

OTAGO BOYS HIGH SCHOOL

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number: 377

Principal: Mr Richard Hall

School Address: 2 Arthur Street, Dunedin, New Zealand

School Postal Address: P O Box 11, Dunedin, New Zealand

School Phone: (03) 477 5527

School Email: school.sec@obhs.school.nz

Accountant / Service Provider:



Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Mr Richard Hall	Rector	Ex Officio	
Mr Malcolm Couling	Parent Representative	Elected	Mar-25
Ms Melanie Piri	Parent Representative	Elected	Mar-25
Dr Maria Zammit	Staff Representative	Elected	Mar-25
Mr Mark Kirkland	Presiding Member	Elected	Nov-26
Mr Sam Guest	Parent Representative	Co-Opted	Aug-26
Mr Ben Couling	Student Representative	Elected	Sept-26
Mr Tim Ashdown	Staff Representative	Elected	Sept-28
Mr Simon Rhodes	Presiding Member	Elected	Sept-28
Ms Sally Henderson	Parent Representative	Elected	Sept-28
Mrs Kate Anderson	Parent Representative	Elected	Sept-28
Mr Peter Kindiak	Parent Representative	Elected	Nov-26

Auditor Deloitte

OTAGO BOYS HIGH SCHOOL

Consolidated Annual Financial Statements - For the year ended 31 December 2025

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Otago Boys High School

Statement of Responsibility

For the year ended 31 December 2025

The Board accepts responsibility for the preparation of the annual consolidated financial statements and the judgements used in these consolidated 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 group's financial reporting.

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

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

Simon Rhodes

Full Name of Presiding Member



Signature of Presiding Member

2 June 2026

Date

Richard Hall

Full Name of Principal



Signature of Principal

2 June 2026

Date

Otago Boys High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2025

	Notes	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Revenue							
Government Grants	2	10,010,643	9,640,080	9,417,087	10,010,643	9,640,080	9,417,087
Locally Raised Funds	3	2,411,803	2,209,612	2,081,084	2,578,498	2,209,612	2,346,673
Interest		76,861	101,770	113,304	94,091	101,770	125,195
Gain on Sale of Property, Plant and Equipment		6,300	-	3,635	6,300	-	3,635
Hostel	4	2,463,696	2,417,544	2,349,484	2,451,574	2,417,544	2,349,484
Other Revenue		-	-	-	4,403	-	2,992
Total Revenue		14,969,303	14,369,006	13,964,594	15,145,509	14,369,006	14,245,066
Expense							
Locally Raised Funds	3	1,533,388	1,445,269	1,458,448	1,622,918	1,445,269	1,546,812
Hostel	4	2,375,304	2,464,680	2,217,165	2,318,204	2,464,680	2,186,730
Learning Resources	5	7,854,507	7,644,472	7,330,418	7,851,295	7,644,472	7,333,387
Administration	6	676,147	647,040	668,009	685,382	647,040	684,442
Interest		13,104	10,500	13,352	13,104	10,500	13,352
Property	7	1,933,664	2,156,029	1,956,936	1,941,106	2,156,029	1,966,166
Loss on Disposal of Property, Plant and Equipment		411	-	11,141	411	-	20,576
Total expense		14,386,525	14,367,990	13,655,469	14,432,420	14,367,990	13,751,465
Net Surplus / (Deficit) for the year		582,778	1,016	309,125	713,089	1,016	493,601
Other Comprehensive Revenue and Expense							
<i>Item that will not be reclassified to surplus(deficit)</i>							
Gain on equity investment revaluations		-	-	-	4,405	-	3,641
Total other comprehensive revenue and expense		-	-	-	4,405	-	3,641
Total Comprehensive Revenue and Expense for the Year		582,778	1,016	309,125	717,494	1,016	497,242

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

Otago Boys High School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2025

Notes	2025	School	2024	2025	Group	2024
	Actual	2025 Budget (Unaudited)	Actual	Actual	2025 Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Equity at 1 January	6,280,536	6,280,537	5,918,362	7,287,717	6,280,537	6,737,426
Total comprehensive revenue and expense for the year	582,778	1,016	309,125	717,494	1,016	497,242
Contribution - Furniture and Equipment Grant	-	-	53,049	-	-	53,049
Distributions to the Ministry of Education	(257,520)	-	-	(257,520)	-	-
Equity at 31 December	6,605,794	6,281,553	6,280,536	7,747,691	6,281,553	7,287,717
Accumulated comprehensive revenue and expense	6,605,794	6,281,553	6,280,536	7,743,286	6,281,553	7,284,076
Reserves	-	-	-	4,405	-	3,641
Equity at 31 December	6,605,794	6,281,553	6,280,536	7,747,691	6,281,553	7,287,717
Reserve Movements Analysis						
Accumulated comprehensive revenue and expense						
Balance at 1 January	6,280,536	6,280,537	5,918,362	7,282,388	6,280,537	6,735,738
Contribution - Furniture and Equipment Grant	-	-	53,049	-	-	53,049
Distributions to the Ministry of Education	(257,520)	-	-	(257,520)	-	-
Surplus/(deficit) for the year	582,778	1,016	309,125	713,089	1,016	493,601
Balance 31 December	6,605,794	6,281,553	6,280,536	7,737,957	6,281,553	7,282,388
Equity investment revaluation reserves						
Balance at 1 January	-	-	-	5,329	-	1,688
Net change in fair value	-	-	-	4,405	-	3,641
Balance 31 December	-	-	-	9,734	-	5,329
Total equity	6,605,794	6,281,553	6,280,536	7,747,691	6,281,553	7,287,717

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

Otago Boys High School

Statement of Financial Position

As at 31 December 2025

	Notes	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Current Assets							
Cash and Cash Equivalents	8	2,556,434	1,503,317	1,309,908	3,027,556	1,503,317	1,656,037
Accounts Receivable	9	678,928	768,571	768,571	701,991	768,571	784,646
GST Receivable		32,734	22,859	22,855	33,358	22,859	25,150
Prepayments		124,039	127,315	127,315	124,039	127,315	127,315
Investments	10	908,631	1,669,055	1,669,055	1,048,631	1,669,055	1,823,493
Funds receivable for Capital Works Projects	18	-	-	295,225	-	-	295,225
		4,300,766	4,091,117	4,192,929	4,935,575	4,091,117	4,711,866
Current Liabilities							
GST Payable		-	766	766	-	766	766
Accounts Payable	12	992,352	847,988	847,988	999,093	847,988	868,035
Borrowings	13	-	-	120,359	-	-	120,359
Revenue Received in Advance	14	459,985	548,670	548,670	459,985	548,670	548,670
Provision for Cyclical Maintenance	15	45,262	54,725	54,725	45,262	54,725	54,725
Finance Lease Liability	16	70,333	47,442	63,486	70,333	47,442	63,486
Funds held in Trust	17	372,623	324,261	324,261	372,623	324,261	324,261
Funds held for Capital Works Projects	18	504	-	70,334	504	-	70,334
		1,941,059	1,823,852	2,030,589	1,947,800	1,823,852	2,050,636
Working Capital Surplus/(Deficit)		2,359,707	2,267,265	2,162,340	2,987,775	2,267,265	2,661,230
Non-current Assets							
Investments	10	-	-	-	91,239	-	84,108
Property, Plant and Equipment	11	4,367,071	4,056,030	4,207,380	4,789,661	4,056,030	4,631,563
		4,367,071	4,056,030	4,207,380	4,880,900	4,056,030	4,715,671
Non-current Liabilities							
Provision for Cyclical Maintenance	15	59,835	30,096	30,096	59,835	30,096	30,096
Finance Lease Liability	16	61,149	11,646	59,088	61,149	11,646	59,088
		120,984	41,742	89,184	120,984	41,742	89,184
Net Assets		6,605,794	6,281,553	6,280,536	7,747,691	6,281,553	7,287,717
Equity:							
Accumulated comprehensive revenue and expense		6,605,794	6,281,553	6,280,536	7,737,957	6,281,553	7,282,388
Equity investment revaluation reserves		-	-	-	9,734	-	5,329
Total equity		6,605,794	6,281,553	6,280,536	7,747,691	6,281,553	7,287,717

