

TIMARU BOYS' HIGH SCHOOL



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number: 360
Principal: David Thorp
School Address: 211 North Street, West End, Timaru
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Accountant / Service Provider:

**Solutions
Services** 
Collaborative School Administration

TIMARU BOYS' HIGH SCHOOL

Annual Financial Statements - For the year ended 31 December 2025

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Timaru Boys' High School

Statement of Responsibility

For the year ended 31 December 2025

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2025 fairly reflects the financial position and operations of the School.

The School's 2025 financial statements are authorised for issue by the Board.

MICHAEL HENRIKSEN

Full Name of Presiding Member

CONFIDENTIAL

Signature of Presiding Member

Date:

20/5/26

David Ned Thompson

Full Name of Principal

CONFIDENTIAL

Signature of Principal

Date:

20/5/26

Timaru Boys' High School

Members of the Board

For the year ended 31 December 2025

Name	Position	How Position Gained	Term Expired/ Expires
Michael Henriksen	Parent Representative Presiding Member	Co-opted Elected	May 2025 Sep 2028
Brent Isbister	Presiding Member Parent Representative	Elected Co-opted	May 2025 Sep 2028
David Thorp	Rector	ex Officio	
Amanda Winter	Parent Representative	Elected	Sep 2028
Scott Hampton	Parent Representative Parent Representative	Co-opted Elected	Sep 2025 Sep 2028
Kerryn Hurrell	Parent Representative	Elected	Sep 2028
Charles Crawford	Parent Representative	Elected	Sep 2028
Jason Grant	Parent Representative	Elected	Sep 2025
Peter Stayt	Parent Representative	Co-opted	Sep 2025
Andrew McRae	Parent Representative	Co-opted	Sep 2026
Scott Shannon	Parent Representative	Co-opted	Sep 2026
Jill Harland	Staff Representative	Elected	Sep 2025
Kurt Rooney	Staff Representative	Elected	Sep 2028
Dyllin Morris	Student Representative	Elected	Sep 2025
Bogdan Stoilkovic	Student Representative	Elected	Sep 2026

Timaru Boys' High School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2025

		2025	2025	2024
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	\$
Revenue				
Government Grants	2	9,433,140	8,282,076	8,789,454
Locally Raised Funds	3	1,003,232	710,632	818,887
Hostel	4	2,408,722	2,234,860	2,377,859
Alternative Education	5	372,024	367,792	338,704
Interest		72,860	40,000	75,793
Total Revenue		13,289,978	11,635,360	12,400,697
Expense				
Locally Raised Funds	3	550,348	440,095	437,376
Hostel	4	1,960,257	2,120,429	1,922,437
Alternative Education	5	372,024	340,362	320,704
Learning Resources	6	7,194,439	6,058,547	6,401,666
Administration	7	619,968	662,300	558,419
Interest		19,309	-	19,571
Property	8	2,000,819	2,013,627	2,204,411
Loss on Disposal of Property, Plant and Equipment		2,296	-	3,309
Total Expense		12,719,460	11,635,360	11,867,893
Net Surplus for the year		570,518	-	532,804
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		570,518	-	532,804

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



Timaru Boys' High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Equity at 1 January		8,055,462	8,055,462	7,522,658
Total comprehensive revenue and expense for the year		570,518	-	532,804
Contribution - Furniture and Equipment Grant		132,668	132,668	-
Contribution - Te Mana Tūhono		21,035	-	-
Equity at 31 December		8,779,683	8,188,130	8,055,462
Accumulated comprehensive revenue and expense		8,779,683	8,188,130	8,055,462
Equity at 31 December		8,779,683	8,188,130	8,055,462

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



Timaru Boys' High School

Statement of Financial Position

As at 31 December 2025

		2025	2025	2024
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	3,303,446	1,315,343	1,226,219
Accounts Receivable	10	576,776	581,800	581,800
GST Receivable		-	32,031	32,031
Prepayments		28,876	63,722	63,722
Inventories	11	2,023	1,414	1,414
Investments	12	2,157,176	2,172,244	2,172,244
Funds Receivable for Capital Works Projects	20	7,620	42,576	42,576
		6,075,917	4,209,130	4,120,006
Current Liabilities				
GST Payable		89,087	-	-
Accounts Payable	14	1,200,402	964,312	964,312
Borrowings	15	39,859	37,177	37,177
Revenue Received in Advance	16	425,386	477,820	477,820
Provision for Cyclical Maintenance	17	146,122	150,760	175,105
Finance Lease Liability	18	52,013	36,398	36,398
Funds held in Trust	19	472,903	418,669	418,669
Funds held for Capital Works Projects	20	1,258,160	218,638	218,638
Funds Held on Behalf of the ESOL Cluster	21	-	1,190	1,190
Funds Held on Behalf of the Aoraki Alternative Education	22	(22,365)	(2,208)	(23,433)
		3,661,567	2,302,756	2,305,876
Working Capital Surplus				
		2,414,350	1,906,374	1,814,130
Non-current Assets				
Property, Plant and Equipment	13	7,112,650	7,227,179	6,879,409
		7,112,650	7,227,179	6,879,409
Non-current Liabilities				
Borrowings	15	154,534	194,340	194,340
Provision for Cyclical Maintenance	17	454,361	517,384	404,379
Finance Lease Liability	18	138,422	233,699	39,358
		747,317	945,423	638,077
Net Assets				
		8,779,683	8,188,130	8,055,462
Equity				
		8,779,683	8,188,130	8,055,462

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



Timaru Boys' High School

Statement of Cash Flows

For the year ended 31 December 2025

		2025	2025	2024
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		2,866,964	2,240,064	2,229,958
Locally Raised Funds		583,613	753,566	548,261
Hostel		2,390,348	2,234,860	2,361,524
International Students		408,298	324,858	422,345
Alternative Education		(82,366)	-	18,000
Goods and Services Tax (net)		121,118	-	(16,643)
Payments to Employees		(2,719,140)	(2,685,181)	(2,132,832)
Payments to Suppliers		(2,392,328)	(2,668,341)	(2,245,433)
Interest Paid		(19,309)	-	(19,571)
Interest Received		76,515	40,000	72,296
Net cash from Operating Activities		1,233,713	239,826	1,237,905
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(558,103)	(498,936)	(768,766)
Purchase of Investments		-	-	(1,688,341)
Proceeds from Sale of Investments		15,068	-	-
Net cash (to) Investing Activities		(543,035)	(498,936)	(2,457,107)
Cash flows from Financing Activities				
Furniture and Equipment Grant		132,668	132,668	-
Finance Lease Payments		(32,312)	194,341	(4,880)
Repayment of Loans		(37,124)	-	(34,579)
Funds Administered on Behalf of Other Parties		1,323,317	21,225	134,464
Net cash from Financing Activities		1,386,549	348,234	95,005
Net increase/(decrease) in cash and cash equivalents		2,077,227	89,124	(1,124,197)
Cash and cash equivalents at the beginning of the year	9	1,226,219	1,226,219	2,350,416
Cash and cash equivalents at the end of the year	9	3,303,446	1,315,343	1,226,219

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

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



Timaru Boys' High School

Notes to the Financial Statements

For the year ended 31 December 2025

1. Statement of Accounting Policies

1.1. Reporting Entity

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

1.2. Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2025 to 31 December 2025 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the School is not publicly accountable and is not considered large as it falls below the expense threshold of \$33 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

The School recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the School buildings. The estimate is based on the School's best estimate of the cost of painting the School and when the School is required to be painted, based on an assessment of the School's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 17.



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 13.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 18. Future operating lease commitments are disclosed in note 27b.

Recognition of grants

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

1.3. Revenue Recognition

Government Grants

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

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

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

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

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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



Interest Revenue

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

1.4. 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.

1.5. 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.

1.6. Accounts Receivable

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

1.7. Inventories

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

1.8. Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is material.

1.9. Property, Plant and Equipment

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

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

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

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

Finance Leases

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



Depreciation

Property, plant and equipment, except for library resources and Hostel assets as noted below, are depreciated over their estimated useful lives on a straight line basis. Library resources and Hostel assets except Hostel Leased assets 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:

Timaru Boys' High School

Building improvements to Crown Owned Assets	10-50 years
Furniture and equipment	3-25 years
Information and communication technology	2-5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5-33.3% DV

Thomas House Hostel

Building improvements	3-11% DV
Furniture and equipment	10-60% DV
Motor Vehicles	19-20% DV
Leased assets held under a Finance Lease	35% SL

1.10. Impairment of property, plant and equipment

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

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

In determining fair value less costs to sell the School engages an independent valuer to assess market value based on the best available information.

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

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

1.11. 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.



1.12. Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

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

1.13. Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

1.14. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

1.15. Funds held for Capital Works

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

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

1.16. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

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

The School carries out painting maintenance of the whole school over a variety of periods in accordance with the conditional assessment of each area of the school. The economic outflow of this is dependent on the plan established by the School to meet this obligation and is detailed in the notes and disclosures of these accounts.



1.18. Financial Instruments

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

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

1.19. Borrowings

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

1.20. 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 statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

1.21. Budget Figures

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

1.22. 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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Government Grants - Ministry of Education	2,463,508	2,185,344	2,230,413
Teachers' Salaries Grants	5,732,893	4,880,045	5,222,442
Use of Land and Buildings Grants	1,150,122	1,161,967	1,262,234
Other Government Grants	86,617	54,720	74,365
	9,433,140	8,282,076	8,789,454

3. Locally Raised Funds

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue			
Donations and Bequests	362,630	249,470	282,440
Fees for Extra Curricular Activities	117,611	66,143	104,739
Trading	21,058	7,500	10,239
Fundraising and Community Grants	2,603	4,200	2,303
Other Revenue	63,811	58,461	61,330
International Student Fees	435,519	324,858	357,836
	1,003,232	710,632	818,887
Expenses			
Extra Curricular Activities Costs	127,201	53,588	126,974
Trading	21,134	4,000	11,152
Fundraising and Community Grant Costs	652	3,000	1,113
International Student - Employee Benefit - Salaries	260,189	268,846	188,455
International Student - Other Expenses	141,172	110,661	109,682
	550,348	440,095	437,376
<i>Surplus for the year Locally Raised Funds</i>	452,884	270,537	381,511

During the year ended December 2025, the Director of International Students travelled to Thailand, Hong Kong and Japan at a cost of \$28,000 for the purpose of recruiting new students for the school. The travel was funded from the net surplus from international student fees revenue.

4. Hostel Revenue and Expense

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue			
Hostel Fees	1,759,954	1,730,610	1,736,637
Other Revenue	648,768	504,250	641,222
	2,408,722	2,234,860	2,377,859
Expense			
Employee Benefit - Salaries	921,283	958,000	963,392
Depreciation	154,511	-	159,509
Other Hostel Expenses	884,463	1,162,429	799,536
	1,960,257	2,120,429	1,922,437
<i>Surplus for the year Hostel</i>	448,465	114,431	455,422



5. Aoraki Alternative Education Revenue and Expenses

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue			
Ministry of Education Grants	371,524	367,792	335,695
Other Revenue	500	-	3,009
	<u>372,024</u>	<u>367,792</u>	<u>338,704</u>
Expenses			
Employee Benefit - Salaries	289,158	273,300	270,200
Learning Resources	15,785	11,500	17,496
Administration	22,331	23,700	21,972
Property	44,750	31,862	11,036
	<u>372,024</u>	<u>340,362</u>	<u>320,704</u>
<i>Surplus for the year</i>	<u>-</u>	<u>27,430</u>	<u>18,000</u>

The depreciation expense of \$22,252 for the Aoraki Alternative Education is included in the \$367,907 depreciation in Note 6 and is detailed in Note 12.

6. Learning Resources

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Curricular	362,379	408,281	328,379
Employee Benefits - Salaries	6,420,476	5,461,080	5,696,529
Staff Development	35,551	30,200	27,072
Depreciation	367,907	151,166	344,059
Other Learning Resources	8,126	7,820	5,627
	<u>7,194,439</u>	<u>6,058,547</u>	<u>6,401,666</u>

7. Administration

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Audit Fees	14,742	14,400	14,400
Board Fees and Expenses	16,937	9,500	8,524
Legal Fees	-	5,500	-
Other Administration Expenses	118,611	162,400	97,314
Employee Benefits - Salaries	440,719	432,500	405,815
Insurance	23,168	23,000	21,720
Service Providers, Contractors and Consultancy	5,791	15,000	10,646
	<u>619,968</u>	<u>662,300</u>	<u>558,419</u>

8. Property

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Consultancy and Contract Services	223,801	225,000	235,104
Cyclical Maintenance	87,831	88,660	186,049
Heat, Light and Water	116,624	126,000	114,570
Rates	24,317	22,600	20,115
Repairs and Maintenance	121,750	110,400	143,175
Use of Land and Buildings	1,150,122	1,161,967	1,262,234
Employee Benefits - Salaries	181,197	171,500	161,027
Other Property Expenses	95,177	107,500	82,137
	<u>2,000,819</u>	<u>2,013,627</u>	<u>2,204,411</u>

The Use of Land and Buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.



9. Cash and Cash Equivalents

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Bank Accounts	2,981,517	1,013,571	1,226,219
Short-term Bank Deposits	321,929	301,772	-
Cash and cash equivalents for Statement of Cash Flows	<u>3,303,446</u>	<u>1,315,343</u>	<u>1,226,219</u>

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

Of the \$3,303,446 Cash and Cash Equivalents, \$2,156,449 is subject to restrictions for the following reasons:

- \$55,542 of Other Revenue in Advance is held by the School. This is included in Revenue in Advance note 16.
- \$233,057 of International Student Fees relating to the 2026 school year have been collected by the School. This is included in Revenue in Advance in note 16.
- \$136,787 of Hostel Fees relating to the 2026 school year have been collected by the School. This is included in Revenue in Advance in note 16.
- \$1,258,160 is held by the school on behalf of the Ministry of Education. The funds have been provided as part of the school's 5 Year Agreement Funding and is required to be spent on the school's buildings. See note 20.
- \$472,903 of Funds Held in Trust is held by the School, as disclosed in note 19.

10. Accounts Receivable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Receivables	39,260	61,999	61,999
Receivables from the Ministry of Education	6,334	3,898	3,898
Interest Receivable	6,718	10,373	10,373
Teacher Salaries Grant Receivable	524,464	505,530	505,530
	<u>576,776</u>	<u>581,800</u>	<u>581,800</u>
Receivables from Exchange Transactions	45,978	72,372	72,372
Receivables from Non-Exchange Transactions	530,798	509,428	509,428
	<u>576,776</u>	<u>581,800</u>	<u>581,800</u>

11. Inventories

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
School Uniforms	2,023	1,414	1,414
	<u>2,023</u>	<u>1,414</u>	<u>1,414</u>

12. Investments

The School's investment activities are classified as follows:

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Current Asset			
Short-term Bank Deposits	2,157,176	2,172,244	2,172,244
Total Investments	<u>2,157,176</u>	<u>2,172,244</u>	<u>2,172,244</u>



13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2025						
Land	37,388	-	-	-	-	37,388
Buildings	2,437,160	-	-	-	(99,583)	2,337,577
Building Improvements	863,045	171,000	-	-	(68,179)	965,866
Furniture and Equipment	374,804	213,296	(850)	-	(69,409)	517,841
Information and Communication Technology	120,318	47,265	(15)	-	(44,574)	122,994
Motor Vehicles	43,366	-	-	-	(10,842)	32,524
Leased Assets	69,854	190,002	(29,440)	-	(48,338)	182,078
Library Resources	24,212	3,541	(899)	-	(4,730)	22,124
Building Improvements - AAEC	31,650	-	-	-	(8,928)	22,722
Furniture and equipment - AAEC	3,404	-	-	-	(1,287)	2,117
Motor Vehicles - AAEC	33,051	-	-	-	(12,037)	21,014
Land Hostel	26,500	-	-	-	-	26,500
Buildings Hostel	37,108	-	-	-	(1,484)	35,624
Building improvements - Hostel	2,502,891	23,717	(63)	-	(118,701)	2,407,844
Furniture and equipment - Hostel	270,144	22,831	(468)	-	(31,965)	260,542
Motor vehicles - Hostel	4,514	10,937	-	-	(2,361)	13,090
Work in Progress - Hostel	-	104,805	-	-	-	104,805
	6,879,409	787,394	(31,735)	-	(522,418)	7,112,650

The net carrying value of furniture and equipment held under a finance lease is \$182,078 (2024: \$69,854)

Restrictions

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

	2025 Cost or Valuation	2025 Accumulated Depreciation	2025 Net Book Value	2024 Cost or Valuation	2024 Accumulated Depreciation	2024 Net Book Value
	\$	\$	\$	\$	\$	\$
Land	37,388	-	37,388	37,388	-	37,388
Buildings	3,789,358	(1,451,781)	2,337,577	3,789,358	(1,352,198)	2,437,160
Building Improvements	1,441,886	(476,020)	965,866	1,270,886	(407,841)	863,045
Furniture and Equipment	1,282,043	(764,202)	517,841	1,092,875	(718,071)	374,804
Information and Communication Technology	465,181	(342,187)	122,994	424,994	(304,676)	120,318
Motor Vehicles	78,670	(46,146)	32,524	78,671	(35,305)	43,366
Leased Assets	223,574	(41,496)	182,078	167,292	(97,438)	69,854
Library Resources	94,986	(72,862)	22,124	95,669	(71,457)	24,212
Building Improvements - AAEC	89,272	(66,550)	22,722	89,273	(57,623)	31,650
Furniture and equipment - AAEC	13,150	(11,033)	2,117	13,150	(9,746)	3,404
Motor Vehicles - AAEC	60,185	(39,171)	21,014	60,185	(27,134)	33,051
	7,575,693	(3,311,448)	4,264,245	7,119,741	(3,081,489)	4,038,252
Thomas House Hostel						
Land Hostel	26,500	-	26,500	26,500	-	26,500
Buildings Hostel	83,813	(48,189)	35,624	83,813	(46,705)	37,108
Building improvements - Hostel	3,434,744	(1,026,900)	2,407,844	3,413,104	(910,213)	2,502,891
Furniture and equipment - Hostel	683,286	(422,744)	260,542	677,417	(407,273)	270,144
Motor vehicles - Hostel	20,501	(7,411)	13,090	9,564	(5,050)	4,514
Leased assets - Hostel	-	-	-	12,300	(12,300)	-
Work in Progress - Hostel	104,805	-	104,805	-	-	-
	4,353,649	(1,505,244)	2,848,405	4,222,698	(1,381,541)	2,841,157
	11,929,342	(4,816,692)	7,112,650	11,342,439	(4,463,030)	6,879,409



14. Accounts Payable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Creditors	530,084	331,580	331,580
Accruals	35,649	39,308	39,308
Employee Entitlements - Salaries	573,307	540,381	540,381
Employee Entitlements - Leave Accrual	61,362	53,043	53,043
	<u>1,200,402</u>	<u>964,312</u>	<u>964,312</u>
Payables for Exchange Transactions	1,200,402	964,312	964,312
	<u>1,200,402</u>	<u>964,312</u>	<u>964,312</u>

The carrying value of payables approximates their fair value.

15. Borrowings

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Loans due in one year	39,859	37,177	37,177
	<u>39,859</u>	<u>37,177</u>	<u>37,177</u>
Loans due after one year	154,534	194,340	194,340
	<u>154,534</u>	<u>194,340</u>	<u>194,340</u>

The School obtained a Business Term Loan with the ASB Bank Ltd to provide funds for the development of the Thomas House Hostel. This loan has Ministry of Education approval and matures on 2nd April 2030. The facility will continue with payment of principal and interest with the rate increased to 6.99% from 8 January 2023.

16. Revenue Received in Advance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
International Student Fees in Advance	233,057	260,278	260,278
Hostel Fees in Advance	136,787	155,161	155,161
Other Revenue in Advance	55,542	62,381	62,381
	<u>425,386</u>	<u>477,820</u>	<u>477,820</u>

17. Provision for Cyclical Maintenance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	579,484	579,484	487,298
Increase to the Provision During the Year	87,831	88,660	186,049
Use of the Provision During the Year	(66,832)	-	(93,863)
Provision at the End of the Year	<u>600,483</u>	<u>668,144</u>	<u>579,484</u>
Cyclical Maintenance - Current	146,122	150,760	175,105
Cyclical Maintenance - Non current	454,361	517,384	404,379
	<u>600,483</u>	<u>668,144</u>	<u>579,484</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.



18. Finance Lease Liability

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
No Later than One Year	55,727	38,024	38,024
Later than One Year	141,563	234,770	40,429
Future Finance Charges	(6,855)	(2,697)	(2,697)
	<u>190,435</u>	<u>270,097</u>	<u>75,756</u>
Represented by:			
Finance lease liability - Current	52,013	36,398	36,398
Finance lease liability - Non current	138,422	233,699	39,358
	<u>190,435</u>	<u>270,097</u>	<u>75,756</u>

19. Funds Held in Trust

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	472,903	418,669	418,669
	<u>472,903</u>	<u>418,669</u>	<u>418,669</u>

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

20. Funds Held for Capital Works Projects

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

2025	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions / Transfers \$	Closing Balances \$
Blocks A, B,C,D F Upgrades - 228618	158,549	2,250,000	(2,023,832)	103,082	487,799
Weathertightness Gym & Tech - 234957	(27,777)	67,710	-	(39,933)	-
Weathertightness Harper Library - 240488	60,089	-	-	(60,089)	-
Learning Support Mods 247924	(14,799)	500,000	(77,701)	(3,060)	404,440
Switchboard Upgrade 257352	-	250,000	(116,703)	-	133,297
Student Support Centre Mods 257325	-	-	(7,620)	-	(7,620)
Floor Covering Replacement 256353	-	14,645	-	-	14,645
Lovelock Roof Replacement 256354	-	63,000	-	-	63,000
Pin Board Replacement 256355	-	15,266	(1,315)	-	13,951
Garage Roof Replacement 256349	-	38,318	-	-	38,318
Garage Build 256356	-	54,000	-	-	54,000
Distribution Board Replacement 256358	-	18,000	-	-	18,000
D Block Lighting/Pinboard Replacement 256352	-	30,710	-	-	30,710
Totals	<u>176,062</u>	<u>3,301,649</u>	<u>(2,227,171)</u>	<u>-</u>	<u>1,250,540</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	1,258,160
Funds Receivable from the Ministry of Education	(7,620)



2024	Opening Balances	Receipts from MoE	Payments	Board Contributions / Transfers	Closing Balances
	\$	\$	\$	\$	\$
Blocks A, B,C,D F Upgrades - 228618	(37,046)	1,000,000	(804,405)	-	158,549
Weathertightness	500	-	-	(500)	-
Weathertightness Gym & Tech - 234957	242,061	86,163	(356,001)	-	(27,777)
Weathertightness Harper Library - 240488	107,147	-	(47,058)	-	60,089
Learning Support Mods 247924	-	-	(14,799)	-	(14,799)
Totals	312,662	1,086,163	(1,222,263)	(500)	176,062

Represented by:

Funds Held on Behalf of the Ministry of Education	218,638
Funds Receivable from the Ministry of Education	(42,576)

21. Funds Held on Behalf of the ESOL Cluster

Timaru Boys' High School was the lead school and holds funds on behalf of the ESOL cluster, a group of schools funded by the Ministry of Education to share professional support.

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	1,190	1,190	1,190
Funds Spent on Behalf of the Cluster	(1,190)	-	-
Funds Held at Year End	-	1,190	1,190

22. Funds Held on Behalf of the Aoraki Alternative Education Centre

Timaru Boys' High School is the lead school and holds funds on behalf of the Alternative Education cluster and is funded by the Ministry of Education to provide alternative education opportunities for students.

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	(23,433)	(23,433)	14,657
Funds Received from Cluster Members	500	-	3,009
Funds Received from Ministry of Education	371,524	367,792	335,695
Funds Spent on Behalf of the Cluster	(370,956)	(346,567)	(376,794)
Funds Held at Year End	(22,365)	(2,208)	(23,433)

23. 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.



24. Remuneration

Key management personnel compensation

Key management personnel of the School include all Board members, Rector and Deputy Rectors.

	2025 Actual \$	2024 Actual \$
<i>Board Members</i>		
Remuneration	5,985	6,930
<i>Leadership Team</i>		
Remuneration	629,449	613,949
Full-time equivalent members	4.00	4.10
Total key management personnel remuneration	635,434	620,879

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

Principal

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

	2025 Actual \$000	2024 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	190-200	180-190
Benefits and Other Emoluments	0-10	0-10
Termination Benefits	0-0	0-0

Other Employees

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

Remuneration \$000	2025 FTE Number	2024 FTE Number
100 -110	15.00	11.00
110 -120	14.00	10.00
120 - 130	5.00	6.00
130 - 140	1.00	2.00
140 - 150	2.00	-
	37.00	29.00

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

25. Compensation and Other Benefits Upon Leaving

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

	2025 Actual \$	2024 Actual \$
Total	-	-
Number of People	-	-

26. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2025 (Contingent liabilities and assets at 31 December 2024: nil).

Holidays Act Compliance – Schools Payroll

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

The Ministry continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals. As such, this is expected to resolve the liability for school boards.



27. Commitments

(a) Capital Commitments

At 31 December 2025, the Board had capital commitments of \$673,423 (2024: \$1,457,040) as a result of entering the following contracts:

Contract Name	Remaining Capital Commitment \$
Learning Support Mods 247924	522,872
Switchboard Upgrade 257352	150,551
Total	673,423

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 20.

(b) Operating Commitments

As at 31 December 2025 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2024: nil)

28. Financial Instruments

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

Financial assets measured at amortised cost

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Cash and Cash Equivalents	3,303,446	1,315,343	1,226,219
Receivables	576,776	581,800	581,800
Investments - Term Deposits	2,157,176	2,172,244	2,172,244
Total financial assets measured at amortised cost	<u>6,037,398</u>	<u>4,069,387</u>	<u>3,980,263</u>

Financial liabilities measured at amortised cost

Payables	1,200,402	964,312	964,312
Borrowings - Loans	194,393	231,517	231,517
Finance Leases	190,435	270,097	75,756
Total financial liabilities measured at amortised cost	<u>1,585,230</u>	<u>1,465,926</u>	<u>1,271,585</u>

29. 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 TIMARU BOYS' HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Timaru Boys' High School (the School). The Auditor-General has appointed me, Jane Jackman, using the staff and resources of Nexia Audit Christchurch, to carry out the audit of the financial statements of the School on pages 3 to 21, that comprise the statement of financial position as at 31 December 2025, 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.

Opinion

In our opinion the financial statements:

- present fairly, in all material respects:
 - the School's financial position as at 31 December 2025; and
 - the financial performance and cash flows for the year then ended; and

comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 20 May 2026. This is the date at which our opinion is expressed.

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 audit opinion.

Responsibilities of the Board for the financial statements

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

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

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

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information included in the Board's annual report

The Board is required to prepare an annual report which includes the annual financial statements and the audit report, as well as a Statement of Variance, an Evaluation of the School's Students' Progress and Achievement, a Statement of Compliance with Employment Policy, and a Statement of KiwiSport funding. The Board is responsible for the other information that it presents alongside its annual financial statements.

The other information obtained at the date of our audit report includes copies of the Statement of Variance, Evaluation of the School's Students' Progress and Achievement, Statement of Compliance with Employment Policy, Statement of KiwiSport funding and list of Board members.

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 Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the School.



Jane Jackman

Nexia Audit Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand