



PALMERSTON NORTH BOYS' HIGH SCHOOL

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2023

School Directory

Ministry Number: 202
Rector: David M Bovey
School Address: 263 Featherston Street, Palmerston North
School Postal Address: PO Box 4049, Palmerston North 4442
School Phone: 06 354-5176
School Email: admin@pnbhs.school.nz



Members of the Board

<u>Name</u>	<u>Position</u>	<u>How Position Gained</u>	<u>Term Expired/Expires</u>
Grant Watts	Presiding Member	Elected March 2023	September 2025
Michael Lawrence	Presiding Member	Re-elected May 2019	Resigned March 2023
David Bovey	Rector ex Officio	Appointed October 2012	
Jodi Jamieson	Parent Representative	Co-opted September 2022	September 2025
Simon O'Connor	Parent Representative	Re-elected September 2022	September 2025
William Mafi	Parent Representative	Elected September 2022	September 2025
Bevan Erueti	Parent Representative	Elected September 2022	September 2025
Anna Stephenson	Parent Representative	Elected September 2022	September 2025
Sue Taylor	Staff Representative	Elected September 2022	September 2025
Tane Neilson	Student Representative	Elected October 2022	Resigned October 2023
Jacob Alemu	Student Representative	Elected September 2023	December 2024
Auditor	BDO Manawatu		

PALMERSTON NORTH BOYS' HIGH SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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PALMERSTON NORTH BOYS' HIGH SCHOOL

Statement of Responsibility

For the year ended 31 December 2023

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

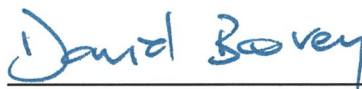
The management (including the rector and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the school.

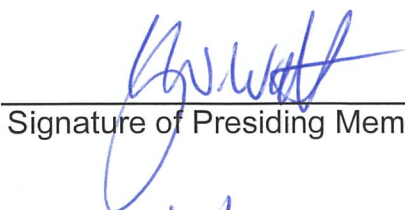
The School's 2023 financial statements are authorised for issue by the Board.



Full Name of Presiding Member



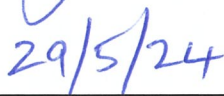
Full Name of Rector



Signature of Presiding Member



Signature of Rector



Date:



Date:

PALMERSTON NORTH BOYS' HIGH SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2023

		2023 Actual	2023 Budget (Unaudited)	2022 Actual
	Notes	\$	\$	\$
Revenue				
Government Grants	2	18,801,831	17,596,614	16,542,941
Locally Raised Funds	3	4,365,453	3,398,829	3,134,729
Interest		268,083	65,000	63,666
Gain on Sale of Property, Plant and Equipment		4,342	-	-
Hostel	4	2,522,082	2,590,362	2,446,725
		<u>25,961,791</u>	<u>23,650,805</u>	<u>22,188,061</u>
Expenses				
Locally Raised Funds	3	2,772,674	1,971,018	1,737,347
Hostel	4	2,371,091	2,210,779	2,142,686
Learning Resources	5	15,209,821	14,025,104	13,218,426
Administration	6	2,453,505	2,065,804	2,008,295
Interest		44,024	30,000	46,894
Property	7	3,468,352	3,311,976	2,699,055
Other Expenses	8	(5,168)	8,000	(690)
Loss on Disposal of Property, Plant and Equipment		12,486	-	12,366
Total Expense		<u>26,326,785</u>	<u>23,622,681</u>	<u>21,864,379</u>
Net Surplus / (Deficit) for the year		<u>(364,994)</u>	<u>28,124</u>	<u>323,683</u>
Revaluation of Property, Plant and Equipment		63,650	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>(301,344)</u></u>	<u><u>28,124</u></u>	<u><u>323,683</u></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.



PALMERSTON NORTH BOYS' HIGH SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2023

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January	-	13,400,000	13,217,143
Prior period error	-	-	427,405
Restated Equity at 1 January	<u>14,057,258</u>	<u>13,400,000</u>	<u>13,644,548</u>
Total comprehensive revenue and expense for the year	(301,344)	28,124	323,683
Contribution - Furniture and Equipment Grant	150,086	44,514	89,027
Equity at 31 December	<u>\$ 13,905,999</u>	<u>\$ 13,472,638</u>	<u>\$ 14,057,258</u>
Accumulated comprehensive revenue and expense	12,223,089	13,472,638	12,451,603
Reserves	1,682,910	-	1,605,655
Equity at 31 December	<u>\$ 13,905,999</u>	<u>\$ 13,472,638</u>	<u>\$ 14,057,258</u>
Reserve Movements Analysis			
Accumulated comprehensive revenue and expense			
Balance 1 January	-	13,400,000	11,655,305
Prior period error	-	-	427,405
Restated Balance at 1 January	<u>12,451,603</u>	<u>13,400,000</u>	<u>12,082,710</u>
Net Surplus/(deficit) for the year	(364,994)	28,124	323,683
Transfers to Reserved Funds	(13,605)	-	(43,818)
Contribution - Furniture and Equipment Grant	150,086	44,514	89,027
Balance 31 December	<u>12,223,089</u>	<u>13,472,638</u>	<u>12,451,603</u>
Reserved Funds within Equity			
Reserved equity comprises funds that have been received by the School for specific purposes. The School guarantees to hold sufficient monies to enable the funds to be used for their intended purpose at any time. These funds arose from fundraising for extra-curricular activities, the art fund and the hockey turf project.			
Balance at 1 January	360,068	-	316,250
Transfers from Accumulated Comprehensive Revenue and Expense	13,605	-	43,818
Quad Redevelopment		-	
Balance at 31 December	<u>\$ 373,673</u>	<u>\$ -</u>	<u>\$ 360,068</u>
Asset Revaluation Reserve within Equity			
Balance at 1 January	1,245,587	-	1,245,587
Artwork Revaluation	63,650	-	-
Balance at 31 December	<u>\$ 1,309,237</u>	<u>\$ -</u>	<u>\$ 1,245,587</u>
Total Reserves	<u>\$ 1,682,910</u>	<u>\$ -</u>	<u>\$ 1,605,655</u>

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



PALMERSTON NORTH BOYS' HIGH SCHOOL

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
CURRENT ASSETS				
Cash and Cash Equivalents	9	341,852	200,000	296,104
Accounts Receivable	10	1,384,994	970,887	949,202
Accounts Receivable Construction Contracts		365,651	-	-
GST Receivable		267,390	110,000	137,637
Funds Receivable for Capital Works Projects	19	510,274	-	147,448
Prepayments		280,289	280,000	267,498
Inventories	11	426,979	379,471	426,197
Investments	12	3,100,000	4,030,000	4,250,000
		6,677,430	5,970,358	6,474,086
CURRENT LIABILITIES				
Accounts Payable	14	2,062,366	1,182,300	1,370,278
Borrowings	15	400,000	400,000	-
Revenue Received in Advance	16	591,254	930,000	697,914
Provision for Cyclical Maintenance	17	122,107	200,000	164,427
Funds held in Trust	18	269,595	370,000	141,742
Funds held for Capital Works Projects	19	64,332	-	-
Finance Leases	25	93,282	45,000	83,176
		3,602,937	3,127,300	2,457,537
WORKING CAPITAL SURPLUS/(DEFICIT)		3,074,493	2,843,058	4,016,549
NON-CURRENT ASSETS				
Property, Plant and Equipment	13	11,676,296	11,297,580	11,218,032
		11,676,296	11,297,580	11,218,032
NON-CURRENT LIABILITIES				
Borrowings - Due beyond one year	15	-	-	400,000
Provision for Cyclical Maintenance	17	595,266	400,000	386,579
Provision for Long Service & Retirement Leave		15,163	22,000	38,044
Funds held in Trust	18	64,503	-	147,764
Finance Leases	25	78,359	160,000	115,435
Boarding Bonds		91,500	86,000	89,500
		844,791	668,000	1,177,322
NET ASSETS		13,905,999	13,472,638	14,057,258
EQUITY		13,905,999	13,472,638	14,057,258

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



PALMERSTON NORTH BOYS' HIGH SCHOOL

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Government Grants		5,188,563	4,777,614	5,023,848
Locally Raised Funds		3,320,337	3,003,061	2,343,662
Hostel		2,522,082	2,590,362	2,393,985
International Students		655,979	588,052	675,088
Truancy		-	264,000	151,117
Goods and Services Tax (net)		(129,754)	(15,022)	(42,655)
Payments to Employees		(5,583,426)	(4,800,940)	(4,780,977)
Payments to Suppliers		(6,381,908)	(6,075,167)	(5,050,261)
Interest Paid		(44,024)	(30,000)	(46,894)
Interest Received		268,083	65,000	63,666
Net cash from/(to) the Operating Activities		(184,068)	366,960	730,579
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale of Property, Plant and Equipment		10,496	-	12,365
Purchase of Property, Plant and Equipment		(714,681)	(865,000)	(477,323)
Purchase of Investments		-	-	(97,337)
Proceeds from Sale of Investments		1,150,000	122,663	-
Net cash from/(to) the Investing Activities		445,815	(742,337)	(562,295)
CASH FLOWS FROM FINANCING ACTIVITIES				
Furniture and Equipment Grant		150,086	44,514	89,027
Finance Lease Payments		(26,970)	(38,924)	(45,313)
Funds Administered on Behalf of Third Parties		(339,115)	353,305	144,907
Funds Administered on Behalf of Other Parties		-	-	(249,761)
Net Cash from/(to) Financing Activities		(215,999)	358,895	(61,140)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		45,748	(16,482)	107,144
Cash and cash equivalents at the beginning of the year		296,104	216,482	188,960
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	\$ 341,852	\$ 200,000	\$ 296,104

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 accounting policies and notes which form part of these financial statements.



PALMERSTON NORTH BOYS' HIGH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting entity

Palmerston North Boys' High 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 entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2023 to 31 December 2023 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 expenditure threshold of \$30 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.

Recognition of Construction Contract Revenue

The School recognises revenue from construction contracts using the stage of completion method, based on the proportion of contract cost incurred to date to the estimated total costs for the contract. The School reviews and, when necessary, revises the estimates of contract revenue and contract costs as the contract progresses. The school believes that the contract costs are the appropriate basis for the assessment of revenue using the stage of completion method, as they are appropriate to the nature on the construction contract.

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 long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 17.

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 13.

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 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 25. Future operating lease commitments are disclosed in note 23b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

h) Inventories

Inventories are consumable items held for sale, for example stationery and school uniform. 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 the cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

i) Investments

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

j) Property, Plant and Equipment

Land and buildings owned by the 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 are recorded at cost, less accumulated depreciation and any impairment losses.

Property, plant and equipment, with the exception of artwork, 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 and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Artworks are recorded at fair value, with valuations performed by an independent art expert every three years, to ensure that the fair value of artwork does not differ materially from its carrying amount.

Finance Leases

A finance lease transfers to the lessee substantially all the risk 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 as 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 land, library resources and artworks are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Land and artworks are not depreciated. Depreciation of all assets is reported in surplus or deficit in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements	10 - 75 years
Board Owned Buildings	10 - 75 years
Furniture and Fittings	10 - 15 years
Plant and Machinery	10 years
Information & Communication technology	4 - 5 years
Motor Vehicles	5 years
Textbooks	3 years
Musical Instruments	10 years
Sports Equipment	5 years
Other Minor Equipment	10 years
Leased assets held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value
Alternative Education	5 - 10 years
MCHS Assets	5 - 50 years
Truancy Assets	5 - 10 years

k) Impairment of property, plant and equipment

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indications exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on recent market transactions.

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

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

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

n) Revenue Received in Advance

Revenue received in advance relates to fees received from international, or hostel students, and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees and grants are recorded as revenue as the obligations are fulfilled and the fees and 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 service to which they relate.

o) Funds Held in Trust

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

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

p) 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 specific purpose as such 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.

q) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry (with the exception of rooms P3, P4, P5, Block O, the Aquatic Sports Centre, 50% of the Speirs Centre, the Tennis Pavilion, the rental houses, the Covered Canteen Area, and the College House buildings, which are owned by the Board). 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 the day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The school carries out painting maintenance of the whole school over a 7 - 10 year period, the economic outflow of this is dependant on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

r) Financial Instruments

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

The School's financial liabilities comprise accounts payable, borrowings, 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.

s) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

t) Goods and Services tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

u) Budget figures

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

v) Services received in-kind

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

w) Construction Contracts

When the outcome of the contract can be estimated reliably, revenue from fixed price construction contracts is recognised by reference to the stage of completion of the contract at reporting date. The school has determined that the appropriate method that measures reliably the stage of completion for the purpose of recognising revenue is reference to the proportion of contract cost incurred for work performed to date, in relation to the estimated total contract costs.

Construction contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected deficit shall be recognised as an expense immediately.

All contract revenue and contract costs are recognised in the Statement of Comprehensive Revenue and Expense, within Locally Raised Funds.

Any amounts billed to customers in advance of the revenue to be recognised for the contract are recognised as a liability for the school. Where contract revenue exceeds the amounts received or receivable from customers, an asset is recognised by the school.

PALMERSTON NORTH BOYS' HIGH SCHOOL

Notes to the Financial Statements

As at 31 December 2023

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
2 Government Grants			
Government Grants - Ministry of Education	4,508,341	4,059,194	4,132,581
Teachers' Salaries Grants	10,995,547	10,500,000	9,845,298
Other Government Grants	122,613	100,500	153,069
Alternative Education Grant	508,800	508,800	533,051
Use of Land and Buildings Grants	2,118,558	2,055,000	1,575,418
Manawatu Community High School Grant	133,431	109,120	152,407
Truancy Service Grant	414,541	264,000	151,117
	<u>18,801,831</u>	<u>17,596,614</u>	<u>16,542,941</u>
3 Locally Raised Funds			
Local funds raised within the School's community are made up of:			
Revenue			
Donations & Bequests	864,249	893,000	774,978
Curriculum related Activities			
- Purchase of goods and services	278,905	294,340	237,524
Fees for Extra Curricular Activities	678,620	688,850	702,711
Trading	390,473	378,040	368,656
Construction Contracts Revenue	742,528	-	-
Fundraising and Community Grants	108,834	55,000	126,798
Other Revenue	303,266	185,166	120,505
Overseas Travel	241,060	318,953	166,108
International Student Fees	757,518	585,480	637,449
	<u>4,365,453</u>	<u>3,398,829</u>	<u>3,134,729</u>
Expenses			
Extra Curricular Activities Costs	687,331	738,500	699,707
Trading	336,669	322,817	311,875
Construction Contract Expenses	608,475	-	-
Fundraising and Community Grant Costs	44,437	55,000	48,943
Other Locally Raised Funds Expenditure	201,501	28,890	42,321
Overseas Travel	243,578	318,953	166,216
International Students - Student Recruitment	163,457	108,140	91,575
International Students - Employment Benefits	145,336	149,300	121,998
International Students - Other Expenses	341,891	249,418	254,711
	<u>2,772,674</u>	<u>1,971,018</u>	<u>1,737,347</u>
Surplus for the year Locally raised funds	<u>1,592,780</u>	<u>1,427,811</u>	<u>1,397,384</u>

During the year the School hosted 51 International Students (2022: 30)



	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
4 Hostel Revenue and Expenses			
Hostel Financial Performance			
Hostel Full Boarders	180	173	169
Hostel Weekly Boarders	-	-	-
Revenue			
Hostel Fees	2,183,784	2,201,522	2,066,592
Other Revenue	74,742	91,040	98,033
Registration Fees	15,300	18,300	18,600
Letting	248,255	279,500	263,499
	<u>2,522,082</u>	<u>2,590,362</u>	<u>2,446,725</u>
Expenses			
Administration	233,305	232,420	219,975
Depreciation	157,308	171,996	157,659
Property	489,171	320,100	353,804
Employee Benefits - Salaries	743,784	754,100	738,006
Letting	40,938	76,863	43,104
Other Hostel Expenses	706,587	655,300	630,138
	<u>2,371,091</u>	<u>2,210,779</u>	<u>2,142,686</u>
Surplus for the year Hostel	<u><u>150,990</u></u>	<u><u>379,583</u></u>	<u><u>304,039</u></u>

5 Learning Resources			
Curricular	365,518	428,418	336,083
Alternative Education	389,703	294,840	324,496
Manawatu Community High School	12,590	27,600	5,441
Library Resources	7,134	5,200	4,505
Employee Benefits - Salaries	13,400,594	12,266,396	11,679,920
Staff Development	620,108	605,210	504,096
Depreciation	414,174	397,440	363,883
	<u>15,209,821</u>	<u>14,025,104</u>	<u>13,218,426</u>

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
6 Administration			
Audit Fee	11,259	12,000	12,772
Board Fees	4,110	6,000	4,435
Board Expenses	5,235	14,600	18,360
Communication	29,840	25,300	21,881
Consumables	47,657	36,450	32,075
Operating Lease	8,807	17,900	9,308
Legal Fees	10,339	5,000	2,052
Other	392,325	322,600	289,338
Employee Benefits - Salaries	1,652,823	1,447,084	1,421,548
Insurance	110,646	97,800	96,986
Service Providers, Contractors and Consultancy	52,711	5,750	25,258
Manawatu Community High School	37,893	24,860	50,094
Truancy Service	89,860	50,460	24,188
	<u>2,453,505</u>	<u>2,065,804</u>	<u>2,008,295</u>

7 Property			
Caretaking & Cleaning Consumables	43,493	36,200	35,215
Consultancy and Contract Services	5,068	-	-
Cyclical Maintenance Provision	237,187	120,000	83,808
Grounds	24,463	22,800	26,970
Heat, Light and Water	285,169	329,000	289,751
Rates	20,213	16,456	19,452
Repairs & Maintenance	155,458	169,300	129,591
Use of Land and Buildings	2,118,558	2,055,000	1,575,418
Manawatu Community High School	17,954	22,260	22,038
Security	22,844	15,000	10,488
Employee Benefits - Salaries	537,945	525,960	506,324
	<u>3,468,352</u>	<u>3,311,976</u>	<u>2,699,055</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.

8 Other Expenses			
Loss on Uncollectable Accounts Receivable	(5,168)	8,000	(690)
	<u>\$ (5,168)</u>	<u>\$ 8,000</u>	<u>\$ (690)</u>

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
9 Cash and Cash Equivalents			
Bank Accounts	341,852	50,000	296,104
Short-term Bank Deposits	-	150,000	-
Cash and cash equivalents for Statement of Cash Flows	341,852	200,000	296,104

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

Of the \$341,852 Cash and Cash Equivalents \$64,332 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

Of the \$341,852, Cash and Cash Equivalents and of the \$3,100,000, Short-term Bank Deposits, \$334,098 are funds held in trust on behalf of third parties.

10 Accounts Receivable

Receivables	308,770	90,000	74,794
Receivables from the Ministry of Education	-	-	-
Loss on Uncollectible Accounts Receivable	(1,995)	(20,000)	7,935
Sundry Receivables	69,365	33,000	23,144
Teachers Salaries Grant Receivable	1,008,855	867,887	859,200
	1,384,994	970,887	949,202
Receivables from Exchange Transactions	376,140	103,000	90,002
Receivables from Non-Exchange Transactions	1,008,855	867,887	859,200
	1,384,994	970,887	949,202

11 Inventories

School Blazers	14,471	14,471	14,471
School Uniforms	412,508	365,000	411,725
	426,979	379,471	426,197

12 Investments

The School's investment activities are classified as follows:-

Current Assets			
Short-term Bank Deposits	3,100,000	4,030,000	4,250,000



13 Property, Plant and Equipment

	Opening Balance (NBV)	Additions & Revaluations	Disposals or Reclassification	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Land	1,330,160	-	-	-	-	1,330,160
Buildings	7,129,344	10,840	-	-	(205,818)	6,934,366
Leasehold Improvements	452,831	245,003	-	-	(21,886)	675,948
Plant and Machinery	170,313	20,012	-	-	(31,802)	158,523
Furniture and Fittings	136,166	-	-	-	(24,382)	111,784
Information and Communication						
Technology	307,127	142,256	-	-	(119,030)	330,353
Motor Vehicles	74,059	37,863	(6,154)	-	(10,377)	95,391
Sports Equipment	35,878	24,288	-	-	(15,435)	44,731
Musical Instruments	33,193	14,309	-	-	(9,152)	38,350
Textbooks	49,898	32,469	-	-	(20,394)	61,973
Library Resources	18,351	10,466	(12,486)	-	(3,158)	13,173
Leased Assets	190,476	67,179	-	-	(94,408)	163,247
Artworks	1,089,250	154,550	-	-	-	1,243,800
Work in Progress	174,246	591,512	(321,457)	-	-	444,301
Manawatu Community High School	26,740	-	-	-	(11,927)	14,813
Truancy Service	-	19,096	-	-	(3,713)	15,383
Balance at 31 December 2023	11,218,032	1,369,843	(340,097)	-	(571,482)	11,676,296

The net carrying value of equipment held under a finance lease is \$163,247 (2022: \$190,476)

Restrictions

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

	2023 Cost or Valuation	2023 Accumulated Depreciation & Impairment	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation & Impairment	2022 Net Book Value
	\$	\$	\$	\$	\$	\$
Land	1,330,160	-	1,330,160	1,330,160	-	1,330,160
Buildings	9,097,523	(2,164,000)	6,933,523	9,086,683	(1,957,339)	7,129,344
Leasehold Improvements	913,811	(237,864)	675,947	668,808	(215,978)	452,831
Plant and Machinery	1,278,572	(1,120,820)	157,752	1,258,561	(1,088,248)	170,313
Furniture and Fittings	1,784,336	(1,672,899)	111,437	1,784,336	(1,648,170)	136,166
Information and Communication						-
Technology	1,860,973	(1,532,551)	328,422	1,823,284	(1,516,157)	307,127
Motor Vehicles	287,567	(189,657)	97,910	260,785	(186,726)	74,059
Sports Equipment	475,395	(430,663)	44,732	451,107	(415,229)	35,878
Minor Equipment	156,469	(156,469)	-	156,469	(156,469)	-
Musical Instruments	359,378	(321,027)	38,351	345,069	(311,875)	33,193
Textbooks	345,757	(283,783)	61,974	313,288	(263,390)	49,898
Library Resources	256,955	(243,782)	13,173	258,975	(240,624)	18,351
Leased Assets	398,136	(234,889)	163,247	330,958	(140,482)	190,476
Artworks	1,243,800	-	1,243,800	1,089,250	-	1,089,250
Work in Progress	444,301	-	444,301	174,246	-	174,246
Alternative Education	25,754	(25,754)	-	25,754	(25,754)	-
Manawatu Community High School	98,571	(67,004)	31,567	101,625	(74,885)	26,740
Truancy Service	14,883	(14,883)	-	14,883	(14,883)	-
Balance at 31 December	20,372,343	(8,696,046)	11,676,297	19,474,241	(8,256,208)	11,218,032

Artwork was revalued in December 2023 by an independent valuer (Dunbar Sloane). In estimating the fair value of artwork, the insurance valuation method was used, which incorporated the use of the following significant assumptions:

- Insurance replacement cost



	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
14 Accounts Payable			
Creditors	753,302	89,800	235,338
Accruals	57,461	62,500	53,210
Employee Benefits Payable - Salaries	1,004,815	830,000	859,200
Employee Benefits Payable - Leave Accrual	246,788	200,000	222,530
	<hr/>	<hr/>	<hr/>
	2,062,366	1,182,300	1,370,278
	<hr/>	<hr/>	<hr/>
Payables for Exchange Transactions	2,049,717	1,167,800	1,358,725
Payables for Non-exchange Transactions - Taxes payable (PAYE and Rates)	12,649	14,500	11,553
	<hr/>	<hr/>	<hr/>
	2,062,366	1,182,300	1,370,278
	<hr/>	<hr/>	<hr/>

The carrying value of payables approximates their fair value.

15 Borrowings			
Loans due in one year	400,000	400,000	-
Loans due after one year	-	-	400,000
	<hr/>	<hr/>	<hr/>
	400,000	400,000	400,000
	<hr/>	<hr/>	<hr/>

College House Parents Education Trust

The loan from College House Parents Education Trust is secured by a registered mortgage over property situated at 105 North Street, Palmerston North.

The interest rate is 7.50% (2022 7.5%) and the loan is interest only.

The loan is due for repayment 31st December 2024.



	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
16 Revenue Received in Advance			
International Student Fees in Advance	298,528	365,000	400,067
Hostel Fees in Advance	16,992	50,000	62,045
Other Revenue in Advance	275,734	515,000	235,802
	<u>591,254</u>	<u>930,000</u>	<u>697,914</u>
	<u><u>591,254</u></u>	<u><u>930,000</u></u>	<u><u>697,914</u></u>

17 Provision for Cyclical Maintenance

Provision at the Start of the Year	551,006	551,006	559,547
Increase to the Provision During the Year	145,004	168,994	106,337
Use of the Provision During the Year	(70,820)	(120,000)	(92,347)
Other Adjustments	92,183	-	(22,531)
Provision at the End of the Year	<u>717,373</u>	<u>600,000</u>	<u>551,006</u>
Cyclical Maintenance - Current	122,107	200,000	164,427
Cyclical Maintenance - Non Current	595,266	400,000	386,579
	<u>717,373</u>	<u>600,000</u>	<u>551,006</u>
	<u><u>717,373</u></u>	<u><u>600,000</u></u>	<u><u>551,006</u></u>

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2024. The plan is based on the schools 10 Year Property plan.

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

18 Funds Held in Trust

Funds Held in Trust on Behalf of Third Parties - Current	269,595	370,000	141,742
Funds Held in Trust on behalf of Third Parties - Non-current	64,503	-	147,764
	<u>334,098</u>	<u>370,000</u>	<u>289,506</u>
	<u><u>334,098</u></u>	<u><u>370,000</u></u>	<u><u>289,506</u></u>

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



19 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 projects is included under cash and cash equivalents in note 9.

	2023	Opening Balances	Receipts from MOE	Payments	Board Contribution	Closing Balances
Project No.		\$	\$	\$	\$	\$
D Block Upgrade	208536	(101,407)	1,500,000	1,897,888	-	(499,295)
SIP - Security Alarm Upgrade	232648	(4,255)	10,620	38,706	32,341	-
Replace Roofs & Gutters	240612	(1,433)	60,643	59,210	-	-
AMS - B Block Carpets	243981	(617)	71,036	70,419	-	-
AMS - Block C & I Lighting	240611	(39,736)	49,575	9,839	-	-
Roof & Gutter Replacement	240613	-	-	3,159	-	(3,159)
Wall & Floor Coverings	240172	-	65,484	1,152	-	64,332
MCHS Technical & Classroom	226203	-	-	7,820	-	(7,820)
		(147,448)	1,757,358	2,088,193	32,341	(445,942)

Represented By:

Funds Due from the Ministry of Education

(510,274)

Funds Held on Behalf of the Ministry of Education

64,332

	2022	Opening Balances	Receipts from MOE	Payments	Board Contribution	Closing Balances
Project No.		\$	\$	\$	\$	\$
D Block Upgrade	208536	(82,126)	-	19,281	-	(101,407)
S Block Upgrade	208531	(48,995)	81,555	32,560	-	-
MCHS Driveway & Drainage	226206	86,676	11,268	97,944	-	-
SIP - Carpet Replacement	232582	67,361	9,308	76,669	-	-
SIP - Security Alarm Upgrade	232648	9,369	-	13,624	-	(4,255)
SIP - CCTV & Projection Screen	232579	22,569	3,959	26,528	-	-
SIP - Fencing	232580	(1,799)	2,087	288	-	-
SIP - Replace Broken Paving	232583	61,369	1,338	62,707	-	-
SIP - Block E Airconditioning	232649	(2,749)	3,038	289	-	-
SIP - LED Lighting	232581	(9,362)	9,650	288	-	-
Replace Roofs & Gutters	240612	-	-	1,433	-	(1,433)
AMS - B Block Carpets	243981	-	-	617	-	(617)
AMS - Block C & I Lighting	240611	-	-	39,736	-	(39,736)
		102,313	122,203	371,964	-	(147,448)

Represented By:

Funds Due from the Ministry of Education

(147,448)

Funds Held on Behalf of the Ministry of Education

20 Related Party Transactions

The school is an entity controlled by 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 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.



21 Remuneration

Key Management Personnel Compensation

Key management personnel of the School include all Board members, Rector, Deputy Rector, Senior Management Team and Heads of Departments.

	2023 Actual \$	2022 Actual \$
Board Members		
Remuneration	4,110	4,435
Leadership Team		
Remuneration	4,116,847	3,768,653
Full-time equivalent members	33	33
Total key management personnel remuneration	4,120,957	3,773,088

There are 8 members of the Board excluding the Rector. The Board has held 11 full meetings of the Board in the year. The Board also has 5 Finance and Property members. The Finance and Property members have held 11 meetings in the year. The Board also has 9 College House members. The College House members have held 6 meetings in the year. As well as these regular meetings, including preparation time, the presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Rector

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	250 - 260	240 - 250
Benefits and Other Emoluments	10 - 20	10 - 20

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	32.00	27.00
110 - 120	19.00	10.00
120 - 130	13.00	7.00
130 - 140	5.00	1.00
140 - 150	1.00	2.00
150 - 160	1.00	0.00
	71.00	47.00

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



22 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2023.

(Contingent liabilities and assets at 31 December 2022: 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.

Pay equity settlement wash-up amounts

In 2023 the Ministry of Education provided funding for non-teaching collective and pay equity agreements. The school is yet to receive a final wash-up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash-up payments or receipts for the year ended 31 December 2023. However, as at the reporting date, this amount had not been calculated and therefore is not recorded in these financial statements.

23 Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$2,574,004 (2022: \$84,759) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend to Date	Remaining Capital Commitment
	\$	\$	\$
D Block Upgrade	3,397,875	1,999,295	1,398,580
Wall & Floor Coverings	72,760	1,152	71,608
Dorm & Rec Room Upgrade	1,384,259	280,443	1,103,816
Total	4,854,894	2,280,890	2,574,004

(b) Operating Commitments

As at 31 December 2023 the Board has entered into the following contracts:

Lease of Land from PN City Council

	2023 Actual \$	2022 Actual \$
No later than one year	500	500
Later than one year and No Later than 5 Years	-	500
Later than 5 Years	-	-
	<u>\$ 500</u>	<u>\$ 1,000</u>

The total lease payments incurred during the period were \$500 (2022: \$500).

24 Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	341,852	200,000	296,104
Receivables	1,384,994	970,887	949,202
Investments - Term Deposits	3,100,000	4,030,000	4,250,000
	<u>4,826,846</u>	<u>5,200,887</u>	<u>5,495,306</u>

Financial liabilities measured at amortised cost

Payables	2,062,366	1,182,300	1,370,279
Borrowings - Loans	400,000	400,000	400,000
Finance Lease	171,641	205,000	198,611
Boarding Bonds	91,500	86,000	89,500
	<u>2,725,507</u>	<u>1,873,300</u>	<u>2,058,390</u>



25 Finance Lease Liability

The School has entered into a number of finance lease agreements for laptops and photocopier equipment. Minimum lease payments payable:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
No Later than One Year	103,317	45,000	95,245
Later than One Year and no Later than Five Years	82,170	160,000	122,579
Future Finance Charges	(13,846)	-	(19,213)
	<hr/>	<hr/>	<hr/>
	171,641	205,000	198,611
	<hr/>	<hr/>	<hr/>
Represented by			
Finance lease liability - Current	93,282	45,000	83,176
Finance lease liability - Non Current	78,359	160,000	115,435
	<hr/>	<hr/>	<hr/>
	171,641	205,000	198,611
	<hr/>	<hr/>	<hr/>

26 Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
	\$	\$
Total	29,502	-
Number of People	1	-

27 Comparatives

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

28 Adjustment to Prior Period

During the current year it was noted by the Board that the transfer to the Ministry of Education of 50% of the ownership of the Speirs Centre had not been recognised in the School's financial statements. As a result, the depreciation expense and resulting accumulated depreciation were overstated in the 2016 - 2022 financial periods, and the provision for impairment had not been reversed in the 2016 financial period.

The error was corrected for the current year results, and the table below summarises the changes made to the statement of financial position, statement of changes in net assets/equity, and statement of comprehensive revenue and expense for the restated comparatives to correct this error.

	Impact on items in the statement of financial position				Impact on items in the statement of comprehensive revenue and expense
	P, P&E Cost	P, P&E Accum Depcn	P, P&E Accum Impairment	Accum Revenue and Expense	Depreciation expense
	\$	\$	\$	\$	\$
Balance reported at 1 January 2022	22,477,096	(10,394,268)	(1,200,000)	11,655,305	-
Effect of the prior period error (1 January 2022)	(1,229,479)	456,885	1,200,000	427,405	-
Restated balance at 1 January 2022	<u>21,247,617</u>	<u>(9,937,383)</u>	<u>-</u>	<u>12,082,710</u>	<u>-</u>
Balance reported at 31 December 2022	20,703,436	(8,737,417)	(1,200,000)	11,999,590	-
Effect of the prior period error (1 January 2022)	(1,229,479)	456,885	1,200,000	427,405	-
Effect of the prior period error (31 December 2022)	-	24,607	-	24,607	(24,607)
	<u>19,473,957</u>	<u>(8,255,925)</u>	<u>-</u>	<u>12,451,602</u>	<u>(24,607)</u>

29 Events After Balance Date

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

30 Breach of Section 521 of the Education and Training Act 2020

There were 3 International Students who received tuition prior to fees being received in full.
(2022: 2)

PALMERSTON NORTH BOYS' HIGH SCHOOL

Report from the Rector

For the year ended 31 December 2023

For the fourth year in a row there were significant disruptions to a school year. But this time they were not because of the pandemic, but because of industrial action from the PPTA. The strikes and other disruptions caused yet more issues during a year when most of us were looking forward to getting a good run at things without being interrupted.

However, despite the staggering failure of the PPTA to read the room, and the subsequent further loss of respect for the teaching profession in New Zealand, the outcomes were long overdue in recognising the issues teachers face in this country, not the least of which is appropriate remuneration.

Despite the impact of the industrial action on teaching and learning, there continued to be an impressive range of achievements from the young men of the school which reflected the significant involvement of the students of Palmerston North Boys' High School in academic, cultural, or sporting activities.

This report is the annual review of the achievements and involvement of the young men of Palmerston North Boys' High School in the school's 122nd year. It has again been encouraging to see the level of involvement in school life; indeed, numbers involved in the wider life of the school have bounced back significantly which is greatly encouraging.

Our school's vision is 'To develop educated men of outstanding character.' While this may appear a lofty goal, the comment is oft made to parents on the school's Open Day, that we want the boys to set lofty goals, "that a man's reach should exceed his grasp, else what's a heaven for?" as Robert Browning wrote.

This vision is well-supported by our values: integrity, courage, pride, respect, industry, and humility. The school continues to work with Circle Education, the Association of Boys' Schools (ABSNZ) and the International Boys' Schools Coalition (IBSC) in this

regard to further develop character education at Palmerston North Boys' High School. Heads of Department have worked with their staff to incorporate character education into their schemes of work.

The student achievement-focused goals and objectives were specific and the outcomes at the senior level in 2023 were positive. Further development of courses in vocational areas in the senior school continues to have an impact on NCEA data, as does the school's accelerate programme, which sees the top Year 13 academic pupils studying primarily university papers.

The school's co-curricular programme continues to play a vital role in the development of our young men. It is crucial, we believe, for an all-round education, and for many of our young men school is made far more bearable because of their involvement outside the classroom. Thus, the last couple of years have been tough for our top performers in both sport and cultural activities, with one thing after another being cancelled. But the school's co-curricular and extra-curricular programmes are not just for the top performers: a significant number of young men are involved across a wide range of levels; involved because they enjoy whatever it is they are involved in, regardless of ability, and the school is able to provide opportunities for young men of all abilities. Involvement in sport was up 19% on the previous year, with more and more young men wanting to give things a go. Great stuff.

Student Achievement – Academic

As mentioned above, the disruptions caused by the PPTA action meant there were significant challenges for teaching and learning throughout the country. However, the young men of our school have been able to record some impressive achievements. The continued tinkering with the NCEA qualification continues to cause great consternation amongst teachers, with some curriculum areas not receiving any guidance for the 2024 year until November 2023, if at all. The marginalisation of knowledge in many subjects promises to be disastrous, with some courses – and I will use science as an example, which now looks more like social studies – losing their identity and rigour. There are some people, well-intentioned thought they may be, who sitting in their offices in their beige cardigans, have no idea what is actually

happening in classrooms right now. Probably the same ones who thought modern learning environments would work.

What we have seen, right across the country, is problems with absenteeism, although that has been less of an issue at PNBHS compared to other schools in the area. That, and a continued growth of can't-be-bothered-it is, means some pupils are not reaching anywhere near their potential. Perhaps the most concerning thing about the absences of many is the number of parents who allow their children to have days off here and there, or who think nothing of taking their child out of school for a couple of days to go away to their second cousin twice-removed's 47th birthday party.

Many, however, continue to work hard and do their best, and they will do regardless of the system put in front of them. NCEA, which was clearly not designed for boys, continues to frustrate and confuse, and while we are told it is a world-leading system, the fact there are none following must surely tell us something.

PNBHS Scholarship results from 2023 were an improvement on last year's results, but only just. More than ever, as I mentioned above, we saw the prioritisation of the university papers studied through the Year 13 Accelerate Programme ahead of NZQA Scholarship examinations. The financial reward of \$500 per scholarship (which has been in place since they began in the early 2000s) is no longer an incentive, particularly when a number of potential scholarship candidates have already received scholarships from the university they intend to study at upon leaving school. Some of these scholarships are significant – Auckland University, in particular, has a several scholarships worth \$20k. The \$500 NZQA scholarship, then, pales into insignificance.

Our pupils achieved just 15 Scholarships, up a wee bit on last year's results. Seven of these scholarships were achieved by Year 12 pupils. Toby Rea in Year 12 was the only pupil to achieve more than one scholarship pass. There was one successful scholarship result from a Year 10 pupil. Calculus was the best-performing subject with three. In years gone by that would have been in double figures. There is a feeling amongst schools that before long, NZQA will get rid of the scholarship system as a cost-cutting measure.

The summary of 2023 NCEA results are as follows:

13.8% of Year 11 students gained NCEA Level 2 (National 1.4%)

68.4% of Year 12 students gained NCEA Level 2 (National 72.2%)

12.2% of Year 12 students gained NCEA Level 3 (National 1.4%)

62.2% of Year 13 students gained NCEA Level 3 (National 62.2%)

44% of Year 13 students gained University Entrance (National 47.2%)

A drop in Level 2 and Level results, mirroring the national trend.

University papers offered by a number of the universities through the country are taught by PNBHS teachers. Results for 2023 were positive, with 35 of the 73 papers studied achieved with A grades (10 A+, 16 A and 9 A- grades). Top performers were Aidan Brown (who achieved three A+ grades), Isaac Luoni, Tane Nielson, Daniel Fletcher and Thomas Malone.

Once again it was encouraging to see so many of our young men involved in the school's co-curricular programme. Indeed, the numbers increased, particularly in the sporting codes, to such an extent that extra teams were fielded across a range of sports. Once again, we had a huge number of teams and groups throughout the year, on the field, the court, the stage, in the pool or the theatre. We are fortunate to have such a committed staff, without whom we would not be able to provide such opportunities. We also have a number of 'outside' helpers – coaches, managers, mentors – who give their time for the benefit of our young men. We are indeed fortunate to have such a supportive PNBHS community.

After a false start in 2022, the school's major production, in conjunction with Girls' High School, was this year able to go ahead. *Oklahoma!* was director Mr. Burton's 25th and final show, and it was another outstanding production. Mr. Burton has given monumental service to the performing arts over the last 25 years, and it was fitting that he should end his time at the helm with such a superb season. A function was held to recognise Mr. Burton's 25 years as the major production's director, and it was great to see so many former cast and crew members in attendance to pay tribute to his passion and dedication.

Drama productions at both the senior and junior level were presented, and the Junior Musical Theatre programme continued to provide opportunities for young men in Years 9 and 10 to develop their skills. After a stellar year in 2022 for the Rector's Company, the group again performed with distinction, qualifying for the National Sheilah Winn Festival. Jesse Franks was selected to attend the NZSS Shakespeare Festival, one of fewer than fifty performers invited to attend. It was also encouraging to see a group of young men enter into the regional DanceNZ Made competition where they qualified for the national competition. My thanks go to Miss Belcher, Mr Burton, and Mr & Mrs Mills for all they did in this important area of the school this year, and to Mr Kilsby and Mrs Clark for their continued support.

It was good to see the numbers involved in debating at the school. The Senior A team finished runners-up at the Central North Island competition, while the Junior A team beat the Junior B team in the final of their competition. Tane Nielson was first equal for the Best Speaker and was selected for the Central North Island team that performed with distinction at the National Debating Championships, losing by the barest of margins in the semi-finals. Ms Power, Mr Hop Wo, and their team did a fine job coordinating the programme in the school.

The Kapa Haka and Pasifika groups had another busy year and performed at a number of events, although neither was able to attend the Super Eight Schools Cultural Festival. It was encouraging to see the numbers involved with these groups and to see how much work the young men and staff put into their performances.

Young men from PNBHS continue to be involved in the Te Piringa kapa haka group and they competed at the Kapa Haka National Competition in Palmerston North this year.

Yet again the school was able to boast a number of very talented musicians. The Stage Band, consistently superb under Mr. Lauridsen's tutelage, won the award for Best Manawatu Big Band and Best Overall Big Band at the Manawatu Jazz Festival, while also earning a Gold Award at the Hawke's Bay Festival of Bands in Hastings. The band won the Super Eight Schools NZ Music Trophy. Selected to attend the

Young Jazz 'Band-It' competition in Wellington as one of the country's top ten youth bands, the Stage Band finished runners-up in the competition for the second time.

Mike Sung, Scott Sun and Junhee Cho received Gold Awards at the Hawke's Bay Festival of Bands, while Scott also won the award for Best Solo. Alex Christensen and Luca Tatana won individual awards at the Manawatu Jazz Festival.

Torrence Cheung was selected for the NZSS Orchestra, and Mike Sung was selected for the NZSO National Youth Orchestra.

Manifesto, the school's elite choir, won the Best NZ Work and Best Overall awards at the Regional Big Sing competition. Armani Whitehead-Wilson and Jesse Wallace were selected for the NZ Secondary Students Choir for 2023 and 2024, joining Saem Millward and Josh Webster who were selected for this two-year programme in 2022. Axis Simon was selected in the NZ Academy Choir.

My thanks go to Mr. Young and Mr. Dredge in the Music Department, as well as Mrs Dearlove and Mr Lauridsen for all they do for our young musicians.

The 2022 New Zealand Secondary Schools' Athletic Championships were held in Inglewood after the 2021 version at the same venue was cancelled. Forbes Kennedy continued his good form by winning the Senior Long Jump title. At the NISS Championships, an all-PNBHS Junior 4x100m relay team won the silver medal, while James Bayliss, William Donaldson, Jarvis Shaw, and Adam Smith were other medal winners.

Numbers in badminton continue to grow, in the junior school in particular. The Senior A Badminton team had a number of younger players and showed promise throughout the season. The team finished fourth at the Super Eight tournament. At the NZSS Championships in Porirua the Senior A team finished third in Division II and the Senior B team finished sixth in the same division. My thanks go to Mr Ong, Mr James, and Mrs Young-Wilson for their efforts in badminton this year.

Another busy year for basketball at PNBHS, with forty-four teams representing the school. Basketball has certainly grown in popularity in recent years, and it is encouraging to see so many of our young men involved. The Friday night competitions were again affected by a range of other events at Arena Manawatu. The Premier A team performed well at a very competitive Super Eight tournament where they finished fourth. At the Regional Qualifying Championships, they again finished fourth to qualify for the NZSS Championships, once again held in Palmerston North. A number of positive performances, including a superb comeback win over Hamilton BHS which showed a huge amount of character, saw the team make the top half of the draw and finish 12th. My thanks go to Mr. Tanoa who has given his time to coach the team for a number of seasons now.

The Development team were 17th at the Regionals playing against other schools' first teams, while for the first time a Premier 'C' team was entered into the Regional 'A' Tournament (for small schools) and performed well, finishing 13th. The Junior A team was fourth at the Zone 3 Championships in Napier, while the Year 9 A team were fifth in their division at the same tournament.

The local Manawatu Secondary School competitions saw success for a number of PNBHS teams. Thank you to Dr. Smith and Mr. Benn for their organisation of so many young men and so many teams.

The Senior A Canoe Polo team finished runners-up to Feilding in both the NZSS Championships held in Hawke's Bay and the Manawatu SS competition. The Junior A team also finished runners-up at the NZSS tournament, to St John's College of Hastings. In the local competition, the PNBHS 5 team finished runners-up in Division III. Thanks go to the Dickons family, who do a fantastic job with our canoe polo teams. In particular, I would like to thank Paul and Roz, who are stepping down after eleven years of service to PNBHS canoe polo.

The Senior A Chess Team had a successful season, finishing first at the Manawatu Regional Competition and third at the Super Eight tournament, held as part of the Super Eight Schools Cultural festival.

The 1st XI Cricket team were runners-up at the Super Eight tournament, where they lost a close final to Tauranga Boys' College by two wickets. Matt Rowe made headlines at the tournament when he took the best figures in the school's history, 9-12, against Rotorua BHS, which included the scarcely believable feat of six wickets in one over – six in six balls. The previous best figures for the school were Keith Hatch's 9-20 in 1933. It was only the third time in the school's history that a bowler had taken nine wickets in an innings. The 1st XI went on to win the Central Districts Qualifying Tournament and so qualifying for the NZSS Gillette Cup in Christchurch in December. The traditional fixture with Napier BHS was drawn, meaning the team retained the venerable Challenge Shield, a trophy played for since 1909. A heavy loss to Wellington College was followed by convincing wins over St Pat's, Silverstream and Whanganui Collegiate, before losing outright to Auckland Grammar in the traditional three-day fixture and in doing so surrendering the Oram Family Cup for the first time. Mr. Scott Davidson continues to do an excellent job with the 1st XI, and we are fortunate to have a number of dedicated cricket coaches on the teaching staff.

The number of young men involved in the Wednesday afternoon McVicar Cup and the Saturday morning competitions, including the school's own Cake League, was encouraging. The addition of new fixtures to the traditional fixture list was also a pleasing development.

The cross-country runners enjoyed another positive year, winning the Manawatu Secondary Schools titles in the Year 9, Junior and Senior categories. The Super Eight event was hosted by the school and was held at Massey University, with the Year 9 team finishing second and an overall placing of third.

In cycling, Wilson Hannon enjoyed a successful year. At the National Road Cycling Championships, he won a silver medal in the Men's U19 Criterium. At the NZSS Road Cycling Championships in late September, Wilson won the U20 Men's Road Race and was fifth in the Points Race. Logan Dowdall was second in the U14 Points Race, Jordan Peel third in the U15 Points Race, while there were a number of other top ten finishes, several of which were by junior riders which is encouraging.

The 1st XI football team had another busy season. They again played some positive and entertaining football in the Senior Men's YORB Horizons Premiership. However, they were unable to defend the title won in 2022 and finished third – a third consecutive top-three finish. Fourth at the Super Eight tournament, the team then went to the NZSS Championships in Christchurch, where losing out by the barest of margins for a spot in the top half of the draw, the team finished 23rd.

The 2nd XI had also won their competition last year but found the going much tougher in the Horizons Championship in 2023, finishing in sixth place. They also finished sixth at the 2nd XI tournament in New Plymouth. The Junior A team won their local competition, going through the season unbeaten, and were fifth at the Hillsdene Tournament in Tauranga. The Junior Black team also won their grade in the local competition.

Mr Hodge does a superb job as Master-in-Charge, coordinating trials, teams, and coaches during the busy winter season.

The Senior A Golf Team again finished fourth at the Super Eight tournament and won the Manawatu/Wanganui Intercollegiate Championships.

There were some encouraging results from our hockey teams during the season. Despite suffering their first loss in an Intercity Division 1 fixture, against a strong Wairarapa College side, the 1st XI retained their title in convincing fashion. They also won the Men's Premier Reserve Grade, and performed with credit at the NZSS Rankin Cup, finishing in tenth place.

The 2nd XI had an excellent season, gaining promotion to Intercity Division I and reaching the semi-finals, where they met the 1st XI and pushed them for much of the game. The 2^{nds} finished runners-up at the Galletly Cup tournament in Stratford. The 3rd XI won Division III and for the second year in a row they went through the season unbeaten.

An encouraging increase in rugby numbers saw two additional teams representing the school in 2023. It was an excellent season for the 1st XV. It began well with a

number of good performances prior to the Super Eight competition. Inconsistency then affected the team during the second term before a superb performance against King's College put them back on the right track. Thereafter, despite finishing fourth in a highly competitive Super Eight competition, the team drew with Napier in the Polson Banner match, before beating Hastings BHS in the Hurricanes Schools knockout competition. Then followed an excellent win over Napier in the semi-final before an interesting turn of events led to Scots College of Wellington defaulting the final, thus making the 1st XV the Hurricanes Schools Champions for the first time. As a result, PNBHS made its first appearance at the National Top Four competition since 2005. A frustratingly close loss to eventual winners Southland BHS in the semi-final was followed by an outstanding performance to beat Tauranga BC in the third-place playoff.

Captain Tom Illston-Park was joined in the Hurricanes U18 squad by Ryder Crosswell, Mativa Fonua, Tayne Harvey, Liam O'Connor, Eli Oudenryn, Quinn Sturmey, Nehemia Su'a, and Logan Wallace. Tayne Harvey and Logan Wallace were selected for the NZSS team, while Liam O'Connor and Eli Oudenryn made the NZ U18 Barbarians and Quinn Sturmey the NZ Māori U18 team.

The 2nd XV began promisingly in the Super Eight competition but eventually finished fourth. In local competition, the U16A team won the Premier One competition, the Junior 6 team won Youth Division Three and the Junior 8 team won Youth Four.

The Clay Target shooters had an excellent year. A closely fought regional circuit was ideal preparation for tournaments. The team won the Murray Luke Memorial shoot, and later in the season had an outstanding couple of days in Hamilton, where they won the Super Eight and the NISS titles. Four of the team were selected for the Wellington Regional team, with Ben Transom the top qualifier. Ben was third in the Points Score and the Wellington team won the regional event for only the second time with Jacob Little HOA (High Overall).

Smallbore shooting again had good numbers competing in local competitions.

In squash, Brodie Bennett had an outstanding year, gaining selection (at number one) for the NZ Secondary Schools Junior team that competed in Australia. The Senior A team, comprising mainly Year 10 and 11 pupils, finished tenth at the NZSS Championships.

There were some excellent performances from PNBHS swimmers during 2023. At the NZSS Championships, the school team finished second overall for the second year in a row. The relays, in particular, were impressive: gold medals in both the Senior 4x100 and the 4x50 freestyle; silver in the 8x50 freestyle, and bronze medals in the Junior 4x50 freestyle, the Senior 2x50 freestyle and the 4x50m medley. In individual competition, Alex Odom won a silver in the Senior 50m breaststroke, while Eric Wong won three silver medals and two bronze.

Table tennis numbers were again impressive this year, up from 27 to 32 teams in the local competition. For the first time, table tennis was part of the traditional fixture list when it was added to the Wellington College exchange, winning on its debut. School teams won the Premier Division in the local secondary schools' competition, as well as Divisions One, Two, Three, and Five and were runners-up in Division Four. Akshay Aneesh finished top in the individual standings in the Premier Division and won the Manawatu Secondary Schools U19 championship, with Hadley James winning the U15 event. At the NZSS Championships, the Senior A team won Division II, placing them ninth in the country. Mr Gibbs has done a fine job of running table tennis and is looking forward to the possibility of an overseas tour.

The Senior A Tennis team were fourth at the Super Eight tournament and had a win over Napier BHS in the inter-school fixture. In Manawatu Interclub tennis, school teams contested the Junior Premier Boys final and won the Junior B grade as well. Travis Christison won the senior title at the Manawatu Secondary Schools Championships with Matty Leary the runner-up.

The Senior A Volleyball Team enjoyed an excellent season. They were runners-up at the Super Eight tournament and won the regional qualifying tournament in Palmerston North. At the NZSS Championships, the team won Division III and gained

promotion to Division I & II next year. There was further success when the team won the Manawatu Senior Men's competition for the first time.

Under Mr Ross water polo remains a popular sport, and the Premier A team repeated their performance at the NZSS Championships by finishing fourth, the highest placing the school has achieved. This seemed unlikely after an eighth placing at the North Islands. Cole Phillips was selected for the NZ U20 team that competed at the World Championships in Bucharest, Romania. Cole is also a member of the NZ Senior Men's training squad. Alex Odom was selected in the NZ U19 team to compete in the Australian State Championships, while Jayden Barnes and Filip Martin made the NZ U15 (born 2008) team.

Staff

We are fortunate to have a fantastic team of non-teaching staff who play a crucial role in the operation of the school. I am wont to compare them to the backstage crew of a theatre production – they may not be front and centre, but without them the show would not go on.

Mr Davidson has been the manager of College House for some time, and he does an excellent job in what can be a challenging role. He and his staff do a fine job in ensuring the hostel runs efficiently. For the last three years, demand for places in College House has been significant, with waiting lists at most year levels, and this is testament to the work Mr Davidson and his team does to make College House such a well-regarded boarding house.

Under new Board Chair (the official term is Presiding Member, but I cannot bring myself to use it) Grant Watts, the Board of Trustees continues to be extremely supportive of the school and its staff. The school is fortunate to have such a dedicated and proactive BOT and it continues to be a pleasure to work with them. Mr Watts is a familiar face in the staffroom and the staff enjoy engaging with him on a regular basis.

The Old Boys Association has had another busy year. Indeed, with each year they seem to get busier and busier as more Old Boys reengage with their old school. It has been encouraging to see the support from the Old Boys community, and my thanks go to Mrs Rachel Wenham for all the work she and her team have done throughout the year. They put in a huge amount of work, often working long into the night to ensure Old Boys gatherings are successful. Along with Miss Sally Wenham and Mr Stu Leighton, Rachel is superb at organising events and people. Mr Simon O'Connor, as President of the OBA, is enthusiastic in his role, particularly when introducing the Rector at functions.

We look forward to another busy and positive year in 2024.

D M Bovey
RECTOR

PALMERSTON NORTH BOYS' HIGH SCHOOL

Analysis of Variance Report

For the year ended 31 December 2023

Student Achievement – Annual Targets

National Certificate of Educational Achievement

The school's continuing focus is to improve academic achievement levels for all students. This can often be difficult, often depending on the strength of particular cohorts, and a refusal to water programmes down to make the stats look good. Mentoring programmes for Year 11 and 12 pupils continue to have very positive outcomes.

The school does recognise that through time there will be variances within year groups. That said, the focus of our teaching staff is to use this data to motivate student's levels of achievement.

The reality between 2022 and 2023 is as follows:

NCEA	LEVEL	2022	2023	RESULT
Year 11	2	15.6%	13.8%	1.8% decrease
Year 12	2	73.3%	68.4%	4.9% decrease
Year 12	3	13.2%	12.2%	1% decrease
Year 13	3	70.8%	62.2%	8.6% decrease
Scholarship		12	15	3% increase

The tracking of the school's progress has been occurring since 2004.

The points of interest for our teachers and school are:

- A decrease in academic achievement rates across the board, which has been a focus in discussions with Heads of Department.
- The students in the Year 11 and Year 12 accelerate programmes continue to produce excellent results, despite their achievement rates being slightly lower

than in 2023. Their efforts and ability are well recognised. The programme is serving its purpose for this group of young men. The number involved in these programmes varies depending on the strength of the cohort.

- The vocational courses on offer at PNBHS continue to expand with a subsequent effect on Level 3, in particular, statistics.
- The scholarship programme continues to be affected by the number of young men in the accelerate programme who focus more on their university papers which are delivered by our staff. Even if it feels we are fighting against the tide, scholarship will continue to be a focus for 2024.

Key Result Area	Objective	Strategies	Measure	Outcome	Led by
LITERACY Raising Academic Achievement.		Departments identify literacy needs of subject.	Literacy requirements of subjects identified and planned for.		Alex James
		<u>Core Subjects</u> Science - Mathematics - English - Social Studies - • Teach subject specific vocabulary, <i>contextually</i> . • Explore etymology and morphology of words. • Model and Teach relevant reading comprehension strategies, e.g., <u>Activating Prior Knowledge</u> – ‘proficient learners build on and activate their background knowledge before reading...’ - Irwin et al.(1996) <u>Synthesising</u> – merge new information with existing knowledge to create an original idea. • Teach ‘sentence level’ writing skills. • Teach composition level writing skills. Use inclusive teaching practices such as, shared reading, buddy reading, online texts, hard copy/digitally supplied notes to allow for the varied learning differences or our students. Plan for a variety of assessment choices and accommodations. See following link, https://inclusive.tki.org.nz/guides/dyslexia-and-learning/provide-options-for-assessment2/	Literacy strategies implemented and informed instructional decisions made. Anecdotal assessment by Teacher. Appraisal feedback based on achievement against identified strategies. Improved results in vocabulary testing Sample analysis of written responses within evaluation tools (e.g., common assessments/ examinations). Student voice	Improved knowledge of and use of literacy strategies Students demonstrate confidence in literacy activities within topic contexts. Lift in test results. Improved student engagement within oral lesson discussion and consequent written work.	

Literacy 2024

The school recognises that literacy is essential for successful teaching and learning to occur. Having a whole school approach to literacy, with each subject area teaching specific elements of reading and writing, is essential. Equipping students with subject-based expertise allows them to navigate the specific text types encountered in NCEA and the workplace.

Teaching literacy across the curriculum has three specific aims:

- To broaden the students command of literacy skills by giving them a range of contexts in which to use and practise their skills.
- To teach the literacy skills central to a particular subject.
- To enhance students' understanding of a particular subject and therefore, improve their confidence and motivation.

The school recognises that vocabulary is an essential component of literacy in all subjects. Measurable targets are set for the whole school.

The school used the Paul Nation Vocabulary tests as follows:

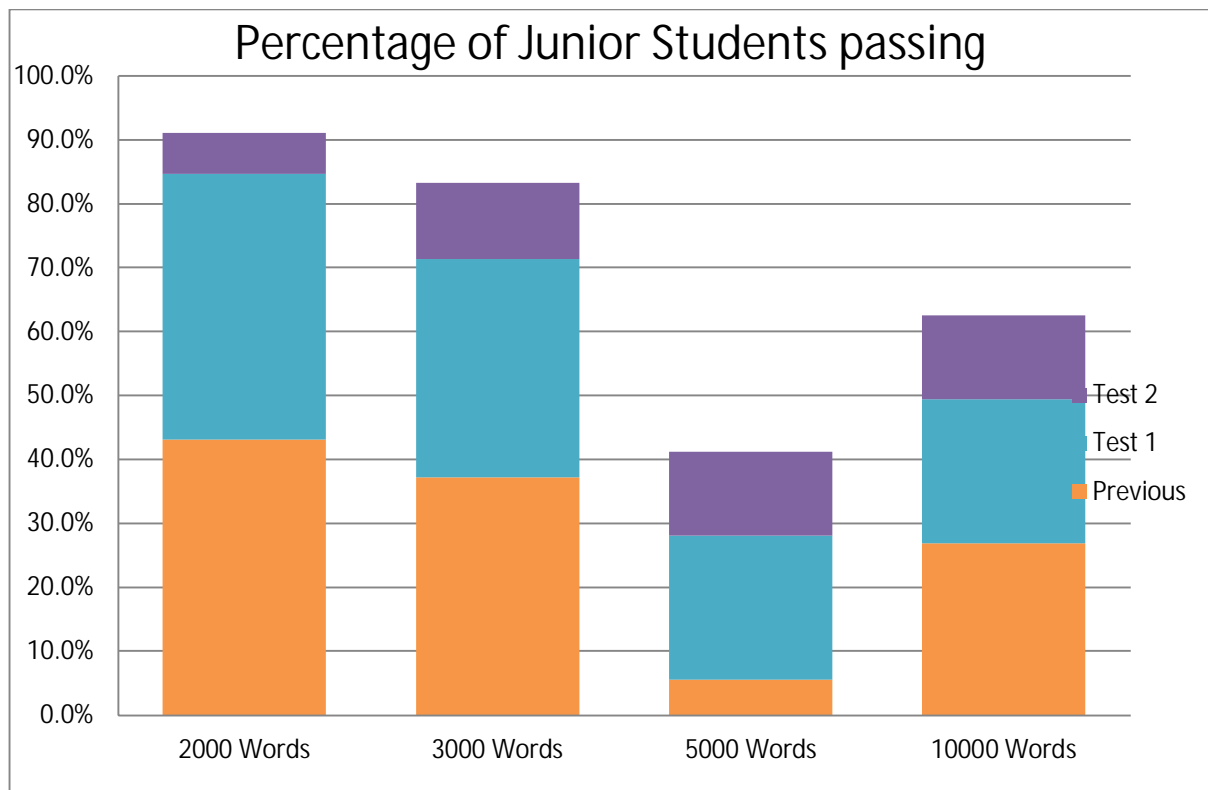
Year 9 and 10 students: 2,000-, 3,000-, 5,000- and 10,000- word tests.

Year 11, 12 and 13 students: Academic, 10,000, and University word tests.

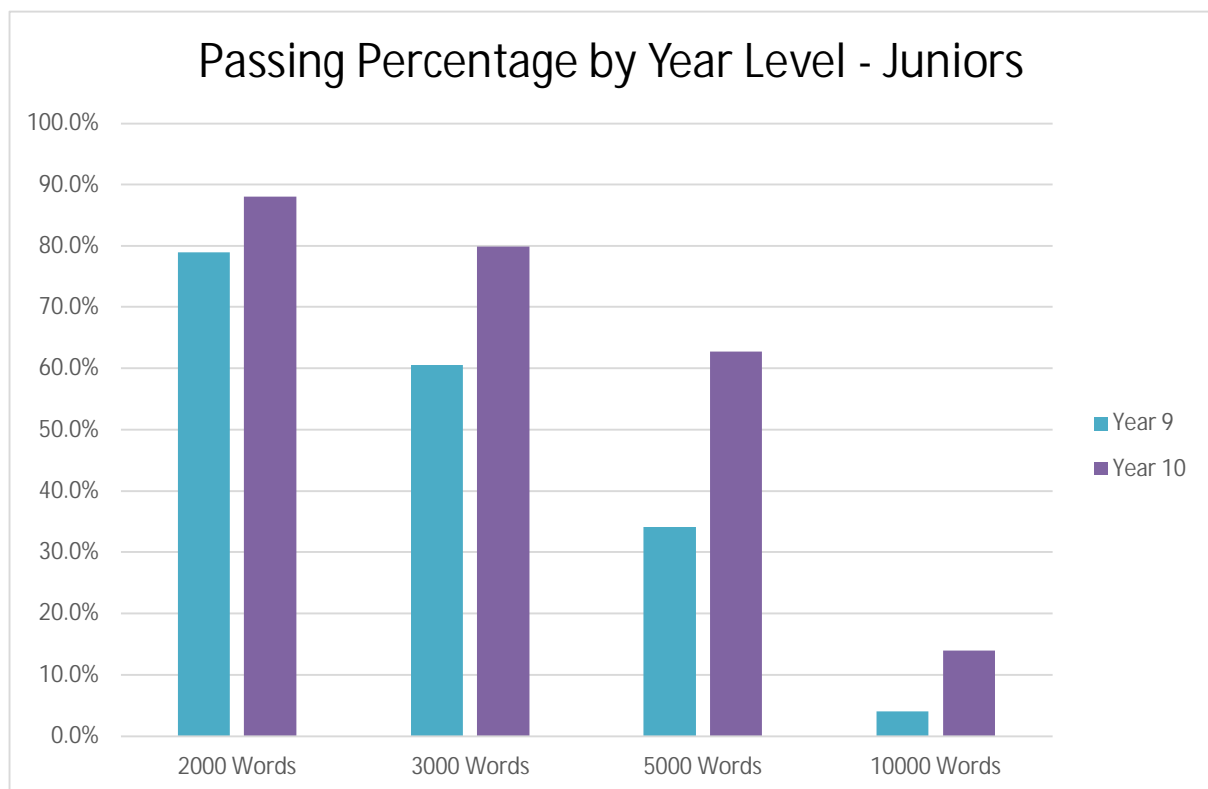
Students were assessed in March and November. The tests cover a comprehensive number of word families and can be used with native speakers and advanced non-native speakers. The testing process provides accurate data and enables the monitoring of students' progress.

For the junior school, the target of 5% improvement from Test 1 to Test 2 was exceeded for all four tests by Year 9 and 10 students. The biggest improvement for year 9 was the 5,000-word test, 16.3%. The biggest improvement for year 10 was the 2,000-word test, 13.6%.

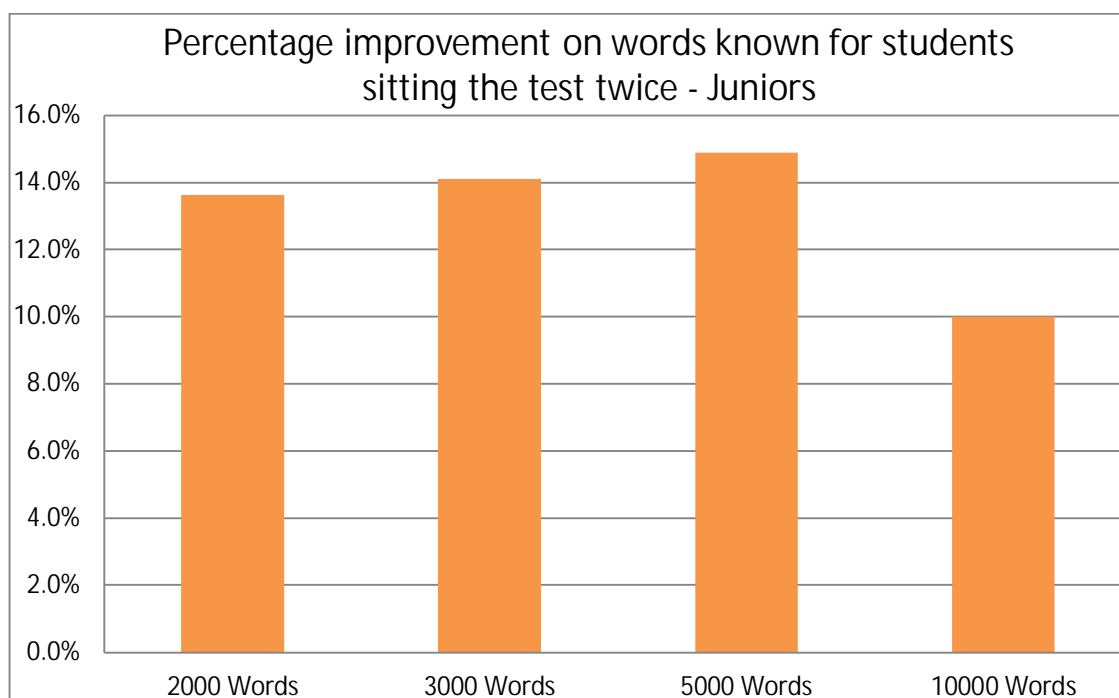
Junior Vocabulary testing



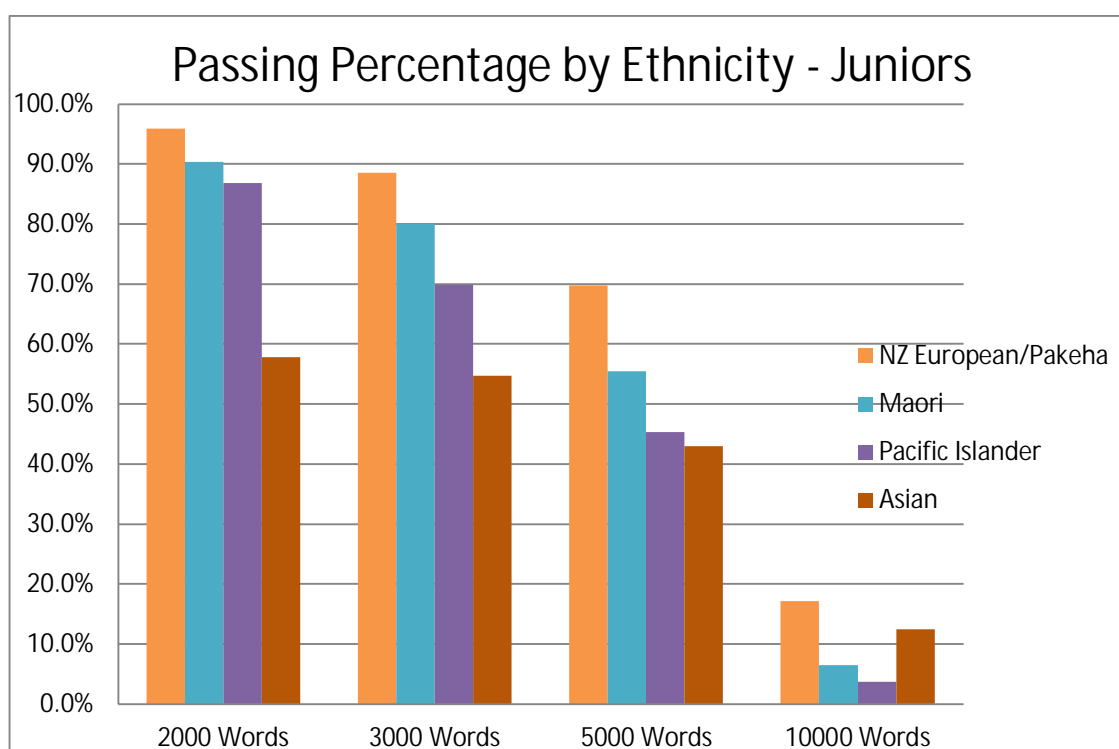
Above: The table shows a 91% pass rate for the 2000-word test, 83% for the 3000-word test, 41% for the 5,000-word test and 63% for the 10,000-word test. These statistics are lower across all tests than in 2022 by a narrow margin.



Above: As expected, the year 10 cohort shows a higher passing percentage in each word test, reflecting the two years they have had to acquire the vocabulary.