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

Otago Boys High School

Statement of Cash Flows

For the year ended 31 December 2025

	Notes	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Cash flows from Operating Activities							
Government Grants		2,358,470	2,460,635	2,393,524	2,358,470	2,460,635	2,393,524
Locally Raised Funds		2,159,220	1,894,112	1,591,402	2,323,330	1,894,112	1,877,276
Hostel		2,409,857	2,417,544	2,249,116	2,397,735	2,417,544	2,249,116
International Students		411,438	315,500	309,332	411,438	315,500	309,332
Goods and Services Tax (net)		(10,645)	(3)	42,118	(8,976)	(3)	41,111
Payments to Employees		(2,315,723)	(2,365,526)	(2,421,720)	(2,316,235)	(2,365,526)	(2,428,290)
Payments to Suppliers		(4,082,801)	(4,569,519)	(4,355,215)	(4,139,897)	(4,569,519)	(4,444,623)
Interest Paid		(13,104)	(10,500)	(13,352)	(13,104)	(10,500)	(13,352)
Interest Received		84,792	101,770	134,644	99,296	101,770	130,227
Net cash from / (to) the Operating Activities		1,001,504	244,013	(70,151)	1,112,057	244,013	114,321
Cash flows from Investing Activities							
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		6,300	-	3,635	6,300	-	3,635
Purchase of Property Plant & Equipment (and Intangibles)		(356,087)	(91,650)	(165,607)	(356,085)	(91,650)	(156,574)
Purchase of Investments		-	-	(185,274)	-	-	(171,627)
Proceeds from Sale of Investments		760,424	-	-	774,862	-	-
Net cash from / (to) the Investing Activities		410,637	(91,650)	(347,246)	425,077	(91,650)	(324,566)
Cash flows from Financing Activities							
Furniture and Equipment Grant		-	-	53,049	-	-	53,049
Finance Lease Payments		(61,493)	(63,486)	(65,218)	(61,493)	(63,486)	(65,218)
Repayment of Borrowings		(120,359)	(120,359)	(62,400)	(120,359)	(120,359)	(62,400)
Funds Administered on Behalf of Other Parties		16,237	224,891	42,228	16,237	224,891	42,228
Net cash from / (to) Financing Activities		(165,615)	41,046	(32,341)	(165,615)	41,046	(32,341)
Net increase/(decrease) in cash and cash equivalents		1,246,526	193,409	(449,738)	1,371,519	193,409	(242,586)
Cash and cash equivalents at the beginning of the year	8	1,309,908	1,309,908	1,759,646	1,656,037	1,309,908	1,898,623
Cash and cash equivalents at the end of the year	8	2,556,434	1,503,317	1,309,908	3,027,556	1,503,317	1,656,037

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

Otago Boys High School

Notes to the Group Financial Statements

For the year ended 31 December 2025

1. Statement of Accounting Policies

a) Reporting Entity

Otago Boys High 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 Otago Boys High School Group (the 'Group') consists of Otago Boys High School and its subsidiary trust. The subsidiary is a School Trust ('Trust') which supports the school by raising funds and making donations for the school.

The School's subsidiary is incorporated and domiciled in New Zealand.

b) Basis of Preparation

Reporting Period

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

Basis of Consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in surplus or deficit. Any interest retained in the former subsidiary is measured at fair value when control is lost.

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

Measurement Base

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

Presentation Currency

These consolidated 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 consolidated financial statements are set out below.

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

The School recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The Group 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 Group. 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 16. Future operating lease commitments are disclosed in note 23.

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.

Consolidation of entities

The Group consolidates entities based on whether the School has established control of the subsidiary. The subsidiaries which are controlled are disclosed at Note 26.

c) Revenue Recognition

Government Grants

The Group 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 Group 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 Group has the rights to the funding in the salary period they relate to. The grants are not received in cash by the Group and are paid directly to teachers by the Ministry of Education.

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

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

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

Other Grants where conditions exist

Other grants are recorded as revenue when the Group 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 Consolidated 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 schools 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) 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.

Equity investments are designated at initial recognition at fair value through other comprehensive revenue and expense because they are investments that the Group intends to hold for long term strategic purposes. They are initially measured at fair value plus transaction costs. They are subsequently measured at their fair value with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to accumulated surplus/(deficit).

The Group has met the requirements of Section 154 (2)(b)(ii) of the Education and Training Act 2020 in relation to the acquisition of investment securities.

i) Property, Plant and Equipment

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

Improvements (funded by the Board) to buildings owned by the Crown 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 Consolidated 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 Consolidated Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements	100 years
Board-owned Buildings	100 years
Furniture and Equipment	10 years
Information and Communication Technology	2–7 years
Motor Vehicles	5 years
Textbooks	5 years
Leased Assets held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value

j) Impairment of property, plant, and equipment

The Group 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 Group 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 Group engages an independent valuer to assess market value based on the best available information.

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

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

k) Accounts Payable

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

l) Employee Entitlements*Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date 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.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from international and hostel students and grants received where there are unfulfilled obligations for the Group 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 Group holds sufficient funds to enable the refund of unearned fees in relation to international students, should the Group be unable to provide the services to which they relate.

n) Funds Held in Trust

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

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

o) Funds held for Capital works

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

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the Group 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, based on the School's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a 7 to 10 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.

q) Financial Instruments

The Group'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 group 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 Group'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.

r) 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 Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

s) Goods and Services Tax (GST)

The consolidated 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 consolidated statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

t) Budget Figures

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

u) Services received in-kind

From time to time the Group receives services in-kind, including the time of volunteers. The Group has elected not to recognise services received in kind in the Consolidated Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Government Grants - Ministry of Education	2,406,584	2,337,055	2,263,992	2,406,584	2,337,055	2,263,992
Teachers' Salaries Grants	6,582,988	6,100,000	6,013,009	6,582,988	6,100,000	6,013,009
Use of Land and Buildings Grants	982,489	1,079,445	1,079,445	982,489	1,079,445	1,079,445
Other Government Grants	38,582	123,580	60,641	38,582	123,580	60,641
	10,010,643	9,640,080	9,417,087	10,010,643	9,640,080	9,417,087

3. Locally Raised Funds

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

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Revenue						
Fees for Extra Curricular Activities	922,050	909,077	941,963	913,376	909,077	941,963
Donations and Bequests	366,078	321,700	258,861	564,176	321,700	535,673
Fundraising & Community Grants	88,421	81,000	54,519	88,421	81,000	54,519
Trading	270,059	273,000	254,407	297,881	273,000	271,184
Other Revenue	400,085	309,335	267,978	349,534	309,335	239,978
International Student Fees	365,110	315,500	303,356	365,110	315,500	303,356
	2,411,803	2,209,612	2,081,084	2,578,498	2,209,612	2,346,673
Expenses						
Extra Curricular Activities Costs	991,348	973,919	989,098	989,636	973,919	989,098
Trading	283,079	264,980	248,905	300,936	264,980	261,290
Fundraising and Community Grant Costs	33,258	10,000	21,434	69,158	10,000	56,244
Other Locally Raised Funds Expenditure	41,795	20,900	24,901	79,280	20,900	66,070
International Student - Employee Benefits - Salaries	103,398	104,720	104,037	103,398	104,720	104,037
International Student - Other Expenses	80,510	70,750	70,073	80,510	70,750	70,073
	1,533,388	1,445,269	1,458,448	1,622,918	1,445,269	1,546,812
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	878,415	764,343	622,636	955,580	764,343	799,861

Brisbane Cricket Trip – During 2025, a group of students travelled to Brisbane. The trip was fully funded by parents and fundraising, with a total income of \$43,512. The group consisted of 12 students, 5 parents, and 2 staff members. Total expenses were \$43,837. The trip contributed to students' educational achievement by allowing them to compete in an international tournament.

International Marketing Trips – During 2025, the Director of International travelled to Germany (March) and Tokyo (September) to attend Insider Fairs and the Education New Zealand Fair, and to visit agents. These trips were fully funded by the Board and formed part of the Director of International's strategy to engage with agents and recruit international students.

Rector Travel to Education New Zealand Fair – During 2025, the Rector travelled to Bangkok and Hong Kong (August/September) to attend the Education New Zealand Fair and agent workshops. He also visited two schools in Bangkok and conducted additional agent visits in Hong Kong. The trip was fully funded by the Board.

Food & Culture Tour for Senior Students – This trip was organised for senior students to experience authentic Vietnamese cuisine and cooking techniques, farming practices, and food production. The trip was linked to NCEA learning outcomes. It was funded by parents and fundraising, with total income of \$80,458 and total expenses of \$80,303.

4. Hostel Revenue and Expenses

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Revenue						
Hostel Fees	2,272,206	2,149,044	2,112,458	2,272,206	2,149,044	2,112,458
Other Revenue	79,709	121,300	105,360	67,587	121,300	105,360
Student Contributions	111,781	147,200	131,666	111,781	147,200	131,666
	2,463,696	2,417,544	2,349,484	2,451,574	2,417,544	2,349,484
Expenses						
Other Hostel Expenses	1,312,190	1,489,370	1,174,202	1,255,090	1,489,370	1,143,767
Depreciation	83,524	78,000	78,064	83,524	78,000	78,064
Employee Benefit - Salaries	979,590	897,310	964,899	979,590	897,310	964,899
	2,375,304	2,464,680	2,217,165	2,318,204	2,464,680	2,186,730
<i>Surplus/ (Deficit) for the year Hostel</i>	88,392	(47,136)	132,319	133,370	(47,136)	162,754

5. Learning Resources

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Curricular	287,428	401,642	282,642	282,623	401,642	282,642
Information and Communication Technology	38,584	85,170	38,509	38,584	85,170	38,509
Employee Benefits - Salaries	7,258,965	6,889,656	6,734,109	7,258,965	6,889,656	6,734,109
Staff Development	46,827	57,750	42,290	46,827	57,750	42,290
Depreciation	196,832	165,000	189,978	198,425	165,000	192,947
Other Learning Resource Expenses	25,871	45,254	42,890	25,871	45,254	42,890
	<u>7,854,507</u>	<u>7,644,472</u>	<u>7,330,418</u>	<u>7,851,295</u>	<u>7,644,472</u>	<u>7,333,387</u>

6. Administration

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Audit Fee	20,291	9,340	19,511	23,083	9,340	22,196
Board Fees and Expenses	11,865	6,600	6,485	11,447	6,600	6,485
Operating Lease	1,096	596	2,550	1,096	596	2,550
Legal Fees	6,640	5,004	11,785	6,640	5,004	11,785
Other Administration Expenses	134,407	113,330	120,385	138,912	113,330	126,769
Employee Benefits - Salaries	396,486	412,000	418,958	396,998	412,000	425,528
Insurance	95,550	94,430	82,219	95,550	94,430	82,219
Service Providers, Contractors and Consultancy	9,812	5,740	6,116	11,656	5,740	6,910
	<u>676,147</u>	<u>647,040</u>	<u>668,009</u>	<u>685,382</u>	<u>647,040</u>	<u>684,442</u>

7. Property

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Cyclical Maintenance Provision	66,911	35,000	(17,474)	66,911	35,000	(17,474)
Heat, Light and Water	208,481	162,000	144,428	208,481	162,000	144,428
Rates	63,249	70,760	55,377	64,877	70,760	56,901
Repairs and Maintenance	142,022	352,700	262,048	147,836	352,700	269,754
Use of Land and Buildings	982,489	1,079,445	1,079,445	982,489	1,079,445	1,079,445
Employee Benefits - Salaries	175,992	161,840	152,999	175,992	161,840	152,999
Other Property Expenses	294,520	294,284	280,113	294,520	294,284	280,113
	<u>1,933,664</u>	<u>2,156,029</u>	<u>1,956,936</u>	<u>1,941,106</u>	<u>2,156,029</u>	<u>1,966,166</u>

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

8. Cash and Cash Equivalents

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Bank Accounts	2,556,434	1,503,317	1,309,908	3,027,556	1,503,317	1,656,037
Cash equivalents and cash equivalents for Consolidated Statement of Cash Flows	<u>2,556,434</u>	<u>1,503,317</u>	<u>1,309,908</u>	<u>3,027,556</u>	<u>1,503,317</u>	<u>1,656,037</u>

Of the \$2,556,434 Cash and Cash Equivalents \$460,489 is subject to restrictions for the following reasons:

* \$459,985 of revenue received in advance is held by the Group as disclosed in note 14.

* \$504 is held by the school on behalf of the Ministry of Education. The funds have been provided as part of the school's 5 Year Agreement Funding and is required to be spent on the school's buildings. See note 18.

9. Accounts Receivable

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Receivables	16,236	155,154	155,154	39,299	155,154	171,229
Receivables from the Ministry of Education	28,344	10,401	10,401	28,344	10,401	10,401
Interest Receivable	8,858	16,789	16,789	8,858	16,789	16,789
Teacher Salaries Grant Receivable	625,490	586,227	586,227	625,490	586,227	586,227
	<u>678,928</u>	<u>768,571</u>	<u>768,571</u>	<u>701,991</u>	<u>768,571</u>	<u>784,646</u>
Receivables from Exchange Transactions	25,094	171,943	171,943	48,157	171,943	188,018
Receivables from Non-Exchange Transactions	653,834	596,628	596,628	653,834	596,628	596,628
	<u>678,928</u>	<u>768,571</u>	<u>768,571</u>	<u>701,991</u>	<u>768,571</u>	<u>784,646</u>

10. Investments

The Group and School's investments are classified as follows:

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Current Asset						
Short-term Bank Deposits	908,631	1,669,055	1,669,055	1,048,631	1,669,055	1,823,493
	908,631	1,669,055	1,669,055	1,048,631	1,669,055	1,823,493
Non-current Asset						
Equity Investments	-	-	-	91,239	-	84,108
	-	-	-	91,239	-	84,108
Total Investments	908,631	1,669,055	1,669,055	1,139,870	1,669,055	1,907,601

11. Property, Plant and Equipment

GROUP

	Opening Balance (Net Book Value) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2025						
Land	400,000	-	-	-	-	400,000
Buildings	1,092,490	112,543	-	-	(14,744)	1,190,289
Hostel	2,512,835	94,000	-	-	(83,524)	2,523,311
Furniture and Equipment	287,662	79,728	-	-	(54,379)	313,011
Information and Communication Technology	85,016	29,758	-	-	(25,833)	88,941
Motor Vehicles	96,416	29,174	-	-	(22,104)	103,486
Textbooks	10,495	4,511	-	-	(3,902)	11,104
Plant & Machinery	21,431	-	-	-	(217)	21,214
Leased Assets	112,157	84,371	-	-	(73,441)	123,087
Library Resources	13,061	6,372	(410)	-	(3,805)	15,218
	4,631,563	440,457	(410)	-	(281,949)	4,789,661

GROUP

	2025 Cost or Valuation \$	2025 Accumulated Depreciation \$	2025 Net Book Value \$	2024 Cost or Valuation \$	2024 Accumulated Depreciation \$	2024 Net Book Value \$
Land	400,000	-	400,000	400,000	-	400,000
Buildings	1,427,118	(236,829)	1,190,289	1,314,575	(222,085)	1,092,490
Hostel	3,760,071	(1,236,760)	2,523,311	3,666,070	(1,153,235)	2,512,835
Furniture and Equipment	1,176,395	(863,384)	313,011	1,123,710	(836,048)	287,662
Information and Communication Technology	447,447	(358,506)	88,941	417,690	(332,674)	85,016
Motor Vehicles	330,829	(227,343)	103,486	310,177	(213,761)	96,416
Textbooks	34,496	(23,392)	11,104	29,985	(19,490)	10,495
Plant & Machinery	21,739	(525)	21,214	21,739	(308)	21,431
Leased Assets	273,445	(150,358)	123,087	231,025	(118,868)	112,157
Library Resources	106,828	(91,610)	15,218	103,719	(90,658)	13,061
	7,978,368	(3,188,707)	4,789,661	7,618,690	(2,987,127)	4,631,563

SCHOOL

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2025						
Buildings	1,092,490	112,543	-	-	(14,744)	1,190,289
Hostel	2,512,835	94,000	-	-	(83,524)	2,523,311
Furniture and Equipment	287,662	79,728	-	-	(54,379)	313,011
Information and Communication Technology	82,264	29,758	-	-	(24,457)	87,565
Motor Vehicles	96,416	29,174	-	-	(22,104)	103,486
Textbooks	10,495	4,511	-	-	(3,902)	11,104
Leased Assets	112,157	84,371	-	-	(73,441)	123,087
Library Resources	13,061	6,372	(410)	-	(3,805)	15,218
	4,207,380	440,457	(410)	-	(280,356)	4,367,071

SCHOOL

	2025 Cost or Valuation \$	2025 Accumulated Depreciation \$	2025 Net Book Value \$	2024 Cost or Valuation \$	2024 Accumulated Depreciation \$	2024 Net Book Value \$
Buildings	1,427,118	(236,829)	1,190,289	1,314,575	(222,085)	1,092,490
Hostel	3,760,071	(1,236,760)	2,523,311	3,666,070	(1,153,235)	2,512,835
Furniture and Equipment	1,176,395	(863,384)	313,011	1,123,710	(836,048)	287,662
Information and Communication Technology	417,235	(329,670)	87,565	387,478	(305,214)	82,264
Motor Vehicles	330,829	(227,343)	103,486	310,177	(213,761)	96,416
Textbooks	34,496	(23,392)	11,104	29,985	(19,490)	10,495
Leased Assets	273,445	(150,358)	123,087	231,025	(118,868)	112,157
Library Resources	106,828	(91,610)	15,218	103,719	(90,658)	13,061
	7,526,417	(3,159,346)	4,367,071	7,166,739	(2,959,359)	4,207,380

The net carrying value of furniture and equipment held under a finance lease is \$123,087 (2024: \$112,517)

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.

12. Accounts Payable

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Creditors	263,247	191,214	191,214	269,988	191,214	211,261
Accruals	39,786	22,438	22,438	39,786	22,438	22,438
Employee Entitlements - Salaries	656,753	599,390	599,390	656,753	599,390	599,390
Employee Entitlements - Leave Accrual	32,566	34,946	34,946	32,566	34,946	34,946
	<u>992,352</u>	<u>847,988</u>	<u>847,988</u>	<u>999,093</u>	<u>847,988</u>	<u>868,035</u>
Payables for Exchange Transactions	992,352	847,988	847,988	999,093	847,988	868,035
	<u>992,352</u>	<u>847,988</u>	<u>847,988</u>	<u>999,093</u>	<u>847,988</u>	<u>868,035</u>

The carrying value of payables approximates their fair value.

13. Borrowings

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Loans due in one year	-	-	120,359	-	-	120,359
	<u>-</u>	<u>-</u>	<u>120,359</u>	<u>-</u>	<u>-</u>	<u>120,359</u>

The Group has borrowings at 31 December 2025 of \$nil (31 December 2024 \$120,359). This loan was received from the ANZ Bank for the purpose of hostel refurbishment. The loan was unsecured, non-interest bearing (being part of a set-off arrangement) and was fully repaid as of 31 December 2025.

14. Revenue Received in Advance

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Grants in Advance - Ministry of Education	7,500	62,283	62,283	7,500	62,283	62,283
International Student Fees in Advance	264,852	218,524	218,524	264,852	218,524	218,524
Hostel Fees in Advance	46,990	100,829	100,829	46,990	100,829	100,829
Other revenue in Advance	140,643	167,034	167,034	140,643	167,034	167,034
	<u>459,985</u>	<u>548,670</u>	<u>548,670</u>	<u>459,985</u>	<u>548,670</u>	<u>548,670</u>

15. Provision for Cyclical Maintenance

	2025 Actual \$	School and Group 2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	84,821	30,096	127,195
Increase to the Provision During the Year	66,911	35,000	(17,474)
Use of the Provision During the Year	(46,635)	19,725	(24,900)
Provision at the End of the Year	<u>105,097</u>	<u>84,821</u>	<u>84,821</u>
Cyclical Maintenance - Current	45,262	54,725	54,725
Cyclical Maintenance - Non current	59,835	30,096	30,096
	<u>105,097</u>	<u>84,821</u>	<u>84,821</u>

The School's cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's 10 Year Property plan.

16. Finance Lease Liability

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

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
No Later than One Year	79,822	50,000	72,894	79,822	50,000	72,894
Later than One Year	67,547	20,000	63,884	67,547	20,000	63,884
Future Finance Charges	(15,887)	(10,912)	(14,204)	(15,887)	(10,912)	(14,204)
	<u>131,482</u>	<u>59,088</u>	<u>122,574</u>	<u>131,482</u>	<u>59,088</u>	<u>122,574</u>
Represented by						
Finance lease liability - Current	70,333	47,442	63,486	70,333	47,442	63,486
Finance lease liability - Non-current	61,149	11,646	59,088	61,149	11,646	59,088
	<u>131,482</u>	<u>59,088</u>	<u>122,574</u>	<u>131,482</u>	<u>59,088</u>	<u>122,574</u>

17. Funds held in Trust

	2025 Actual \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	372,623	324,261	324,261	372,623	324,261	324,261
	<u>372,623</u>	<u>324,261</u>	<u>324,261</u>	<u>372,623</u>	<u>324,261</u>	<u>324,261</u>

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

18. Funds Held for Capital Works Projects

During the year the School and Group received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents per note 8, and includes retentions on the projects, if applicable.

School and Group

	2025	Opening Balances	Receipts from MOE	Payments	Board Contributions / Transfers	Closing Balances
		\$	\$	\$	\$	\$
Grandstand Roof #210189		(295,225)	21,968	(64,597)	327,854	-
MOE Project 210189 A		70,334	-	-	(70,334)	-
MOE Project 252818 - Boiler Pressure Vessel repairs		-	19,405	(18,901)	-	504
Totals		<u>(224,891)</u>	<u>41,373</u>	<u>(73,498)</u>	<u>257,520</u>	<u>504</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	504
Funds Receivable from the Ministry of Education	-

	2024	Opening Balances	Receipts from MOE	Payments	Board Contributions / Transfers	Closing Balances
		\$	\$	\$	\$	\$
Grandstand Roof #210189		(199,367)	123,521	(219,379)	-	(295,225)
MOE Project 210189 A		-	70,334	-	-	70,334
Pool Universal Bathroom Project (220300)		-	113,720	(113,720)	-	-
Totals		<u>(199,367)</u>	<u>307,575</u>	<u>(333,099)</u>	<u>-</u>	<u>(224,891)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	70,334
Funds Receivable from the Ministry of Education	(295,225)

19. Related Party Transactions

The Group is a controlled entity of the Crown, and the Crown provides the major source of revenue to the Group. The Group 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 Group would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Group 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.

20. Remuneration

Key management personnel compensation (School)

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

	2025 Actual \$	2024 Actual \$
<i>Board Members</i>		
Remuneration	2,865	3,365
<i>Leadership Team</i>		
Remuneration	1,497,621	1,336,416
Full-time equivalent members	11	10
Total key management personnel remuneration	1,500,486	1,339,781

There are 8 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has Finance (1 member) and Property (1 member) committees that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2025 Actual \$000	2024 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	220 - 230	220 - 230
Benefits and Other Emoluments	5 - 6	5 - 6
Termination Benefits	0	0

Other Employees

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

Remuneration \$000	2025 FTE Number	2024 FTE Number
100 - 110	20.00	18.00
110 - 120	14.00	13.00
120 - 130	5.00	3.00
130 - 140	2.00	1.00
140 - 150	1.00	
	42.00	35.00

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

21. 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:

School	2025 Actual	2024 Actual
Total	-	\$0
Number of People	-	nil

22. Contingencies

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

Holidays Act Compliance – Schools Payroll

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

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

Pay Equity and Collective Agreement Funding Wash-up

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

23. Commitments

(a) Capital Commitments

At 31 December 2025, the Board had capital commitments of \$nil (2024: \$54,934).

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 18.

(b) Operating Commitments

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

24. 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 \$	School 2025 Budget (Unaudited) \$	2024 Actual \$	2025 Actual \$	Group 2025 Budget (Unaudited) \$	2024 Actual \$
Cash and Cash Equivalents	2,556,434	1,503,317	1,309,908	3,027,556	1,503,317	1,656,037
Receivables	678,928	768,571	768,571	701,991	768,571	784,646
Investments - Term Deposits	908,631	1,669,055	1,669,055	1,048,631	1,669,055	1,823,493
Total financial assets measured at amortised cost	4,143,993	3,940,943	3,747,534	4,778,178	3,940,943	4,264,176

Financial liabilities measured at amortised cost

Payables	992,352	847,988	847,988	999,093	847,988	868,035
Borrowings - Loans	-	-	120,359	-	-	120,359
Finance Leases	131,482	59,088	122,574	131,482	59,088	122,574
Total financial liabilities measured at amortised cost	1,123,834	907,076	1,090,921	1,130,575	907,076	1,110,968

Financial assets at fair value through other comprehensive revenue and expense

Equity Investments	-	-	-	91,239	-	84,108
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Fair value estimation

Equity investments held have been revalued to the quoted value at year end.

25. Events After Balance Date

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

26. Investment in Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Value of investment \$000	
			2025	2024	2025	2024
The Otago Boys' High School Foundation	Promote education, learning and development of Otago Boys High School Students	Dunedin, New Zealand	100%	100%	-	-

All subsidiaries have 31 December balance dates, are 100% owned by the School, and are incorporated and domiciled in New Zealand.

The School controls the Trust for financial reporting purposes because, in substance, the school predetermined the objectives of the Trust at establishment and benefits from the Trust's complementary activities.

The Trust is a registered charity. Under its constitution, the company is prohibited from paying dividends (or similar distributions) to the School.

27. 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 OTAGO BOYS HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Otago Boys High School (the school). The Auditor-General has appointed me, Mike Hawken, using the staff and resources of Deloitte 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
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 2 June 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 a Statement of KiwiSport funding. The Board is responsible for the other information that it presents alongside its annual financial statements.



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

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.

A handwritten signature in blue ink, appearing to read "M. Hawken".

Mike Hawken

for Deloitte Limited

On behalf of the Auditor-General

Dunedin, New Zealand