

# BALMACEWEN INTERMEDIATE SCHOOL

Annual Financial Statements - For the year ended 31 December 2025

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# Balmacewen Intermediate 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.

ELAINE ANNE HARGREAVES

Full Name of Presiding Member

Corey Randall Haiman Rangitoto

Full Name of Principal

Elaine Hargreaves

Signature of Presiding Member

[Handwritten Signature]

Signature of Principal

17/6/26

Date

17/6/26

Date

# Balmacewen Intermediate School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
<b>Revenue</b>				
Government Grants	2	4,535,094	914,664	4,626,568
Locally Raised Funds	3	318,377	232,000	317,840
Interest		18,619	9,600	31,518
<b>Total Revenue</b>		<b>4,872,090</b>	<b>1,156,264</b>	<b>4,975,926</b>
<b>Expense</b>				
Locally Raised Funds	3	251,078	158,200	244,365
Learning Resources	4	3,340,586	324,000	3,486,414
Administration	5	244,692	234,500	245,588
Interest		2,565	-	1,547
Property	6	1,048,143	254,500	1,111,531
Loss on Disposal of Property, Plant and Equipment		-	-	18,222
<b>Total Expense</b>		<b>4,887,064</b>	<b>971,200</b>	<b>5,107,667</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(14,974)</b>	<b>185,064</b>	<b>(131,741)</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(14,974)</b>	<b>185,064</b>	<b>(131,741)</b>

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

# Balmacewen Intermediate School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
<b>Equity at 1 January</b>		1,158,942	1,158,942	1,221,590
Total comprehensive revenue and expense for the year		(14,974)	185,064	(131,741)
Contribution - Furniture and Equipment Grant		-	-	55,554
Contributions from the Ministry of Education		-	-	35,119
Distributions to the Ministry of Education		-	-	(21,580)
<b>Equity at 31 December</b>		1,143,968	1,344,006	1,158,942
Accumulated comprehensive revenue and expense Reserves		1,143,968	1,344,006	1,158,942
<b>Equity at 31 December</b>		1,143,968	1,344,006	1,158,942

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.

# Balmacewen Intermediate School

## Statement of Financial Position

As at 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	161,032	289,282	195,218
Accounts Receivable	8	265,999	266,687	266,687
GST Receivable		13,810	-	-
Prepayments		19,046	17,636	17,636
Investments	9	373,622	358,111	358,111
Funds Receivable for Capital Works Projects	15	1,154	-	37,606
		834,663	931,716	875,258
<b>Current Liabilities</b>				
GST Payable		-	4,798	4,799
Accounts Payable	11	305,944	301,524	301,524
Revenue Received in Advance	12	7,523	5,758	5,758
Provision for Cyclical Maintenance	13	62,602	101,854	101,854
Finance Lease Liability	14	14,014	13,906	13,906
Funds held for Capital Works Projects	15	-	-	37,606
		390,083	427,840	465,447
<b>Working Capital Surplus/(Deficit)</b>		444,580	503,876	409,811
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	872,716	998,889	913,890
		872,716	998,889	913,890
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	158,339	139,426	139,426
Finance Lease Liability	14	14,989	19,333	25,333
		173,328	158,759	164,759
<b>Net Assets</b>		1,143,968	1,344,006	1,158,942
<b>Equity</b>		1,143,968	1,344,006	1,158,942

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

# Balmacewen Intermediate School

## Statement of Cash Flows

For the year ended 31 December 2025

	Note	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,112,084	914,664	1,203,764
Locally Raised Funds		312,434	232,000	303,263
International Students		1,330	-	3,150
Goods and Services Tax (net)		(18,609)	-	14,468
Payments to Employees		(614,406)	(355,200)	(787,711)
Payments to Suppliers		(761,300)	(616,000)	(740,385)
Interest Paid		(2,565)	-	(1,547)
Interest Received		17,699	9,600	28,599
Net cash from/(to) Operating Activities		46,667	185,064	23,601
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(60,145)	(85,000)	(93,164)
Purchase of Investments		(15,511)	-	(19,145)
Net cash from/(to) Investing Activities		(75,656)	(85,000)	(112,309)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	35,119
Finance Lease Payments		(4,043)	(6,000)	(16,022)
Funds Administered on Behalf of Other Parties		(1,154)	-	(21,580)
Net cash from/(to) Financing Activities		(5,197)	(6,000)	(2,483)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(34,186)</b>	<b>94,064</b>	<b>(91,191)</b>
Cash and cash equivalents at the beginning of the year	7	195,218	195,218	286,409
<b>Cash and cash equivalents at the end of the year</b>	7	<b>161,032</b>	<b>289,282</b>	<b>195,218</b>

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.

# Balmacewen Intermediate School

## Notes to the Financial Statements

### For the year ended 31 December 2025

#### I. Statement of Accounting Policies

##### 1) Reporting Entity

Balmacewen Intermediate 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.

##### 2) Basis of Preparation

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

##### Financial Reporting Standards Applied

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

##### PBE Accounting Standards Reduced Disclosure Regime

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

##### Measurement Base

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

##### Presentation Currency

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

##### Specific Accounting Policies

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

##### Critical Accounting Estimates And Assumptions

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

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

##### Cyclical maintenance

The School recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the School buildings. The estimate is based on the School's best estimate of the cost of painting the School and when the School is required to be painted, based on an assessment of the School's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

##### 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 10.

### **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 14. Future operating lease commitments are disclosed in note 19.

#### **Recognition of grants**

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

### **c) Revenue Recognition**

#### **Government Grants**

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

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

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

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

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

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

#### **Other Grants where conditions exist**

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

#### **Donations, Gifts and Bequests**

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

#### **Interest Revenue**

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

### **d) 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.

### **) 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.

### **) 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.

### **) 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.

### **) Property, Plant and Equipment**

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

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

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

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

### **Finance Leases**

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

### **Depreciation**

Property, plant and equipment except for library resources 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	10–50 years
Board-owned Buildings	10–50 years
Furniture and Equipment	2–10 years
Information and Communication Technology	4–6 years
Intangible Assets	3 years
Motor Vehicles	5 years
Textbooks	3 years
Leased Assets held under a Finance Lease	3–4 years
Library Resources	10 years

### **) 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.

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.

#### **k) 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.

#### **l) 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.

#### **m) Revenue Received in Advance**

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

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

#### **n) Funds held for Capital works**

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

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

#### **o) 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.

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

The School's financial liabilities comprise accounts payable, borrowings, and finance lease liability. Financial liabilities are 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 School 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 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.

#### **t) Budget Figures**

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

#### **u) 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	1,065,776	914,664	1,147,774
Teachers' Salaries Grants	2,698,250	-	2,569,999
Use of Land and Buildings Grants	717,494	-	781,739
Other Government Grants	53,574	-	127,056
	<u>4,535,094</u>	<u>914,664</u>	<u>4,626,568</u>

## 3. Locally Raised Funds

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

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations and Bequests	45,007	35,000	43,526
Fees for Extra Curricular Activities	227,520	157,000	202,909
Trading	32,170	40,000	31,678
Other Revenue	12,350	-	36,577
International Student Fees	1,330	-	3,150
	<u>318,377</u>	<u>232,000</u>	<u>317,840</u>
<b>Expense</b>			
Extra Curricular Activities Costs	247,715	154,200	239,617
Fundraising and Community Grant Costs	3,363	-	4,432
Other Locally Raised Funds Expenditure	-	4,000	316
	<u>251,078</u>	<u>158,200</u>	<u>244,365</u>
<b>Surplus/ (Deficit) for the year Locally Raised Funds</b>	<u>67,299</u>	<u>73,800</u>	<u>73,475</u>

## 4. Learning Resources

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Curricular	66,782	102,000	95,549
Information and Communication Technology	166	-	5,334
Employee Benefits - Salaries	3,140,729	193,000	3,248,419
Staff Development	17,256	25,000	22,200
Depreciation	101,318	-	104,282
Other Learning Resources	14,335	4,000	10,630
	<u>3,340,586</u>	<u>324,000</u>	<u>3,486,414</u>

### 5. Administration

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Audit Fees	12,037	5,500	11,814
Board Fees and Expenses	2,415	4,500	1,510
Legal Fees	4,181	-	830
Other Administration Expenses	98,043	97,700	91,472
Employee Benefits - Salaries	109,886	109,200	124,169
Insurance	13,741	14,000	12,261
Service Providers, Contractors and Consultancy	4,389	3,600	3,532
	<u>244,692</u>	<u>234,500</u>	<u>245,588</u>

### i. Property

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Cyclical Maintenance	(20,339)	15,000	43,453
Heat, Light and Water	53,135	49,000	56,161
Rates	20,150	15,000	17,109
Repairs and Maintenance	70,468	28,500	36,850
Use of Land and Buildings	717,494	-	781,739
Employee Benefits - Salaries	70,933	53,000	60,896
Other Property Expenses	136,302	94,000	115,323
	<u>1,048,143</u>	<u>254,500</u>	<u>1,111,531</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.

### 6. Cash and Cash Equivalents

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Bank Accounts	161,032	289,282	195,218
Cash and cash equivalents for Statement of Cash Flows	<u>161,032</u>	<u>289,282</u>	<u>195,218</u>

Of the \$161,032 Cash and Cash Equivalents \$7,523 is subject to restrictions for the following reasons:  
\$7,523 revenue received in advance.

### 7. Accounts Receivable

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Receivables	15,453	15,859	9,075
Receivables from the Ministry of Education	-	-	6,784
Interest Receivable	4,487	3,567	3,567
Teacher Salaries Grant Receivable	246,059	247,261	247,261
	<u>265,999</u>	<u>266,687</u>	<u>266,687</u>
Receivables from Exchange Transactions	19,940	19,426	12,642
Receivables from Non-Exchange Transactions	246,059	247,261	254,045
	<u>265,999</u>	<u>266,687</u>	<u>266,687</u>

## 9. Investments

The School's investment activities are classified as follows:

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
Current Asset			
Short-term Bank Deposits	\$ 373,622	\$ 358,111	\$ 358,111
<b>Total Investments</b>	<b>373,622</b>	<b>358,111</b>	<b>358,111</b>

## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
<b>2025</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Building Improvements	630,271	17,402	-	-	(39,567)	608,106
Furniture and Equipment	131,160	-	-	-	(28,040)	103,120
Information and Communication Technology	81,473	-	-	-	(9,115)	72,358
Motor Vehicles	-	34,629	-	-	(3,174)	31,455
Leased Assets	37,726	4,382	-	-	(14,768)	27,340
Library Resources	33,260	3,732	-	-	(6,654)	30,337
	<b>913,890</b>	<b>60,145</b>	<b>-</b>	<b>-</b>	<b>(101,318)</b>	<b>872,716</b>

The net carrying value of furniture and equipment held under a finance lease is \$27,340 (2024: \$37,726)

### 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
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Building Improvements	1,255,089	(646,984)	608,106	1,237,687	(607,417)	630,271
Furniture and Equipment	758,753	(655,634)	103,120	758,753	(627,594)	131,160
Information and Communication Technology	175,247	(102,889)	72,358	175,247	(93,773)	81,473
Motor Vehicles	77,908	(46,453)	31,455	43,279	(43,279)	-
Leased Assets	119,708	(92,366)	27,340	116,656	(78,930)	37,726
Library Resources	113,190	(82,853)	30,337	109,458	(76,198)	33,260
	<b>2,499,895</b>	<b>(1,627,179)</b>	<b>872,716</b>	<b>2,441,080</b>	<b>(1,527,191)</b>	<b>913,890</b>

## 11. Accounts Payable

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
Creditors	\$ 12,000	\$ 19,838	\$ 5,050
Accruals	29,624	9,203	15,995
Employee Entitlements - Salaries	264,320	272,483	272,483
Banking Staffing Overuse			7,996
	<b>305,944</b>	<b>301,524</b>	<b>301,524</b>
Payables for Exchange Transactions	305,944	301,524	301,524
	<b>305,944</b>	<b>301,524</b>	<b>301,524</b>

The carrying value of payables approximates their fair value.

## 12. Revenue Received in Advance

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
Other revenue in Advance	\$ 7,523	\$ 5,758	\$ 5,758
	<u>7,523</u>	<u>5,758</u>	<u>5,758</u>

## 13. Provision for Cyclical Maintenance

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
Provision at the Start of the Year	\$ 241,280	\$ 139,426	\$ 197,827
Increase/(decrease) to the Provision During the Year	(20,339)	15,000	43,453
Provision at the End of the Year	<u>220,941</u>	<u>154,426</u>	<u>241,280</u>
Cyclical Maintenance - Current	62,602	101,854	101,854
Cyclical Maintenance - Non current	158,339	139,426	139,426
	<u>220,941</u>	<u>241,280</u>	<u>241,280</u>

Under 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.

## 4. 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
Up to Later than One Year	\$ 14,014	\$ 13,906	\$ 13,906
After than One Year	14,988	31,333	25,333
	<u>29,002</u>	<u>45,239</u>	<u>39,239</u>
Represented by			
Finance lease liability - Current	14,014	13,906	13,906
Finance lease liability - Non current	14,989	19,333	25,333
	<u>29,003</u>	<u>33,239</u>	<u>39,239</u>

## 15. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7, and includes retentions on the projects, if applicable.

	2025	Opening Balances	Receipts from MOE	Payments	Board Contributions / Transfers	Closing Balances
		\$	\$	\$	\$	\$
Board Room - Project		37,606	10,385	(11,539)	(37,606)	(1,154)
5YA - Project		(37,606)	-	-	37,606	-
Totals		-	10,385	(11,539)	-	(1,154)

### Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	(1,154)

	2024	Opening Balances	Receipts from MOE	Payments	Board Contributions / Transfers	Closing Balances
		\$	\$	\$	\$	\$
Board Room - Project		-	127,940	(90,335)	-	37,606
5YA - Project		-	46,047	(105,233)	21,580	(37,606)
Totals		-	173,987	(195,568)	21,580	-

### Represented by:

Funds Held on Behalf of the Ministry of Education	37,606
Funds Receivable from the Ministry of Education	(37,606)

## 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 condition no more or less favourable than those that it is reasonable to expect the School would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

## 17. Remuneration

### Key management personnel compensation

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

	2025 Actual \$	2024 Actual \$
Board Members Remuneration	2,415	1,510
Leadership Team Remuneration	977,174	959,019
Full-time equivalent members	8	8
Total key management personnel remuneration	<u>979,589</u>	<u>960,529</u>

There are 6 members of the Board excluding the Principal. The Board has held 6 full meetings of the Board in the year. The Board also has subcommittees for Finance, Curriculum, Personnel and Property committees that meet prior to each full board meeting. 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	170-180	160-170
Benefits and Other Emoluments	25-30	20-25

### 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	7	4
110-120	2	2
120-130	2	2
	<u>11</u>	<u>8</u>

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

## 3. 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.

## 19. Commitments

### (a) Capital Commitments

At 31 December 2025, the Board had capital commitments of nil (2024:\$0)

### (b) Operating Commitments

As at 31 December 2025, the Board has entered into the following contracts:

#### (a) Cleaning contract with Crest Commercial Cleaning Limited

	2025 Actual \$	2024 Actual \$
No later than One Year	75,950	2,234
Later than One Year and No Later than Five Years	73,028	-
	<u>148,978</u>	<u>2,234</u>

The total lease payments incurred during the period were nil as first payment was in February 2026 (2024: 4,072).

## 20. 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	161,032	289,282	195,218
Receivables	265,999	266,687	266,687
Investments - Term Deposits	373,622	358,111	358,111
Total financial assets measured at amortised cost	<u>800,653</u>	<u>914,080</u>	<u>820,016</u>

### Financial liabilities measured at amortised cost

Payables	305,944	301,524	301,524
Finance Leases	29,003	33,239	39,239
Total financial liabilities measured at amortised cost	<u>334,947</u>	<u>334,763</u>	<u>340,763</u>

## 21. Events After Balance Date

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



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF BALMACEWEN INTERMEDIATE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Balmacewen Intermediate School (the School). The Auditor-General has appointed me, Heidi Rautjoki, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on pages 3 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 17 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.

# Deloitte

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.



Heidi Rautjoki  
for Deloitte Limited  
On behalf of the Auditor-General  
Dunedin, New Zealand