791
EXPENSES			
Operating expenses	8	250,581	305,760
Human resource expenses	9	826,714	870,534
Partnership contributions		-	58,000
Trustees' expenses		199	3,399
Loss on disposal of property, plant, and equipment		35	4,893
Total expenses		1,077,529	1,242,586
(Deficit)/Surplus for the year from continuing operations		(204,514)	(46,795)
Discontinued operations			
Revenue from discontinued operations	7	-	46,625
Expenses from discontinued operations		-	60,319
(Deficit)/Surplus for the year from discontinued operations		-	(13,694)
(Deficit)/Surplus for the year		(204,514)	(60,489)
Total comprehensive revenue and expense for the year		(204,514)	(60,489)


The above statement should be read in conjunction with the notes to and forming part of the financial statements.

COMMUNITY EDUCATION TRUST AUCKLAND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Notes	2024	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents		351,501	225,674
Receivables from exchange transactions		27,440	34,500
Accrued interest		5,033	7,351
Gift card		100	-
GST refund		-	21,293
Prepayments		8,059	12,767
Short term investments		313,719	611,313
Total current assets		705,852	912,898
Non-current assets			
Property, plant, and equipment	10	18,110	23,690
Intangible assets	11	972	1,944
Total non-current assets		19,082	25,634
Total assets		724,934	938,533
LIABILITIES			
Current liabilities			
Accounts payable		23,200	46,726
GST payable		23,550	-
Provision for holiday pay		29,259	19,206
Accrued expenses		36,511	38,554
Revenue received in advance	6	200,244	209,854
Project funding held for MBIE		10,149	17,658
Total current liabilities		322,913	331,998
Total liabilities		322,913	331,998
Net assets		402,021	606,535
Represented by:			
TRUSTEES FUNDS			
Retained earnings		84,021	150,535
Forward operating expenses reserve		318,000	456,000
Total Trustees funds	13	402,021	606,535

Approved for and on behalf of the Board of Trustees this day of 2024.


 Tracy Massam (Oct 6, 2024 10:52 GMT+13)


 Wm Karaitiana (Oct 7, 2024 10:14 GMT+13)

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

COMMUNITY EDUCATION TRUST AUCKLAND

STATEMENT OF CHANGES IN TRUSTEES FUNDS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Retained Earnings	Forward Operating Expenses Reserve	Future Project Development Reserve	Total
		\$	\$	\$	\$
Balance at 1 July 2023		150,535	456,000	-	606,535
Total comprehensive revenue and expenses for the year		(204,514)	-	-	(204,514)
Transactions with Trustees					
Transfer from Forward Operating Expenses Reserve		138,000	(138,000)	-	-
Total transactions with Trustees		138,000	(138,000)	-	-
Balance at 30 June 2024	13	84,021	318,000	-	402,021
Balance at 1 July 2022		340,024	327,000	-	667,024
Total comprehensive revenue and expenses for the year		(60,489)	-	-	(60,489)
Transactions with Trustees					
Addition to Forward Operating Expenses Reserve		(129,000)	129,000	-	-
Total transactions with Trustees		(129,000)	129,000	-	-
Balance at 30 June 2023	13	150,535	456,000	-	606,535

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

COMMUNITY EDUCATION TRUST AUCKLAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
Cash flows from operating activities		\$
Cash was received from:		
Funding from central or local government	672,203	916,034
Receipts from non-governmental organisations	150,216	262,286
Donations	5,000	37,920
Interest received	49,941	39,404
Net GST received	29,647	9,084
Cash was applied to:		
Payments to suppliers and employees	1,076,848	1,335,186
Payments to The Talking Matters Charitable Trust on Separation	-	379,191
Net cash inflow/(outflow) from operating activities	(169,841)	(449,649)
Cash flows from investing activities		
Cash was received from:		
Cash receipts from sale of property, plant and equipment	-	7,576
Decrease in short term investments	297,594	203,921
Cash was applied to:		
Payments to acquire property, plant and equipment	1,926	12,783
Net cash inflow/(outflow) from investing activities	295,668	198,714
Net increase/(decrease) in cash and cash equivalents	125,827	(250,935)
Opening cash and cash equivalents	225,674	476,609
Closing cash and cash equivalents	351,501	225,674
This is represented by:		
BNZ current account	351,004	225,177
BNZ cash account	497	497
Total cash and cash equivalents	351,501	225,674

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1. REPORTING ENTITY

Community Education Trust Auckland (the Trust) is a charitable trust incorporated under the Charitable Trusts Act 1957, registered under the Charities Act 2005 and is domiciled in New Zealand. The Trust was a council-controlled organisation (CCO) under Auckland Council as defined under section 6 of the Local Government Act 2002, by virtue of Auckland Council's right to appoint the Board of Trustees. The CCO status was revoked during this financial year when the Trust Deed was amended to remove Auckland Council's right to appoint the Board of Trustees. This is the last year the Trust will report in accordance with the Local Government Act 2022.

The primary objectives of the Trust are to undertake actions, programmes and initiatives that support and promote education and improve educational outcomes for persons living in Auckland, rather than making a financial return. Accordingly, the Trust has designated itself as a public sector public benefit entity for the purposes of financial reporting in accordance with the Local Government Act 2022, the Financial Reporting Act 2013, and the Charities Act 2005.

2. BASIS OF PREPARATION

Statement of compliance

The general purpose financial report of the Trust has been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). It complies with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 public sector public benefit entities, and disclosure concessions have been applied.

The Trust has elected to report in accordance with PBE Standards RDR on the basis that it does not have public accountability and it has annual operating expenditure of less than \$30 million. Therefore, the Trust is eligible to report in accordance with PBE Standards RDR.

Measurement Basis

The financial statements are prepared on a historical cost basis.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars (NZ\$).

Estimates and Judgements

The preparation of the general purpose financial report requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

There are no significant estimates or judgements made by management on behalf of the Trust. The measures included in the Trust's statement of service performance are based on the measures included in the Trust's Statement of Intent, agreed with Auckland Council.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

Going Concern

The financial statements have been prepared on the basis that the Trust is a going concern. This assumption is dependent on the continuation of funding from Auckland Council and changes made to the organisation's business model, including a shift to a co-funded model involving philanthropic and industry investment for services. With the Trust ceasing to be a CCO during this financial year, committed funding from Auckland Council will reduce over the next two years.

3. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies, which materially affect the measurement of earnings and financial position, have been applied consistently to both years presented in these financial statements.

Revenue

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Trust. Revenue is measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the Trust's revenue streams must also be met before revenue is recognised.

(1) *Revenue from exchange transactions*

Membership fee received

Revenue is recognised over the period of the membership. Amounts received in advance for memberships or subscriptions relating to future periods are recognised as a liability until such time that period covering the membership or subscription occurs.

Rendering of services

Revenue from services includes funding from central or local government, where the funding is based on the achievement of detailed milestones and mutually agreed KPIs. This is because the services provided by the Trust constitute the performance of agreed tasks over an agreed period of time, with the direct exchange of approximately equal value, being the provision of services on behalf of central or local government.

Revenue from services rendered is recognised in surplus or deficit in proportion to the stage-of-completion of the transaction at the reporting date. The stage of completion is assessed by reference to completion of the criteria specified in the funding agreements. Where some or all of the criteria have not been met, the amounts are recorded as revenue received in advance in the statement of financial position until such time as the criteria are satisfied.

Project contribution revenue and other revenue

All project contribution revenue and other revenue is recognised when the related goods or services are delivered.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(2) *Revenue from non-exchange transactions*

Non-exchange transactions are those where the Trust receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- It is probable that the associated future economic benefit or service potential will flow to the Trust, and
- Fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

The following specific recognition criteria in relation to the Trust's non-exchange transaction revenue streams must also be met before revenue is recognised.

Auckland Council grant

Auckland Council grants is a significant source of funding to the Trust and are restricted for the purpose of the Trust meeting its objectives as specified in the Trust's Trust Deed. The Auckland Council grant is provided in accordance with a Funding Agreement that specifies funding for each financial year. The grant is recognised as revenue in the financial year it relates to.

Grants, donations, and government wage subsidy

The recognition of non-exchange revenue from grants, donations, and government wage subsidy depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the Trust to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the Trust to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Expenses

Expenses are recorded on the occurrence of recognition events.

Partnership contributions

Partnership contribution expenses relate to the Trust's revenue which are passed on to partners as part of whole-project activities. Partnership contributions are recognised as expenses when the contracts are signed, and they become payable.

Financial instruments

(1) Recognition and initial measurement

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. At initial recognition, short-term receivables and payables may be measured at the original invoice amount if the effect of discounting is immaterial.

(2) Classification and subsequent measurement

Financial assets

All of the Trust's financial assets meet the definition of financial assets at amortised cost. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through surplus or deficit:

- It is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Trust's financial assets comprise cash and cash equivalents, short term investments, and receivables.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with original maturities of three months or less. Short term investments are those with an original maturity of more than three months.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial liabilities

All of the Trust's financial liabilities meet the criteria to be classified as measured at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

The Trust's financial liabilities comprise payables.

(3) Impairment of financial assets

The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Trust's historical experience and informed credit assessment and including forward-looking information.

The Trust assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Trust considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Trust in full, without recourse by the Trust to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Property, Plant, and Equipment

Items of property, plant, and equipment are initially measured at cost. They are subsequently measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Depreciation

Depreciation is based on the cost of an asset less its residual value. For significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

In general, depreciation is recognised in surplus or deficit on a diminishing value basis over the expected useful economic lives of the assets concerned. The following rates have been used:

- Furniture and fittings 0% - 16%
- Office equipment 25% - 67%
- Computers 50% - 67%

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

Intangible Assets

Costs of website design and database development are classified as intangible assets. Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortisation and impairment. Amortisation is calculated at 50% per annum on a diminishing value basis over the expected useful economic lives. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date, and are measured at the amounts expected to be paid when the liabilities are settled on an undiscounted basis.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it will be used by staff to cover those future absences.

Defined contribution pension plans

Obligations for contributions to defined contribution pension plans (including KiwiSaver) are recognised as an expense in surplus or deficit when they are due.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Goods and Services Tax

These financial statements have been prepared exclusive of goods and services tax (GST), except for accounts receivables and accounts payables which are GST inclusive.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included in the statement of financial position.

Cash flows are included in the statement of cash flows on a net basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

Income Tax

The Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for this exemption.

Discontinued Operations

A discontinued operation is a component of the Trust, being one whose operations and cash flows are clearly distinguishable from the rest of the Trust, that has either been disposed of or held for sale, and which:

- Represents a separate major line of business or geographic area of operations
- Is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations, or
- Is a controlled entity acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of comprehensive revenue and expense is re-presented as if the operation had been discontinued from the start of the comparative year.

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

4. DISCONTINUED OPERATION

On 15 July 2022, the Trust has signed the Transfer Deed with The Talking Matters Charitable Trust (TTMCT). From 16 July 2022, all employment contracts, assets, funding agreements, and intellectual property which are related to the Talking Matters project have been transferred to TTMCT with no consideration. All related responsibilities have also transferred to TTMCT.

	Notes	2024	2023
(1) Cash flows from (used in) discontinued operations		\$	\$
Net cash from operating activities		-	(406,885)
Net cash used in investing activities		-	406,885
Net cash flow for the period		-	-

	Notes	2024	2023
(2) The effect of disposal on the financial position of the Trust		-	-
Net assets/equity and liabilities		-	-

5. FUNDERS FOR THE YEAR

Auckland Council	Ministry for Pacific Peoples
BayTrust	Ministry of Business, Innovation & Employment
BlueSky Community Trust	Mrs T & Mr C J Massam
Lion Foundation	Rano Community Trust

6. REVENUE RECEIVED IN ADVANCE

	2024	2023
	\$	\$
YEP	-	2,160
STEM Alliance	1,000	-
Science in Society	193,344	117,109
WeSTEM	-	14,961
Total from exchange transactions	194,344	134,230
Youth Voices	5,900	75,624
Total from non-exchange transactions	5,900	75,624
Total	200,244	209,854

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

7. REVENUE

	2024	2023
	\$	\$
Revenue from continuing operations	873,015	1,195,791
Revenue from discontinued operations	-	46,625
Total Revenue	873,015	1,242,416
Contributions from Auckland Council		
Base grant	350,000	558,000
Subtotal	350,000	558,000
Contributions from all other sources	523,015	684,416
Total	873,015	1,242,416

8. OPERATING EXPENSES

	Notes	2024	2023
		\$	\$
Audit Fees		19,127	20,006
Legal Fee		200	2,520
Bank charges		90	613
Computer & ICT expenses		12,344	16,468
Depreciation & amortisation exps	10, 11	8,443	12,997
Events & seminars		16,322	30,037
General expenses		1,279	1,568
Insurance		5,458	5,055
Local travel & parking		7,042	5,945
Office supplies		1,017	1,880
Postage & courier		2,179	2,126
Printing & copying		2,887	2,890
Professional services		39,649	46,225
Project Evaluation		970	970
Publications, brochures & media		35,920	50,110
Rental	14	84,068	79,799
Telephone & cellphone		7,504	9,405
Travel & accommodation		3,017	15,314
Website		3,065	1,832
Total operating expenses from continuing operations		250,581	305,760
Operating expenses from discontinued operations		-	3,946
Total operating expenses		250,581	309,706

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

9. HUMAN RESOURCE EXPENSES

	2024	2023
	\$	\$
ACC levy	1,810	3,118
Health & safety	742	1,022
Professional development-staff	10,561	23,817
Recruitment expenses	21,169	-
Salaries & wages	770,842	816,761
KiwiSaver employer contributions	21,520	25,345
Other employment expenses	70	471
	826,714	870,534
Total human resource expenses from continuing operations	826,714	870,534
Human resource expenses from discontinued operations	-	32,600
Total human resource expenses	826,714	903,134

10. PROPERTY, PLANT, AND EQUIPMENT

	Furniture & Fittings	Office equipment	Computers	Total
<u>Cost</u>	\$	\$	\$	\$
Balance as at 1 July 2023	31,237	6,871	25,160	63,268
Additions (exchange)	-	129	1,797	1,926
Disposals	-	-	(56)	(56)
Balance as at 30 June 2024	31,237	7,000	26,901	65,138
<u>Accumulated depreciation</u>				
Balance as at 1 July 2023	17,830	5,159	16,589	39,578
Depreciation	1,823	1,040	4,608	7,471
Disposals	-	-	(21)	(21)
Balance as at 30 June 2024	19,653	6,199	21,176	47,028
<u>Net book value</u>				
Balance as at 1 July 2023	13,407	1,712	8,571	23,690
Balance as at 30 June 2024	11,584	801	5,725	18,110

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

11. INTANGIBLE ASSETS

<u>Cost</u>	Note	\$
Balance as at 1 July 2023 and 30 June 2024		27,049
<u>Accumulated depreciation</u>		
Balance as at 1 July 2023		25,105
Depreciation		972
Balance as at 30 June 2024		26,077
<u>Net book value</u>		
Balance as at 1 July 2023		1,944
Balance as at 30 June 2024		972

12. CAPITAL MANAGEMENT

The Trust's capital includes accumulated trustees' funds. The Trust's policies in respect of capital management and allocation are reviewed regularly by the Board of Trustees. There have been no material changes in the Trust's management of capital during the period. The Trust is not subject to any externally imposed capital requirements.

13. TRUSTEES FUNDS

	2024	2023
Allocation of reserves	\$	\$
Contingency funds		
- Forward operating expenses reserve	318,000	456,000
Retained earnings	84,021	150,535
Total Trustees funds	402,021	606,535

Contingency funds are part of the reserves that are set aside for a specific purpose. Forward operating expenses provide funds for at least three months' operating expenses.

14. LEASE AND CAPITAL COMMITMENTS

Non-cancellable operating lease payments:	2024	2023
	\$	\$
Not later than one year	18,244	20,151
Later than one year and not later than 5 years	-	-
Later than five years	-	-
Total	18,244	20,151

The Trust's leases comprise of premises lease and equipment lease. Both lease contracts are in open term. The premise lease has a three-month notice period.

The Trust had no capital commitments at 30 June 2024 (2023: nil).

COMMUNITY EDUCATION TRUST AUCKLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024 (CONT'D)

15. CONTINGENCIES

There were no contingencies as at 30 June 2024 (2023: \$NIL).

16. RELATED PARTY TRANSACTIONS

Auckland Council

The Trust is a council-controlled organisation and receives a significant amount of grants from Auckland Council to deliver outcomes as specified in each year's Statement of Intent.

The total amount of income received from Auckland Council was \$350,000 (2023: \$558,000). There was no outstanding balance at 30 June 2024 (2023: \$NIL).

Goods and services of \$8,063 (2023: \$10,727) were purchased from Auckland Council. There was no outstanding balance at 30 June 2024 (2023: \$164).

The Talking Matters Charitable Trust (TTMCT)

TTMCT is a related party of the Trust due to commonality of trustees, Ginnie (Virginia) Denny and Melissa Crawford.

The Trust granted to TTMCT a non-transferrable license to occupy the current office from 16 July 2022. \$55,900 (2023: \$50,936) was received for license to occupy fees and disbursements of power and photocopier usages. The balance of receivables at 30 June 2024 was \$429 (2023: \$NIL).

Mrs T & Mr C J Massam

Tracy Massam, our chairperson, and her family donated \$5,000 to the languages project (2023: \$NIL).

Key Management Personnel

The Trust classifies its key management personnel into one of two classes:

- Members of the governing body
- Senior executive team, responsible for planning, directing, and controlling the activities of the Trust

Members of the governing body are the trustees of the Trust. All trustees are volunteers. There was no remuneration provided by the Trust to the trustees of the Trust.

Senior executive team are employed as employees of the Trust, on normal employment terms. The aggregate level of remuneration paid and number of persons (measured in 'full-time-equivalents' (FTE's)) are presented below:

	2024	2023
	\$	\$
Total Remuneration	251,685	261,932
Number of Persons	1.8	2.0

Remuneration and Compensation Provided to Close Family Members of Key Management Personnel

During the reporting period, there was no remuneration and compensation provided by the Trust to close family members of key management personnel (2023: \$NIL).

17. EVENTS AFTER REPORTING DATE

There have been no post balance date events.











COMET Auckland 2024 accounts-V5 SIGNED

Final Audit Report

2024-10-06

Created:	2024-10-05
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Transaction ID:	CBJCHBCAABAANC8aUWDjXP6m19AQUVqvnel2FC3Jj0We

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-  Document created by Katheren Leitner (katheren.leitner@cometauckland.org.nz)
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2024-10-06 - 9:14:56 PM GMT
-  Document e-signed by Wm Karaitiana (numb3rstalk@gmail.com)
Signature Date: 2024-10-06 - 9:14:58 PM GMT - Time Source: server
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**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF COMMUNITY EDUCATION TRUST AUCKLAND'S
FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE FOR THE
YEAR ENDED 30 JUNE 2024**

The Auditor-General is the auditor of Community Education Trust Auckland (the "Trust"). The Auditor-General has appointed me, Matthew Coulter, using the staff and resources of BDO Auckland, to carry out the audit of the financial statements and the statement of service performance of the Trust on his behalf.

Opinion

We have audited:

- the financial statements of the Trust on pages 6 to 21, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in trustees funds, 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; and
- the statement of service performance of the Trust on pages 4 and 5.

In our opinion:

- the financial statements of the Trust on pages 6 to 21:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; 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 Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR"); and
- the statement of service performance of the Trust on pages 4 and 5 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2024.

Our audit was completed on 7 October 2024. This is the date at which our opinion is expressed.

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

Basis for 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 and the statement of service performance

The Board of Trustees is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees are also responsible for preparing the statement of service performance for the Trust.

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

In preparing the financial statements and the statement of service performance, the Board of Trustees is responsible on behalf of the Trust for assessing the Trust'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 the Board of Trustees intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Local Government Act 2002, the Charities Act 2005, and the Trust Deed.

Responsibilities of the auditor for the audit of the financial statements and the statement of service performance

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, 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 and the statement of service performance.

For the budget information reported in the statement of service performance, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

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

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 and the statement of service performance, 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 Trust'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 evaluate the appropriateness of the reported statement of service performance within the Trust's framework for reporting its performance.

- 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 Trust'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 and the statement of service performance 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 Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represents the underlying transactions and events in a manner that achieves fair presentation.

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 information included in this general purpose financial report, but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and the statement of service performance 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 and the statement of service performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of service performance 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 Trust 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 Trust.



Matthew Coulter
BDO Auckland
On behalf of the Auditor-General
Auckland, New Zealand