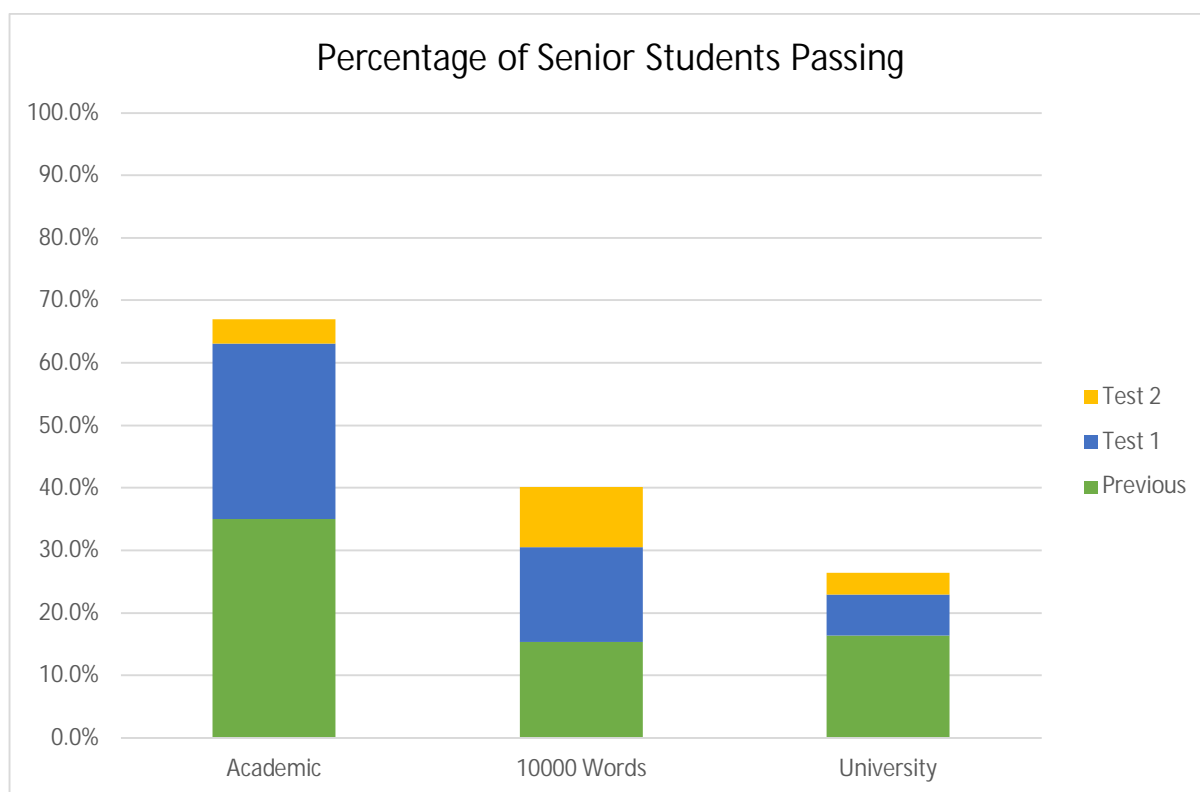
Above: The 5,000-word test had the greatest improvement for students sitting the test twice.



Above: NZ European (96%), Māori (90%) and Pasifika (87%) results are proportionally close in the 2000-word test; however, this gap widens as the tests become more difficult. The 10,000-word test illustrates an expanding gap, with test scores of 17, 7% and 4% respectively. The Asian group have reversed the trend, narrowing the deficit and overtaking Māori and Pasifika groups in the same test.

Acquiring a pass result at the 10,000-word level is advantageous leading into NCEA Level 1. Given the importance of a robust vocabulary, Maori and Pasifika students should be encouraged to read more and be exposed to meaningful vocabulary building exercises across the subjects. This is a key component within the school Charter.

Senior Vocabulary Testing

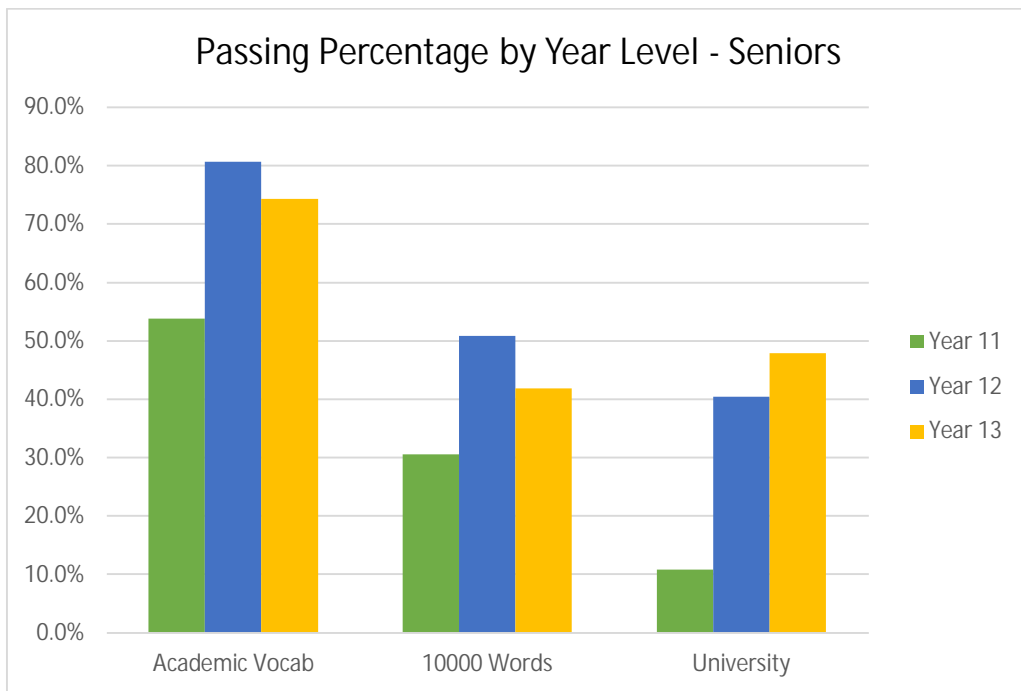


Above: The target for the Senior School was not met for two of the three tests. It is of concern that the 10,000-word test, which is the vocabulary required to sit NCEA, still has a passing percentage below 50%, sitting currently at 40%.

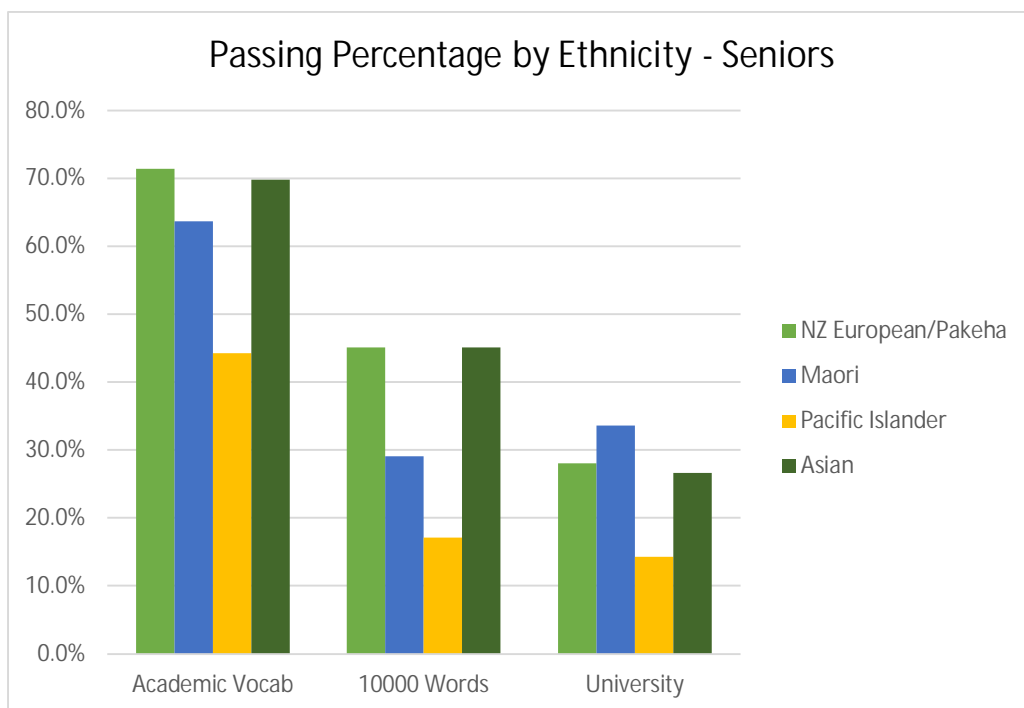
We know that a students' vocabulary is a predictor of future success and that students with a poor vocabulary at five are more likely to struggle with reading in adulthood and three times more likely to have mental health issues. Responsibility for literacy, therefore, is non-negotiable.

Vocabulary can be acquired through incidental learning so reading volume is very important in terms of long-term vocabulary development.

Exposure to wide reading through the Sustained Silent Reading Programme is a school-based initiative to contribute to vocabulary development. However, an improved percentage pass rate for the 10,000 will need further cross-curricular discussion of words and ways to use context clues to make educated guesses for unknown words. Many departments are making a concerted effort to improve both subject specific vocabularies, as well as general vocabulary, as they recognise the importance of vocabulary development to academic success.



Above: The target of 50% for 10,000 words in the senior school was met by the year 12-year group only, 51%. Our aim is for all senior students to at least have the 10,000-word level before the external examinations.



Above: NZ European and Asian ethnicity groups share similar levels of pass rates; however, they are both below the 50% target for the 10,000-word test. Maori and Pasifika groups are further behind the target, particularly for the 10,000-word test, 29% and 17% respectively. An emphasis for *all* groups to improve at the 10,000-word level remains a priority.

The school entry tests continue to provide evidence that larger numbers of students continue to be less literate when they enter Secondary School. Because of this, the school will continue to focus on literacy across the curriculum in 2024. The emphasis will vary depending on choices made in each department but a core literacy strategy in all departments will be vocabulary. Other choices will be based on perceived need but will include reading comprehension strategies.

PALMERSTON NORTH BOYS' HIGH SCHOOL

Evaluation of the school's students' progress and achievement

For the year ended 31 December 2023

Student Progress and Achievement

Year 9 and Year 10 PAT Data – Literacy and Numeracy

PAT achievement data confirms that a concerning number of students entering Palmerston North Boys' High School have below expected literacy (reading comprehension) levels for their age and year level. In contrast, the mathematic ability of students is higher. The introduction of the literacy and numeracy prerequisites for achievement in NCEA means that extra specific attention for these key skills is essential.

Reading Comprehension

Reading Comprehension			
Year 9 - start of year			
2024	% PNBHS	Number	% National
Stanine 1	6%	21	4%
Stanine 2	25%	30	19%
Stanine 3		63	
Stanine 4	57%	90	54%
Stanine 5		57	
Stanine 6		65	
Stanine 7	9%	19	19%
Stanine 8		16	
Stanine 9	4%	14	4%
Mean Stanine 4.5 (5)			

31% of Year 9 student at Palmerston North Boys' High School are well below the expected level (stanine 1 – 3) compared to 23% of students nationally. Only 13% of Year 9 students are well above the expected level (stanine 7 – 9) compared to 23% of student nationally.

Reading Comprehension			
Year 10 - start of year			
2024	% PNBHS	Number	% National
Stanine 1	7%	21	4%
Stanine 2	23%	26	19%
Stanine 3		48	
Stanine 4	59%	69	54%
Stanine 5		77	
Stanine 6		53	
Stanine 7	11%	29	19%
Stanine 8		11	
Stanine 9	1%	6	4%
Mean Stanine 4.5 (5)			

30% of Year 10 student at Palmerston North Boys' High School are well below the expected level (stanine 1 – 3) compared to 23% of students nationally. Only 12% of Year 10 students are well above the expected level (stanine 7 – 9) compared to 23% of student nationally.

Mathematics

Mathematics			
Year 9 - start of year			
2024	% PNBHS	Number	% National
Stanine 1	1%	3	4%
Stanine 2	12%	7	19%
Stanine 3		41	
Stanine 4	60%	76	54%
Stanine 5		87	
Stanine 6		87	
Stanine 7	23%	61	19%
Stanine 8		33	
Stanine 9	5%	19	4%
Mean Stanine 5.5 (5)			

13% of Year 9 student at Palmerston North Boys' High School are well below the expected level (stanine 1 – 3) compared to 23% of students nationally. 28% of Year 9 students are well above the expected level (stanine 7 – 9) compared to 23% of student nationally.

Mathematics

Year 9 - Term 4 2023			
2023	% PNBHS	Number	% National
Stanine 1	4%	13	4%
Stanine 2	13%	12	19%
Stanine 3		34	
Stanine 4	53%	74	54%
Stanine 5		63	
Stanine 6		59	
Stanine 7	23%	60	19%
Stanine 8		26	
Stanine 9	7%	26	4%
Mean Stanine 5.4 (5)			

17% of Year 10 student at Palmerston North Boys' High School are well below the expected level (stanine 1 – 3) compared to 23% of students nationally. 30% of Year 10 students are well above the expected level (stanine 7 – 9) compared to 23% of student nationally.

Year 11, 12 and 13 NCEA Data

NCEA	LEVEL	2023	2022	RESULT
Year 11	Level 2	14.1%	15.4%	1.3% decrease
Year 12	Level 2	68.7%	73.4%	4.7% decrease
Year 12	Level 3	12.5%	13.5%	1% decrease
Year 13	Level 3	67.1%	71.5%	4.4% decrease
Year 13	University Entrance	50.2%	53.2%	3% decrease

NCEA results for 2023 are disappointing. The results for accelerated students fluctuate annually as the number of young men in the programme is not fixed as a proportion of each year level. The increase in diversity of courses, especially those assessed through industry-based unit standards, and the growing number of student enrolments in those programmes, has impacted NCEA Level 3 and University Entrance results. While the drop in the percentage of students gaining University Entrance is disappointing, destination data informs us that only approximately 30% of our school leavers enrol in university study directly from school.

PALMERSTON NORTH BOYS' HIGH SCHOOL

Kiwisport Funding Statement

For the year ended 31 December 2023

Availability of Sporting Opportunities

The Sports Co-ordinator liaises with outside organisations with Sport Manawatu being the main community based organisation and other schools that we have long -standing relationships with. The school has active relationships with community organisations that either offer students sporting opportunities directly or administer sporting opportunities for students.

Most of these links include the use of community or club facilities. These links assist the students to continue their sporting interest after leaving school.

Sporting links include the following sports: athletics, badminton, basketball, boxing, bowls, canoe polo, clay target shooting, cricket, croquet, cross country, cycling, football, golf, hockey, indoor cricket, Ki O Rahi, motocross, mountain biking, orienteering, rugby, skiing, squash, swimming, table tennis, tennis, touch, volleyball, and waterpolo.

The school offers 28 sports, this is maintained yearly, and staff are committed to the areas where they have an interest. All new students are informed of their options; students have opportunities to play at their skill level. The Sports Co-ordinator provides an administrative service to this network of sports.

Student Participation

With 72% of students involved in sport, this school aims to maintain this participation by offering sporting opportunities for all skill levels. School teams compete either locally or outside the region to get the most suitable competition. By offering this variety of sports students are more likely to remain in a sport where they are competitive or get enjoyment. The Sports Co-ordinator organises the sporting fixtures outside the region.

Kiwisport Funding Received for the 2023 Year: \$23,740 (2022: \$41,272)

PALMERSTON NORTH BOYS' HIGH SCHOOL

Statement of Human Resources

As at 31 December 2023

STAFF	2023	2022
Teaching	142	136
Administration and Support	48	47
Hostel	14	15
	<hr/>	<hr/>
	204	198
	<hr/>	<hr/>

(Includes full and part-time staff)

STUDENTS

Roll number at 1 March

Year 9	424	390
Year 10	373	408
Year 11	393	367
Year 12	340	339
Year 13	241	240
	<hr/>	<hr/>
	1,771	1,744
	<hr/>	<hr/>

The School was open during the year for the following
number of half days

380	380
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PALMERSTON NORTH BOYS' HIGH SCHOOL

Statement of Physical Resources

As at 31 December 2023

BUILDINGS AND GROUNDS

The school buildings comprise:

- Eight classroom blocks (includes workshops, science laboratories and art rooms)
- Eleven relocatable classrooms
- Administration/Library/Staffroom block
- Hall/Drama Block
- New Gymnasium & Weights Room
- Old Gymnasium/Memorial Gallery
- Aquatic Sports Centre
- Eight artificial surface tennis courts
- Cricket Pavilion/Jubilee Room
- Groundsman Shed
- Small Garage
- Rugby Garage
- Six Maintenance garages
- Grandstand/Changing facilities
- Caretaker's House
- Tennis Pavilion
- Bicycle Security Area
- Rental Houses (2)
- Speirs Centre (Auditorium and Music Suite)
- Covered Canteen Area

College House buildings comprise Main Dormitory Block, The Colquhoun Wing, The O'Connor Wing, The Hart Dining Hall, Laundry, Music Suite, x2 Weights Rooms, Murray House and the properties at 105 and 109 North Street.

The school occupies 7.8 hectares of land which have been developed to include:

- Two artificial cricket pitches
- Two rugby fields
- Two soccer fields
- Tennis Courts (as above)
- Multipurpose grass area
- Eight cricket practice lanes

The ownership of the School buildings (with the exception of P3, P4, P5, Block O, Aquatic Sports Centre, the Tennis Pavilion, the rental houses, the Covered Canteen Area, 50% of the Speirs Centre and the College House buildings) and land is vested in the Ministry of Education. The School Board is responsible for their property management.

The buildings are of differing ages and require various degrees of maintenance management.

The school has access (thanks to the Palmerston North City Council) to Coronation Park, Alexander Park, Monrad Park and Ongley Park. It also has a contract governing the use of Waihiko Park. The school leases the Queen Elizabeth College fields during the winter sports season.

PALMERSTON NORTH BOYS' HIGH SCHOOL

Good Employer Disclosure

For the year ended 31 December 2023

Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 2023.

The following questions address key aspects of compliance with a good employer policy.

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	Regular communications with all staff.
What is in your equal employment opportunities programme? How have you been fulfilling this programme?	<i>We have an EEO policy and a staff member as the point of contact.</i>
How do you practise impartial selection of suitable qualified persons for appointment?	<i>We select the most suitable person for any role.</i>
How are you recognising, - The aims and aspirations of Maori, - The employment requirements of Maori, and - Greater involvement of Maori in the Education service?	<i>A significant number of staff are involved in the Te Ahu o te Reo Maori ki te Taiuru programme, which provides both Maori and non-Maori staff the opportunity to develop their Te Reo skills</i> <i>Our Maori staff do not know how to answer these questions, however: when asked, they suggested their requirements were the same as everybody else's.</i>
How have you enhanced the abilities of individual employees?	<i>Professional development opportunities: general, subject specific and targeted PLD.</i>
How are you recognising the employment requirements of women?	<i>A number of our female teaching staff have flexibility around their timetables which helps them in terms of childcare.</i>
How are you recognising the employment requirements of persons with disabilities?	<i>Providing support.</i>

Good employer policies should include provisions for an Equal Employment Opportunities (EEO) programme/policy. The Ministry of Education monitors these policies:

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

PALMERSTON NORTH BOYS' HIGH SCHOOL

How We Give Effect to Te Tiriti O Waitangi

As at 31 December 2023

- Te Tiriti o Waitangi is recognised and embedded in school policies and decision making (see below).
- A relationship with Rangitāne has been developed primarily through the Kahui Ako. Some PNBHS staff members are involved in an intensive Professional Development programme facilitated by Rangitāne and will bring the knowledge they gain back to school to share with their colleagues.
- New students and whānau are welcomed with a pōwhiri at the beginning of the school year.
- Teachers in the ten Within School Teacher positions (through the Kahui Ako) are focused on Mātauranga Māori and/or literacy and numeracy as part of the Review of Achievement Standards. This work will contribute to the wider teaching staff understanding of Mātauranga Māori and strategies to lift the achievement of Māori learners so they can achieve the NCEA literacy and numeracy co-requisites.
- Te reo Māori is offered as a subject at every year level and Māori Performing Arts is an NCEA level subject for students in Years 11, 12 and 13. Both of these subject areas have experienced considerable growth in student numbers in recent years.
- All Year 9 students study Te Ao Māori as part of the core module programme. This is focused on an introduction to tikanga Māori and te ao Māori.
- The Dean of Māori Student Achievement supports Māori students and their teachers to raise student achievement.
- Through the Year 9 Haka Challenge, a highlight of the school year, all young men learn the school haka and are introduced to the tikanga and protocols of haka.
- Heads of Department report on the achievement of Māori students in their subject and the strategies developed to support their progress and achievement.
- A large number of teaching staff learning and using te reo Māori.
- Opportunities for appropriate co-curricular opportunities have been developed, for example kapa kaha (Super Eight, Te Piringa), Nga Manu Korero speech competition, Ki o Rahi, Whakairo, Mau Rākau.
- The Pūhoro programme supports student achievement in science and mathematics.

Te Tiriti o Waitangi is one of Aotearoa New Zealand's founding documents and represents the binding contract between Māori and the Crown. Palmerston North Boys' High School recognises our role and responsibility to honour and give effect to te Tiriti o Waitangi.

Under the Education and Training Act 2020, a primary objective of the board of Palmerston North Boys' High School is giving effect to te Tiriti o Waitangi. We do this by:

- working to ensure our plans, policies, and local curriculum reflect local tikanga Māori, mātauranga Māori, and te ao Māori.
- taking all reasonable steps to make instruction available in tikanga Māori and te reo Māori.
achieving **equitable outcomes** for Māori students
- providing opportunities for learners to appreciate the importance of te Tiriti o Waitangi and te reo Māori.

Palmerston North Boys' High School works from the principles of partnership, protection, and participation to meet our obligations under te Tiriti o Waitangi. These principles reflect the three articles of te Tiriti.

Partnership

Palmerston North Boys' High School aims to work in partnership with our local Māori community to support rangatiratanga/self-determination. We actively seek the guidance of our local Māori community to help us better meet the needs of our Māori students and ensure they experience educational success as Māori.

We consult with our local Māori community on the development of our charter/strategic plan to make sure it reflects and upholds appropriate tikanga Māori and te ao Māori. We seek opportunities to collaborate with Māori to invest in, develop, and deliver Māori-medium learning (NELP Priority 2).

Protection

Palmerston North Boys' High School actively protects and upholds mātauranga Māori, te reo Māori, and tikanga Māori, and ensures they are meaningfully incorporated into the everyday life of our school (NELP Objective 5). We actively engage with **Ka Hikitia Ka Hapaitia**.

We take all reasonable steps to make instruction available in te reo Māori and tikanga Māori.

We support our teachers to build their teaching capability, knowledge, and skills in te reo Māori and tikanga Māori. We provide opportunities for teachers to develop their understanding and practice of culturally responsive teaching that takes into account akonga contexts (NELP Priority 6).

Participation

Palmerston North Boys' High School has high aspirations for every student. We encourage the participation and engagement of students and their whānau in all aspects of school life.

Our relationships with our school community help us meet the needs of all students and sustain their identities, languages, and cultures. The participation of whānau and our wider Māori community actively informs the way we design and deliver education to ensure Māori students experience educational success as Māori (NELP Priority 2).

This policy aligns with NELP Objective 1: Learners at the Centre, Objective 2: Barriers Free Access, and Objective 3: Quality Teaching and Leadership.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PALMERSTON NORTH BOYS' HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Palmerston North Boys' High School (the School). The Auditor-General has appointed me, Glenn Fan-Robertson, using the staff and resources of BDO Manawatu, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 28, that comprise the Statement of Financial Position as at 31 December 2023, 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.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2023; 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 as applicable to entities that qualify as tier 2.

Our audit was completed on 29 May 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

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 opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

PARTNERS: Ross Hadwin Billie Stanley

BDO New Zealand Ltd, a New Zealand limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

In preparing the financial statements, the Board is responsible on behalf of the School 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 there is an intention to close or merge the School, or there is 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 assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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 responsible for the other information. The other information report from the rector, analysis of variance, evaluation of the school's students' progress and achievement, kiwisport, statement of human resources, statement of physical resources, good employer disclosure and giving effect to te Tiriti o Waitangi but does not include the financial statements, and our auditor's report thereon.

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 independence requirements of 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) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the School.



Glenn Fan-Robertson
BDO Manawatu
On behalf of the Auditor-General
Palmerston North, New Zealand