



59
SACRED HEART COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number: 59
Headmaster: Mr Patrick Walsh
School Address: 250 West Tamaki Road Glendowie Auckland
School Postal Address: 250 West Tamaki Road Glendowie Auckland
School Phone: 09 529 3660
School Email: office@sacredheart.school.nz

Members of the Board

Name	Position	How Position Gained		Term Expired/ Expires/Resigned
Mr Patrick Walsh	Headmaster	ex Officio	Headmaster	-
Mr Brendon Gibson	Parents' Representative	Re-Elected September 2022	Company Partner	Sep-25
Mr John O'Brien	Parents' Representative	Re-Elected September 2022	Property Manager	Sep-25
Mr Peter Fa'afiu	Parents' Representative	Elected September 2022	Professional Director	Sep-25
Mr Nick Ansley	Proprietors Representative	Appointed by Proprietor	Property Manager	Sep-25
Mr Ming Deng	Student Representative	Elected October 2024	Student	Sep-25
Mr Matthew Harris	Presiding Member	Re-Elected September 2025	Lawyer	Sep-28
Mrs Lucy Tomlinson	Parents' Representative	Re-Elected September 2025	Deputy Principal - Pakuranga College	Sep-28
Mr Colin Tukuitonga	Parents' Representative	Elected September 2025	Doctor, Public Health Medicine Specialist	Sep-28
Mr Tony Atina	Parents' Representative	Elected September 2025	Campus Director	Sep-28
Mr Greg Beecroft	Parents' Representative	Elected September 2025	Auckland Regional Director	Sep-28
Mrs Michelle Olsen	Deputy Chairperson and Proprietors Representative	Appointed by Proprietor	Operations Manager - Logistics	Sep-28
Mrs Patrice Hamilton	Proprietors Representative	Appointed by Proprietor	Senior Treasury Funding Manager	Sep-28
Mr Sam Wimssett	Proprietors Representative	Appointed by Proprietor	Lawyer	Sep-28
Mr Peleseuma Anitelea	Proprietors Representative	Appointed by Proprietor	Manager	Sep-28
Mr Grant van Ansem	Staff Representative	Re-Elected September 2025	Teacher	Sep-28
Mr Hamish Redmore	Student Representative	Elected September 2025	Student	Sep-28

Accountant: Mrs Brigitte Owers

SACRED HEART COLLEGE

Annual Report - For the year ended 31 December 2025

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Sacred Heart College

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.

Matthew Charles Harris

Full Name of Presiding Member

[Handwritten Signature]

Signature of Presiding Member

20/05/2026

Date:

PATRICK WALSH

Full Name of Headmaster

[Handwritten Signature]

Signature of Headmaster

20/05/2026

Date:

Sacred Heart College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue				
Government Grants	2	12,871,790	11,757,178	11,800,622
Locally Raised Funds	3	6,460,498	6,106,423	5,375,524
Use of Proprietor's Land and Buildings		9,111,250	9,357,000	9,357,000
Interest Income		302,177	281,022	410,077
Total Revenue		<u>28,745,715</u>	<u>27,501,623</u>	<u>26,943,223</u>
Expenses				
Locally Raised Funds	3	1,772,228	1,473,389	1,438,628
Learning Resources	4	13,975,812	13,580,366	13,003,010
Administration	5	1,810,762	1,931,513	1,850,211
Finance		9,584	12,300	9,034
Property	6	11,088,658	11,203,695	10,965,572
		<u>28,657,044</u>	<u>28,201,263</u>	<u>27,266,455</u>
Net Surplus / (Deficit) for the year		88,671	(699,640)	(323,232)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>88,671</u>	<u>(699,640)</u>	<u>(323,232)</u>

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

Sacred Heart College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Equity at 1 January		5,634,480	5,634,480	5,371,538
Total comprehensive revenue and expense for the year		88,671	(699,640)	(323,232)
Contributions from the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		245,482	(376,407)	586,174
Equity at 31 December		5,968,633	4,558,433	5,634,480
Accumulated comprehensive revenue and expense		5,968,633	4,558,433	5,634,480
Equity at 31 December		5,968,633	4,558,433	5,634,480

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.



Sacred Heart College

Statement of Financial Position

As at 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Current Assets				
Cash and Cash Equivalents	7	1,759,889	1,325,850	1,024,347
Accounts Receivable	8	1,065,081	907,083	1,066,807
GST Receivable		27,716	103,217	103,216
Prepayments		170,244	291,960	291,962
Inventories	9	127,789	140,000	138,910
Investments	10	7,500,000	5,400,000	7,500,000
		<u>10,650,719</u>	<u>8,168,110</u>	<u>10,125,242</u>
Current Liabilities				
Accounts Payable	12	2,928,964	1,475,649	1,602,613
Revenue Received in Advance	13	4,861,400	2,915,665	3,314,132
Provision for Cyclical Maintenance	14	123,458	56,547	56,547
Finance Lease Liability	15	46,520	80,356	80,357
Funds held in Trust	16	694,815	501,452	1,017,992
Funds held on behalf of Kahui Ako	17	3,879	8,140	8,140
		<u>8,659,036</u>	<u>5,037,809</u>	<u>6,079,781</u>
Working Capital Surplus/(Deficit)		1,991,683	3,130,301	4,045,461
Non-current Assets				
Property, Plant and Equipment	11	4,245,837	1,792,367	1,953,254
		<u>4,245,837</u>	<u>1,792,367</u>	<u>1,953,254</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	153,084	192,802	192,802
Finance Lease Liability	15	115,803	171,433	171,433
		<u>268,887</u>	<u>364,235</u>	<u>364,235</u>
Net Assets		<u>5,968,633</u>	<u>4,558,433</u>	<u>5,634,480</u>
Equity		<u>5,968,633</u>	<u>4,558,433</u>	<u>5,634,480</u>

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



Sacred Heart College

Statement of Cash Flows

For the year ended 31 December 2025

	Note	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Cash flows from Operating Activities				
Government Grants		3,561,049	3,302,900	3,346,344
Locally Raised Funds		5,461,873	4,836,085	4,877,163
International Students		2,588,978	926,132	1,846,488
Goods and Services Tax (net)		75,495	-	(357,543)
Payments to Employees		(4,915,162)	(5,364,608)	(4,664,393)
Payments to Suppliers		(4,630,641)	(4,611,513)	(4,505,899)
Cyclical maintenance payments in the year		-	-	-
Interest Paid		(9,583)	(12,300)	(9,032)
Interest Received		376,342	379,519	410,566
Net cash from/(to) Operating Activities		2,508,851	(543,785)	943,694
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(1,498,919)	(363,220)	(545,998)
Purchase of Investments		-	2,100,000	(500,000)
Net cash from/(to) Investing Activities		(1,498,919)	1,736,780	(1,045,998)
Cash flows from Financing Activities				
Furniture and Equipment Grant		245,482	(376,407)	586,172
Finance Lease Payments		(136,152)	-	(71,239)
Funds Administered on Behalf of Third Parties		(383,720)	(515,085)	325,288
Net cash from/(to) Financing Activities		(274,390)	(891,492)	840,221
Net increase/(decrease) in cash and cash equivalents		735,542	301,503	737,917
Cash and cash equivalents at the beginning of the year	7	1,024,347	1,024,347	286,430
Cash and cash equivalents at the end of the year	7	1,759,889	1,325,850	1,024,347

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense 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.



Sacred Heart College

Notes to the Financial Statements

For the year ended 31 December 2025

1. Statement of Accounting Policies

a) Reporting Entity

Sacred Heart College (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with 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

A school recognises its obligation to maintain integrated buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15.

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 either received in cash by the School or paid directly by the Ministry of Education.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The 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.

g) Inventories

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

h) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the accounts receivable balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

i) Property, Plant and Equipment

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

Improvements to buildings owned by the Proprietor 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. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements to the Proprietor Owned Assets	20 years
Furniture and equipment	8 - 10 years
Information and communication technology	4 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	8 years
Leasehold Improvements	Term of Lease

j) Impairment of property, plant, and equipment and intangible assets

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.

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 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, annual leave earned, by non teaching staff, to 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 students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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

n) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of 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 Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the Kahui Ako programme), all income and expenditure related to the provision of the service is recorded in the Statement of 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 Proprietor. 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 schools 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 and finance lease liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

r) 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 statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) 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.

u) Grants and Capital Contributions

Government grants and other contributions received for the acquisition or construction of non-current assets are recognised as capital contributions and recorded directly in equity. Such grants are initially recognised in equity when received and are transferred to capital reserves once the conditions of the grant have been satisfied and the related assets have been acquired.

Capital grants are not recognised as income in the statement of comprehensive income. Property, plant and equipment acquired with capital grants are recognised at gross cost and depreciated over their estimated useful lives.

2. Government Grants

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Government Grants - Ministry of Education	3,415,255	3,113,666	3,173,710
Teachers' Salaries Grants	9,310,742	8,454,278	8,454,278
Other Government Grants	145,793	189,234	172,634
	<u>12,871,790</u>	<u>11,757,178</u>	<u>11,800,622</u>

3. Locally Raised Funds

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue			
Donations	3,176,376	3,089,682	2,827,321
Curriculum related Activities - Purchase of goods and services	504,447	576,193	455,817
Fees for Extra Curricular Activities	367,401	288,430	317,789
Trading	662,073	666,070	639,970
Fundraising & Community Grants	181,713	82,840	28,538
Other Revenue	377,717	411,430	333,283
International Student Fees	1,190,771	991,778	772,806
	<u>6,460,498</u>	<u>6,106,423</u>	<u>5,375,524</u>
Expenses			
Extra Curricular Activities Costs	627,460	508,906	527,550
Trading	619,320	513,455	537,135
International Student - Student Recruitment	144,531	138,000	94,556
International Student - Employee Benefit - Salaries	169,272	172,559	180,586
International Student - Overseas trips	68,191	65,000	49,848
International Student - Other Expenses	143,454	75,469	48,953
	<u>1,772,228</u>	<u>1,473,389</u>	<u>1,438,628</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>4,688,270</u>	<u>4,633,034</u>	<u>3,936,896</u>

During the year the School hosted 69 FTE International students (2024: 51)

International students

During the year ended December 2025 the International Director, accompanied by the Headmaster, travelled to China, Hong Kong, Thailand, Japan, Korea and Germany for the purpose of recruiting new students for the school. He also attended seminars and fairs. The total cost was \$61,191. The travel was funded from the net surplus from international student fees revenue.

Overseas Travel

China and Japan Trips. During the 2025 financial year, a select number of students, staff and parents travelled to these countries. The purpose of these trips was to provide students with an immersive learning experience through the application of learning into the real world.

For China students, this involved putting their language learnings into practice with locals, as well as developing an solid understanding of the cultural and social practices of China. This enabled students to enhance their learning through direct application. 31 students, 3 staff and 3 parents attended this trip. The total cost of the China trip was \$115,545.

For Japan students, this involved being able to visit historical landmarks, architecture and cultural experiences whilst collaborating with other schools in rugby tournaments to further support the efforts of the International Director by strengthening ties with Japanese schools that have previously sent students to SHC, and enhancing the College's reputation by connecting with parents of current Japanese rugby players. 28 students, 4 staff and 10 parents attended this trip. The total cost of the Japan trip was \$228,861.

Both trips were funded by students, parents and fundraising initiatives.

During the year, one staff member travelled to Fiji as part of the twinning programme initially established in 2024. The trip cost was \$1,197 and was funded by parents, students and an award for special character work.

4. Learning Resources

	2025	2025	2024
	\$	\$	\$
Curricular	869,759	978,555	732,687
Information and Communication Technology	51,574	76,500	75,986
Library Resources	42,679	54,206	57,719
Employee Benefits - Salaries	12,445,746	11,905,497	11,582,569
Staff Development	45,346	41,500	47,558
Depreciation	520,708	524,108	506,491
	<u>13,975,812</u>	<u>13,580,366</u>	<u>13,003,010</u>

5. Administration

	2025	2025	2024
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	24,757	24,757	21,028
Board Fees	4,285	6,500	6,515
Board Expenses	45,333	108,031	123,014
Communication	7,076	8,500	8,769
Consumables	28,170	31,500	31,023
Legal Fees	657	20,000	12,065
Other	365,177	341,900	350,951
Employee Benefits - Salaries	1,265,700	1,319,536	1,235,628
Insurance	69,607	70,789	61,218
	<u>1,810,762</u>	<u>1,931,513</u>	<u>1,850,211</u>

6. Property

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	410,303	413,500	398,566
Consultancy and Contract Services	160,445	112,348	64,367
Cyclical Maintenance Provision	109,958	56,547	24,464
Grounds	307,023	267,000	225,740
Heat, Light and Water	302,129	331,000	280,016
Repairs and Maintenance	263,808	273,000	287,628
Use of Land and Buildings	9,111,250	9,357,000	9,357,000
Employee Benefits - Salaries	423,742	393,300	327,791
	<u>11,088,658</u>	<u>11,203,695</u>	<u>10,965,572</u>

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

7. Cash and Cash Equivalents

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Cash on Hand	2,000	2,000	2,000
Bank Accounts	1,757,889	1,323,850	1,022,347
Short-term Bank Deposits	-	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>1,759,889</u>	<u>1,325,850</u>	<u>1,024,347</u>

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

Of the \$1,759,889 Cash and Cash Equivalents and \$7,500,000 in short-term bank deposits (Note 10), \$984 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent. If these requirements are not met, the funds will need to be returned.

\$3,532,857 is from international student fees pertaining to the 2026 financial year (Note 13), \$1,327,599 is from other revenue received in advance (Note 13), \$3,879 is for Kahui Ako (Note 17) and \$694,815 is for funds held on behalf of third parts (Note 16).

8. Accounts Receivable

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Receivables	75,872	-	62,681
Interest Receivable	93,954	70,122	168,619
Teacher Salaries Grant Receivable	895,255	836,961	835,507
	<u>1,065,081</u>	<u>907,083</u>	<u>1,066,807</u>
Receivables from Exchange Transactions	169,826	70,122	231,300
Receivables from Non-Exchange Transactions	895,255	836,961	835,507
	<u>1,065,081</u>	<u>907,083</u>	<u>1,066,807</u>

9. Inventories

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
School Uniforms	127,789	140,000	138,910
	<u>127,789</u>	<u>140,000</u>	<u>138,910</u>

10. Investments

The School's investment activities are classified as follows:

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	7,500,000	5,400,000	7,500,000
Total Investments	<u>7,500,000</u>	<u>5,400,000</u>	<u>7,500,000</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2025	\$	\$	\$	\$	\$	\$
Furniture and Equipment	1,240,132	1,428,365	-	-	(331,702)	2,336,795
Information and Communication Technology	318,623	60,561	-	-	(104,863)	274,321
Motor Vehicles	24,758	83,590	-	-	(26,304)	82,044
Textbooks	68,022	31,196	-	-	(21,624)	77,594
Leased Assets	239,498	46,685	(120,208)	-	(24,334)	141,641
Library Resources	58,921	14,425	-	-	(11,881)	61,465
TradeMark	3,300	1,000	-	-	-	4,300
Leasehold Improvements	-	1,267,677	-	-	-	1,267,677
Balance at 31 December 2025	<u>1,953,254</u>	<u>2,933,499</u>	<u>(120,208)</u>	<u>-</u>	<u>(520,708)</u>	<u>4,245,837</u>

The net carrying value of equipment held under a finance lease is \$141,641 (2024: \$239,498)

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
	\$	\$	\$	\$	\$	\$
Furniture and Equipment	8,161,245	(5,824,450)	2,336,795	6,732,879	(5,492,747)	1,240,132
Information and Communication Technology	2,550,050	(2,275,729)	274,321	2,489,489	(2,170,866)	318,623
Motor Vehicles	229,167	(147,123)	82,044	145,576	(120,818)	24,758
Textbooks	302,328	(224,734)	77,594	271,132	(203,110)	68,022
Leased Assets	250,128	(108,487)	141,641	364,930	(125,432)	239,498
Library Resources	315,231	(253,766)	61,465	300,806	(241,885)	58,921
TradeMark	4,300	-	4,300	3,300	-	3,300
Leasehold Improvements	1,267,677	-	1,267,677	-	-	-
Balance at 31 December	<u>13,080,126</u>	<u>(8,834,289)</u>	<u>4,245,837</u>	<u>10,308,112</u>	<u>(8,354,858)</u>	<u>1,953,254</u>

12. Accounts Payable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Creditors	1,660,670	364,649	454,814
Accruals	100,452	108,000	118,259
Employee Entitlements - Salaries	1,051,390	900,000	892,491
Employee Entitlements - Leave Accrual	116,452	103,000	137,049
	<u>2,928,964</u>	<u>1,475,649</u>	<u>1,602,613</u>
Payables for Exchange Transactions	2,928,964	1,475,649	1,602,613
	<u>2,928,964</u>	<u>1,475,649</u>	<u>1,602,613</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Grants in Advance - Ministry of Education	984	-	-
International Student Fees in Advance	3,532,857	2,069,000	2,133,192
Other revenue in Advance	1,327,559	846,665	1,180,940
	<u>4,861,400</u>	<u>2,915,665</u>	<u>3,314,132</u>

14. Provision for Cyclical Maintenance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	249,349	249,349	345,375
Increase to the Provision During the Year	109,958	56,547	24,464
Use of the Provision During the Year	(82,765)	(56,547)	(120,490)
Provision at the End of the Year	<u>276,542</u>	<u>249,349</u>	<u>249,349</u>
Cyclical Maintenance - Current	123,458	56,547	56,547
Cyclical Maintenance - Non current	153,084	192,802	192,802
	<u>276,542</u>	<u>249,349</u>	<u>249,349</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

15. Finance Lease Liability

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

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
No Later than One Year	47,396	80,356	81,233
Later than One Year and no Later than Five Years	116,102	171,433	171,732
Future Finance Charges	(1,175)	-	(1,175)
	<u>162,323</u>	<u>251,789</u>	<u>251,790</u>
Represented by			
Finance lease liability - Current	46,520	80,356	80,357
Finance lease liability - Non current	115,803	171,433	171,433
	<u>162,323</u>	<u>251,789</u>	<u>251,790</u>

16. Funds held in Trust

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	694,815	501,452	1,017,992
	<u>694,815</u>	<u>501,452</u>	<u>1,017,992</u>

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

17. Funds Held on Behalf of Kahui Ako

Sacred Heart College is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	8,140	10,857	10,857
Funds Received from Cluster Members	6,020	8,000	8,965
Funds Received from MoE	12,656	17,000	17,802
Total funds received	<u>26,816</u>	<u>35,857</u>	<u>37,624</u>
Funds Spent on Behalf of the Cluster	7,937	12,717	14,484
Funds remaining	<u>18,879</u>	<u>23,140</u>	<u>23,140</u>
Distribution of Funds			
Marist School Mt Albert	15,000	15,000	15,000
St Michael's Catholic School	-	-	-
Funds Held at Year End	<u>3,879</u>	<u>8,140</u>	<u>8,140</u>

18. 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.

The Proprietor of the School (Sacred Heart College Limited) is a related party of the School Board because the Proprietor appoints representatives to the School Board, giving the Proprietor significant influence over the School Board. Any services or contributions between the School Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

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

As at 31 December 2025, \$1,267,677 was held by the School and committed to the Proprietor with relation to the leasehold improvements for two classrooms, the international hub and the counselling centre. This will be met over the 2026 and 2027 financial years. Appropriate disclosure has been made under the 'Fixed Assets' note and 'Creditors'.

Under an agency agreement, the School collects funds on behalf of the Proprietor. These include Attendance Dues, Marist Brothers Development Fund Levy, Diocesan Levy and income received on behalf of Sacred Heart College Hostel Ltd. The amounts collected in total were \$4,549,814 (2024: \$3,534,940). These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end is treated as a liability. The total funds held by the school on behalf of the Proprietor are \$332,753, (2024: \$335,939).

In addition the school has entered into a Service Level Agreement with Sacred Heart College Hostel Limited for the provision of services, including administration, payroll and property.

The Sacred Heart College Development Foundation Trust is a registered Charitable Trust which was settled by the Sacred Heart College Old Boy's Association Incorporated. Its purpose is for the wider benefit of Sacred Heart College and the Mission of Marist Brothers. The trust is controlled by an independent Board of Trustees, one trustee is on the School Board.

19. Remuneration

Key management personnel compensation

Key management personnel of the School include all Board members, Headmaster, Deputy Headmasters and Managers.

	2025 Actual \$	2024 Actual \$
<i>Board Members</i> Remuneration	4,340	1,430
<i>Leadership Team</i> Remuneration Full-time equivalent members	1,720,278 12	1,693,855 12
Total key management personnel remuneration	1,724,618	1,695,285

There are 11 members of the Board excluding the Headmaster. The Board held 8 full meetings of the Board in the year. The Board also has Finance (3 members) that met 8 times in 2025; Property (5 members) that met 4 times in 2025; Policy (4 members) that met 4 times in 2025; Special Character (5 members) who met once in 2025. 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.

Headmaster

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

	2025 Actual \$000	2024 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	260-270	260-270
Benefits and Other Emoluments	25-30	25-30
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2025 FTE Number	2024 FTE Number
100 - 110	27.00	17.00
110 - 120	20.00	15.00
120 - 130	7.00	10.00
130 - 140	3.00	4.00
140 - 150	-	1.00
150 - 160	-	1.00
	57.00	48.00

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

19. Compensation and Other Benefits Upon Leaving

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

	2025 Actual	2024 Actual
Total	-	\$22,500
Number of People	-	2

20. Contingencies

There are no contingent liabilities 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.

21. Commitments

(a) Operating Commitments

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

Operating lease of Canon Printers;

	2025 Actual \$	2024 Actual \$
No later than One Year	33,288	30,252
Later than One Year and No Later than Five Years	80,466	113,754
	<u>113,754</u>	<u>144,006</u>

Payments totalling \$42,769 were made during the year ended 31 December 2025.

22. 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	1,759,889	1,325,850	1,024,347
Receivables	1,065,081	907,083	1,066,807
Investments - Term Deposits	7,500,000	5,400,000	7,500,000
Total Financial assets measured at amortised cost	<u>10,324,970</u>	<u>7,632,933</u>	<u>9,591,154</u>

Financial liabilities measured at amortised cost

Payables	2,928,964	1,475,649	1,602,613
Finance Leases	162,323	251,789	251,790
Total Financial Liabilities Measured at Amortised Cost	<u>3,091,287</u>	<u>1,727,438</u>	<u>1,854,403</u>

23. Events After Balance Date

There were no significant events are balance date that require adjustment or disclosure to the financial statements.

24. 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 SACRED HEART COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Sacred Heart College (the College). The Auditor-General has appointed me, Matt Laing, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on pages 2 to 20, 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 20 May 2026. This is the date at which our opinion is expressed.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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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.

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 black ink, appearing to read "M. Laing".

Matt Laing
Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand