

PALMERSTON NORTH ADVENTIST CHRISTIAN SCHOOL

Annual Report 2025

Statement

List of all school board members

Statement of variance

Evaluation of student progress and achievement (included within the statement of variance)

Report on how the school has given effect to Te Tiriti o Waitangi (included within the statement of variance)

Statement of compliance with employment policy

Statement of KiwiSport funding

Annual financial statements

Palmerston North Adventist Christian School

Members of the Board

Name	Position	How Position Gained	Term Expired/Expires
Karla Mitchell	Principal	ex Officio	
Courtney Manu	Parent Representative	Elected	Sep 2028
Toni Strawbridge	Parent Representative	Elected	Nov 2026
Hamish Guthrie	Parent Representative	Elected	Sep 2025
Bernadette Guthrie	Parent Representative	Elected	Sep 2028
Ashlee Love	Parent Representative	Elected	Sep 2028
Setaita Kaiwai	Staff Representative	Elected	Sep 2028
Jesyreel Nailati-Fata	Proprietors Representative	Appointed	Sep 2025
Christine Matthews	Proprietors Representative	Appointed	Sep 2028
Fiona Sio	Proprietors Representative	Appointed	Sep 2028
Sinquemo Sibanda	Proprietors Representative	Appointed	Sep 2028

Annual Report



Palmerston North
Adventist™ Christian School

Learning and Growing in God

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List of all school board members

Board member names	Date that the board member's term finishes
Karla Mitchell - Principal	-
Setaita Kaiwai - Staff Rep	2028
Fiona Sio - Proprietor Appointee (PM)	2028
Christine Matthews - Proprietor Appointee	2028
Sinqumo Sibanda - Proprietor Appointee	2028
Courtney Manu - Parent Rep	2028
Bernadette Guthrie - Parent Rep	2028
Ashlee Love - Parent Rep	2028
Toni Strawbridge - Parent Rep	2026
Hamish Guthrie - Parent Rep	2025
Jesyreel Fata – Proprietor Appointee	2025

Presiding member/principal's report

On behalf of the Board of Trustees, I would like to acknowledge the dedication and hard work of our staff, students, and wider school community throughout 2025.

This year brought many highlights that demonstrated the strength of our school community. Events such as our International Evening and Prize Giving were wonderful opportunities to celebrate the diversity, talents and achievements of our students. We also continued to strengthen our home-school partnerships through opportunities for connection such as community picnics and consultation with families. These moments help build strong relationships that support student success.

Like many schools across Aotearoa, we also navigated a number of challenges during the year. Changes to curriculum expectations and reporting requirements required significant adjustment for staff, while periods of illness, particularly during Term 3, impacted attendance for both students and staff. Despite these challenges, the resilience and commitment shown by our school community ensured that learning and wellbeing remained a priority.

The Board of Trustees remains committed to supporting the leadership of the school and ensuring strong governance that enables our students to thrive. We look forward to continuing to work alongside our staff, students, and whānau as we build on the successes of 2025 and embrace the opportunities ahead.

Ngā mihi,
Fiona Sio, Presiding Member



Statement of variance: progress against targets (required)

Strategic Goal 1: Special Character
To promote Christian values and actions within the school community.

Annual Target/Goal:
As per the annual implementation plan

Actions	What did we achieve? <i>What were the outcomes of our actions? What impact did our actions have?</i>	Evidence <i>This is the sources of information the board used to determine those outcomes.</i>	Reasons for any differences (variances) between the target and the outcomes <i>Think about both where you have exceeded your targets or not yet met them.</i>	Planning for next year – where to next? <i>What do you need to do to address targets that were not achieved. Consider if these need to be included in your next annual implementation plan.</i>
Action 1 – Teaching for Transformation Training	Our lead TfT teacher completed training and implemented TfT protocols and practices in her class. She also worked with teaching staff to complete eight training modules in preparation of their training in 2026. Students in the early adopter room are developing social skills and actively contributing to society.	Displays on staffroom wall; Displays and evidence on classroom wall; Student writing and reflections; Student sharing about TfT at our church service; Students fundraising and purchasing items for refugee families in our community; Students writing letters to express appreciation.	TfT is an exciting addition to our school and is beginning to ripple out from the early adopter class to other classes and students as well as our wider community. This is meeting our expectations.	Continue in 2026 with the rest of the teaching staff being trained in TfT practices and protocols and implement these school-wide.
Action 2 – PB4L – Tier 2 Training and implementation	The Principal and one teacher attended Tier 2 PB4L training. Our School Values are embedded, and these guide expectations around student behaviour and restorative practice.	Principal's report including stand-downs and suspensions; Values visible through displays, certificates, publications; Student voice	Due to changing from eTap to Hero SMS, there has been some adjusting regarding data input. We also lost most previous data.	Continue PB4L in 2026 including training for new staff; Analyze data using our new SMS, Hero.
Action 3 – Chaplaincy and pastoral care	Our Chaplain supported the special character of the school through weekly chapel assemblies, senior literacy support, and organising Week of Worship and the church service. He also made himself available to meet with students and their whanau for pastoral support. Building relationships with students and their families supported wellbeing and engagement, as well as social skills.	Community, teacher, and student feedback. Observations.	Target met	Continue, and make further links with our community churches.

Strategic Goal 2: Student Achievement
To provide effective teaching and learning to raise student achievement

Annual Target/Goal:
As per the annual implementation plan

Actions	What did we achieve? <i>What were the outcomes of our actions? What impact did our actions have?</i>	Evidence <i>This is the sources of information the board used to determine those outcomes.</i>	Reasons for any differences (variances) between the target and the outcomes <i>Think about both where you have exceeded your targets or not yet met them.</i>	Planning for next year – where to next? <i>What do you need to do to address targets that were not achieved. Consider if these need to be included in your next annual implementation plan.</i>
Action 1 – Maths <ul style="list-style-type: none"> Stocktake of resources and materials to support structured maths (PRIME) PLD to support teachers in implementation of PRIME Observations of teaching and feedback to support teacher practice 	The planned actions were all done, and the purchase of board-funded maths equipment supported teaching and learning in the classroom. Students understanding of maths concepts was seen to be supported during classroom observations.	Classroom observations. Formal and formative assessments. Student voice.	As noted by ERO, quality teaching needs to be more consistent across classrooms. PLD around the curriculum and the use of materials to support learning is supporting improvement, but we are not there yet.	More PLD. Focused classroom observations with specific feedback, and follow up on adapted practice.
Action 2 – Literacy <ul style="list-style-type: none"> BSLA – continued training Implementation of structured literacy in junior rooms Writer's Toolbox PLD and implementation for senior rooms 	The junior teachers implemented BSLA in their classrooms. Most students showed improvement in decoding. Tier 2 structured literacy supported students who were not making the expected progress. Writer's Toolbox supported the quality of writing in many, but not all of the senior students.	Phonics checks; Teacher observations; Formal assessments; WTB data; Formative assessment and student voice.	A number of junior students who did not make the expected gains have been referred to Tier 3 for further support. WTB was used more by some students than others, and the shift in these students' ability was noticeable. This needs to be more closely monitored and better managed.	Continue implementing and embedding structured literacy in all classrooms. Further WTB PLD and closer monitoring of the use of this across the senior classes.
Action 3 – Assessment and Reporting <ul style="list-style-type: none"> Familiarise teachers with the 'Learning Sequence'/'Progress Outcomes' in the new Literacy and Mathematics curriculum Develop an assessment program that links to the new POs and supports reporting to parents 	Due to the change of curriculum during the year, this was difficult. Progress outcomes changed, and assessments didn't align well. The format and expectations for reporting to parents also changed significantly throughout the year.	Reports on Hero; MOE bulletins; ERO report.	Ministry changes were significant and ongoing.	As per our ERO report, we will continue to assess, amend, and implement changes to our assessment and reporting. We are awaiting the SMART assessment tool in Term 2, and also Year 2 assessments.

Strategic Goal 3: Relationships for Learning
To develop positive relationships within our school and local communities

Annual Target/Goal:
As per the annual Implementation plan

Actions	What did we achieve? <i>What were the outcomes of our actions? What impact did our actions have?</i>	Evidence <i>This is the sources of information the board used to determine those outcomes.</i>	Reasons for any differences (variances) between the target and the outcomes <i>Think about both where you have exceeded your targets or not yet met them.</i>	Planning for next year – where to next? <i>What do you need to do to address targets that were not achieved. Consider if these need to be included in your next annual implementation plan.</i>
Action 1 – Students <ul style="list-style-type: none"> • PB4L to support behaviour and relationships • Provide leadership training and mentoring for LIFE Leaders • Plan school events that are culturally responsive and empowering and honour Te Tiriti o Waitangi 	These actions were implemented. Student leaders made contributions to the school including fundraising and organising events. Children's cultures were celebrated at our International evening. Kapa haka and a Marae visit connected children to our mana whenua and honoured te Tiriti.	Community events; School trips; Social media and school newsletters; Student voice.	The International Evening was huge success and demonstrates what can be achieved when school and community work together.	
Action 2 – Whanau <ul style="list-style-type: none"> • Review school and community events and how they might better support student learning • Develop meaningful and practical ways to partner with whanau to support student attendance, learning, and achievement 	The school picnic in February included a Meet-the-Teacher component which invited parents into their children's classrooms to chat with the teacher and hear about the learning program and expectations. This supported home-school relationships from the outset.	Parent involvement and feedback; School newsletters and communication.	There is some disparity in the quality of relationships with teachers and the school. Many of our families are very engaged, while others are more on the periphery.	Family engagement to support learning and attendance.
Action 3 – Community & Iwi <ul style="list-style-type: none"> • Consult with our community within and across cultures • Continue to develop Māori and Pasifika performance groups with support from our local and wider community 	Community consultation was ongoing in informal ways. The Board also carried out community consultation at parent-teacher interviews in order to support the 2026 strategic plan.	Record and analysis of parent and community feedback as presented to the Board and the parent community. Kapa haka and Pasifika performances at our International Evening.	Changes from the Ministry about the requirement for a new strategic plan in 2026 announced following our consultation process.	Consultation with our parent and wider community will need to be done again in 2026 for the 2027 strategic plan. Cultural performance groups need to be strengthened.

Evaluation and analysis of the school's students' progress and achievement

The following analysis outlines the achievement shifts and persistent inequities at Palmerston North Adventist Christian School between the end of 2024 and 2025, based on the provided achievement data.

Key Shifts in Overall Achievement

The school saw varying trends across core subjects between 2024 and 2025:

- **Writing:** This area showed the most significant positive shift. Overall achievement rose from **73% "At or Above" in 2024** to approximately **78.3% "Within" or "Above" in 2025**.
- **Reading:** Performance remained relatively **stable**. In 2024, 79% of students were "At or Above". By the end of 2025, approximately **79.2%** were "Within" or "Above".
- **Mathematics:** There was a **slight decline** in overall proficiency. In 2024, 77% of students were "At or Above". In 2025, this figure shifted to approximately **74.5%** achieving "Within," "Above," or "Well Above".

Demographic Inequities and Performance Gaps

Significant shifts occurred within specific student groups, highlighting both narrowing gaps and emerging concerns:

- **Māori Students:** There was a **remarkable improvement in Writing**, jumping from only **36% "At or Above" in 2024** to **72.7% "Within" in 2025**. Maths achievement also improved from 43% to 54.5%, though it remains significantly below the school average of 74.5%.
- **Pasifika Students:** Conversely, this group saw a **downward trend** in Reading and Writing. In 2024, Pasifika students were high achievers with 81% "At or Above" in Reading and 84% in Writing. By 2025, these figures dropped to **65.5% "Within" in Reading** and **68.9% "Within" in Writing**.
- **Gender Gap:** In 2024, boys (80%) slightly outperformed girls (77%) in Reading. By 2025, the gap narrowed, with **78.2% of boys** and **72.5% of girls** achieving "Within" or "Above," though girls now trail more notably in the "Above" category (9% for boys vs. 7.8% for girls).

Forward-Looking Notes from 2025 Data

Based on the 2025 year-end results, the following areas require focused attention moving forward:

- **High-Needs Cohorts in Mathematics:** The **Year 4 and Year 6 cohorts** show significant clusters of students below the expected level. In Year 4, **41.1%** of students are "Towards" or "Towards with support," while in Year 6, **36.3%** require similar levels of support.
- **Reading Support for Middle Primary:** Year 4 Reading requires intervention, as **36.8%** of the cohort is currently not meeting the "Within" threshold (21.05% "Towards" and 15.79% "Towards with support").
- **Pasifika Achievement Reversal:** The decline in Pasifika achievement across Reading and Writing suggests a need to investigate if specific supports that were successful in 2024 (where Pasifika Reading rose by 26%) were maintained or if new barriers have emerged.
- **Refining Mathematics Mastery:** While several groups have a high percentage of students "Within" the curriculum, very few are reaching "Above" or "Well Above." For instance, **0% of Māori and Pasifika students** were judged as "Above" or "Well Above" in Mathematics in 2025. Extending these students beyond the "Within" category should be a priority.
- **Consistency of Teacher Judgement:** As noted in the 2024 data, many assessments rely on moderated teacher judgements. Continuing to use the **Learning Progression**

DATA COMPARISON ACROSS SUBJECT AREAS 2024 - 2025			
Curriculum Area	2024 EOY	2025 EOY	Shift
Reading	79%	79%	-
Writing	73%	78%	+5%
Maths	77%	75%	-2%

Statement of compliance with employment policy

As a small school, we have limited opportunities to employ new staff. When we do, we follow our employment and EEO policies. Those with disabilities are supported in their work and given time off as required for health and personal reasons. Staff are provided with opportunities for professional learning. The majority of our staff are women, including leadership. This provides an empathetic environment for women's requirements.

As required by the Education and Training Act 2020 (s 597), Palmerston North Adventist Christian School operates an employment policy that complies with the principle of being a good employer and ensures the fair and proper treatment of staff in all aspects of their employment. This Equal Employment Opportunities (EEO) policy is our framework for providing an inclusive, non-discriminatory workplace, and promoting equal opportunities for all staff members. This policy is available to all staff, board, and community members. It is overseen and coordinated by the Principal, who reports to the board.

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	Yes
What is in your equal employment opportunities programme?	<i>As per our Policy on School Docs</i>
How have you been fulfilling this programme?	Yes
How do you practise impartial selection of suitably qualified persons for appointment?	<i>Through following our employment policy.</i>
How are you recognising, <ul style="list-style-type: none"> - The aims and aspirations of Māori, - The employment requirements of Māori, and - Greater involvement of Māori in the Education service? 	<i>We follow our employment policy and our special character requirements.</i>
How have you enhanced the abilities of individual employees?	<i>We empower our team through continuous upskilling initiatives and targeted PLD.</i>
How are you recognising the employment requirements of women?	<i>Our staff are predominantly female.</i>
How are you recognising the employment requirements of persons with disabilities?	<i>We prioritize a culture of awareness by proactively addressing diagnosed conditions and individual needs, ensuring a safe, equitable environment where every employee feels supported and empowered to excel.</i>

Reporting on Equal Employment Opportunities (EEO) Programme/Policy	YES	NO
Do you operate an EEO programme/policy?	Yes	
Has this policy or programme been made available to staff?	Yes	
Does your EEO programme/policy include training to raise awareness of issues which may impact EEO?	Yes	
Has your EEO programme/policy appointed someone to coordinate compliance with its requirements?	Yes	
Does your EEO programme/policy provide for regular reporting on compliance with the policy and/or achievements under the policy?	Yes	
Does your EEO programme/policy set priorities and objectives?		No

Kiwisport funding

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2025, the school received total Kiwisport funding of \$1636 (excluding GST). The funding was spent on sporting endeavours, including swimming.

Financial statements (Separate documents)

Statement of responsibility signed and dated

This statement is signed by the principal and the presiding member. It acknowledges that the school board is responsible for the preparation and accuracy of the financial statements and states that the school board has established and maintained a system of internal control to safeguard the assets of the school or kura.

Statement of comprehensive revenue and expense

This statement summarises the revenue and expense of the school or kura over the financial year. It shows whether the school or kura has managed to operate within the funding they have received.

Statement of changes in net assets/equity

This statement shows the value and movements of the Government's investment over the course of financial year in the school or kura, (this is known as 'equity') in the financial statement.

Statement of financial position

This statement shows everything the school or kura owns (assets) and everything it owes (liabilities) as at 31 December of that year.

Statement of cash flows

This statement shows all cash received and all cash paid by the school or kura over the financial year.

Notes to the financial statements

The notes to the financial statements provide an extra level of detail that supports the information shown in the front of the accounts.

Independent auditor's report signed and dated.

This report is prepared by the auditor of the school or kura and must be included in the annual report. It provides an opinion to the readers of the annual report whether the financial statements comply with generally accepted accounting practice, and fairly represent the financial position, financial performance and cash flows of the school or kura.

Ngā mihi nui

Karla Mitchell – Principal
Fiona Sio Presiding Member

The image shows two handwritten signatures in black ink. The top signature is for Karla Mitchell and the bottom signature is for Fiona Sio. Both signatures are written in a cursive, flowing style.

