

JAMES HARGEST COLLEGE



JAMES HARGEST COLLEGE **KEEP FAITH**

2024 Annual Report

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JAMES HARGEST COLLEGE



JAMES HARGEST COLLEGE **KEEP FAITH**

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

School Directory

Ministry Number: 552

Principal: Mike Newell

Accountant/Service Provider: Findex NZ Limited

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Toni Green	Presiding Member	Elected	Jun-25
Mike Newell	Principal ex Officio	Non-elected	
Nicholas Raines	Parent Representative	Elected	Jun-25
Michelle Greenwood	Parent Representative	Elected	Jun-25
Mary Foley	Parent Representative	Elected	Jun-25
Rev. Richard Aitken	Parent Representative	Elected	Jun-25
Jeremy Rees	Parent Representative	Co-opted	Jun-25
Lara Buchanan	Staff Representative	Non-elected	
Ishaan Boon	Student Representative	Non-elected	Sep-25
Ben Hargest	Student Representative	Non-elected	Sep-25

JUNIOR CAMPUS

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Invercargill, New Zealand
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Facsimile 03 217 3152

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SENIOR CAMPUS

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JAMES HARGEST COLLEGE

Annual Financial Statements - For the year ended 31 December 2024

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James Hargest College

Statement of Responsibility

For the year ended 31 December 2024

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 2024 fairly reflects the financial position and operations of the School.

The School's 2024 financial statements are authorised for issue by the Board.

Toni Green

Full Name of Presiding Member



Signature of Presiding Member

03.06.2025

Date:

Michael James Newell

Full Name of Principal



Signature of Principal

03.06.2025

Date:

James Hargest College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Revenue				
Government Grants	2	20,904,733	20,851,420	20,138,839
Locally Raised Funds	3	4,161,175	1,048,229	2,668,363
Interest		288,941	260,549	323,820
Gain on Sale of Property, Plant and Equipment		87,679	-	4,734
Invercargill Activity Centre	4	218,698	196,063	195,961
Murihiku Young Parents Learning Centre	20	519,623	458,081	457,936
Total Revenue		26,180,849	22,814,342	23,789,653
Expense				
Locally Raised Funds	3	3,626,090	682,373	2,150,451
Invercargill Activity Centre	4	199,287	190,177	213,625
Learning Resources	5	16,406,847	16,929,327	15,813,202
Administration	6	1,637,651	1,665,559	1,503,512
Interest		17,474	17,650	14,738
Property	7	3,959,687	3,608,990	3,475,918
Murihiku Young Parents Learning Centre	20	533,529	424,181	423,894
Total Expense		26,380,565	23,518,257	23,595,340
Net Surplus / (Deficit) for the year		(199,716)	(703,915)	194,313
Other Comprehensive Revenue and Expense		-	-	8,560
Total Comprehensive Revenue and Expense for the Year		(199,716)	(703,915)	202,873

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

James Hargest College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Equity at 1 January		6,707,928	6,707,928	6,497,189
Total comprehensive revenue and expense for the year		(199,716)	(703,915)	202,873
Capital Contributions from the Ministry of Education				
Distributions to Ministry of Education		(109,496)	50,000	(17,923)
Contribution - Furniture and Equipment Grant (IAC)		-	1,796	1,796
Contribution - Furniture and Equipment Grant (MYPLC)		18,040	23,993	23,993
Contribution - Furniture and Equipment Grant (JHC)		84,893	-	-
Contribution - Te Mana Tuhono		211,658	-	-
Equity at 31 December		6,713,307	6,079,802	6,707,928
Accumulated comprehensive revenue and expense		6,120,003	5,438,693	6,100,719
<u>Reserve - Teen Parent Unit</u>				
Opening balance		607,209	607,209	573,167
Surplus for the year	20	(13,906)	33,900	34,042
Closing balance		593,303	641,109	607,209
Equity at 31 December		6,713,307	6,079,802	6,707,928

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.

James Hargest College

Statement of Financial Position

As at 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,247,108	1,280,068	1,280,068
Accounts Receivable	9	1,625,567	1,389,483	1,389,483
GST Receivable		75,888	83,838	83,838
Prepayments		59,999	50,231	50,231
Inventories	10	8,096	1,851	1,851
Investments	11	1,685,908	1,312,688	1,445,586
Funds Receivable for Capital Works Projects	19	16,099	169,089	169,089
		4,718,665	4,287,248	4,420,146
Current Liabilities				
Accounts Payable	13	1,903,923	1,977,738	1,862,073
Revenue Received in Advance	15	684,809	621,325	561,260
Provision for Cyclical Maintenance	16	160,625	166,166	78,000
Finance Lease Liability	17	110,007	115,887	115,887
Funds held in Trust	18	436,829	403,025	334,521
Funds held for Capital Works Projects	19	355,001	542,051	542,051
Borrowings	14	25,380	25,385	25,385
		3,676,574	3,851,577	3,519,177
Working Capital Surplus		1,042,091	435,671	900,968
Non-current Assets				
Investments	11	3,682,176	4,070,309	4,070,309
Property, Plant and Equipment	12	2,455,379	2,154,968	2,154,968
		6,137,555	6,225,277	6,225,277
Non-current Liabilities				
Provision for Cyclical Maintenance	16	357,995	449,262	286,428
Finance Lease Liability	17	86,029	55,729	55,729
Borrowings	14	22,315	76,155	76,155
		466,339	581,146	418,312
Net Assets		6,713,307	6,079,802	6,707,927
Equity		6,713,307	6,079,802	6,707,928

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

James Hargest College

Statement of Cash Flows

For the year ended 31 December 2024

	Note	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Cash flows from Operating Activities				
Government Grants		5,418,210	5,922,321	5,113,965
Locally Raised Funds		3,445,988	535,553	2,131,742
Invercargill Activity Centre		166,356	-	117,374
Murihiku Young Parents Learning Centre		395,235		13,607
International Students		671,005	512,676	481,261
Goods and Services Tax (net)		7,950	-	(36,364)
Payments to Employees		(3,837,956)	(3,777,179)	(3,285,646)
Payments to Suppliers		(6,239,660)	(2,960,307)	(3,986,859)
Interest Paid		(17,474)	(17,650)	(14,738)
Interest Received		337,751	260,549	264,298
Net cash from/(to) Operating Activities		347,405	475,963	798,641
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment		10,000	39,786	12,947
Purchase of Property Plant & Equipment		(444,568)	(515,749)	(445,677)
Purchase of Investments		-	-	(184,863)
Proceeds from Sale of Investments		147,811	-	-
Net cash from/(to) Investing Activities		(286,757)	(475,963)	(617,593)
Cash flows from Financing Activities				
Furniture and Equipment Grant		102,933	-	25,789
			-	-
Distributions to Ministry of Education		-	-	-
Finance Lease Payments		(69,215)	-	(167,982)
Loans Received		-	-	-
Repayment of Loans		(28,465)	-	-
Funds Administered on Behalf of Other Parties		(98,861)	-	166,352
Net cash from/(to) Financing Activities		(93,608)	-	24,159
Net increase/(decrease) in cash and cash equivalents		(32,960)	-	205,207
Cash and cash equivalents at the beginning of the year	8	1,280,068	1,280,068	1,074,861
Cash and cash equivalents at the end of the year	8	1,247,108	1,280,068	1,280,068

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.

James Hargest College

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2024 to 31 December 2024 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.

The following disclosures are examples of critical accounting estimates:

Cyclical maintenance

The School recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the School buildings. The estimate is based on the School's best estimate of the cost of painting the School and when the School is required to be painted, based on an assessment of the School's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 16.

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 12.

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks. The carrying amount of cash and cash equivalents represent fair value.

f) Accounts Receivable

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

g) Inventories

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

h) Investments

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

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Buildings	5 - 50 years
Furniture and Equipment	0 - 20 years
Information and Communication Technology	1 - 50 years
Motor Vehicles	4 - 10 years
Leased Assets	Term of lease
Library Resources	12.5% per annum
Work in Progress	0%

j) 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.

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

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

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

m) Revenue Received in Advance

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

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

n) Funds Held in Trust

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

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

o) Funds held for Capital works

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

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

p) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

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

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

q) Financial Instruments

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

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

r) Borrowings

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

s) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

t) Budget Figures

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

u) Services received in-kind

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

2. Government Grants

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Government Grants - Ministry of Education	5,280,665	5,092,981	4,906,239
Teachers' Salaries Grants	13,037,686	13,395,148	12,755,719
Use of Land and Buildings Grants	2,422,121	2,246,443	2,246,443
Other Government Grants	164,261	116,848	230,438
	<u>20,904,733</u>	<u>20,851,420</u>	<u>20,138,839</u>

3. Locally Raised Funds

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

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Revenue			
Donations and Bequests	69,202	74,150	69,274
Fees for Extra Curricular Activities	3,059,245	9,393	1,614,721
Trading	297,318	310,000	331,667
Fundraising and Community Grants	42,714	37,575	37,575
Other Revenue	186,979	104,435	171,073
International Student Fees	505,717	512,676	444,053
	<u>4,161,175</u>	<u>1,048,229</u>	<u>2,668,363</u>
Expense			
Extra Curricular Activities Costs	2,831,698	49,218	1,348,043
Trading	323,894	309,198	376,947
Fundraising and Community Grant Costs	38,695	37,575	6,973
Other Locally Raised Funds Expenditure	127,460	37,460	103,242
International Student - Employee Benefits - Salaries	230,533	167,913	178,693
International Student - Other Expenses	73,810	81,009	136,553
	<u>3,626,090</u>	<u>682,373</u>	<u>2,150,451</u>
<i>Surplus for the year Locally Raised Funds</i>	<u>535,085</u>	<u>365,856</u>	<u>517,912</u>

4. Invercargill Activity Centre Revenue and Expense

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Revenue			
Activity Centre Income	32,632	33,670	19,912
Government Grants - Ministry of Education	133,242	112,813	126,469
Use of Land and Buildings Grants	52,824	49,580	49,580
	<u>218,698</u>	<u>196,063</u>	<u>195,961</u>
Expense			
Other Invercargill Centre Expenses	79,675	81,798	75,474
Ka Ora, Ka Ako - Healthy School Lunches Programme	7,336	-	-
Employee Benefit - Salaries	59,452	58,799	88,571
Use of Land and Buildings Expense	52,824	49,580	49,580
	<u>199,287</u>	<u>190,177</u>	<u>213,625</u>
<i>Surplus for the year - Invercargill Activity Centre</i>	<u>19,410</u>	<u>5,886</u>	<u>(17,664)</u>

5. Learning Resources

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Curricular	621,597	617,530	498,300
Employee Benefits - Salaries	15,199,796	16,736,048	14,749,029
Staff Development	74,742	60,000	52,219
Depreciation	500,812	515,749	513,654
Other Learning Resources	9,900	-	-
	<u>16,406,847</u>	<u>17,929,327</u>	<u>15,813,202</u>

6. Administration

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Audit Fees	18,350	13,100	12,384
Board Fees and Expenses	40,530	56,150	38,485
Operating Leases	22,478	162,177	-
Other Administration Expenses	361,099	363,028	367,991
Employee Benefits - Salaries	1,138,497	28,242	1,027,474
Insurance	53,109	42,862	48,359
Service Providers, Contractors and Consultancy	3,588	-	8,819
	<u>1,637,651</u>	<u>665,559</u>	<u>1,503,512</u>

7. Property

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Consultancy and Contract Services	333,751	255,500	285,761
Cyclical Maintenance	276,018	251,000	92,470
Heat, Light and Water	300,969	267,000	265,377
Rates	16,742	15,000	14,290
Repairs and Maintenance	291,127	219,500	207,401
Use of Land and Buildings	2,422,121	2,246,443	2,246,443
Employee Benefits - Salaries	220,643	231,547	211,085
Other Property Expenses	98,316	123,000	153,091
	<u>3,959,687</u>	<u>3,608,990</u>	<u>3,475,918</u>

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Cash and Cash Equivalents

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Bank Accounts	1,246,398	1,279,362	1,279,362
Cash on hand	710	706	706
Cash and cash equivalents for Statement of Cash Flows	<u>1,247,108</u>	<u>1,280,068</u>	<u>1,280,068</u>

Of the \$1,247,107 Cash and Cash Equivalents, \$251,489 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings and include retentions on the projects, if applicable. The funds are required to be spent in 2025 on Crown owned school buildings.

Of the \$1,247,107 Cash and Cash Equivalents, \$684,809 of Revenue Received in Advance is held by the School, as disclosed in note 15.

Other restrictions on cash that may require disclosure include funds held in trust and international students of \$436,829 as disclosed in note 18.

9. Accounts Receivable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Receivables	299,366	136,807	136,807
Receivables from the Ministry of Education	-	79,093	79,093
Interest Receivable	35,877	84,687	84,687
Teacher Salaries Grant Receivable	1,290,324	1,088,896	1,088,896
	<u>1,625,567</u>	<u>1,389,483</u>	<u>1,389,483</u>
Receivables from Exchange Transactions	335,243	221,494	221,494
Receivables from Non-Exchange Transactions	1,290,324	1,167,989	1,167,989
	<u>1,625,567</u>	<u>1,389,483</u>	<u>1,389,483</u>

10. Inventories

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Stationery	7,238	1,320	1,320
Canteen	858	531	531
	<u>8,096</u>	<u>1,851</u>	<u>1,851</u>

11. Investments

The School's investment activities are classified as follows:

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Current Asset			
Short-term Bank Deposits	1,685,908	1,312,688	1,445,586
Non-current Asset			
Long-term Bank Deposits	3,682,176	4,070,309	4,070,309
Total Investments	<u>5,368,084</u>	<u>5,382,997</u>	<u>5,515,895</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2024						
Buildings	511,522	-	-	-	(30,478)	481,044
Furniture and Equipment	957,061	215,351	(14,871)	-	(156,221)	1,001,320
Information and Communication Technology	424,123	405,084	(2,506)	-	(134,583)	692,118
Motor Vehicles	112,049	113,274	(86,786)	-	(60,287)	78,250
Leased Assets	79,945	122,774	-	-	(108,403)	94,316
Library Resources	70,268	17,311	(860)	-	(10,840)	75,879
Work in Progress	-	32,452	-	-	-	32,452
	<u>2,154,968</u>	<u>906,246</u>	<u>(105,023)</u>	<u>-</u>	<u>(500,812)</u>	<u>2,455,379</u>

The net carrying value of Information and Communication Technology held under a finance lease is \$94,316 (2023: \$79,945)

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.

	2024 Cost or Valuation \$	2024 Accumulated Depreciation \$	2024 Net Book Value \$	2023 Cost or Valuation \$	2023 Accumulated Depreciation \$	2023 Net Book Value \$
Buildings	1,335,755	(854,712)	481,043	1,335,755	(824,233)	511,522
Furniture and Equipment	3,614,961	(2,613,644)	1,001,317	3,430,153	(2,473,092)	957,061
Information and Communication Technology	2,911,028	(2,218,911)	692,117	2,514,147	(2,090,024)	424,123
Motor Vehicles	437,056	(358,806)	78,250	359,430	(247,381)	112,049
Leased Assets	739,390	(645,074)	94,316	690,357	(610,412)	79,945
Library Resources	188,820	(112,941)	75,879	173,684	(103,416)	70,268
Work in Progress	32,452	-	32,452	-	-	-
	<u>9,259,462</u>	<u>(6,804,088)</u>	<u>2,455,379</u>	<u>8,503,526</u>	<u>(6,348,558)</u>	<u>2,154,968</u>

13. Accounts Payable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Creditors	304,752	389,451	389,451
Accruals	35,625	36,858	36,858
Banking Staffing Overuse	-	5,634	5,634
Employee Entitlements - Salaries	1,501,711	1,489,752	1,374,087
Employee Entitlements - Leave Accrual	61,835	56,043	56,043
	<u>1,903,923</u>	<u>1,977,738</u>	<u>1,862,073</u>

Payables for Exchange Transactions	1,903,923	1,977,738	1,862,073
	<u>1,903,923</u>	<u>1,977,738</u>	<u>1,862,073</u>

The carrying value of payables approximates their fair value.

14. Borrowings

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Painting Contract due within one year	25,380	25,385	25,385
	<u>25,380</u>	<u>25,385</u>	<u>25,385</u>
Painting Contract due after one year	22,315	76,155	76,155
	<u>22,315</u>	<u>76,155</u>	<u>76,155</u>

In 2022, the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a six year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2022, with regular maintenance in subsequent years. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

15. Revenue Received in Advance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Grants in Advance - Ministry of Education	98,825	31,358	31,358
International Student Fees in Advance	572,028	506,740	406,740
Other Revenue in Advance	13,956	83,227	123,162
	<u>684,809</u>	<u>621,325</u>	<u>561,260</u>

16. Provision for Cyclical Maintenance

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Provision at the Start of the Year	364,428	364,428	499,648
Increase to the Provision During the Year	181,111	251,000	78,219
Use of the Provision During the Year	(26,919)	-	(213,439)
Provision at the End of the Year	518,620	615,428	364,428
Cyclical Maintenance - Current	160,625	166,166	78,000
Cyclical Maintenance - Non current	357,995	449,262	286,428
	518,620	615,428	364,428

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

17. Finance Lease Liability

The School has entered into a number of finance lease agreements for Computers and Information and Communication Technology Equipment. Minimum lease payments payable:

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
No Later than One Year	110,007	115,887	115,887
Later than One Year and no Later than Five Years	86,029	55,729	55,729
	196,036	171,616	171,616
Represented by			
Finance lease liability - Current	110,007	115,887	115,887
Finance lease liability - Non current	86,029	55,729	55,729
	196,036	171,616	171,616

18. Funds held in Trust

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	436,829	403,025	334,521
	436,829	403,025	334,521

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

19. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 8 and includes retentions on the projects, if applicable.

2024	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
JHC - Essential Infrastructure - #210201 & 230015	74,348	-	-	-	74,348
JC New Pastoral Care Offices - (BOT Project)	(3,524)	-	(3,320)	-	(6,844)
Cultural Entrance Way - (BOT Project)	(3,540)	-	(5,715)	-	(9,255)
AV Theatre remodel - (BOT Project)	-	-	(51,843)	51,843	-
Toilet Block & Breakout space upgrade - #226905	467,703	1,176,600	(1,561,979)	-	82,324
MYPLC Learning Area Upgrade - #229481	(31,123)	62,074	(32,038)	1,087	-
IAC Kitchen & Outdoor Learning Structure - #229417	(72,452)	39,723	(24,927)	57,653	-
Roof Repairs - (B,C,D,F,H,I Snr Blocks) - #235499	(22,186)	117,000	(36,664)	-	58,150
Metal & Translucent Roof Replacements - #230014	(27,913)	34,557	(6,644)	-	-
A,B&RB: LSPM Toiled Modifications - #249755	(2,197)	25,000	(4,542)	-	18,262
Snr A,F Toilet remodel & new fire doors - #235502	(4,243)	35,548	(4,976)	-	26,329
Snr Toilet Block (quad) - #248110	(1,913)	405,000	(373,492)	-	29,596
Jnr Visual Support Modification - #245601	-	79,000	(47,749)	-	31,251
MYPLC Roof Replacement toilet upgrade - #242896	-	450,000	(415,260)	-	34,740
MYPLC Reinstate vehicle damaged wall - #246519	-	9,573	(9,573)	-	-
Totals	372,963	2,434,075	(2,578,721)	110,583	338,902

Represented by:

Funds Held on Behalf of the Ministry of Education	355,001
Funds Receivable from the Ministry of Education	(16,099)

2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
JHC - Essential Infrastructure - #210201 & 230015	-	74,348	-	-	74,348
JC New Pastoral Care Offices - (BOT Project)	-	-	(3,524)	-	(3,524)
Sports office redevelopment - (BOT Project)	-	-	(69,392)	69,392	-
Cultural Entrance Way - (BOT Project)	-	-	(3,540)	-	(3,540)
Toilet Block & Breakout space upgrade - #226905	8,669	750,000	(290,965)	-	467,703
MYPLC Learning Area Upgrade - #229481	118,707	123,753	(273,583)	-	(31,123)
IAC Kitchen & Outdoor Learning Structure - #229417	(2,152)	337,560	(407,858)	-	(72,452)
Roof Repairs - (B,C,D,F,H,I Snr Blocks) - #235499	21,075	31,500	(74,761)	-	(22,186)
Metal & Translucent Roof Replacements - #230014	157,668	-	(185,581)	-	(27,913)
A,B&RB: LSPM Toiled Modifications - #249755	-	-	(2,197)	-	(2,197)
Snr A,F Toilet remodel & new fire doors - #235502	-	-	(4,243)	-	(4,243)
Snr Toilet Block (quad) - #248110	-	-	(1,913)	-	(1,913)
Snr and Jnr Campus Boiler Replacement - #217766	(133,276)	210,601	(77,325)	-	-
Jnr Campus Synthetic Court Dev - (BOT Project)	(15,025)	96,844	(81,818)	-	-
Jnr Campus Synthetic Turf - #222884	(52,923)	35,000	-	17,923	-
Jnr Campus Hall Roof & Wall Replacement - #226900	(3,471)	55,406	(51,935)	-	-
D Block Learning Support Modification - #235056	19,900	1,972	(21,872)	-	-
Totals	119,172	1,716,984	(1,550,506)	87,315	372,963

Represented by:

Funds Held on Behalf of the Ministry of Education	542,051
Funds Receivable from the Ministry of Education	(169,089)

20. Funds Held for Teen Parent Unit

The School's Teen Parent Unit is a separate business unit of the school in accordance with the agreement with the Ministry of Education. The revenue and expense is included in the school's Statement of Revenue and Expense. During the year the funds were spent on employee benefit expenses, administration and property management expenses.

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Revenue			
Course Fees	109,632	112,900	112,897
Government Grants - Ministry of Education	183,547	167,200	167,139
Ka Ora, Ka Ako - Healthy School Lunches Programme	63,626	42,200	42,228
Use of Land and Buildings Grants	106,113	101,681	101,681
Other Revenue	56,704	34,100	33,991
Total funds received	519,623	458,081	457,936
Expenses			
Ka Ora, Ka Ako - Healthy School Lunches Programme	125,041	52,500	52,577
Other Teen Parent Unit Expenses	235,735	188,700	188,370
Use of Land and Buildings	106,113	101,681	101,681
Employee Benefits - Salaries	66,640	81,300	81,266
	533,529	424,181	423,894
<i>Surplus for the year Teen Parent Unit</i>	<u>(13,906)</u>	<u>33,900</u>	<u>34,042</u>

21. Related Party Transactions

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

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

22. Remuneration

Key management personnel compensation

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

	2024 Actual \$	2023 Actual \$
Board Members		
Remuneration	8,683	7,886
Leadership Team		
Remuneration	1,060,540	921,994
Full-time equivalent members	7	6
Total key management personnel remuneration	<u>1,069,223</u>	<u>929,880</u>

There are 8 members of the Board excluding the Principal. The Board has held 10 full meetings of the Board in the year. The Board also has Finance committees that meet monthly. 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 1

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

	2024 Actual \$000	2023 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	230-240	220-230
Benefits and Other Emoluments	5-10	5-10
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE Number
100-110	33	35
110-120	26	24
120-130	4	4
130-140	2	2
140-150	1	1
150-160	1	1
160-170	-	-
170-180	1	-
	68.00	67.00

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

23. 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:

	2024 Actual	2023 Actual
Total	-	-
Number of People	-	-

24. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2024 (Contingent liabilities and assets at 31 December 2023: nil).

Holidays Act Compliance – Schools Payroll

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

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

Pay Equity and Collective Agreement Funding Wash-up

In 2024 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. At the date of signing the financial statements the School's final entitlement for the year ended 31 December 2024 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2025.

25. Commitments

(a) Capital Commitments

At 31 December 2024, the Board had capital commitments of \$993,283 (2023:\$1,228,412) as a result of entering the following contracts:

Contract Name	Contract Number	2024 Capital Commitment
		\$
Toilet Block & Breakout space upgrade	226905	115,699
B,C,D,F,H,I : Mould Remediation & Roof Repairs	235499	33,000
Jnr Visual Support Modification	245601	21,000
Snr Toilet Block (quad)	248110	45,000
A,B&RB: LSPM Toilet modifications	249755	5,900
Total		220,599

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 19.

(b) Operating Commitments

There are no operating commitments as at 31 December 2024 (capital commitments at 31 December 2023: nil).

26. 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

	2024 Actual	2024 Budget (Unaudited)	2023 Actual
	\$	\$	\$
Cash and Cash Equivalents	1,247,108	1,280,068	1,280,068
Receivables	1,625,567	1,389,483	1,389,483
Investments - Term Deposits	5,368,084	5,382,997	5,515,895
Total financial assets measured at amortised cost	<u>8,240,759</u>	<u>8,052,548</u>	<u>8,185,446</u>

Financial liabilities measured at amortised cost

Payables	1,903,923	1,977,738	1,862,073
Borrowings - Loans	22,315	76,155	101,540
Finance Leases	196,036	171,616	171,616
Total financial liabilities measured at amortised cost	<u>2,122,274</u>	<u>2,225,509</u>	<u>2,135,229</u>

27. Events After Balance Date

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

28. Comparatives

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

29. Investments - Breach of Section 154

The school is in breach of Section 154 (2)(b)(ii) of the Education and Training Act 2020 because it has invested \$991,856 with SBS, which does not satisfy a credit-rating test that is specified in either regulations made under Part 4 of the Crown Entities Act 2004 or a notice in the Gazette published by the Minister of Finance.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF JAMES HARGEST COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Auditor-General is the auditor of James Hargest College (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2024, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2024; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 3 June 2025. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information obtained at the date of our report is the Members of the Board, Statement of Responsibility, and Kiwisport funding, but does not include the financial statements and our auditor's report thereon.

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

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

Independence

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

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



Aaron Higham
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand

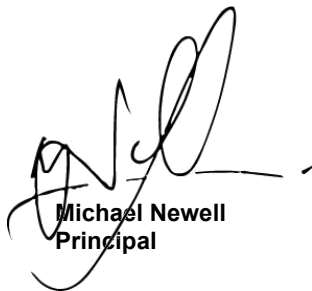
Report on other special and contestable funding

During the 2024 James Hargest College received no contestable funding.

Kiwisport funding 2024

The school received total Kiwisport funding of \$44,349.96 (excluding GST).

The funding contributed to salaries for two Sports Co-ordinators across our two campuses to help increase students' participation that the school and external sporting bodies provide in organised sport, as well as the purchase of sport and recreation equipment.



Michael Newell
Principal

Statement of variance: progress against targets

Evaluation and analysis of the school's students' progress and achievement

How we have given effect to Te Tiriti o Waitangi

Statement of compliance with employment policy

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	<i>We have a current Health and Safety Officer who works across both campuses. There is transparency around roles and who is responsible for which aspects of school leadership. There is regular reporting to the Board on all aspects of school operation. We use community connection and best practice to ensure all processes and protocols are clear and adhered too.</i>
What is in your equal employment opportunities programme? How have you been fulfilling this programme?	<i>Refer to Personnel Policy, all Principles of being a good employer adhered to. Jobs are all advertised widely, an appointment panel convened and all appointments made subject to a fair and impartial process.</i>
How do you practise impartial selection of suitably qualified persons for appointment?	<i>All positions are advertised with clear job descriptions and hours of work. All applications are considered by a panel before any shortlisting occurs. Interviews are conducted with all applicants using a consistent set of questions. The appointment panel for the position sits together to make a decision and an offer of employment.</i>
How are you recognising, <ul style="list-style-type: none"> – The aims and aspirations of Māori, – The employment requirements of Māori, and – Greater involvement of Māori in the Education service? 	<i>JHC is working with an external PLD partner to ensure our whole school is culturally responsive and aware of our commitment to Te Tiriti. Culturally important occasions are always supported for staff with appropriate leave where required. Connections for all staff to our local Marae are encouraged and tikanga observed in our kura. Staff are involved in co construction of goals and career aspirations. Support is given to grow staff professionally alongside personal goals for career development.</i>
How have you enhanced the abilities of individual employees?	<i>Through the Professional Growth Cycle, goals and PLD opportunities are identified and individuals are supported and encouraged to grow their personal capacity and support their aspirations.</i>
How are you recognising the employment requirements of women?	<i>Women form the majority of staff in our workplace. We operate a system where all individuals are valued and their requirements are supported. We recognise that this varies significantly between individuals. Our collective team approach ensures staff have a colleague they can approach should any support be required.</i>
How are you recognising the employment requirements of persons with disabilities?	<i>As above, all employees are individuals. Staff are always encouraged and supported in removing all possible barriers. Clear communication in our appraisal process is important, as is working with a staff member each individual feels comfortable and confident working with. Health and Safety conversations as well as an open door policy ensure staff feel valued, heard and supported with any specific individual requirements.</i>

All elements of the ST Collective Agreement as well as Support Staff Collective Agreement, including all relevant legislation are adhered to and reviewed on a cyclical basis with all Policies at Board Level.

The JHC Board will meet to discuss an EEO policy which currently sits under the Personnel Policy with all procedures of this policy adhered to

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

