MIDDLE SCHOOL WEST AUCKLAND

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number:	877
Principal:	Warren Cook
School Address:	287-289 Lincoln Road, Henderson
School Postal Address:	287-289 Lincoln Road, Henderson
School Phone:	09 - 972 1744
School Email:	admin@westauckland.school.nz
Accountant / Service Provider:	Shore Chartered Accountants Limited

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Peter McArthur	Presiding Member	propr rep Elected	Sept-28
Warren Cook	Principal ex Officio		-
Murray Burton	Proprietors Representative		Sept-28
Wayne Todd	Staff Representative	Elected	Sept-28
Alexis Cameron	Parent Representative	Elected	Sept-28
Chris Woite	Proprietors Representative		Sept-28
Karen van Gemerden	Presiding Member	prop rep Elected	Sept-25
Kate Rooney	Parent Representative	Elected	Sept-25

MIDDLE SCHOOL WEST AUCKLAND

Annual Financial Statements - For the year ended 31 December 2025

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Middle School West Auckland

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.

Full Name of Presiding Member	Full Name of Principal
Signature of Presiding Member	Signature of Principal
Date	Date

Middle School West Auckland
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2025

	Notes	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Revenue				
Government Grants	2	3,213,588	743,000	3,142,157
Locally Raised Funds	3	82,618	45,000	35,515
Total Revenue		3,296,206	788,000	3,177,672
Expense				
Locally Raised Funds	3	84,029	-	9,836
Learning Resources	4	2,180,451	594,000	2,108,002
Administration	5	232,625	177,640	362,945
Interest		1,176	-	1,311
Property	6	913,803	71,000	913,384
Total Expense		3,412,084	842,640	3,395,478
Net Surplus / (Deficit) for the year		(115,878)	(54,640)	(217,806)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(115,878)	(54,640)	(217,806)

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

Middle School West Auckland
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		47,228	47,228	265,034
Total comprehensive revenue and expense for the year		(115,878)	(54,640)	(217,806)
Equity at 31 December		(68,650)	(7,412)	47,228
Accumulated comprehensive revenue and expense		(68,650)	(7,412)	47,228
Equity at 31 December		(68,650)	(7,412)	47,228

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.

Middle School West Auckland
Statement of Financial Position
As at 31 December 2025

	Notes	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Current Assets				
Cash and Cash Equivalents	7	11,806	2,424	1,550
Accounts Receivable	8	138,299	160,000	136,552
GST Receivable		(11,038)	5,000	5,680
		139,067	167,424	143,782
Current Liabilities				
Accounts Payable	10	401,699	400,000	302,708
Borrowings	11	-	-	5,000
Finance Lease Liability	12	7,579	6,951	6,951
Funds held for Capital Works Projects	13	-	-	7,059
		409,278	406,951	321,718
Working Capital Surplus/(Deficit)		(270,211)	(239,527)	(177,936)
Non-current Assets				
Property, Plant and Equipment	9	203,554	234,736	234,736
		203,554	234,736	234,736
Non-current Liabilities				
Finance Lease Liability	12	1,993	2,621	9,572
		1,993	2,621	9,572
Net Assets		(68,650)	(7,412)	47,228
Equity		(68,650)	(7,412)	47,228

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

Middle School West Auckland
Statement of Cash Flows
For the year ended 31 December 2025

	Note	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Cash flows from Operating Activities				
Government Grants		826,106	680,921	908,594
Locally Raised Funds		84,174	27,839	(5,364)
International Students		16,283	35,000	23,040
Goods and Services Tax (net)		16,658	680	4,476
Payments to Employees		(533,409)	(441,903)	(658,872)
Payments to Suppliers		(463,070)	(282,653)	(278,980)
Interest Paid		(1,176)	-	(1,311)
Net cash from/(to) Operating Activities		(54,434)	19,884	(8,417)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(6,436)	-	-
Net cash from/(to) Investing Activities		(6,436)	-	-
Cash flows from Financing Activities				
Finance Lease Payments		(6,891)	(6,951)	(5,652)
Loans Received		(5,000)	(5,000)	5,000
Funds Administered on Behalf of Other Parties		(7,059)	(7,059)	(1,498)
Net cash from/(to) Financing Activities		(18,950)	(19,010)	(2,150)
Net increase/(decrease) in cash and cash equivalents		(79,820)	874	(10,567)
Cash and cash equivalents at the beginning of the year	7	1,550	1,550	12,117
Cash and cash equivalents at the end of the year	7	(78,270)	2,424	1,550

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.

Middle School West Auckland
Notes to the Financial Statements
For the year ended 31 December 2025

1. Statement of Accounting Policies

a) Reporting Entity
Middle School West Auckland (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a School as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation
Reporting Period
The financial statements have been prepared for the period 1 January 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 11.

Useful lives of property, plant and equipment
The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 9.

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

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 12. Future operating lease commitments are disclosed in note 18.

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

c) Revenue Recognition

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

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

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

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

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

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

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

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

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

d) 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.

e) 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.

f) 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.

g) Property, Plant and Equipment
Land and buildings owned by the Crown are excluded from these financial statements. The Boardôs use of the land and buildings as ôoccupantô is based on a property occupancy document.

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

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

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

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

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

The estimated useful lives of the assets are:

Building Improvements	10ï 75 years
Furniture and Equipment	10ï 15 years
Information and Communication Technology	3ï 5 years
Motor Vehicles	5 years
Leased Assets held under a Finance Lease	Term of Lease

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

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

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

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

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

i) 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.

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

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

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

k) 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.

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

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

The School's financial liabilities comprise accounts payable, borrowings, and finance lease liability. Financial liabilities are initially recognised at fair value and 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.

m) 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.

n) 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.

o) Budget Figures
The budget figures are extracted from the School budget that was approved by the Board.

p) 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	792,187	743,000	727,353
Teachers' Salaries Grants	1,409,291	-	1,246,593
Use of Land and Buildings Grants	826,036	-	823,500
Ka Ora, Ka Ako - Healthy School Lunches Programme	90,076	-	225,549
Other Government Grants	95,998	-	119,162
	3,213,588	743,000	3,142,157

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	10,750	10,000	10,087
Fees for Extra Curricular Activities	54,307	-	-
Trading	1,278	-	813
Fundraising and Community Grants	-	-	1,575
International Student Fees	16,283	35,000	23,040
	82,618	45,000	35,515
Expense			
Extra Curricular Activities Costs	44,090	-	-
Trading	2,591	-	-
Fundraising and Community Grant Costs	25,244	-	4,414
International Student - Other Expenses	12,104	-	5,422
	84,029	-	9,836
Surplus/ (Deficit) for the year Locally Raised Funds	(1,411)	45,000	25,679

4. Learning Resources

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Curricular	105,775	118,000	99,417
Information and Communication Technology	65,489	30,000	33,981
Employee Benefits - Salaries	1,969,721	440,000	1,914,937
Staff Development	1,848	6,000	7,584
Depreciation	37,618	-	52,083
	2,180,451	594,000	2,108,002

5. Administration

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Audit Fees	29,347	8,000	9,000
Board Fees and Expenses	905	2,000	1,733
Other Administration Expenses	102,297	167,640	122,163
Insurance	-	-	-
Service Providers, Contractors and Consultancy	10,000	-	4,500
Ka Ora, Ka Ako - Healthy School Lunches Programme	90,076	-	225,549
	232,625	177,640	362,945

6. Property

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Consultancy and Contract Services	33,017	35,000	39,338
Heat, Light and Water	27,833	20,000	23,541
Repairs and Maintenance	14,478	9,000	10,140
Use of Land and Buildings	826,036	-	823,500
Other Property Expenses	12,439	7,000	16,865
	913,803	71,000	913,384

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

7. Cash and Cash Equivalents

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Bank Accounts	11,806	2,424	1,550
Cash and cash equivalents for Statement of Cash Flows	11,806	2,424	1,550

8. Accounts Receivable

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Receivables	-	-	17,839
Teacher Salaries Grant Receivable	138,299	160,000	118,713
	138,299	160,000	136,552
Receivables from Exchange Transactions	-	-	17,839
Receivables from Non-Exchange Transactions	138,299	160,000	118,713
	138,299	160,000	136,552

9. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2025	$	$	$	$	$	$
Buildings	157,025	-	-	-	(18,215)	**138,810**
Furniture and Equipment	42,661	1,543	-	-	(6,175)	**38,029**
Information and Communication Technology	7,203	4,893	-	-	(4,445)	**7,651**
Motor Vehicles	13,560	-	-	-	(4,068)	**9,492**
Leased Assets	14,287	-	-	-	(4,715)	**9,572**
	234,736	6,436	-	-	(37,618)	**203,554**

Restrictions

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

	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	$	$	$	$	$	$
Buildings	475,997	(337,187)	**138,810**	475,997	(318,972)	**157,025**
Furniture and Equipment	122,456	(84,427)	**38,029**	120,912	(78,251)	**42,661**
Information and Communication Technology	385,808	(378,157)	**7,651**	380,916	(373,713)	**7,203**
Motor Vehicles	81,017	(71,525)	**9,492**	81,017	(67,457)	**13,560**
Leased Assets	30,243	(20,671)	**9,572**	30,243	(15,956)	**14,287**
	1,095,521	(891,967)	**203,554**	1,089,085	(854,349)	**234,736**

10. Accounts Payable

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Creditors	204,317	205,000	90,163
Accruals	20,159	25,000	19,850
Banking Staffing Overuse	-	-	62,079
Employee Entitlements - Salaries	170,967	165,000	124,021
Employee Entitlements - Leave Accrual	6,256	5,000	6,595
	401,699	400,000	302,708
Payables for Exchange Transactions	401,699	400,000	302,708
	401,699	400,000	302,708

The carrying value of payables approximates their fair value.

11. Borrowings

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Loans due in one year	-	-	5,000
	-	-	5,000

The school has borrowings at 31 December 2025 of nil (31 December 2024 $5,000). This loan is from Villa Education Trust for the purpose of supporting cash flow for operational expenses. The loan is unsecured, with no interest charges and was paid in full by the 4th January 2025.

12. 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	7,978	7,500	7,951
Later than One Year	2,182	4,072	10,335
Future Finance Charges	(588)	(2,000)	(1,763)
	9,572	9,572	16,523
Represented by			
Finance lease liability - Current	7,579	6,951	6,951
Finance lease liability - Non current	1,993	2,621	9,572
	9,572	9,572	16,523

13. 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 $
5YA Projects	7,059	-	(10,553)	3,494	-
Totals	7,059	-	(10,553)	3,494	-

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	-

2024	Opening Balances $	Receipts from MOE $	Payments $	Board Contributions / Transfers $	Closing Balances $
5YA Projects	8,557	-	(1,498)	-	7,059
Totals	8,557	-	(1,498)	-	7,059

Represented by:

Funds Held on Behalf of the Ministry of Education	7,059
Funds Receivable from the Ministry of Education	-

14. 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.

Management Services – Villa Education Trust and Age Limited
Until September 2025, Villa Education Trust ("VET") is a related party of the School as Karen van Gemerden is a trustee of both the School and VET.

VET has an agreement with the School to provide management services. On 1 April 2024, VET sold its management services business to Age Limited. Under this arrangement, the management services continued to be provided to the School under the existing agreement with VET, with the services subcontracted by VET to Age Limited.

Karen van Gemerden is an employee of Age Limited. She does not hold any ownership or directorship interest in Age Limited.

During the year, the School incurred management service expenses of $50,000 (2024: $100,000) under the management services agreement with VET (2024: Of this amount, $25,000 relates to services provided by Villa Education Trust prior to 1 April 2024 Following the sale of the management services business, the remaining services were subcontracted to Age Limited, with $75,000 paid directly to Age Limited during the year).

No amounts were outstanding at balance date in respect of management services.

Curriculum Resources Provided by Villa Education Trust
During the year, the School did not purchase curriculum resources from Villa Education Trust (2024: $50,000).

Loan from Villa Education Trust
At 31 December 2025, the School had no borrowings from Villa Education Trust (31 December 2024: $5,000; The loan is unsecured, non-interest bearing, and was provided to support cash flow for operational expenses. The loan was repayable in full on 10 January 2025.).

15. Remuneration

Key management personnel compensation

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

	2025 Actual $	2024 Actual $
Board Members		
Remuneration	752	1,559
Leadership Team		
Remuneration	662,058	611,521
Full-time equivalent members	5	5
Total key management personnel remuneration	662,810	613,080

There are 5 members of the Board excluding the Principal. The Board has held 7 full meetings of the Board in the year. The Board also has Finance committee that meets regularly. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2025 Actual $000	2024 Actual $000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	160 - 170
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	-	-

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	4	2
110 - 120	1	2
120 - 130	3	3
	8	7

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

16. Compensation and Other Benefits Upon Leaving

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

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

17. 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 for specific individuals. As such, this is expected to resolve the liability for school boards.

Pay Equity and Collective Agreement Funding Wash-up
In 2025 the Ministry of Education provided collective agreement and pay equity settlement funding. At the date of signing the financial statements, the School's final entitlement for the year ended 31 December 2025 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2026.

18. Commitments

(a) Capital Commitments

At 31 December 2025, the Board had no capital commitments (2024:nil).

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 13.

(b) Operating Commitments

As at 31 December 2025, the Board has entered not into operational contracts.

19. 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	11,806	2,424	1,550
Receivables	138,299	160,000	136,552
Total financial assets measured at amortised cost	150,105	162,424	138,102
Financial liabilities measured at amortised cost			
Payables	401,699	400,000	302,708
Finance Leases	9,572	9,572	16,523
Total financial liabilities measured at amortised cost	411,271	409,572	319,231

20. Events After Balance Date

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

21. Comparatives

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

22. Financial Difficulty

The School is experiencing financial pressures and, at balance date, had a working capital deficit of $270,211 (2024: $177,936). The deficit has arisen mainly due to additional costs and resourcing requirements associated with the recent school split. These changes have placed pressure on the School's resources while it adjusts to the new operating structure.

This indicates the need for careful financial management and monitoring to ensure sustainability going forward.

The School is addressing this through tighter budgeting controls, active monitoring of expenditure, and planned measures to reduce future deficits. Continued implementation of these measures will be critical to improving the School's financial position in the coming year.

The financial statements are prepared on a going concern basis. The going concern assumption is dependent on the continuing support from the Ministry of Education. The Ministry of Education has confirmed that it will continue to provide the School with sufficient resources to enable it to meet its obligations as they fall due.