Palmerston North Adventist Christian School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2025, the school received total Kiwisport funding of \$1,602 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2025 the Palmerston North Adventist Christian School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment.
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

PALMERSTON NORTH ADVENTIST CHRISTIAN SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number: 4126

Principal: Karla Mitchell

School Address: 25 Snelson Street

School Postal Address: 25 Snelson Street, Palmerston North, 4410

School Phone: 06 357 6256

School Email: office@pnacs.school.nz

Accountant / Service Provider:

Education  Services.
Dedicated to your school

PALMERSTON NORTH ADVENTIST CHRISTIAN SCHOOL

Annual Financial Statements - For the year ended 31 December 2025

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Palmerston North Adventist Christian 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.

FIONA LEONECA SIO

Full Name of Presiding Member



Signature of Presiding Member

12/05/2026

Date

KARLA MITCHELL

Full Name of Principal



Signature of Principal

12 May 2026

Date

Palmerston North Adventist Christian School
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	1,057,777	937,749	1,074,561
Locally Raised Funds	3	29,810	11,500	20,933
Use of Proprietor's Land and Buildings		118,000	120,000	118,000
Interest		14,679	12,000	29,270
Gain on Sale of Property, Plant and Equipment		52	-	52
Total Revenue		1,220,318	1,081,249	1,242,816
Expense				
Locally Raised Funds	3	16,727	13,350	24,334
Learning Resources	4	938,666	827,395	966,177
Administration	5	93,506	91,583	102,111
Interest		443	443	518
Property	6	164,554	166,478	162,033
Loss on Disposal of Property, Plant and Equipment		-	-	12
Total Expense		1,213,896	1,099,249	1,255,185
Net Surplus / (Deficit) for the year		6,422	(18,000)	(12,369)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		6,422	(18,000)	(12,369)

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

Palmerston North Adventist Christian 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		588,050	545,660	586,233
Total comprehensive revenue and expense for the year		6,422	(18,000)	(12,369)
Contribution - Furniture and Equipment Grant		17,707	12,000	14,186
Contributions from the Ministry of Education - Te Mana Tuhono		6,365	-	-
Equity at 31 December		618,544	539,660	588,050
Accumulated comprehensive revenue and expense		618,544	539,660	588,050
Equity at 31 December		618,544	539,660	588,050

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.

Palmerston North Adventist Christian School Statement of Financial Position

As at 31 December 2025

		2025	2025	2024
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	7	75,059	182,068	171,960
Accounts Receivable	8	80,519	50,284	99,667
Prepayments		14,085	3,623	7,303
Inventories	9	1,879	1,453	2,104
Investments	10	274,897	150,000	262,669
		<u>446,439</u>	<u>387,428</u>	<u>543,703</u>
Current Liabilities				
GST Payable		10,087	8,125	4,283
Accounts Payable	12	106,551	62,287	81,372
Revenue Received in Advance	13	-	3,071	3,160
Provision for Cyclical Maintenance	14	15,973	10,957	15,395
Finance Lease Liability	15	2,049	2,657	3,167
		<u>134,660</u>	<u>87,097</u>	<u>107,377</u>
Working Capital Surplus/(Deficit)		311,779	300,331	436,326
Non-current Assets				
Property, Plant and Equipment	11	327,982	265,452	170,896
		<u>327,982</u>	<u>265,452</u>	<u>170,896</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	20,054	22,821	15,960
Finance Lease Liability	15	1,163	3,302	3,212
		<u>21,217</u>	<u>26,123</u>	<u>19,172</u>
Net Assets		<u>618,544</u>	<u>539,660</u>	<u>588,050</u>
Equity		<u>618,544</u>	<u>539,660</u>	<u>588,050</u>

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

Palmerston North Adventist Christian 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		334,191	290,193	319,238
Locally Raised Funds		17,834	19,300	21,439
Goods and Services Tax (net)		5,804	-	(3,842)
Payments to Employees		(154,078)	(138,800)	(234,465)
Payments to Suppliers		(150,767)	(251,107)	(169,137)
Interest Paid		(443)	(443)	(518)
Interest Received		14,323	12,000	29,270
Net cash from/(to) Operating Activities		66,864	(68,857)	(38,015)
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		52	-	104
Purchase of Property Plant & Equipment (and Intangibles)		(167,705)	(180,500)	(125,169)
Purchase of Investments		(12,228)	-	(112,669)
Net cash from/(to) Investing Activities		(179,881)	(180,500)	(237,734)
Cash flows from Financing Activities				
Furniture and Equipment Grant		17,707	-	14,186
Finance Lease Payments		(1,591)	(3,610)	(1,512)
Net cash from/(to) Financing Activities		16,116	(3,610)	12,674
Net increase/(decrease) in cash and cash equivalents		(96,901)	(252,967)	(263,075)
Cash and cash equivalents at the beginning of the year	7	171,960	435,035	435,035
Cash and cash equivalents at the end of the year	7	75,059	182,068	171,960

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.

Palmerston North Adventist Christian School

Notes to the Financial Statements

For the year ended 31 December 2025

1. Statement of Accounting Policies

a) Reporting Entity

Palmerston North Adventist Christian 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.

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 Proprietor'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 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the School. 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 15. Future operating lease commitments are disclosed in note 20b.

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 Proprietor. 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. This expense is based on an assumed market rental yield on the 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) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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.

h) Inventories

Inventories are consumable items held for sale and are comprised of stationery and 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.

i) Investments

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

j) Property, Plant and Equipment

Land and buildings owned by the Proprietor 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 Proprietor 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	10-75 years
Furniture and Equipment	4-15 years
Information and Communication Technology	4-5 years
Library Resources	12.5% Diminishing value
Leased Assets held under a Finance Lease	Term of Lease

k) 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 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. The valuation is based on a comparison to recent market transactions.

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 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 asset's recoverable service amount since the last impairment loss was recognised.

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

Employee 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.

n) 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 students, should the School be unable to provide the services to which they relate.

o) 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.

p) 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.

q) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Proprietor. The Board is responsible for maintaining the land, building and other facilities on the School sites in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, 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 10 to 15 year period. 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.

r) 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.

s) 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.

t) 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.

u) Budget Figures

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

v) 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	304,144	291,713	382,498
Teachers' Salaries Grants	753,633	646,036	688,751
Other Government Grants	-	-	3,312
	1,057,777	937,749	1,074,561

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	17,735	7,500	10,588
Fees for Extra Curricular Activities	8,068	-	4,324
Trading	4,007	4,000	5,021
Fundraising and Community Grants	-	-	1,000
	29,810	11,500	20,933
Expense			
Extra Curricular Activities Costs	11,347	9,350	19,940
Trading	5,380	4,000	4,394
	16,727	13,350	24,334
<i>Surplus/(Deficit) for the year Locally Raised Funds</i>	13,083	(1,850)	(3,401)

4. Learning Resources

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Curricular	33,712	44,390	33,241
Employee Benefits - Salaries	847,207	734,036	890,395
Staff Development	12,738	16,469	10,277
Depreciation	33,177	20,000	20,086
Other Learning Resources	11,832	12,500	12,178
	938,666	827,395	966,177

5. Administration

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Audit Fees	9,984	5,144	7,949
Board Fees and Expenses	8,901	9,125	9,276
Other Administration Expenses	14,334	18,150	25,543
Employee Benefits - Salaries	49,522	48,800	48,810
Insurance	1,343	1,460	1,460
Service Providers, Contractors and Consultancy	9,422	8,904	9,073
	93,506	91,583	102,111

6. Property

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Consultancy and Contract Services	17,688	18,000	17,705
Cyclical Maintenance	4,672	6,628	5,702
Heat, Light and Water	6,817	6,850	6,033
Rates	392	350	345
Repairs and Maintenance	12,082	9,300	9,489
Use of Land and Buildings	118,000	120,000	118,000
Other Property Expenses	4,903	5,350	4,759
	164,554	166,478	162,033

The use of land and buildings figure represents 5% of the school's total property value. This is used as a proxy for the market rental of the property.

7. Cash and Cash Equivalents

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Bank Accounts	75,059	182,068	171,960
Cash and cash equivalents for Statement of Cash Flows	75,059	182,068	171,960

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

8. Accounts Receivable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Receivables	-	3,715	153
Receivables from the Ministry of Education	5,374	-	36,485
Interest Receivable	356	-	-
Teacher Salaries Grant Receivable	74,789	46,569	63,029
	80,519	50,284	99,667
Receivables from Exchange Transactions	425	3,715	153
Receivables from Non-Exchange Transactions	80,094	46,569	99,514
	80,519	50,284	99,667

9. Inventories

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Stationery	1,269	1,298	1,443
School Uniforms	610	155	661
	1,879	1,453	2,104

10. Investments

The School's investment activities are classified as follows:

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Current Asset			
Short-term Bank Deposits	274,897	150,000	262,669
Total Investments	274,897	150,000	262,669

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2025	\$	\$	\$	\$	\$	\$
Building Improvements	86,997	158,933	-	-	(12,389)	233,541
Furniture and Equipment	58,526	12,115	-	-	(9,689)	60,952
Information and Communication Technology	18,534	19,124	-	-	(7,817)	29,841
Leased Assets	5,767	-	-	-	(3,137)	2,630
Library Resources	1,072	91	-	-	(145)	1,018
	170,896	190,263	-	-	(33,177)	327,982

The net carrying value of equipment held under a finance lease is \$2,630 (2024: \$5,767)

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.

	2025 Cost or Valuation \$	2025 Accumulated Depreciation \$	2025 Net Book Value \$	2024 Cost or Valuation \$	2024 Accumulated Depreciation \$	2024 Net Book Value \$
Building Improvements	250,156	(16,615)	233,541	91,223	(4,226)	86,997
Furniture and Equipment	189,978	(129,026)	60,952	177,863	(119,337)	58,526
Information and Communication Technology	94,552	(64,711)	29,841	76,428	(57,894)	18,534
Leased Assets	9,870	(7,240)	2,630	12,452	(6,685)	5,767
Library Resources	11,437	(10,419)	1,018	11,345	(10,273)	1,072
	555,993	(228,011)	327,982	369,311	(198,415)	170,896

12. Accounts Payable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Creditors	20,336	6,632	9,618
Accruals	9,984	8,492	7,949
Employee Entitlements - Salaries	74,789	46,569	63,029
Employee Entitlements - Leave Accrual	1,442	594	776
	106,551	62,287	81,372
Payables for Exchange Transactions	106,551	62,287	81,372
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	106,551	62,287	81,372

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Fees in Advance	-	1,469	2,009
Grants in Advance - Ministry of Education	-	1,602	1,151
	<u>-</u>	<u>3,071</u>	<u>3,160</u>

14. Provision for Cyclical Maintenance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	31,355	27,150	37,181
Increase/(decrease) to the Provision During the Year	4,672	6,628	5,702
Use of the Provision During the Year	-	-	(11,528)
Provision at the End of the Year	<u>36,027</u>	<u>33,778</u>	<u>31,355</u>
Cyclical Maintenance - Current	15,973	10,957	15,395
Cyclical Maintenance - Non current	20,054	22,821	15,960
	<u>36,027</u>	<u>33,778</u>	<u>31,355</u>

Per the cyclical maintenance schedule, the School is next expected to undertake painting works during 2026. This plan is based on the School's 10 Year Property plan / painting quotes.

15. Finance Lease Liability

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
No Later than One Year	2,237	2,657	3,610
Later than One Year	1,248	3,302	3,485
Future Finance Charges	(273)	-	(716)
	<u>3,212</u>	<u>5,959</u>	<u>6,379</u>
Represented by			
Finance lease liability - Current	2,049	2,657	3,167
Finance lease liability - Non current	1,163	3,302	3,212
	<u>3,212</u>	<u>5,959</u>	<u>6,379</u>

16. 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 conditions 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.

The Proprietor of the School (New Zealand Seventh-day Adventist Schools' Association Ltd) is a related party of the School Board because the Proprietor appoints representatives to the School Board, giving the Proprietor significant influence over the School Board. Any services or contributions between the School Board and Proprietor have been disclosed appropriately. If the Proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the School Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of Land and Buildings".

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include attendance dues, building levy and special character donations payable to the Proprietor. The amounts collected in total were \$30,297 (2024: \$31,914). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the proprietor are \$0 (2024: \$0).

17. Remuneration

Key management personnel compensation

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

	2025 Actual \$	2024 Actual \$
<i>Board Members</i>		
Remuneration	3,230	3,625
<i>Leadership Team</i>		
Remuneration	254,780	241,658
Full-time equivalent members	2.11	2.00
Total key management personnel remuneration	258,010	245,283

There are 8 members of the Board excluding the Principal. The Board has held 6 full meetings of the Board in the year. 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

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	140 - 150	130 - 140
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

17. Remuneration - continued

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	1.00	1.00
110 - 120	1.00	1.00
	2.00	2.00

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

18. 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	\$0	\$0
Number of People	0	0

19. 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 liability regarding this funding wash-up, which is expected to be settled in July 2026.

20. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2025 (Capital commitments at 31 December 2024: \$0).

(b) Operating Commitments

There are no operating commitments as at 31 December 2025 (Operating commitments at 31 December 2024: nil).

21. 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	75,059	182,068	171,960
Receivables	80,519	50,284	99,667
Investments - Term Deposits	274,897	150,000	262,669
Total financial assets measured at amortised cost	<u>430,475</u>	<u>382,352</u>	<u>534,296</u>

Financial liabilities measured at amortised cost

Payables	106,551	62,287	81,372
Finance Leases	3,212	5,959	6,379
Total financial liabilities measured at amortised cost	<u>109,763</u>	<u>68,246</u>	<u>87,751</u>

22. Events After Balance Date

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

23. Comparatives

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

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PALMERSTON NORTH ADVENTIST CHRISTIAN'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Palmerston North Adventist Christian School (the School). The Auditor-General has appointed me, Melanie Strydom, using the staff and resources of Auditlink Limited, to carry out the audit of the financial statements of the School on pages 2 to 18, 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 12 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

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 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 School's Students' Progress and Achievement, Statement of Compliance with Employment Policy, Statement of KiwiSport Funding, a list of all board members, and Report on how the school has given effect to Te Tiriti o Waitangi.

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.



Melanie Strydom
Auditlink Limited

On behalf of the Auditor-General
Palmerston North, New Zealand



PN Adventist Christian School

AUDIT MANAGEMENT LETTER

For the year ended 31 December 2025

Palmerston North | ☎ 06 350 0450 | 196 Broadway Avenue

✉ info@auditink.co.nz | www.auditink.co.nz

12 May 2026



The Board of Trustees
PN Adventist Christian School
Palmerston North Adventist Christian School
25 Snelson Street
Palmerston North 4410

Dear Trustees

AUDIT MANAGEMENT LETTER FOR THE YEAR ENDED 31 DECEMBER 2025

We have completed our audit and have forwarded your School's financial statements for the year ended 31 December 2025, including our audit report, to Education Services Limited.

We remind you of your obligation to submit the annual report, which contains the audited financial statements, to the Ministry of Education via the School Data Portal. Please ensure that once your annual report is submitted that it is also published on your website, if you do not have a website, you can contact the Ministry of Education at planning.reporting@education.govt.nz who can publish it on your behalf on the Education Counts website.

In accordance with our usual practice, we include in the attached report all matters arising from our audit of the financial statements for the School which we consider appropriate for the attention of the Board of Trustees ('the Board'). We have discussed the matters with management and their comments have been included, where appropriate.

This correspondence is part of our ongoing discussions as auditors in accordance with International Auditing Standards. This report includes only those matters that have come to our attention as a result of performing our audit procedures and which we believe are appropriate to communicate to the Board. The audit does not relieve the Board of their responsibilities. The preparation of the annual financial statements is the responsibility of the Board.

Matters we raise are not intended as an attack or criticism of School related personnel and are based on our professional experience. Our recommendations are what we consider "sound" practice in context of your School environment. The benefits of our recommendations may not always be apparent from an education perspective, however, we are reporting from a financial point of view.

We have prepared this report solely for use by the Board and it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy without our prior consent, we would not accept responsibility for any reliance they might place on it.

We would like to take this opportunity to express our appreciation for the assistance and courtesy extended to us by officials and staff of the School.

If you would like to discuss any matters raised in this report, please do not hesitate to contact us.

Yours faithfully

Melanie Strydom
Director



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E info@auditlink.co.nz
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196 Broadway Ave
PO Box 648
Palmerston North 4410





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1. Findings and recommendations

The following matters came to our attention during the course of our audit. These points, whilst not exhaustive, represent matters which we believe should be brought to the attention of those charged with governance. We have also reported our recommendations for improvement to management.

No	Observation	Implication	Recommendation
1	Independent Authorisation of Principal's Expenditure		
	<p>We noted instances where the Principal's expense invoices were not independently authorised by a member of the Board of Trustees.</p>	<p>Credit cards and reimbursements can be reasonably easily subject to error and fraud and have led to allegations of inappropriate expenditure for some Schools.</p> <p>It is important that all appropriate supporting documents are kept and reviewed thoroughly on a timely basis to prevent errors or unauthorised payments.</p>	<p>We appreciate that it may be difficult to share or delegate the Principal's duty of signing off reimbursement forms, however, no employee should authorise their own expense reimbursement forms.</p> <p>We recommend that you apply a "one-up" principle of approving reimbursements and credit card expenditure. We suggest that the Principal's reimbursements and credit card expenses be approved by the Board or Finance sub-committee.</p>
2	Draft SUE Reports not Reviewed		
	<p>We noted during our testing of payroll that there were instances whether the draft SUE reports are not reviewed.</p> <p>We do acknowledge that the review and approval of the final SUE report is being completed.</p> <p>We do also acknowledge since May 2025, the school has now been reviewing the draft SUE reports</p>	<p>Final SUE reports are only available after the payment run has been completed therefore, without the draft SUE report being reviewed, there is potential for errors to be missed.</p>	<p>We recommend that the draft SUE report is reviewed by the Office Manager with evidence of ticks and checks and then once the final SUE report is available that this is signed by the Principal and Presiding Member as evidence of approval.</p>



No	Observation	Implication	Recommendation
3	Deficit Budget		
	<p>The Board has prepared and approved a deficit budget for the 2025 year.</p> <p>Although deficit budgeting may appear to be warranted when preparing the budget for a particular year, we urge caution in using this approach because it is unlikely to be sustainable.</p>	<p>We are concerned that continued deficit budgeting, if achieved, will reduce your School's equity.</p>	<p>We recommend that the Board try to avoid deficit budgeting wherever possible, so the School's budget reflects the ability for it to live within its means.</p> <p>It is vital that you continue to look for ways to improve the actual results against the budgeted deficit during the upcoming School year and ensure that spending does not exceed the amounts approved by the Board.</p>
4	Masterfile Changes - Employees		
	<p>During our testing of payroll, we noted that the school is not using the available EdPay system reports (activity history, timesheet history, and leave history) to review and approve masterfile changes.</p> <p>We understand that EPL and the Ministry are currently refreshing the guidance to schools on payroll controls, and this updated guidance will be available soon.</p>	<p>This increases the risk of payroll errors or fraud going undetected, as these transactions are not centrally checked.</p> <p>The EdPay system relies on schools checking the accuracy of the payroll transactions processed.</p>	<p>We recommend that the School implement a process to regularly review and approve masterfile changes, alongside the fortnightly review of the draft and final SUE reports.</p> <p>As a reminder, to ensure payroll accuracy and effective controls, the school should:</p> <ul style="list-style-type: none">- Review and approve masterfile changes alongside the fortnightly draft and final SUE reports using EdPay's activity history, timesheet history, and leave history reports.- Limit EdPay access to authorised users only.- Separate duties between processing and approving payroll transactions to reduce the risk of errors or fraud.- Support all payroll changes with proper documentation and ensure they are appropriately authorised.- Assign an independent reviewer, without EdPay access, in most cases the Presiding Member, to verify the final payroll report for accuracy and authorisation.- Document and evidence all reviews and approvals to maintain a clear audit trail. <p>By following these steps, the school can enhance its payroll controls and minimise the risk of errors or fraudulent activities.</p>



No	Observation	Implication	Recommendation
5	Segregation of Duties		
	<p>We note that significant portions of day-to-day accounting functions are solely under the control of the Office Manager. We wish to emphasise that nothing in our review of your systems has led us in any way to question the integrity of this or any other employee.</p> <p>Because we have a responsibility to report weaknesses in internal control systems of which we become aware, this matter has been raised again this year though it may already have been raised in previous audits.</p> <p>We appreciate the difficulty in segregating the Office Manager's duties due to the size of your School and acknowledge the Board's efforts in implementing policies and procedures to mitigate this risk.</p>	<p>No further action is required in this regard.</p>	<p>No further action is required in this regard.</p>
6	Board Review of Cyclical Maintenance Plan/Provision and 10YPP		
	<p>The provision for cyclical maintenance is considered an accounting estimate. When auditing this estimate, we are required to obtain assurance over the assumptions applied, the reliability of the underlying data, and the accuracy of the calculation used to determine the provision included in the financial statements.</p> <p>We noted that while the cyclical maintenance calculation is signed by the Board, there is no clear evidence in the Board minutes that, on an annual basis, the Board has reviewed and agreed the assumptions applied and the final calculation. A signed calculation alone does not provide strong evidence of collective Board consideration and approval.</p>	<p>As the provision for cyclical maintenance is a significant accounting estimate that is reassessed each year, the absence of clear annual Board approval reduces the strength of governance oversight and the audit trail supporting the estimates included in the financial statements.</p>	<p>We recommend that the Board formally review the cyclical maintenance calculation on an annual basis and record in its meeting minutes that it has agreed:</p> <ul style="list-style-type: none">- the assumptions applied- the calculation methodology and data used for the calculation- the resulting provision amounts included in the financial statements <p>This review would normally occur at the meeting where the financial statements are considered and approved for audit. To strengthen the documentation further, the minutes should also record the agreed balances, for example:</p> <ul style="list-style-type: none">- The current portion of the provision for cyclical maintenance as at 31 December 2025 of \$15,973- The non-current portion of the provision for cyclical maintenance as at 31 December 2025 of \$20,054



No	Observation	Implication	Recommendation
7	Recording Low Value Fixed Assets <p>The School's fixed asset register includes additions with costs less than the capitalisation threshold of \$500. These are then depreciated over the estimated useful lives at a straight line basis.</p>	<p>The School's capitalisation threshold is not being adhered to and has resulted in the cost of Fixed Assets at year end and the depreciation expense being overstated.</p> <p>We wish to advise that this hasn't resulted in any adjustments to the 2025 financial statements as the amounts were deemed to be immaterial.</p>	<p>We recommend that you only capitalise fixed assets with a cost over the pre-determined capitalisation level of \$500. The School should continue to capitalise groups of low-value items, e.g. chairs and desks which individually have a value of less than the capitalisation level.</p>



2. Summary of unadjusted differences

In performing our audit we have identified the following misstatements that have not been adjusted in the financial statements for the year ended 31 December 2025.

Management believes that uncorrected errors do not, either individually or in aggregate, have a material effect on the financial statements for the year ended 31 December 2025.

Description	Assets Dr/(Cr) \$	Liabilities Dr/(Cr) \$	Income Dr/(Cr) \$	Expenses Dr/(Cr) \$
Administration Expenses – Employee Benefits – Salaries				1990.81
Accounts Payable – Employee Entitlements – Salaries		(1990.81)		
<i>To Account for bulk grant PP21 to PP23 and ACC Payable by the School</i>				
Total	-	(1990.81)	-	1990.81



3. Summary of uncorrected disclosure deficiencies

We have identified the following disclosure deficiencies that have not been adjusted in the financial statements. Management has determined that these disclosure deficiencies do not result in the material misstatement of the financial statements or non-compliance with the applicable legislative framework.

Disclosure deficiency identified	Accounting standard reference
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no uncorrected disclosure deficiencies	
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4. Updates on matters raised in the prior year

Below follows an update on matters that we as auditors have brought to the attention of those charged with governance in the prior financial year.

No	Observation	Recommendation	Update
1	Independent Authorisation of Principal's Expenditure	We recommend that you apply a "one-up" principle of approving reimbursements and credit card expenditure. We suggest that the Principal's reimbursements and credit card expenses be approved by the Board or Finance sub-committee.	Recurring - refer to section 1 point 1.
2	Draft SUE Reports not Reviewed	We recommend that the draft SUE report is reviewed by the Office Manager with evidence of ticks and checks and then once the final SUE report is available that this is signed by the Principal and Presiding Member as evidence of approval.	Recurring - refer to section 1 point 2.
3	Recording Low Value Fixed Assets	We recommend that you only capitalise fixed assets with a cost over the pre-determined capitalisation level of \$500. The School should continue to capitalise groups of low-value items, e.g. chairs and desks which individually have a value of less than the capitalisation level.	Recurring – see section 1 point 7.
4	Masterfile Changes - Employees	We recommend the School access this newly available Activity History Report via Ed Pay and review masterfile changes alongside the review of the final SUE report. We recommend that the Board ask management for assurance that appropriate controls are in place at the School over payroll transactions, and that these controls are considered against the updated payroll guidance once it is published by EdPay.	Recurring - refer to section 1 point 4.
5	Segregation of Duties	No further action is required in this regard.	Recurring - refer to section 1 point 5.



5. Other communications

The following matters relevant to our audit are communicated in accordance with the requirements of International Auditing Standards.

Matters communicated	Response
Independence	We confirm that we have maintained our independence in accordance with the independence requirements of the <i>Professional and Ethical Standard 1(Revised): Code of Ethics for Assurance Practitioners</i> issued by the External Reporting Board and, in our professional judgement. Other than in our capacity as auditors, we have no relationship with or interest in PN Adventist Christian School.
Fraud	No matters relating to fraud, concerning either employees or management came to our attention.
Non-compliance with laws and regulations	We did not become aware of any non-compliance with applicable laws and regulations that may have an impact on the determination of material amounts and disclosures in the financial statements.
Going concern	As part of our audit we are required to assess the ability of the School to continue as a going concern for a period of 12 months post the signing of our audit report. The financial statements have been prepared on a going concern basis. We have not become aware of any events that cast doubt on the School's ability to continue as a going concern for the foreseeable future. Our audit report is not qualified in respect of this matter.
Written representations	A copy of the representation letter to be signed on behalf of the Board has been circulated separately.
Accounting policies and financial reporting	We have not become aware of any significant qualitative aspects of the School's accounting practices, including judgements about accounting policies, accounting estimates and financial statements disclosures that need to be communicated to the Board, other than those already communicated in this report.
Related parties	No significant related party matters other than those reflected in the financial statements came to our attention that, in our professional judgement, needs to be communicated to the Board.
Fees	Fees for the audit have been billed to the School.
Disagreements with management	We confirm that there have been no disagreements with management over the application of accounting principles, scope of the audit or disclosures.
Serious difficulties in performing the audit	We confirm that there were no significant difficulties encountered in performing the audit.
Consultations management made with other accountants	We have not become aware of any consultations with any other accountants, other than service providers.



12 May 2026

Melanie Strydom
Auditlink Limited
196 Broadway Avenue
Palmerston North 4410

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2025

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of PN Adventist Christian School (the School) for the year ended 31 December 2025 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
 - the 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 (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

General representations

To the best of our knowledge and belief:

- the resources, activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (*a requirement of paragraph NZ40.1(a) in ISA (NZ) 240*).

We also confirm, to the best of our knowledge and belief, that we have maintained appropriate separation between our functions and governance structures, and those of the School's proprietor, in keeping with the principles of the Education and Training Act 2020.

Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 134 of the Education and Training Act 2020 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the 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 (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.
- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- all audit adjustments, other than those clearly trivial, or those listed in the summary of unadjusted differences in the Management Letter, have been appropriately processed and reflected in the financial statements, and as a result the financial statements are considered free from material misstatements.
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements *including because the School is an integrated school, the allocation of voluntary and mandatory contributions, donations, and fund raising income between the School and the School's proprietor*; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;

- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2025. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from Tuesday 12 May, 2026, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

Disclosure

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern basis of accounting by the School.

Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully


 Presiding Member


 Principal

