KNIGHTS STREAM SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number:	579
Principal:	Michael Molloy
School Address:	1 Killarney Avenue Halswell Christchurch
School Phone:	(03) 928 10580
School Email:	office@knightsstream.school.nz
Accountant / Service Provider:	Schooled Limited

KNIGHTS STREAM SCHOOL

Annual Financial Statements - For the year ended 31 December 2025

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Knights Stream School

Members of the Board

For the year ended 31 December 2025

Name	Position	How Position Gained	Term Expired/ Expires
Emma Clemence	Presiding Member	Re-Elected Sept 2025	Sept 2028
Mike Molloy	Principal ex Officio		
Tom Pritchard	Parent Representative	Elected Sept 2025	Sept 2028
Anika Tiplady	Parent Representative	Elected Sept 2025	Sept 2028
Violet Fan	Parent Representative	Elected Sept 2025	Sept 2028
Haley Smith	Parent Representative	Re-Elected Sept 2025	Sept 2028
Leigh Hurford	Staff Representative	Re-Elected Sept 2025	Sept 2028
Maggie Li	Parent Representative		Sept 2025
Tim Kennedy	Parent Representative		Sept 2025
Jared Blyth	Parent Representative		Sept 2025

Knights Stream School

Statement of Responsibility

For the year ended 31 December 2025

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

The management (including the Principal and 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.

Emma Clemence
Full Name of Presiding Member

Mike Molloy
Full Name of Principal

EClemence
Signature of Presiding Member

Signature of Principal

26/5/2026
Date

26/5/2026
Date

Knights Stream School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2025

	Notes	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Revenue				
Government Grants	2	6,757,270	5,898,529	5,820,464
Locally Raised Funds	3	175,989	180,400	199,213
Interest		46,402	40,000	74,427
Other Revenue		154	600	81
Total Revenue		6,979,815	6,119,529	6,094,185
Expense				
Locally Raised Funds	3	76,524	93,700	74,295
Learning Resources	4	4,611,597	3,569,604	3,727,479
Administration	5	236,361	255,510	223,587
Interest		6,515	6,319	3,636
Property	6	1,921,380	2,214,991	1,839,609
Loss on Disposal of Property, Plant and Equipment		(57)	-	520
Total Expense		6,852,320	6,140,124	5,869,126
Net Surplus / (Deficit) for the year		127,495	(20,595)	225,059
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		127,495	(20,595)	225,059

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

Knights Stream School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2025

	Notes	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Equity at 1 January		1,875,445	1,875,441	1,649,270
Total comprehensive revenue and expense for the year		127,495	(20,595)	225,059
Contribution - Furniture and Equipment Grant		-	-	1,116
Equity at 31 December		2,002,940	1,854,846	1,875,445
Accumulated comprehensive revenue and expense		2,002,940	1,854,846	1,875,445
Equity at 31 December		2,002,940	1,854,846	1,875,445

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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.

Knights Stream School
Statement of Financial Position
As at 31 December 2025

	Notes	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Current Assets				
Cash and Cash Equivalents	7	226,041	374,724	230,001
Accounts Receivable	8	406,194	340,349	329,030
GST Receivable		9,698	16,919	16,927
Prepayments		7,027	8,626	8,626
Inventories	9	206	591	591
Investments	10	1,160,372	726,433	1,076,433
		1,809,538	1,467,642	1,661,608
Current Liabilities				
Accounts Payable	12	452,490	353,620	344,827
Revenue Received in Advance	13	4,726	2,246	1,873
Provision for Cyclical Maintenance	14	187,513	-	182,772
Finance Lease Liability	15	26,359	42,792	48,818
Funds held in Trust	16	3,163	1,872	2,246
		674,251	400,530	580,536
Working Capital Surplus/(Deficit)		1,135,287	1,067,112	1,081,072
Non-current Assets				
Property, Plant and Equipment	11	972,830	842,168	923,670
		972,830	842,168	923,670
Non-current Liabilities				
Provision for Cyclical Maintenance	14	28,384	-	-
Finance Lease Liability	15	76,794	54,434	70,799
		105,178	54,434	70,799
Net Assets		2,002,939	1,854,846	1,933,943
Equity		2,002,940	1,854,846	1,875,445

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

Knights Stream School
Statement of Cash Flows
For the year ended 31 December 2025

	Note	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Cash flows from Operating Activities				
Government Grants		1,504,308	1,368,033	1,279,788
Locally Raised Funds		159,012	181,373	201,841
Goods and Services Tax (net)		7,229	8	(3,544)
Payments to Employees		(773,091)	(824,211)	(667,321)
Payments to Suppliers		(547,893)	(825,237)	(552,597)
Interest Paid		(6,515)	(6,319)	(3,636)
Interest Received		46,402	40,000	74,427
Net cash from/(to) Operating Activities		389,452	(66,353)	328,958
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		57	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(203,744)	(45,604)	(349,467)
Purchase of Investments		(83,939)	350,000	81,485
Net cash from/(to) Investing Activities		(287,626)	304,396	(267,982)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	1,116
Finance Lease Payments		(48,204)	(34,448)	(48,364)
Funds Administered on Behalf of Other Parties		917	(374)	(34,855)
Net cash from/(to) Financing Activities		(47,287)	(34,822)	(82,103)
Net increase/(decrease) in cash and cash equivalents		54,539	203,221	(21,127)
Cash and cash equivalents at the beginning of the year	7	230,001	230,001	192,630
Cash and cash equivalents at the end of the year	7	284,540	433,222	171,503

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.

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

Knights Stream School
Notes to the Financial Statements
For the year ended 31 December 2025

1. Statement of Accounting Policies

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

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 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 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 21.

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.

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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, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

f) Accounts Receivable
Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The 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 school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

h) Investments
Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the 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:

Building Improvements	10–75 years
Furniture and Equipment	10–15 years
Information and Communication Technology	3–5 years
Motor Vehicles	5 years
Leased Assets held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value

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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 parents where there are unfulfilled obligations for the School to provide services in the future. The fees or grants are recorded as revenue as the obligations are fulfilled and the fees or grants are earned.

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

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.

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o) 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.

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

The School's financial liabilities comprise of accounts payable and finance lease. 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.

q) 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.

r) Budget Figures
The budget figures are extracted from the School budget that was approved by the Board.

s) 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	1,450,864	1,368,033	1,309,359
Teachers' Salaries Grants	3,637,131	2,618,056	2,952,783
Use of Land and Buildings Grants	1,615,567	1,912,440	1,558,322
Other Government Grants	53,708	-	-
	6,757,270	5,898,529	5,820,464

3. Locally Raised Funds

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

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
Revenue	$	$	$
Donations and Bequests	42,218	59,000	76,929
Fees for Extra Curricular Activities	64,883	67,700	59,551
Trading	20,718	16,300	31,833
Fundraising and Community Grants	36,425	31,400	571
Other Revenue	11,745	6,000	30,329
	175,989	180,400	199,213
Expense			
Extra Curricular Activities Costs	70,811	78,500	53,351
Trading	5,713	15,200	20,667
Fundraising and Community Grant Costs	-	-	277
	76,524	93,700	74,295
Surplus/ (Deficit) for the year Locally Raised Funds	99,465	86,700	124,918

4. Learning Resources

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Curricular	75,419	93,985	70,136
Information and Communication Technology	624	8,000	3,921
Employee Benefits - Salaries	4,305,117	3,275,206	3,461,179
Staff Development	40,773	49,250	40,450
Depreciation	186,324	139,163	149,650
Other Learning Resources	3,340	4,000	2,143
	4,611,597	3,569,604	3,727,479

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5. Administration

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Audit Fees	10,010	10,010	9,465
Board Expenses	25,452	24,380	28,673
Other Administration Expenses	86,916	95,450	78,112
Employee Benefits - Salaries	93,740	105,000	90,598
Insurance	9,723	8,750	8,517
Service Providers, Contractors and Consultancy	10,520	11,920	8,222
	236,361	255,510	223,587

6. Property

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Consultancy and Contract Services	64,635	65,000	55,610
Cyclical Maintenance	33,125	30,462	22,885
Heat, Light and Water	57,331	47,166	50,148
Rates	23,398	30,000	22,011
Repairs and Maintenance	56,388	42,423	56,287
Use of Land and Buildings	1,615,567	1,912,440	1,558,322
Employee Benefits - Salaries	52,759	61,000	54,209
Other Property Expenses	18,177	26,500	20,137
	1,921,380	2,214,991	1,839,609

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

7. Cash and Cash Equivalents

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Bank Accounts	164,653	224,724	171,503
Short-term Bank Deposits	61,388	150,000	58,498
Cash and cash equivalents for Statement of Cash Flows	226,041	374,724	230,001

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

Of the $226,041 Cash and Cash Equivalents $3,163 is subject to restrictions for the following reasons:

• $3,163 of Funds Held in Trust Received are held by the School, as disclosed in note 16.

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8. Accounts Receivable

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Receivables	20,835	851	851
Receivables from the Ministry of Education	5,044	4,780	4,780
Teacher Salaries Grant Receivable	380,315	334,718	323,399
	406,194	340,349	329,030
Receivables from Exchange Transactions	20,835	851	851
Receivables from Non-Exchange Transactions	385,359	339,498	328,179
	406,194	340,349	329,030

9. Inventories

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	$	$	$
Stationery	206	591	591
	206	591	591

10. Investments

The School's investment activities are classified as follows:

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
Current Asset	$	$	$
Short-term Bank Deposits	1,160,372	726,433	1,076,433
Total Investments	1,160,372	726,433	1,076,433

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11. Property, Plant and Equipment

2025	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	**Total (NBV) $**
Building Improvements	234,178	3,809	-	-	(25,010)	**212,977**
Furniture and Equipment	474,671	80,980	-	-	(80,916)	**474,735**
Information and Communication Technology	63,004	26,743	-	-	(21,551)	**68,196**
Leased Assets	116,485	54,109	(18,268)	-	(53,820)	**98,506**
Library Resources	35,332	5,467	(585)	-	(5,027)	**35,187**
Work in Progress	-	83,229	-	-	-	**83,229**
	923,670	254,337	(18,853)	-	(186,324)	**972,830**

Restrictions
There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2025 Cost or Valuation $	**2025 Accumulated Depreciation $**	**2025 Net Book Value $**	**2024 Cost or Valuation $**	**2024 Accumulated Depreciation $**	**2024 Net Book Value $**
Building Improvements	250,103	(37,126)	**212,977**	246,294	(12,116)	**234,178**
Furniture and Equipment	876,321	(401,586)	**474,735**	795,341	(320,670)	**474,671**
Information and Communication Technology	284,711	(216,515)	**68,196**	257,967	(194,963)	**63,004**
Leased Assets	197,752	(99,246)	**98,506**	166,012	(49,527)	**116,485**
Library Resources	72,267	(37,080)	**35,187**	67,926	(32,594)	**35,332**
Work in Progress	83,229	-	**83,229**	-	-	**-**
	1,764,383	(791,553)	**972,830**	1,533,540	(609,870)	**923,670**

12. Accounts Payable

	2025 Actual $	**2025 Budget (Unaudited) $**	**2024 Actual $**
Creditors	44,106	31,788	31,788
Accruals	8,510	10,010	11,475
Employee Entitlements - Salaries	389,936	303,358	293,100
Employee Entitlements - Leave Accrual	9,938	8,464	8,464
	452,490	353,620	344,827
Payables for Exchange Transactions	452,490	353,620	344,827
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	452,490	353,620	344,827

The carrying value of payables approximates their fair value.

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13. Revenue Received in Advance

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Other revenue in Advance	4,726	2,246	1,873
	4,726	2,246	1,873

14. Provision for Cyclical Maintenance

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Provision at the Start of the Year	182,772	-	159,887
Increase/(decrease) to the Provision During the Year	33,125	30,462	22,885
Provision at the End of the Year	215,897	30,462	182,772
Cyclical Maintenance - Current	187,513	-	182,772
Cyclical Maintenance - Non current	28,384	-	-
	215,897	-	182,772

Per the cyclical maintenance schedule, the School is next expected to undertake painting works during 2026 This plan is based on the School's 10 Year Property Plan is prepared by a Ministry of Education appointed consultant.

15. Finance Lease Liability

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

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
No Later than One Year	53,814	43,591	51,115
Later than One Year	50,092	55,489	76,827
Future Finance Charges	(7,597)	(1,854)	(8,325)
	96,309	97,226	119,617
Represented by			
Finance lease liability - Current	26,359	42,792	48,818
Finance lease liability - Non current	76,794	54,434	70,799
	103,153	97,226	119,617

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16. Funds held in Trust

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Funds Held in Trust on Behalf of Third Parties - Current	3,163	1,872	2,246
	3,163	1,872	2,246

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.

2024	Opening Balances $	Receipts from MOE $	Payments $	Board Contributions / Transfers $	Closing Balances $
MOE Project Stage 2	35,166	27,941	(63,107)	-	-
Totals	35,166	27,941	(63,107)	-	-

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	-

17. 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.

Michael Molloy is a member of Knights Stream's Our Friends of the School Charity who have donated $10,000 to the school. The expenditure of these funds to external at arm's length suppliers were $7,000 for Swimming Lessons, $2,000 for Visiting Performers and $1,000 for School Dicitonaries for class room use, there was no amount outstanding as at balance date (Prior Period: nil). Because this amount is less than $25,000 (incl GST) for the year, the contract does not require Ministry approval under s10 of Schedule 23 of the Education and Training Act 2020.

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18. Remuneration

Key management personnel compensation

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

	2025 Actual $	2024 Actual $
Board Members		
Remuneration	21,382	4,125
Leadership Team		
Remuneration	462,352	421,214
Full-time equivalent members	3	3
Total key management personnel remuneration	483,734	425,339

There are 6 members of the Board excluding the Principal. The Board had held 11 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair 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:

Salaries and Other Short-term Employee Benefits:	2025 Actual $000	2024 Actual $000
Salary and Other Payments	170-180	160-170
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	2025 FTE Number	2024 FTE Number
100 - 110	7.00	8.00
110 - 120	4.00	2.00
120 - 130	2.00	1.00
140 - 150	1.00	0.00
	14.00	11.00

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

19. Compensation and Other Benefits Upon Leaving

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

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

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20. 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.

21. Commitments

(a) Capital Commitments

at 31 December 2025, the Board had no capital commitment (2024:$0).

(b) Operating Commitments

As at 31 December 2025, the Board has entered into no contracts.

22. Financial Instruments

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

Financial assets measured at amortised cost

	2025 Actual $	2025 Budget (Unaudited) $	2024 Actual $
Cash and Cash Equivalents	226,041	374,724	230,001
Receivables	406,194	340,349	329,030
Investments - Term Deposits	1,160,372	726,433	1,076,433
Total financial assets measured at amortised cost	1,792,607	1,441,506	1,635,464

Financial liabilities measured at amortised cost

Payables	452,490	353,620	344,827
Finance Leases	103,153	97,226	119,617
Total financial liabilities measured at amortised cost	555,643	450,846	464,444

23. Events After Balance Date

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

24. Comparatives

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

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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KNIGHT STREAM SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Knights Stream School (the School). The Auditor-General has appointed me, Sam Naylor, using the staff and resources of Nexia Audit Christchurch, to carry out the audit of the financial statements of the School on pages 3 to 20, that comprise the statement of financial position as at 31 December 2025, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

Opinion
In our opinion the financial statements:

- present fairly, in all material respects:
    - the School's financial position as at 31 December 2025; and
    - 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 26 May 2026. This is the date at which our opinion is expressed.

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

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

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

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.

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Neither Nexia International nor Nexia (NZ) Limited provide services to clients.

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 Statement of Variance, Evaluation of the School's Students' Progress and Achievement, Statement of Compliance with Employment Policy, and Statement of KiwiSport funding and a list of Board members.

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.

Sam Naylor
Nexia Audit Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand