

DONOVAN PRIMARY SCHOOL



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number: 2119

Principal: Peter Hopwood

School Address: 200 Drury Lane, Grasmere, Invercargill, 9810

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Accountant / Service Provider:

Solutions & Services
Collaborative School Administration

DONOVAN PRIMARY SCHOOL

Annual Financial Statements - For the year ended 31 December 2025

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Donovan Primary 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 other,s 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.

Rumi Pfeiffer

Peter Joseph Hopwood

Full Name of Presiding Member

Full Name of Principal

Signed by:

3914C740D9572BD7

Signed by:

7800BAB6CC57DA67

Signature of Presiding Member

Signature of Principal

28/05/2026

28/05/2026

Date:

Date:

Donovan Primary School

Members of the Board

For the year ended 31 December 2025

Name	Position	How Position Gained	Term Expired/ Expires
Rumi Pfeiffer	Presiding Member	Elected	Aug 2028
Peter Hopwood	Principal	ex Officio	
Aaron Kerr	Parent Representative	Elected	Dec 2025
Scott Forbes	Parent Representative	Elected	Aug 2028
Ben Nally	Parent Representative	Elected	Aug 2028
Racheal Fosbender	Staff Representative	Elected	Aug 2028
Shannell Jarvie	Parent Representative	Elected	Aug 2028
Lee-Anne Bogle	Parent Representative	Co-opted	Aug 2028
Jeff Walker	Parent Representative	Elected	Aug 2025

Donovan Primary School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue				
Government Grants	2	3,919,888	3,903,036	3,777,857
Locally Raised Funds	3	130,236	80,625	124,767
Interest		65,282	50,000	81,895
Gain on Sale of Property, Plant and Equipment		1,500	-	-
Total Revenue		4,116,906	4,033,661	3,984,519
Expense				
Locally Raised Funds	3	52,240	36,900	54,439
Learning Resources	4	2,853,204	2,857,149	2,658,018
Administration	5	211,821	234,266	216,523
Interest		4,011	-	4,758
Property	6	912,393	915,286	874,364
Loss on Disposal of Property, Plant and Equipment		1,222	-	11,071
Total Expense		4,034,891	4,043,601	3,819,173
Net Surplus / (Deficit) for the year		82,015	(9,940)	165,346
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		82,015	(9,940)	165,346

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

Donovan Primary School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Equity at 1 January		1,963,473	1,963,473	1,824,162
Total comprehensive revenue and expense for the year		82,015	(9,940)	165,346
Contribution - Furniture and Equipment Grant		25,412	-	-
Contribution - Te Mana Tūhono		28,546	-	-
Distributions to the Ministry of Education	16	(8,527)	-	(26,035)
Equity at 31 December		2,090,919	1,953,533	1,963,473
Accumulated comprehensive revenue and expense		2,090,919	1,953,533	1,963,473
Equity at 31 December		2,090,919	1,953,533	1,963,473

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.

Donovan Primary School

Statement of Financial Position

As at 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Current Assets				
Cash and Cash Equivalents	7	350,143	604,612	710,690
Accounts Receivable	8	317,449	246,700	246,700
GST Receivable		15,167	-	-
Prepayments		37,729	17,798	17,798
Investments	9	1,201,506	948,918	948,918
		<u>1,921,994</u>	<u>1,818,028</u>	<u>1,924,106</u>
Current Liabilities				
GST Payable		-	3,368	3,368
Accounts Payable	11	306,095	324,917	324,917
Revenue Received in Advance	12	7,029	15,887	15,887
Provision for Cyclical Maintenance	13	41,124	81,970	72,442
Finance Lease Liability	14	19,796	18,242	18,242
Funds held in Trust	15	57,274	-	-
Funds held for Capital Works Projects	16	31,014	68,350	68,350
Funds Held on behalf of Congolese Cluster	17	-	33,891	33,891
		<u>462,332</u>	<u>546,625</u>	<u>537,097</u>
Working Capital Surplus		1,459,662	1,271,403	1,387,009
Non-current Assets				
Property, Plant and Equipment	10	749,799	709,883	664,883
		<u>749,799</u>	<u>709,883</u>	<u>664,883</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	104,786	-	60,666
Finance Lease Liability	14	13,756	27,753	27,753
		<u>118,542</u>	<u>27,753</u>	<u>88,419</u>
Net Assets		<u><u>2,090,919</u></u>	<u><u>1,953,533</u></u>	<u><u>1,963,473</u></u>
Equity		<u><u>2,090,919</u></u>	<u><u>1,953,533</u></u>	<u><u>1,963,473</u></u>

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

Donovan Primary School

Statement of Cash Flows

For the year ended 31 December 2025

		2025	2025	2024
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		909,543	1,034,112	963,589
Locally Raised Funds		136,095	80,625	124,777
Goods and Services Tax (net)		(18,535)	-	(261)
Payments to Employees		(533,674)	(556,615)	(559,091)
Payments to Suppliers		(450,058)	(559,200)	(354,542)
Interest Paid		(4,011)	-	(4,758)
Interest Received		70,199	50,000	84,770
Net cash from Operating Activities		109,559	48,922	254,484
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment		1,500	-	-
Purchase of Property Plant & Equipment		(170,578)	(155,000)	(112,455)
Purchase of Investments		(252,588)	-	(1,687)
Net cash (to) Investing Activities		(421,666)	(155,000)	(114,142)
Cash flows from Financing Activities				
Furniture and Equipment Grant		25,412	-	-
Distributions to the Ministry of Education		(8,527)	-	(26,035)
Finance Lease Payments		(11,977)	-	(10,853)
Funds Administered on Behalf of Other Parties		(53,348)	-	54,991
Net cash (to)/from Financing Activities		(48,440)	-	18,103
Net (decrease)/increase in cash and cash equivalents		(360,547)	(106,078)	158,445
Cash and cash equivalents at the beginning of the year	7	710,690	710,690	552,245
Cash and cash equivalents at the end of the year	7	350,143	604,612	710,690

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.

Donovan Primary School

Notes to the Financial Statements

For the year ended 31 December 2025

1. Statement of Accounting Policies

1.1. Reporting Entity

Donovan Primary 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.

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

The School recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the School buildings. The estimate is based on the School's best estimate of the cost of painting the School and when the School is required to be painted, based on an assessment of the School's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 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 22b.

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.

1.3. 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. 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.

1.8. 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.

1.9. 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	10-20 years
Furniture and Equipment	2-15 years
Information and Communication Technology	2-5 years
Leased Assets held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value

1.10. 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 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 as 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 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.

1.11. 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.

1.12. 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, 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.

1.13. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees or grants are recorded as revenue as the obligations are fulfilled and the fees or grants are earned.

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

1.14. 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.

1.15. 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, 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.

1.16. Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets 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 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.

1.17. 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.

1.18. Budget Figures

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

1.19. 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	949,167	1,016,112	961,116
Teachers' Salaries Grants	2,330,194	2,240,028	2,165,438
Use of Land and Buildings Grants	634,836	628,896	648,993
Other Government Grants	5,691	18,000	2,310
	<u>3,919,888</u>	<u>3,903,036</u>	<u>3,777,857</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 and Bequests	26,566	31,750	37,677
Fees for Extra Curricular Activities	33,920	27,800	31,991
Trading	4,294	4,000	5,185
Fundraising and Community Grants	56,009	11,675	30,237
Other Revenue	9,447	5,400	19,677
	<u>130,236</u>	<u>80,625</u>	<u>124,767</u>
Expense			
Extra Curricular Activities Costs	34,816	32,900	35,151
Trading	3,002	4,000	3,300
Fundraising and Community Grant Costs	14,422	-	15,988
	<u>52,240</u>	<u>36,900</u>	<u>54,439</u>
<i>Surplus for the year Locally Raised Funds</i>	<u>77,996</u>	<u>43,725</u>	<u>70,328</u>

4. Learning Resources

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Curricular	71,998	133,006	41,140
Information and Communication Technology	5,667	14,000	7,662
Employee Benefits - Salaries	2,642,055	2,568,643	2,487,602
Staff Development	11,102	23,000	5,444
Depreciation	120,396	110,000	114,579
Other Learning Resources	1,986	8,500	1,591
	<u>2,853,204</u>	<u>2,857,149</u>	<u>2,658,018</u>

During the year ended December 2025, the Principal travelled to Melbourne at a cost of \$3,496 to attend the National Education Summit. The aim of this trip was to experience an International Conference with the chance to hear from some of the most experienced speakers in their field, and to gain insights on how other countries are responding to challenges in Education.

Specifically:

- Diverse Learners in Schools, including Neuroaffirming Practices to support diverse learners classroom habits, and Intentional Routines that serve both Teachers and Learners,
- Wellbeing for future schools, including strengthening connections to promote student attendance, navigating burnout beyond the pressure of self-care, and student management in difficult times

The cost was funded from the MOE's Principal's Professional Coaching and Wellbeing Grants received in the 2023 and 2024 years.

5. Administration

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Audit Fees	10,160	5,740	9,775
Board Fees and Expenses	12,428	23,995	18,330
Operating Leases	10,273	16,000	9,785
Other Administration Expenses	37,732	53,891	46,855
Employee Benefits - Salaries	127,471	119,500	118,983
Insurance	10,617	12,000	9,800
Service Providers, Contractors and Consultancy	3,140	3,140	2,995
	<u>211,821</u>	<u>234,266</u>	<u>216,523</u>

6. Property

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Cyclical Maintenance	36,996	21,304	(18,077)
Heat, Light and Water	44,296	44,000	46,373
Rates	7,629	7,600	6,288
Repairs and Maintenance	42,921	68,486	43,406
Use of Land and Buildings	634,836	628,896	648,993
Employee Benefits - Salaries	115,825	108,500	113,810
Other Property Expenses	29,890	36,500	33,571
	<u>912,393</u>	<u>915,286</u>	<u>874,364</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.

7. Cash and Cash Equivalents

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Bank Accounts	350,143	604,612	710,690
Cash and cash equivalents for Statement of Cash Flows	<u>350,143</u>	<u>604,612</u>	<u>710,690</u>

Of the \$350,143 Cash and Cash Equivalents, \$98,507 is subject to restrictions for the following reasons:

- \$34,204 is held by the school on behalf of the Ministry of Education. The funds have been provided as part of the school's 5 Year Agreement Funding and is required to be spent on the school's buildings. See note 16.
- \$7,029 of Other Revenue in Advance is held by the School. This is included in Revenue in Advance note 12.
- \$57,274 of Funds Held in Trust is held by the School, as disclosed in note 15.

8. Accounts Receivable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Receivables	403	3,148	3,148
Receivables from the Ministry of Education	75,054	7,802	7,802
Interest Receivable	17,896	22,813	22,813
Teacher Salaries Grant Receivable	224,096	212,937	212,937
	<u>317,449</u>	<u>246,700</u>	<u>246,700</u>
Receivables from Exchange Transactions	18,299	25,961	25,961
Receivables from Non-Exchange Transactions	299,150	220,739	220,739
	<u>317,449</u>	<u>246,700</u>	<u>246,700</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	1,201,506	948,918	948,918
Total Investments	1,201,506	948,918	948,918

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2025						
Building Improvements	427,444	113,307	-	-	(52,853)	487,898
Furniture and Equipment	121,830	35,785	-	-	(23,236)	134,379
Information and Communication Technology	49,573	44,785	-	-	(21,545)	72,813
Leased Assets	46,068	6,602	-	-	(19,662)	33,008
Library Resources	19,968	6,055	(1,222)	-	(3,100)	21,701
	664,883	206,534	(1,222)	-	(120,396)	749,799

The net carrying value of computers and other ICT equipment held under a finance lease is \$33,008 (2024: \$46,068).

Restrictions

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

	2025 Cost or Valuation \$	2025 Accumulated Depreciation \$	2025 Net Book Value \$	2024 Cost or Valuation \$	2024 Accumulated Depreciation \$	2024 Net Book Value \$
Building Improvements	906,938	(419,040)	487,898	802,574	(375,130)	427,444
Furniture and Equipment	474,919	(340,540)	134,379	446,857	(325,027)	121,830
Information and Communication Technology	307,028	(234,215)	72,813	262,244	(212,671)	49,573
Leased Assets	65,714	(32,706)	33,008	64,976	(18,908)	46,068
Library Resources	56,197	(34,496)	21,701	53,410	(33,442)	19,968
	1,810,796	(1,060,997)	749,799	1,630,061	(965,178)	664,883

11. Accounts Payable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Creditors	16,666	77,846	77,846
Accruals	19,491	9,775	9,775
Banking Staffing Overuse	15,988	-	-
Employee Entitlements - Salaries	228,572	217,756	217,756
Employee Entitlements - Leave Accrual	25,378	19,540	19,540
	306,095	324,917	324,917
Payables for Exchange Transactions	306,095	324,917	324,917
	306,095	324,917	324,917

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Grants in Advance - Ministry of Education	-	13,000	13,000
Other Revenue in Advance	7,029	2,887	2,887
	7,029	15,887	15,887

13. Provision for Cyclical Maintenance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	133,108	133,108	177,278
Increase/(decrease) to the Provision During the Year	36,996	21,304	(18,077)
Use of the Provision During the Year	(24,194)	(72,442)	(26,093)
Provision at the End of the Year	<u>145,910</u>	<u>81,970</u>	<u>133,108</u>
Cyclical Maintenance - Current	41,124	81,970	72,442
Cyclical Maintenance - Non current	104,786	-	60,666
	<u>145,910</u>	<u>81,970</u>	<u>133,108</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

14. 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	22,236	21,948	21,948
Later than One Year	14,659	30,146	30,146
Future Finance Charges	(3,343)	(6,099)	(6,099)
	<u>33,552</u>	<u>45,995</u>	<u>45,995</u>
Represented by:			
Finance lease liability - Current	19,796	18,242	18,242
Finance lease liability - Non current	13,756	27,753	27,753
	<u>33,552</u>	<u>45,995</u>	<u>45,995</u>

15. Funds Held in Trust

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	57,274	-	-
	<u>57,274</u>	<u>-</u>	<u>-</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.

16. 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 \$
Walkways #238167	68,350	62,949	(137,899)	6,600	-
A: Reinstate Ceiling Water Damage #254130	-	25,021	(26,948)	1,927	-
A, Site: Replace Cracked Masonry Veneer Cladding & Broken Paving #254050	-	30,000	(2,420)	-	27,580
A; Upgrade Storage and Specialist Teaching Spaces #254051	-	14,400	(10,966)	-	3,434
A, Site: Replace part boiler flue cladding & site court fence straightening #256787	-	13,637	(13,637)	-	-
Totals	<u>68,350</u>	<u>146,007</u>	<u>(191,870)</u>	<u>8,527</u>	<u>31,014</u>

Represented by:

Funds Held on Behalf of the Ministry of Education

31,014

The Walkways Project exceeded Ministry funding available for this project, and therefore, the Board provided \$6,600 of funding from retained surpluses to close out this project. The \$6,600 was treated as a donation to the Ministry of Education via a distribution from Equity. The Reinstate Ceiling Damage Project exceeded Ministry funding available for this project, and therefore, the Board provided \$1,927 of funding from retained surpluses to close out this project. The \$1,927 was treated as a donation to the Ministry of Education via a distribution from Equity. The completion of these projects benefitted the School by improving the School environment.

2024	Opening Balances	Receipts from MoE	Payments	Board Contributions/ Transfers	Closing Balances
	\$	\$	\$	\$	\$
Block C Clock bay Remodel #227596	(89,796)	78,247	(14,486)	26,035	-
Translucent Roof Replacement #227598	89,394	28,417	(117,811)	-	-
Walkways #238167	7,795	200,000	(139,445)	-	68,350
Totals	7,393	306,664	(271,742)	26,035	68,350

Represented by:

Funds Held on Behalf of the Ministry of Education 68,350

17. Funds Held on behalf of Congolese Cluster

Donovan Primary School is the lead school and holds funds on behalf of the Congolese cluster, a group of schools funded by the Ministry of Education.

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	33,891	33,891	22,964
Funds Received from Ministry of Education	-	-	48,661
Funds Spent on Behalf of the Cluster	(33,891)	-	(37,734)
Funds Held at Year End	-	33,891	33,891

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.

19. Remuneration

Key management personnel compensation

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

	2025 Actual	2024 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	5,060	5,005
<i>Leadership Team</i>		
Remuneration	427,134	407,062
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	432,194	412,067

There are seven members of the Board excluding the Principal. The Board held 10 full meetings of the Board in the year. The Board also has Finance (two members) and Property (two members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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	4-5	4-5
Termination Benefits	0-0	0-0

Other Employees

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

Remuneration \$000	2025 FTE Number	2024 FTE Number
100 -110	3.00	4.00
110 -120	3.00	2.00
120 - 130	1.00	1.00
	<u>7.00</u>	<u>7.00</u>

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

20. 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 the number of persons to whom all or part of that total was payable was as follows:

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

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

22. Commitments

(a) Capital Commitments

At 31 December 2025, the Board had capital commitments of \$70,307 (2024:\$98,210) as a result of entering the following contracts:

Contract Name	Remaining Capital Commitment \$
A, Site: Replace Cracked Masonry Veneer Cladding & Broken Paving #254050	35,180
A; Upgrade Storage and Specialist Teaching Spaces #254051	3,434
Recladding West Wall of Classrooms (Board funded)	31,693
Total	70,307

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 16.

(b) Operating Commitments

As at 31 December 2025 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2024: nil)

23. 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	2025	2024
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	350,143	604,612	710,690
Receivables	317,449	246,700	246,700
Investments - Term Deposits	1,201,506	948,918	948,918
Total financial assets measured at amortised cost	<u>1,869,098</u>	<u>1,800,230</u>	<u>1,906,308</u>

Financial liabilities measured at amortised cost

Payables	306,095	324,917	324,917
Finance Leases	33,552	45,995	45,995
Total financial liabilities measured at amortised cost	<u>339,647</u>	<u>370,912</u>	<u>370,912</u>

24. Events After Balance Date

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

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2025

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

- present fairly, in all material respects:
 - the financial position as at 31 December 2025; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

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

General representations

To the best of our knowledge and belief:

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

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

Representations for the financial statements

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

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 134 of the Education and Training Act 2020 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2025; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.
- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter;
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

Representations about the provision of information

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

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.

Going concern basis of accounting

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

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

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

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

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

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

Yours faithfully

Signed by:

 3914C740D9572BD7

Rumi Pfeiffer

28/05/2026

Presiding Member

Date

Signed by:

 7800BAB6CC57DA67

Peter Joseph Hopwood

28/05/2026

Principal

Date