

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF SAINT PIUS X SCHOOL (MELVILLE)'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Saint Pius X School (Melville) (the School). The Auditor-General has appointed me, Liyan Yao, using the staff and resources of Owen McLeod & Co Limited, to carry out the audit of the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2025, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

#### Qualified opinion

In our opinion, except for the matter described in the Basis for our qualified opinion section of our report, the financial statements of the School:

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

Our audit was completed on 27 May 2026. This is the date at which our qualified opinion is expressed.

#### **Basis for our qualified opinion - Uncertainty over completeness of fees for extra curricular activities and fundraising revenue**

The controls over the receipt of cash revenue on fees for extra curricular activities and fundraising, prior to being recorded, are limited. Revenue of fees for extra curricular activities and fundraising is disclosed in note 3 of the financial statements on page 12 totaling of \$31,178 (2025: \$17,014). There are no satisfactory audit procedures that we could adopt to independently confirm that all the receipts from fees for extra curricular activities and fundraising were properly recorded.

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 qualified 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.

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

In preparing the financial statements, the Board is responsible for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board intends to close or merge the School, or has no realistic alternative but to do so.

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other information included in the Board's annual report**

The Board is required to prepare an annual report which includes the annual financial statements and the audit report, as well as a Statement of Variance, an Evaluation of the School's Students' Progress and Achievement, a Statement of Compliance with Employment Policy, and a Statement of KiwiSport funding. The Board is responsible for the other information that it presents alongside its annual financial statements.

The other information obtained at the date of our audit report includes copies of the Variance Report Year 2025, Statement of Compliance with Employment Policy, and Statement of KiwiSport funding.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the School in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the School.



Liyan Yao  
Owen McLeod & Co Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand

# ST PIUS X CATHOLIC SCHOOL (MELVILLE)

## ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2025

#### School Directory

**Ministry Number:** 1966  
**Principal:** Erin Clayton  
**School Address:** 57 Pine Avenue, Melville  
**School Postal Address:** 57 Pine Avenue, Melville, Hamilton, 3206  
**School Phone:** 07 843 6554  
**School Email:** maree.rutherford@stpius.school.nz

**Accountant / Service Provider:**

**Education  Services.**  
*Dedicated to your school*

# ST PIUS X CATHOLIC SCHOOL (MELVILLE)

Annual Financial Statements - For the year ended 31 December 2025

## Index

<b>Page</b>	<b>Statement</b>
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 20	Notes to the Financial Statements
21 - 23	Independent Auditor's Report

# St Pius X Catholic School (Melville)

## Statement of Responsibility

For the year ended 31 December 2025

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

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

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

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

JAMES CAIRNEY MCCABE  
Full Name of Presiding Member

Erin Jane Fenella Clayton  
Full Name of Principal

*James McCabe*  
Signature of Presiding Member

*[Signature]*  
Signature of Principal

26/05/26  
Date

26/5/26  
Date



**St Pius X Catholic School (Melville)**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2025

		2025	2025	2024
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	2,186,042	1,667,283	1,833,797
Locally Raised Funds	3	45,565	10,400	28,573
Use of Proprietor's Land and Buildings		252,875	248,200	248,200
Interest		12,224	13,000	19,079
<b>Total Revenue</b>		<b>2,496,706</b>	<b>1,938,883</b>	<b>2,129,649</b>
<b>Expense</b>				
Locally Raised Funds	3	23,252	45,900	50,563
Learning Resources	4	1,871,916	1,422,343	1,596,144
Administration	5	134,526	136,907	123,914
Interest		1,123	577	993
Property	6	464,428	351,586	332,104
<b>Total Expense</b>		<b>2,495,245</b>	<b>1,957,313</b>	<b>2,103,718</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>1,461</b>	<b>(18,430)</b>	<b>25,931</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>1,461</b>	<b>(18,430)</b>	<b>25,931</b>

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

**St Pius X Catholic School (Melville)**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
<b>Equity at 1 January</b>		559,784	490,184	501,764
Total comprehensive revenue and expense for the year		1,461	(18,430)	25,931
Contribution - Furniture and Equipment Grant		76,496	-	32,089
Contributions from the Ministry of Education - Te Mana Tuhono		6,170	-	-
<b>Equity at 31 December</b>		643,911	471,754	559,784
Accumulated comprehensive revenue and expense		643,911	471,754	559,784
<b>Equity at 31 December</b>		643,911	471,754	559,784

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.

## St Pius X Catholic School (Melville) Statement of Financial Position

As at 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	358,678	176,747	235,418
Accounts Receivable	8	154,468	98,969	115,486
GST Receivable		18,466	8,093	13,161
Prepayments		10,383	11,090	8,888
Investments	9	209,198	138,821	199,545
		<u>751,193</u>	<u>433,720</u>	<u>572,498</u>
<b>Current Liabilities</b>				
Accounts Payable	11	230,785	107,779	132,081
Revenue Received in Advance	12	-	3,725	14,815
Provision for Cyclical Maintenance	13	31,329	33,948	35,971
Finance Lease Liability	14	7,647	6,080	8,704
		<u>269,761</u>	<u>151,532</u>	<u>191,571</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>481,432</b>	<b>282,188</b>	<b>380,927</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	257,467	202,019	197,427
		<u>257,467</u>	<u>202,019</u>	<u>197,427</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	85,679	6,285	6,884
Finance Lease Liability	14	9,309	6,168	11,686
		<u>94,988</u>	<u>12,453</u>	<u>18,570</u>
<b>Net Assets</b>		<u><b>643,911</b></u>	<u><b>471,754</b></u>	<u><b>559,784</b></u>
<b>Equity</b>		<u><b>643,911</b></u>	<u><b>471,754</b></u>	<u><b>559,784</b></u>

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

**St Pius X Catholic School (Melville)**  
**Statement of Cash Flows**  
For the year ended 31 December 2025

		2025	2025	2024
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		658,868	562,305	588,926
Locally Raised Funds		45,186	10,400	28,573
Goods and Services Tax (net)		(5,305)	-	(4,884)
Payments to Employees		(274,753)	(284,426)	(298,130)
Payments to Suppliers		(268,542)	(297,574)	(237,651)
Interest Paid		(1,123)	(577)	(993)
Interest Received		12,770	13,000	18,594
Net cash from/(to) Operating Activities		167,101	3,128	94,435
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(104,421)	(65,000)	(72,569)
Purchase of Investments		(9,654)	-	(60,724)
Net cash from/(to) Investing Activities		(114,075)	(65,000)	(133,293)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		76,496	-	32,089
Finance Lease Payments		(6,262)	(9,590)	(6,022)
Net cash from/(to) Financing Activities		70,234	(9,590)	26,067
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>123,260</b>	<b>(71,462)</b>	<b>(12,791)</b>
Cash and cash equivalents at the beginning of the year	7	235,418	248,209	248,209
<b>Cash and cash equivalents at the end of the year</b>	7	<b>358,678</b>	<b>176,747</b>	<b>235,418</b>

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense and other notional items have been excluded.

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

## St Pius X Catholic School (Melville) Notes to the Financial Statements For the year ended 31 December 2025

### 1. Statement of Accounting Policies

#### a) Reporting Entity

St Pius X Catholic School (Melville) (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a School as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

#### b) Basis of Preparation

##### **Reporting Period**

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

##### **Basis of Preparation**

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

##### **Financial Reporting Standards Applied**

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

##### **PBE Accounting Standards Reduced Disclosure Regime**

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

##### **Measurement Base**

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

##### **Presentation Currency**

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

##### **Specific Accounting Policies**

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

##### **Critical Accounting Estimates And Assumptions**

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

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

##### **Cyclical maintenance**

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

*Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.

**Critical Judgements in applying accounting policies**

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

*Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the School. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 19b.

*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 Proprietor. 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. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

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

**Other Grants where conditions exist**

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

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

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

#### **Interest Revenue**

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

#### **d) 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 School's receivables are largely made up of funding from the Ministry of Education. Therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

#### **h) Inventories**

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

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

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

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

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

#### **Finance Leases**

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

### Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements	15 years
Furniture and Equipment	4-15 years
Information and Communication Technology	4 years
Library Resources	12.5% Diminishing value
Leased Assets held under a Finance Lease	Term of Lease

### 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 indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

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

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to 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 surplus or deficit.

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

### l) Accounts Payable

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

### m) Employee Entitlements

#### Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned, by non teaching staff, but not yet taken at balance date.

#### Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

**n) Revenue Received in Advance**

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

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

**o) Funds Held in Trust**

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

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

**p) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

**q) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Proprietor. The Board is responsible for maintaining the land, building and other facilities on the School sites in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a 7 to 16 year period. The economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

**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.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable, borrowings and finance lease liability. Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

**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.

## 2. Government Grants

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Government Grants - Ministry of Education	660,451	566,185	597,974
Teachers' Salaries Grants	1,525,291	1,101,098	1,232,607
Other Government Grants	300	-	3,216
	<u>2,186,042</u>	<u>1,667,283</u>	<u>1,833,797</u>

## 3. Locally Raised Funds

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
<b>Revenue</b>			
Donations and Bequests	13,526	6,500	10,563
Fees for Extra Curricular Activities	9,739	-	9,278
Fundraising and Community Grants	21,439	3,900	7,736
Other Revenue	861	-	996
	<u>45,565</u>	<u>10,400</u>	<u>28,573</u>
<b>Expense</b>			
Extra Curricular Activities Costs	16,209	45,900	45,236
Fundraising and Community Grant Costs	7,043	-	5,327
	<u>23,252</u>	<u>45,900</u>	<u>50,563</u>
<i>Surplus/(Deficit) for the year Locally Raised Funds</i>	<u>22,313</u>	<u>(35,500)</u>	<u>(21,990)</u>

## 4. Learning Resources

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Curricular	73,950	45,700	48,649
Employee Benefits - Salaries	1,731,408	1,309,091	1,486,214
Staff Development	8,202	21,052	8,877
Depreciation	58,217	46,000	52,053
Other Learning Resources	139	500	351
	<u>1,871,916</u>	<u>1,422,343</u>	<u>1,596,144</u>

**5. Administration**

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Audit Fees	9,710	4,600	7,194
Board Fees and Expenses	6,706	14,700	10,239
Other Administration Expenses	44,267	34,360	33,931
Employee Benefits - Salaries	57,700	65,247	57,561
Insurance	3,543	4,000	3,409
Service Providers, Contractors and Consultancy	12,600	14,000	11,580
	<u>134,526</u>	<u>136,907</u>	<u>123,914</u>

**6. Property**

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Consultancy and Contract Services	26,614	30,000	28,967
Cyclical Maintenance	115,086	5,000	3,170
Heat, Light and Water	13,944	20,000	11,711
Rates	3,577	4,000	3,780
Repairs and Maintenance	31,515	25,700	17,466
Use of Land and Buildings	252,875	248,200	248,200
Employee Benefits - Salaries	11,215	11,186	10,900
Other Property Expenses	9,602	7,500	7,910
	<u>464,428</u>	<u>351,586</u>	<u>332,104</u>

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

**7. Cash and Cash Equivalents**

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Bank Accounts	309,860	129,905	187,598
Short-term Bank Deposits	48,818	46,842	47,820
Cash and cash equivalents for Statement of Cash Flows	<u>358,678</u>	<u>176,747</u>	<u>235,418</u>

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

### 8. Accounts Receivable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Receivables	1,010	3,621	631
Receivables from the Ministry of Education	4,411	-	6,093
Interest Receivable	1,342	1,403	1,888
Banking Staffing Underuse	-	7,341	-
Teacher Salaries Grant Receivable	147,705	86,604	106,874
	<u>154,468</u>	<u>98,969</u>	<u>115,486</u>
Receivables from Exchange Transactions	2,352	12,365	2,519
Receivables from Non-Exchange Transactions	152,116	86,604	112,967
	<u>154,468</u>	<u>98,969</u>	<u>115,486</u>

### 9. Investments

The School's investment activities are classified as follows:

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Current Asset			
Short-term Bank Deposits	209,198	138,821	199,545
Total Investments	<u>209,198</u>	<u>138,821</u>	<u>199,545</u>

## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2025	\$	\$	\$	\$	\$	\$
Building Improvements	4,551	6,784	-	-	(591)	10,744
Furniture and Equipment	106,140	60,650	-	-	(17,101)	149,689
Information and Communication Technology	51,715	43,244	-	-	(27,754)	67,205
Leased Assets	19,244	5,903	-	-	(10,593)	14,554
Library Resources	15,777	1,676	-	-	(2,178)	15,275
	<u>197,427</u>	<u>118,257</u>	<u>-</u>	<u>-</u>	<u>(58,217)</u>	<u>257,467</u>

The net carrying value of equipment held under a finance lease is \$14,554 (2024: \$19,244)

### Restrictions

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

	2025	2025	2025	2024	2024	2024
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	14,686	(3,942)	10,744	7,902	(3,351)	4,551
Furniture and Equipment	301,995	(152,306)	149,689	241,344	(135,204)	106,140
Information and Communication Technology	207,453	(140,248)	67,205	164,209	(112,494)	51,715
Leased Assets	42,847	(28,293)	14,554	36,945	(17,701)	19,244
Library Resources	75,903	(60,628)	15,275	74,227	(58,450)	15,777
	<u>642,884</u>	<u>(385,417)</u>	<u>257,467</u>	<u>524,627</u>	<u>(327,200)</u>	<u>197,427</u>

## 11. Accounts Payable

	2025	2025	2024
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	66,105	10,119	11,658
Accruals	9,048	4,413	6,532
Employee Entitlements - Salaries	147,705	86,604	106,874
Employee Entitlements - Leave Accrual	7,927	6,643	7,017
	<u>230,785</u>	<u>107,779</u>	<u>132,081</u>
Payables for Exchange Transactions	230,785	107,779	132,081
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>230,785</u>	<u>107,779</u>	<u>132,081</u>

The carrying value of payables approximates their fair value.

## 12. Revenue Received in Advance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Grants in Advance - Ministry of Education	-	3,725	14,815
	<u>-</u>	<u>3,725</u>	<u>14,815</u>

## 13. Provision for Cyclical Maintenance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	42,855	35,233	39,685
Increase/(decrease) to the Provision During the Year	115,086	5,000	3,170
Use of the Provision During the Year	(40,933)	-	-
Provision at the End of the Year	<u>117,008</u>	<u>40,233</u>	<u>42,855</u>
Cyclical Maintenance - Current	31,329	33,948	35,971
Cyclical Maintenance - Non current	85,679	6,285	6,884
	<u>117,008</u>	<u>40,233</u>	<u>42,855</u>

Per the cyclical maintenance schedule, the School is next expected to undertake painting works during 2026. This plan is based on the School's painting quotes.

## 14. Finance Lease Liability

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
No Later than One Year	8,457	6,080	9,588
Later than One Year	10,025	6,168	12,328
Future Finance Charges	(1,526)	-	(1,526)
	<u>16,956</u>	<u>12,248</u>	<u>20,390</u>
<b>Represented by</b>			
Finance lease liability - Current	7,647	6,080	8,704
Finance lease liability - Non current	9,309	6,168	11,686
	<u>16,956</u>	<u>12,248</u>	<u>20,390</u>

## 15. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the School. The School enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

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

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

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

During 2025, the Proprietor held funds on behalf of the Board. At 31 December 2025, the amount held by the Proprietor was \$48,818 (2024: \$47,820). This investment of funds was approved by the Ministry of Education. The interest rate is from 1% to 2.1%, interest received during the 2025 year was \$998.19 (2024: \$977,777).

## 16. Remuneration

### Key management personnel compensation

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

	<b>2025 Actual \$</b>	<b>2024 Actual \$</b>
<i>Board Members</i> Remuneration	3,295	4,810
<i>Leadership Team</i> Remuneration Full-time equivalent members	501,365 4.04	473,193 4.07
Total key management personnel remuneration	<u>504,660</u>	<u>478,003</u>

There are 10 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has Finance (Na members) and Property (Na members) committees that met Na and Na times respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal

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

	<b>2025 Actual \$000</b>	<b>2024 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2025 FTE Number	2024 FTE Number
100 - 110	3.00	2.00
110 - 120	2.00	3.00
120 - 130	1.00	0.00
	<u>6.00</u>	<u>5.00</u>

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

### 17. Compensation and Other Benefits Upon Leaving

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

	2025 Actual	2024 Actual
Total	\$0	\$0
Number of People	0	0

### 18. Contingencies

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

#### Holidays Act Compliance – Schools Payroll

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

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

### 19. Commitments

#### (a) Capital Commitments

There are no capital commitments as at 31 December 2025 (Capital commitments at 31 December 2024: \$0).

#### (b) Operating Commitments

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

(a) The school has entered into an agreement with Carus Ltd for painting of the school buildings. The amount committed to the contract is:

	2025 Actual	2024 Actual
No later than One Year	\$ 18,167	-
Later than One Year and No Later than Five Years	54,598	-
Later than Five Years	50,057	-
	<u>122,822</u>	<u>-</u>

## 20. Financial Instruments

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

### Financial assets measured at amortised cost

	2025	2025	2024
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash and Cash Equivalents	358,678	176,747	235,418
Receivables	154,468	98,969	115,486
Investments - Term Deposits	209,198	138,821	199,545
Total financial assets measured at amortised cost	<u>722,344</u>	<u>414,537</u>	<u>550,449</u>

### Financial liabilities measured at amortised cost

Payables	230,785	107,779	132,081
Finance Leases	16,956	12,248	20,390
Total financial liabilities measured at amortised cost	<u>247,741</u>	<u>120,027</u>	<u>152,471</u>

## 21. Events After Balance Date

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

## 22. Comparatives

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

## St Pius X Catholic School (Melville)

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Brendon Muir	Presiding Member	Elected	Aug 2025
Jim McCabe	Presiding Member	Appointed	Sep 2028
Erin Clayton	Principal	ex Officio	
Henry Hendriks	Parent Representative	Elected	Mar 2026
Rinta Varghese	Parent Representative	Elected	Sep 2028
Vicki Hodgson	Parent Representative	Co-opted	Sep 2028
Fiona Sutton	Parent Representative	Co-opted	Sep 2028
Jennifer Witt	Parent Representative	Co-opted	Sep 2028
Antony Easto	Staff Representative	Appointed	Sep 2028
Amanda Warburton	Proprietors Representative	Appointed	Sep 2028
Fr Joy	Proprietors Representative	Appointed	Sep 2028
Abe Rosero	Proprietors Representative	Appointed	Sep 2028

## **St Pius X Catholic School (Melville)**

### **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2025, the school received total Kiwisport funding of \$4,152 (excluding GST). The funding was spent on sporting endeavours.

## **Statement of Compliance with Employment Policy**

For the year ended 31st December 2025 the St Pius X Catholic School (Melville) Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment.
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.



## St Pius X Catholic Variance report Year 2025

### Strategic Goal 1: Catholic Character- To nurture and foster a love of God

Goal	Core Strategies/Targets	Outcome
<p>St Pius X is a Catholic School where all students and teachers are given opportunities to engage and find success within this Catholic environment</p>	<ul style="list-style-type: none"> <li>Develop an overview for review of the Catholic Special character dimensions and aspects.</li> <li>Complete one review of one aspect within a dimension and the impact this has on Tamariki, Kaiako and Whanau</li> </ul>	<p>Two staff completed their qualification and graduated. New Staff completed the paper of Teacher new to Catholic Schools. Buddy system of teaching RE established between Special Character teachers and Non tagged teachers to ensure that development of practice and teaching is supported and developed. DRS attended DRS days through the year. The principal attended Hamilton Catholic conference in Term 3.</p>
<p>St Pius X has begun to implement the new RE curriculum across the school.</p>	<ul style="list-style-type: none"> <li>Facilitate staff meetings once a term exploring an element of the new Religious Curriculum for practical integration into the classroom</li> </ul>	<p>The curriculum resources were all confirmed for all phases of learning Mid-term 3. This meant that the year was disjointed with many of the phases and stands not properly released so there was a mix of old and new curriculum. We will continue with this plan next year with all phases involved in planning and unpacking the new curriculum. So the whole school is doing the same learning at the same time.</p>
	<ul style="list-style-type: none"> <li>Build up the young Vinnies to complete one social project within the 2025 school year.</li> </ul>	<p>This continues, the Vinnies have established a rotation of 4 community activities. Term 1 Lenten Food bank appeal, Term 2 and 3 support of the Communitea event, Term 4 Carols for</p>

		an aged community and Advent Giving tree. These activities involve the community and living our Faith in action. The aim is to grow this for next year.
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**Strategic Goal 2: Students Learning** -

<b>Goals</b>	<b>Core Strategies/Targets</b>	<b>Outcome</b>
Continue implementation of the BSLA in the school. Begin to implement new Maths curriculum and resource within the school.	<ul style="list-style-type: none"> <li>● Upskilling new junior staff for the sustainable program.</li> <li>● Building up decodable resources, especially independent quality activities</li> <li>● Tier 2 intervention teacher 0.4 hours</li> <li>● Participate in provided PLD learning around curriculum and learning</li> </ul>	<p>All staff received PLD in structured literacy over the year. The junior focus was in BSLA and Phase 2 and 3 looked at structured approaches within a higher curriculum level. This is evident in daily planning and structure of lessons.</p> <p>Reading results also show a distinct improvement from mid to end of year.</p> <p>This year we had Numicon as our Math resource for Phase 1 and 2 and Maths no problem in Phase 3. Upon reflection and practice over the year the decision was made to have Maths no problem in Phase 2 and 3 and Numicon in Phase 1. Both of these resources have supported the Maths curriculum and this is evident in the maths results at the end of the year.</p> <p>Teachers are gaining confidence in the new Maths curriculum, we will continue to look at the new updates and resources available.</p>
To support Priority learners to successfully transition into secondary school- 2 year plan	<ul style="list-style-type: none"> <li>● Feed over data for secondary school</li> <li>● Clarify what data the secondary school needs</li> <li>● Build Learning support register that works with high school.</li> </ul>	<p>The transition for our priority learners to high school has been successful with data and support transferred as we have been able. We also facilitated a number of transition visits to ensure that the students feel comfortable and confident in the new year.</p> <p>Our priority learners at school continue to receive as much support and intervention as we can achieve.</p>

		<p>SENCO has attended the learning support meetings each term to build connections and resources.</p>
<p>Students below expected curriculum level to make accelerated progress.</p>	<ul style="list-style-type: none"> <li>● Implement learning programmes that follow the science of learning method</li> <li>● Identify target learners in each class and share progress and achievement each term</li> <li>● Resource programmes to help achievement and progress</li> </ul>	<p>The new curriculum has needed some reflection to resource properly and support learners with higher needs. We are also constantly reviewing our ELL learners. We have received the government resource for maths but especially for year 7 and 8 some investment in hands on resources were needed. We continue to review areas of need for our school and how we can resource these. We are also looking at more structured ways we can track children with targeted learning needs within the class.</p>

### Strategic Goal 3: Relationships/Attendance

<b>Goals</b>	<b>Core Strategies/Targets</b>	<b>Outcome</b>
<p>Continue to implement and review relationship based learning and professional development</p>	<ul style="list-style-type: none"> <li>● Induct new staff into relationship based learning and leading</li> <li>● Observation of all staff twice a year (Teacher and TA)</li> </ul>	<p>New staff have been inducted to the teaching from the northeast philosophy of high expectations with warm and firm relationships. We are moving away from this being the model for all observations and also focusing on teaching practices with strong impact for achievement.</p>
<p>Strengthen partnerships with mana whenua to further develop the local curriculum.</p>	<ul style="list-style-type: none"> <li>● Build our knowledge of the story of our local gully.</li> <li>● Build our knowledge and understanding of the River.</li> <li>● Consultate in creating a school pepeha</li> <li>● Continue in our relationship with our local Marae</li> </ul>	<p>This has been hard to achieve this year. Experts with the knowledge and expertise to connect with is hard and creating a school Pepeha is difficult as we do not want to diminish the individual identity of our students.</p>

Absences are addressed and a draft STAR plan is in place. With a school aim of 80% attendance for all students	<ul style="list-style-type: none"> <li>• Draft of a STAR plan that fits the context of St Pius X</li> <li>• At risk students have strategies in place to address absences.</li> </ul>	We have a drafted Star plan as well as an attendance plan ready for 2026. We have been actively communicating school expectations to our community and we have seen some improvement from 2024. We do still however have a way to go. We are currently working to have support for our reluctant school students to create plans in collaborations with outside agencies to have successful school attendance.
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**Strategic Goal 4: Property**

<b>Goal</b>	<b>Core Strategies</b>	<b>Outcome</b>
Ensure the building programme is on track to enable the school to accommodate the new ceiling numbers.	<ul style="list-style-type: none"> <li>• Liaise with appropriate experts in the planning process.</li> <li>• Engage with builders, contractors and experts as appropriate.</li> <li>• Build Roll numbers in the school to reflect the increase of space.</li> </ul>	The major building project is complete and we are on track for a sustainable and manageable roll growth in 2026.

## Statement on how the school gives effect to the Treaty of Waitangi

The school gives effect to the treaty of Waitangi in a number of ways. We have reviewed our plans, policy and curriculum to ensure they reflect and show tikanga Māori, mātauranga Māori and te ao Māori. We connected with Whanau to support Kapa Haka and have engaged in online resources for continued development. We continue to target our teaching and learning to ensure success for all including Māori students using a relational approach based on teaching to the North East by Russel Bishop. We continue to develop our understanding and knowledge of local histories with an emphasis on our Catholic character and tangata whenua.

<b>Kiwi Sport – Budget</b>	<b>\$4497.32</b>
Sport equipment	\$1441.01
Swimming	\$3056.31
Budget fully spent	

# St Pius X Catholic School

## Te Kura o Hato Paea

*To learn Love  
To Learn Wisdom  
The Way We Are*



### End of Year Achievement Comparison Data Board Report 2025

#### **Description of the make-up of school when data was collected.**

The data was collected at the end of term 2 2025 and the end of term 4 2025. The data consisted of 254 students mid year and 265 end of year.

These students are across the year levels ranging from Year 0-8. The largest growth area is in our Year 0 cohort however some students have left and enrolled at our school so the data is not 'clean' like for like. It does however represent our school exactly as it currently is. The largest ethnic group within our school is Indian, followed by Filipino. This also represents a large number of English as a second language learners.

#### **How do I read the data?**

The data was generated using Overall Teacher Judgment or OTJ's. OTJ's are reached using a range of standardised assessment, book work, in class observations and tacit knowledge of the child.

To note about this data.

- This data is to give you a picture of what is happening in the core curriculum areas (reading, writing and maths) in our school after one year of teaching.
- The overall data is a culmination of all of the current students at our school when the OTJ was made.
- This data is also collected against the revised curriculum in English and Maths. Neither of these curriculums has a completed appropriate assessment tool yet. The English curriculum also only goes to Year 6 so the Year 7 and 8 students are assessed against the older curriculum.
- The mid-year OTJ is based on an expectation of End of Year. The end of Year judgment is based on data collected in Term 4 and assessed against expected curriculum levels.

## How teachers form OTJ's

**Observation**  
Evidence obtained from informal assessment opportunities such as Focused classroom observation  
Student work  
Tasks  
Student peer assessment

NZ curriculum  
Used as a sign post for OTJ's

**Learning Conversations**  
Evidence from learning conversations such as  
Conferencing  
Interviewing  
Questioning  
Explaining  
Discussing

### Assessment Tools

PAT  
E-asTTle  
Gloss  
Jam  
Writing Sample  
BLSA  
Running records/Probe

## End Year Pānui/Reading Data 2025

81% of the learners are at or above their expected curriculum level in reading at the end of the year, a shift of 4% and above our goal of 80% by the end of the year.

78% of boys are at or above the expected reading level compared to 84% of girls achieving at or above the expected curriculum level. This is a shift across the board from mid-year.

78% of our Maori learners are achieving At or above for reading. 86% of our Pasifika learners are At or Above expectations at the end of the year.

The students identified as well below in reading at the end of the year have lessened meaning gains have been made even for our lower level learners over the course of the year moving them up a curriculum level.

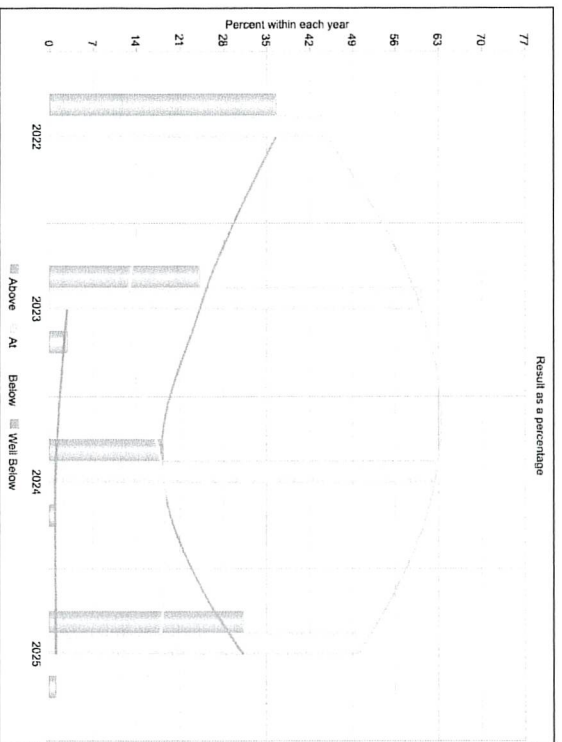
Our year 6 cohort are all achieving At or Above for reading. This is a strong record of achievement.

All our classroom staff have completed PLD in structured literacy this year and this is expected as part of the hour of reading a day. We have also used the government's allocated teaching time for literacy intervention in years 0-2 mainly focused on reading/decoding. The school's approach is to have Structured literacy as part of a balanced approach to reading in years 4-8 with BSLA as the focus in phase 1 learning years 0-3.

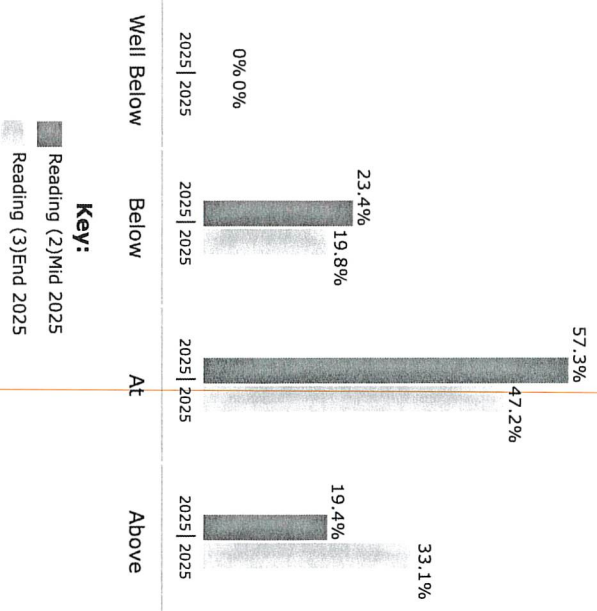
	Well Below		Below		At		Above		Total
	Number	%	Number	%	Number	%	Number	%	
Mid Whole school	6	2%	53	21%	147	58%	48	19%	254
End Whole School	3	1%	47	18%	133	50%	83	31%	265
Mid Male	3	2%	31	24%	74	58%	20	16%	128
End Male	1	1%	26	20%	67	51%	36	27%	130
Mid Female	3	2%	22	17%	73	58%	28	22%	126
End Female	2	1%	20	15%	66	49%	47	35%	135

NZ European	1	3%	6	18%	17	51%	9	27%	33
Maori	-	-	4	22%	7	39%	7	39%	18
Pasifika	-	-	1	14%	4	43%	3	43%	7
Indian	1	1%	30	22%	74	54%	31	23%	136
Filipino	1	2%	3	5%	27	45%	29	48%	60
MELAA	-	-	2	25%	4	50%	2	25%	8
Other	-	-	1	33%	1	33%	1	33%	3
	Well Below		Below		At		Above		Total
Yr 0	-	-	1	5%	21	95%	-	-	22
Yr 1	-	-	4	11%	23	66%	8	23%	35
Yr 2	-	-	10	28%	19	53%	7	19%	36
Yr 3	-	-	3	9%	15	44%	16	47%	34
Yr 4	2	7%	4	14%	9	31%	14	48%	29
Yr 5	1	3%	7	23%	6	20%	16	53%	30
Yr 6	-	-	-	-	21	78%	6	22%	27
Yr 7	-	-	10	29%	14	41%	10	29%	34
Yr 8	-	-	8	44%	5	28%	5	28%	18

### End Year Data Graph for Reading in the last 4 years



### Clean comparison Data from Mid to End of year data



## End Year Tuhituhi / Writing Data 2025

67% of our learners are at or above the expected curriculum level in writing at the end of year, this is a 1% shift from the mid year data. This is the area of learning with the lowest achievement rate.

We have been using the hour of writing a day as directed by the ministry.

We had eleven students well below in this area of learning mid year, this has shifted to just 6 by the end of the year. This demonstrates good progress was made even if the data has not reached our target of 75% achieving at or above by the end of the year.

This data also reflects the high number of English language learners in our school.

55% of our Māori learners are At or above expectations. 100% of our Pasifika learners are achieving At or Above.

What is also important to note is that the identified NZ European learners in the well below category have all been identified with learning needs and are receiving support both this year and next year from outside agencies.

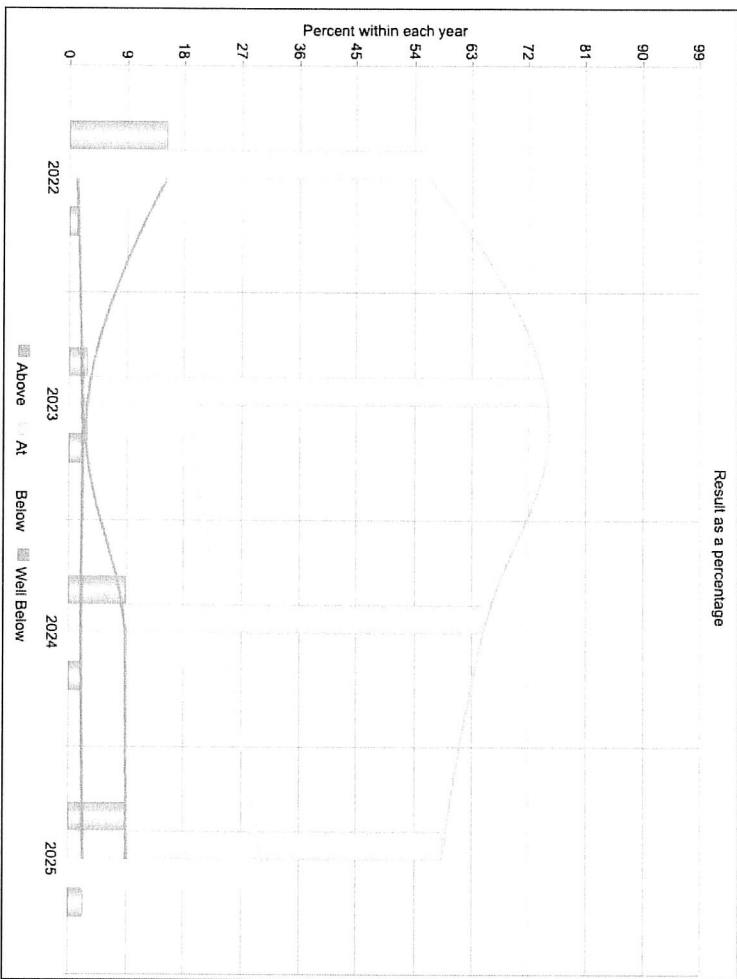
With the curriculum change this year the expectations of learners also changed in writing. The staff are still becoming familiar with the curriculum. This will continue to be a focus next year.

The year 7 and 8 have only had the refreshed curriculum this term and have been using the older version for assessment and learning (the expectation is that the English curriculum is used from 7-8 next year)

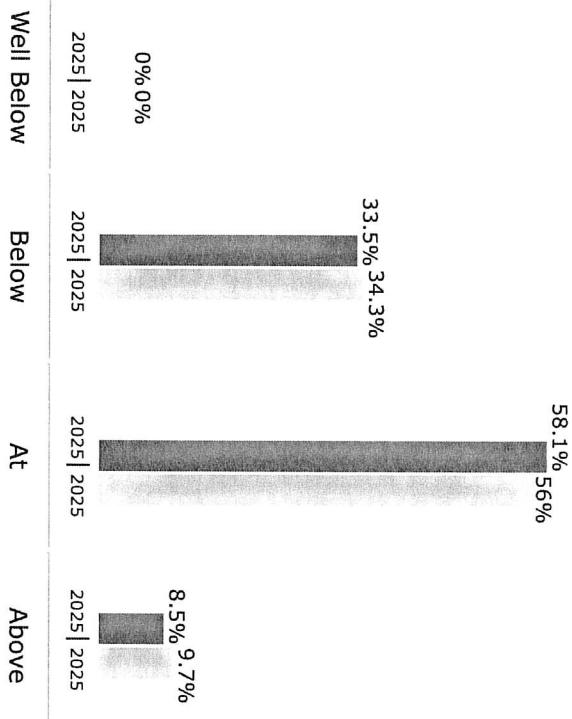
	Well Below		Below		At		Above		Total
	Number	%	Number	%	Number	%	Number	%	
Mid Year Whole school	11	4%	74	29%	146	57%	23	9%	254
End Year Whole School	6	2%	80	30%	155	58%	24	9%	265
Mid Year Male	5	4%	46	36%	73	57%	4	3%	128
End Year Male	4	3%	48	37%	71	55%	7	5%	130
Mid Year Female	6	5%	28	22%	73	57%	19	15%	126
End Year Female	2	1%	32	24%	84	62%	17	13%	135

	Well below		Below		At		Above		Total
NZ European	3	9%	9	27%	19	58%	2	6%	33
Maori	-	-	8	44%	8	44%	2	11%	18
Pasifika	-	-	-	-	6	86%	1	14%	7
Indian	1	1%	47	35%	82	60%	6	4%	136
Filipino	1	2%	11	18%	36	60%	12	20%	60
MELAA	-	-	4	50%	3	38%	1	12%	8
Other	1	33%	1	33%	1	33%	-	-	3
	Well below		Below		At		Above		Total
Yr 0	-	-	-	-	22	100%	-	-	22
Yr 1	-	-	3	9%	20	86%	2	6%	35
Yr 2	-	-	15	42%	20	56%	1	3%	36
Yr 3	3	9%	16	47%	13	38%	2	6%	34
Yr 4	2	7%	7	24%	19	66%	1	3%	29
Yr 5	1	3%	6	20%	10	30%	13	43%	30
Yr 6	-	-	5	19%	20	74%	2	7%	27
Yr 7	-	-	15	44%	17	50%	2	6%	34
Yr 8	-	-	13	72%	4	22%	1	6%	18

### End Year Data Graph for Writing in the last 4 years



### Comparison Data from Mid to End of year data



**Key:**

- Writing (2) Mid 2025
- Writing (3) End 2025

## End Year Pāngarau / Maths Data 2025

77% of our learners are at or above the expected curriculum level in Maths. This is a shift of 5% and means we surpassed our goal of 75% of students achieving At or Above by the end of the year.

78% of our Maori learners are now at or above expectation for Maths and 86% of our Pasifika students are At or Above expectation by the end of the year.

Our schools PLD around numicon has upskilled our teachers and their confidence in being able to implement the refreshed curriculum and deliberate instruction. This has been supported by the resourcing and Teacher only Days provided by the Government this year. There is frustration around the lack of an assessment tool that lines up with this new curriculum particularly in the Years 0-3 range. We have opted to change the resourcing in Phase 2 next year to try and better implement the new curriculum.

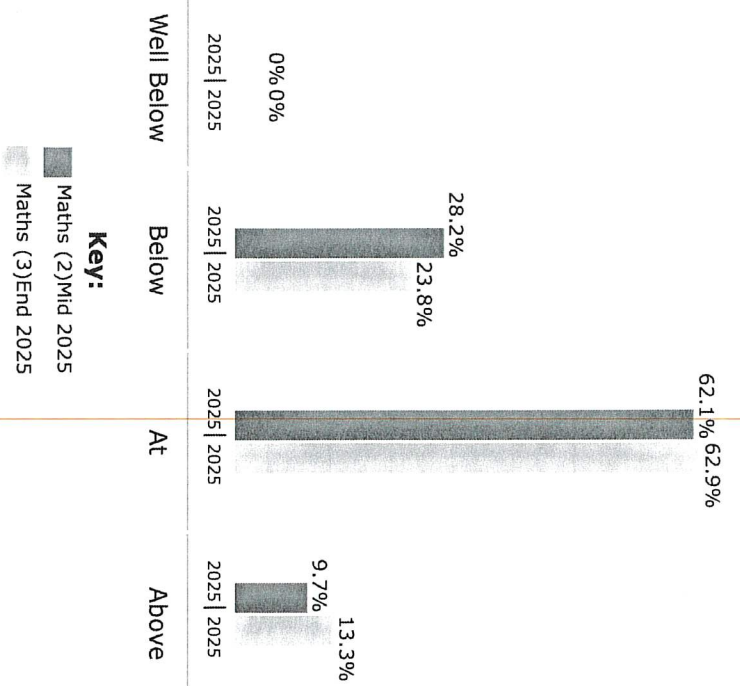
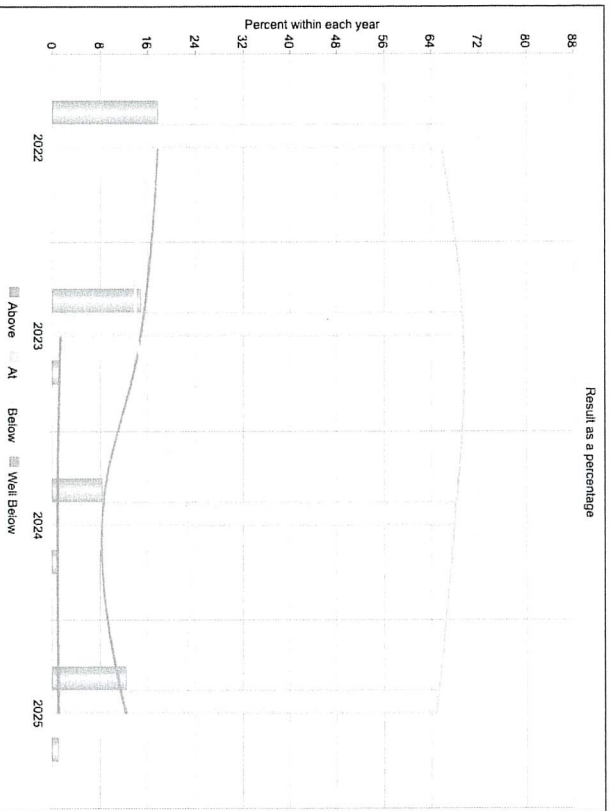
	Well below		Below		At		Above		Total
	Number	%	Number	%	Number	%	Number	%	
Mid Year Whole school	5	2%	65	26%	160	63%	24	9%	254
End of Year Whole school	3	1%	57	22%	172	65%	33	12%	265
Mid Year Male	2	2%	32	25%	81	63%	13	10%	128
End Year Male	2	2%	31	24%	79	61%	18	14%	130
Mid Year Female	3	2%	33	26%	79	62%	11	9%	126
End Year Female	1	1%	26	19%	93	69%	15	11%	135
NZ European	1	3%	9	27%	21	63%	2	6%	33

Maori	-	-	4	22%	12	67%	2	11%	18
Pasifika	-	-	1	14%	3	43%	3	43%	7
Indian	-	-	35	26%	88	65%	13	10%	136
Filipino	2	3%	5	8%	40	67%	13	22%	60
MELAA	-	-	1	12%	7	88%	-	-	8
Other	-	-	2	66%	1	33%	-	-	3

	Well below		Below		At		Above		Total
Yr 0	-	-	-	-	22	100%	-	-	22
Yr 1	-	-	1	3%	33	94%	1	3	35
Yr 2	-	-	18	50%	16	44%	2	6%	36
Yr 3	1	3%	10	29%	19	56%	4	12%	34
Yr 4	1	3%	3	10%	22	76%	3	10%	29
Yr 5	1	3%	4	13%	16	53%	9	30%	30
Yr 6	-	-	2	7%	20	74%	5	19%	27
Yr 7	-	-	9	26%	18	53%	7	21%	34
Yr 8	-	-	10	56%	6	33%	2	11%	18

**End Year Data Graph for Maths in the last 4 years**

**Comparison Data from mid to end of year**



**Summary**

Overall, progress has been made by all our students including those working below the expected curriculum level. Areas to note the Maths curriculum still needs a proper assessment tool for teachers to be confident in their judgments. This tool is due to be available next year but may have a trail and adjustment period. Writing is an area of concern and focus for the whole school in 2026, while we begin to unpack the English curriculum across all three Learning Phases. While we have deliberate explicit instruction tools in Reading and Maths there is not an available resource in Writing currently. I would like to explore the Writing Revolution and writing PLD as a possible resource for explicit instruction tools. Reading has been particularly successful this year.

## **Statement of compliance with employment policy**

### *St Pius X School*

At St Pius X, we recognise the importance of the Board fulfilling its role as a Good Employer. To support this, the Board maintains and follows a clear Employment Policy, which is readily accessible to all staff. This policy underpins all employment-related decisions and supports our broader commitment to health, safety, and wellbeing within the school.

We operate a transparent and accessible Health and Safety Register, where staff can record any concerns. This register is regularly reviewed and forms a key component of the Principal's report to the Board, ensuring that all issues are addressed in a timely and accountable manner.

Our recruitment processes are guided by the principles of fairness, transparency, and integrity. All positions are advertised appropriately, and a fair selection process is followed. Appointment committees are established for each role and are involved at every stage—from shortlisting to interviews and final offer. Committee members may recuse themselves where appropriate to maintain objectivity and avoid conflicts of interest.

We are committed to valuing and supporting our employees. We allocate a dedicated budget for professional development and implement a robust appraisal and inquiry process. This model allows staff to set goals, reflect on practice, and identify areas for growth, with active support from school leadership and the Board.



27 May 2026

The Board Members  
Saint Pius X School (Melville)  
57 Pine Avenue  
Melville

Hamilton 3206

Dear Board Members,

## **Audit Management Letter For The Year Ended 31 December 2025**

### **1. Introduction**

We have completed the audit of Saint Pius X School (Melville)'s (the School) financial statements for the year ended 31 December 2025.

The purpose of this letter is to bring to the attention of those charged with governance the significant matters that arose during the course of our audit and matters of interest as required by *ISA (NZ) 260 Communication with Those Charged with Governance* and other ISA (NZ) standards.

You will appreciate that while our audit is carried out in accordance with the Auditor-General's auditing standards, it cannot, and should not, be relied upon to detect every instance of misstatement, fraud, irregularity or inefficiency.

The responsibility for public accountability and the implementation and monitoring of internal and management controls rests with management and the Board Members.

This letter has been prepared for the Board Members and is intended only for use by you. We accept no responsibility to any other party in relation to whole or part of its contents.

### **2. Responsibilities and Scope in Relation to the Audit**

The Board Members are responsible for preparing the financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (PBE IPSAS RDR) and for implementing appropriate internal controls with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

We are responsible for conducting the 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) (ISA (NZ)) issued by the New Zealand Auditing and Assurance Standards Board, and forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

### **3. Timing of the Audit**

The audit was completed and dated 27 May 2026.

### **4. Audit Opinion**

We have issued our modified audit opinion on the financial statements for the year ended 31 December 2025 with a qualification on fees for extra curricular activities and fundraising revenue.

### **5. Going Concern Assumption**

The financial statements were prepared on the basis that the school is a going concern. As required by the Office of the Auditor-General, we reviewed this assumption in terms of the criteria set out in the Auditing Standard ISA (NZ) 570. Based on the supporting evidence we concluded that the use of the going concern assumption was appropriate given the School's funding sources and its operating budget for the following financial period.

### **6. Management Judgements and Estimates**

Under International Standards on Auditing (NZ) we have a responsibility to communicate with management and the governing body the process used by the School in forming particularly sensitive accounting estimates, assumptions or valuation judgements. Overall, we note that the judgements and estimates by management in preparing the results for the year ended 31 December 2025 appear reasonable.

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The most significant areas of judgement, assumptions and estimates by management relate to:

- Provision for cyclical maintenance and cyclical maintenance expense
- Depreciation rates to ensure that fixed assets are written off over their estimated useful lives

We are not aware of any other sensitive accounting estimates, assumptions or valuation judgements made by the School.

#### 7. **Materiality**

In the context of an audit, materiality means, if financial information is omitted, misstated or not disclosed it has the potential to affect the decisions of users of the financial statements. Materiality is used by auditors in making judgements on the level of work to be performed, which items and balances require work and for the evaluation of the financial report. Materiality is initially calculated at the planning stage and has an influence on the level of work we do. Materiality is not only based on a numeric quantification but is assessed qualitatively for some balances and disclosures.

Auditing Standards do not require us to communicate misstatements that are considered "clearly trivial" and as such, if we identify such misstatements, we will not communicate these to you. We consider "clearly trivial" to be 6% or less of our planned materiality.

#### 8. **Probity, Waste and Performance**

We are required to consider whether any approved payments could be considered extravagant or wasteful, or show a lack of probity or financial prudence. We have tested a sample of expenses for the year, and we did not identify any such items to report except for noted below (if any). However, we remind you of the importance to remain vigilant in your oversight of expenditure of the school.

#### 9. **Findings Arising from the Audit**

##### **School payroll controls**

We consider the main risk to the accuracy of payroll payments is transactions being incorrectly processed, because of either fraud or error. The EdPay system relies on schools checking the accuracy of the payroll transactions processed by the school, as this information is not checked centrally.

Guidance on the controls within EdPay that should be operating at schools is available on the EdPay website ([School internal processes and controls – payroll](#)). To review and approve pay changes the following transaction histories should be saved, checked, and signed, ideally after transactions have been processed and prior to payment:

- timesheet history
- leave history
- activity history.

The final fortnightly payroll (SUE) report should also be interpedently reviewed to ensure the amounts paid are as expected. We would expect this review to include consideration of whether all those paid in the period were employed by the school, whether the amounts paid are as expected, and where amounts have changed since the previous period, whether those changes are expected and have been authorised.

To ensure controls are effective schools also need to ensure that:

- there is segregation of duties between the processing and approval of payroll transactions;
- access to EdPay is controlled;
- payroll transactions are approved in line with delegations; and
- approvals are appropriately documented.

This means that, while an initial review of the transaction history reports and the fortnightly draft payroll (SUE) report might be carried out by the payroll administrator, to check the accuracy of data entry, the final **fortnightly payroll (SUE) report, activity history report, timesheet transaction history report and leave transaction history report** should be reviewed and approved by someone independent of the staff who have access to EdPay.

### **Refresh of EdPay's guidance on controls**

We understand from the Ministry that the activity history report now provides details of all Masterfile changes (expect changes to employees' addresses). However, this change has not been communicated to schools. EPL and the Ministry are currently refreshing the guidance to schools on payroll controls and is now available on the Edpay website: <https://www.edpay.govt.nz/Site/Training/default.aspx>

### **Recommendation**

We recommend that the Board ask management for assurance that appropriate controls are in place at the school over payroll transactions, and that these controls are considered against the updated payroll guidance.

### **Board Minutes**

Board meeting minutes demonstrate to stakeholders that the school/kura and its' board act appropriately and in accordance with legal and contractual requirements. They also document that principles of good governance and informed decision-making are being followed. The minutes should record the following matters:

- Review and approval of the annual audited financial statements;
- Review and approval of the annual cyclical maintenance plan (painting);
- Review and approval of the School Annual Accrual Report (end of year payroll report);
- Review and approval of the budget (including an income statement, balance sheet, and cash flow), budget should include teachers' salary and notional lease;
- Review and approval of monthly financial statements;
- Approval of payments.

We noted the School has not approved the Audited Financial Statements for the financial year. Please ensure that this is reviewed, approved and recorded in the minutes each year.

### **Independent checks on Payroll reports**

During the school visit, we noted that there is no evidence that Principal / Board Member independently checks and signs off each fortnightly Activity history report, timesheet history report and leave history report. To strengthen the payroll controls, we recommend that the person who is responsible for the independent check on fortnightly SUE report and evidence their review by initialling the SUE report as well as other reports that EdPay published (i.e. timesheet history, leave history, activity history) as explained above – School payroll controls.

### **Payroll - Conflict of Interest**

We noted a lack of segregation of duties involving related parties. A reliver and office administration are sisters in laws, all the payroll data (including reliver timesheet) are key in by the office administration which creates conflict of interest threat. Processing payroll for a close relative without independent oversight compromises internal controls. We recommend that management must independently review and physically sign off on reliver's timesheets before they are handed over for data entry. Final payroll reports (SUE report, activities report and timesheet report) be independently reviewed and signed off. Lastly, the conflict of interest must be declared and documented in the Conflict of interest register alongside mitigating actions.

### **Inwards Cash banking**

On our visit to the school in October 2025 we reviewed the inwards cash / banking system and we found that:

- Lack of source documentation for the fundraising income and activities fees. Records were not complete and not fully reconciled.
- Lack of independent sign off when money collected from classroom, no documentation of money handed over in the office.
- Ineffective independent check on inwards cash summary due to not all the source documents are attached to cash summary.

We raised this issue in previous years management letter (2019 to 2023). We cannot perform any substantive audit procedures to verify the completeness of fundraising and fees for extra curricular activities revenue, and therefore we issued a **qualified opinion** on these two revenue items.

We strongly recommend that management takes immediate action to remedy these deficiencies. This should include:

- Maintain a log/cash register for all incoming funds. The log should detail the date, the amount, the source (i.e. ice blocks, mufti day), and the initial of the staff who handled it.
- ensure all money receipted and totalling to the banking
- retain all source documents for all fundraising income and reconcile.
- ensure fundraising income or money collected from the classroom needs to be signed off by the person who pass the money to the office.
- ensuring all documentation is attached for independent reviews prior cash taken to the bank.
- Total cash counted must be reconciled against any supporting/source documentation, i.e. log, source forms.
- Independent verification and sign-off (i.e. by a staff member not involved in the collection) agreeing the counted total to the amount banked.

#### Conflict of interest register

We found some schools have keep a conflict of interest register (i.e. interest register from BoardPro), however the register does not adequately capture all the declaration details including the actions required to manage the conflict and the classification of the conflict.

Here is an example:

Declarant & Role	Date Declared	Related party	Nature of Interest	Type of Conflict	Management Plan	Review Date
John Smith (Trustee)	15/03/2026	Kathy Smith – wife to John	Kathy is owner of 'Office Supplies Ltd', the company provides stationery to the school from Mar 2026.	Actual	<ol style="list-style-type: none"> <li>1. Mr Smith must declare the interest at the start of any meeting where the stationery contract is discussed.</li> <li>2. Mr Smith must be absent from all board discussions and decisions relating to the stationery tender.</li> <li>3. Mr Smith is to be disregarded for the purposes of forming a quorum during that part of the meeting.</li> </ol>	15/03/2027

We recommend that you review your conflict of interest register and ensure it covers all the details.

We also recommend that everyone involved in a purchasing activity that is valued at \$25,000 or more including GST (either immediately, or over a 12-month period) completes a MOE conflict of interest declaration and management plan, here is the link to the management plan:

<https://www.education.govt.nz/education-professionals/schools-year-0-13/property/conflicts-interest#guidance-and-examples-of-conflicts-of-interest-1>

Please note that related party total transaction value more than \$25,000 (GST inclusive) requires MOE approval.

#### Segregation of duties

Effective controls require good segregation of duties, i.e. needing more than one person to complete a task.

We note that significant portions of the day-to-day accounting functions are solely under control of one person. We wish to point out that nothing in our review of your systems has led us in any way to question the integrity of this or any other employee.

We appreciate that it may be difficult to achieve appropriate segregation of duties because of the small number of administration staff at the school. Where this is the case, management needs to provide careful monitoring and oversight to mitigate against the risk of fraud or error.

The Ministry of Education has recently published an internal control checklist and a segregation of duties matrix on its [website \(https://www.education.govt.nz/school/funding-and-financials/school-finances/#internal-control-resources\)](https://www.education.govt.nz/school/funding-and-financials/school-finances/#internal-control-resources) which the school may find useful when assessing the adequacy of its internal controls. Further guidance on internal controls can be found in the Ministry's [Financial Information for Schools Handbook](#).

### **Changes to the Construction Contracts Act that could impact on school boards**

The Construction Contracts (Retention Money) Amendment Act 2023 (2023 Amendment Act) introduced new requirements related to retention monies. The new requirements apply to all contracts entered into or renewed from **5 October 2023**.

This means that schools that hold retentions on construction projects will have to comply with the new requirements of the 2023 Amendment Act for any new contracts they have entered into, or any existing contracts that they have renewed since 5 October 2023.

The 2023 Amendment Act makes the following changes:

- Retention money must either be held in a separate bank account or secured through a suitable financial instrument, like insurance or a bond.
- If schools hold retentions in a bank account, the account must be used exclusively for holding retention money. The school can choose to have individual accounts for each contractor's retention money or a single account for all contractors, but in the latter case, detailed accounting records must be maintained to show whose retentions are whose. Any interest earned in the account belongs to the school.
- The school must provide certain information to the Contractor when taking a retention, and then at least every three months thereafter for as long as the retention is held. The required information includes the amount held, contract specifics, bank account information (if the retentions are held in a bank account), or financial instrument details.
- The school can only use this money to address defects after providing The Contractor with a 10-working-day notice in writing to fix the issues.

There are penalties for organisations that do not comply with the retention requirements:

- a fine of up to \$200,000 for failing to keep retention money as required,
- a fine of up to \$50,000 for failing to maintain proper accounting and records of retention money, and
- a fine of up to \$50,000 for failing to provide regular reports on retention money.

The Ministry has provided guidance to schools about this change on its [website](#).

### **Lack of random checks on bank account details**

From the internal control checklist responses, we noted that there are no random checks ever performed on creditors or staff bank account details. To strengthen internal controls, we recommend the senior management occasionally perform spot checks to verify the bank account numbers of suppliers and staff member to ensure that payments have been made to the correct parties.

### **Independent Checking of Staff Reimbursement**

We note that there is a lack of independent one-up approval on the staff travel reimbursement claim. Please ensure that there is adequate segregation of duties and independent review of transactions throughout the year (even for small schools).

With regard to reimbursements we recommend that a "one up" principle of authorisation applies. This means for example that the principal reimbursement should be approved by either the Treasurer, Board or the finance sub-committee.

### **Retaining supporting documentation for staff reimbursement claims**

From our sample testing of payments, we also noted that a lack of supporting documentation for the staff reimbursement claims. Receipts / suppliers' invoices were not always available to support staff claims for reimbursements, eg grocery or food. The absence of supporting documentation increases the risk of unauthorised or non-business expenses being paid. Before approving and processing for staff reimbursement claims payment, we recommend that you retain appropriate documentation i.e tax invoice or receipts for the claim.

## **10. Adjusted and Unadjusted misstatements**

Please find attached Appendix 1 lists adjusted misstatements found during the course of our work.

There were no unadjusted misstatements.

#### 11. Key Financial Statement Audit Risks and Issues to be Communicated

<i>Key Matters</i>	<i>Responses</i>
Revenue Recognition	We documented the revenue systems, carried out appropriate controls testing and substantive audit procedures to address the risk of fraud in revenue recognition. We did not identify any material errors in relation to revenue recognition, whether due to fraud. However, we have made some recommendations in this letter.
Locally Raised Funds	We documented the system on Locally Raised Funds, assessed the control environment and completed analytical audit procedures to address the risk of material misstatements around the completeness of locally raised funds due to its nature-often being cash. We have not identified any material misstatements, due to fraud. However, we have made some recommendations in this letter.
Payroll	Payroll is processed by EdPay. The reliability of payroll processing is dependent on appropriate approval of payroll changes, checking of the fortnightly SUE report and relevant reports (i.e activity history report) and review of School Annual Accrual Report (SAAR). We have discussed with management and documented controls on payroll, carried out control testing, analytical procedures and substantive audit procedures to address the risk identified on payroll. We have not identified any material misstatements in payroll, whether due to fraud or error. However, we have made some recommendations in this letter.
Cyclical Maintenance Provision	Cyclical Maintenance is an area of judgement and could lead to material misstatement in the financial statements. For schools to be able to calculate the appropriate provision a painting plan needs to be prepared and/or reviewed by a suitably qualified person. We have obtained and reviewed the School's Plan and assessed that the provision at balance date is reasonably correct.
Management override	We have discussed with management controls on expenditure authorisation, tested manual journals, reviewed accounting estimates and significant transactions that are outside the normal course of business to address the presumed significant risk on management override. We have not identified any instances of management override.
Qualitative Aspects of Accounting Practices	The accounting policies used by the entity are consistent with the previous year. We reviewed the accounting policies, accounting estimates and financial disclosures, we believe that these are appropriate.
Significant difficulties	During the audit, we encountered no significant difficulties.
Disagreements with Management	We have had no disagreements with management during our audit nor have we had any serious difficulties in dealing with management.
Written management representations	We received the standard signed representation letter for the year ended 31 December 2025. No other specific representations were requested.
Other information	No material inconsistencies or misstatements were identified relating to the other information in the financial statements.
Other Significant matters	No other significant matters were raised from the audit.
Auditor Independence	We reaffirm we are independent of your organisation, and that we have no relationship with your organisation that impairs our independence.
Going Concern	No material uncertainties related to going concern were noted.
Non-compliance with Law or regulation	We have not identified any instances of noncompliance with Law or regulation.
Significant deficiencies in internal control	No significant deficiencies in internal control were noted, however we have made some recommendations in this letter.
Fraud	We have not identified any instances of fraud involving senior management or any other frauds that have caused material misstatement in the financial statements.
Significant Risks	We have not noted any significant risks or exposures that are required to be separately disclosed in the financial statements.

## 12. Conclusion

We remind the school to submit a single PDF file of your annual report, including audited Annual financial statements, audit report and required items from Annual report checklist to the Ministry of Education via the Ministry's [School Data Portal \(external link\)](#). These audited accounts must be minuted at your next Board Members' meeting.

Please advise us in due course of the actions you propose to take in relation to the matters raised in this letter.

We wish to acknowledge the friendly assistance provided by your staff during the audit. If there is any further information you require, please do not hesitate to contact us.

Yours faithfully  
**Owen McLeod & Co Ltd**



**Liyan Yao**

**Saint Pius X Catholic School, Melville**  
**Year ending 31 December 2025**  
**Appendix 1**

**Adjusted Errors:**

1. To recode curricular expenses from Locally raised funds

<b>Code</b>	<b>Name</b>	<b>Group</b>	<b>Debit</b>	<b>Credit</b>
	Curricular	expenses	29,706.00	-
	Extra Curricular Activities costs	expenses	-	29,706.00
			<b>29,706.00</b>	<b>29,706.00</b>

**INDEPENDENT AUDITOR'S REPORT**

**TO THE READERS OF SAINT PIUS X SCHOOL (MELVILLE)'S FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2025**

The Auditor-General is the auditor of Saint Pius X School (Melville) (the School). The Auditor-General has appointed me, Liyan Yao, using the staff and resources of Owen McLeod & Co Limited, to carry out the audit of the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2025, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

**Qualified opinion**

In our opinion, except for the matter described in the Basis for our qualified opinion section of our report, the financial statements of the School:

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

Our audit was completed on 27 May 2026. This is the date at which our qualified opinion is expressed.

**Basis for our qualified opinion - Uncertainty over completeness of fees for extra curricular activities and fundraising revenue**

The controls over the receipt of cash revenue on fees for extra curricular activities and fundraising, prior to being recorded, are limited. Revenue of fees for extra curricular activities and fundraising is disclosed in note 3 of the financial statements on page 12 totaling of \$31,178 (2025: \$17,014). There are no satisfactory audit procedures that we could adopt to independently confirm that all the receipts from fees for extra curricular activities and fundraising were properly recorded.

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 qualified 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.

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

In preparing the financial statements, the Board is responsible for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board intends to close or merge the School, or has no realistic alternative but to do so.

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other information included in the Board's annual report**

The Board is required to prepare an annual report which includes the annual financial statements and the audit report, as well as a Statement of Variance, an Evaluation of the School's Students' Progress and Achievement, a Statement of Compliance with Employment Policy, and a Statement of KiwiSport funding. The Board is responsible for the other information that it presents alongside its annual financial statements.

The other information obtained at the date of our audit report includes copies of the Variance Report Year 2025, Statement of Compliance with Employment Policy, and Statement of KiwiSport funding.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the School in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the School.



Liyan Yao  
Owen McLeod & Co Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand

