

Al-Madinah School

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Ministry Number:	544
Principal:	Asin Ali
School Address:	8 Westney Way, Mangere 2022
School Postal Address:	PO Box 43246, Manukau 2153
School Phone:	09 275 5195
School Email:	info@al-madinah.school.nz
Accountant / Service Provider:	School Finance Hub

Al-Madinah School

Members of the Board

For the year ended 31 December 2025

Name	Position	How position Gained
Ashwat Khan	Presiding member	Elected
Imraan Mohammed	Members	Elected
Ahlam Jemjouni	Members	Elected
Rehana Sher	Members	Elected
Nazish Zaman Khan	Members	Elected
Mohammed Muzzamil Kuddus	Members	Elected
Mohammed Faiaz	Members	Elected
Asin Ali	School Principal rep	
Bruce Adin	Board Advisor	MOE selected

Al-Madinah School

Annual Financial Statements - For the year ended 31 December 2025

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Al-Madinah 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.

Ashwat Khan

Full Name of Presiding Member



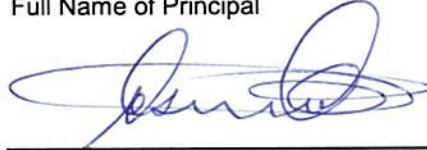
Signature of Presiding Member

18/5/26

Date:

Asin Ali

Full Name of Principal



Signature of Principal

18/05/2026

Date:

Al-Madinah 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	6,195,723	5,841,127	5,847,619
Locally Raised Funds	3	257,941	283,500	223,818
Use of Proprietor's Land and Buildings		646,250	510,000	590,000
Interest		6,072	10,000	35,638
Total Revenue		7,105,986	6,644,627	6,697,075
Expense				
Locally Raised Funds	3	159,587	137,000	159,076
Learning Resources	4	5,556,106	5,216,500	5,232,857
Administration	5	409,068	363,900	403,841
Interest		4,721	3,000	4,222
Property	6	1,077,316	927,000	954,819
Loss on Disposal of Property, Plant and Equipment		119	-	1,536
Total Expense		7,206,917	6,647,400	6,756,351
Net Surplus / (Deficit) for the year		(100,931)	(2,773)	(59,276)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(100,931)	(2,773)	(59,276)

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

Al-Madinah 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	1,629,352	1,629,352	1,554,942
Total comprehensive revenue and expense for the year	(100,931)	(2,773)	(59,276)
Contribution - Furniture and Equipment Grant	99,601	-	91,434
Contributions from the Ministry of Education	-	-	42,252
Equity at 31 December	1,628,022	1,626,579	1,629,352
Accumulated comprehensive revenue and expense	1,628,022	1,626,579	1,629,352
Equity at 31 December	1,628,022	1,626,579	1,629,352

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.

Al-Madinah 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	213,775	25,671	1,030,552
Accounts Receivable	8	428,811	391,000	389,877
GST Receivable		20,294	25,000	26,228
Prepayments		73,389	13,500	43,060
Inventories	9	96,743	90,000	87,717
		<u>833,012</u>	<u>545,171</u>	<u>1,577,434</u>
Current Liabilities				
Accounts Payable	11	533,399	499,500	531,523
Borrowings	12	-	-	8,951
Revenue Received in Advance	13	8,552	14,500	12,768
Finance Lease Liability	15	26,026	21,424	25,568
		<u>567,977</u>	<u>535,424</u>	<u>578,810</u>
Working Capital Surplus/(Deficit)		265,035	9,747	998,624
Non-current Assets				
Property, Plant and Equipment	10	1,461,876	1,699,580	724,580
		<u>1,461,876</u>	<u>1,699,580</u>	<u>724,580</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	69,757	73,757	63,448
Finance Lease Liability	15	29,132	8,991	30,404
		<u>98,889</u>	<u>82,748</u>	<u>93,852</u>
Net Assets		<u>1,628,022</u>	<u>1,626,579</u>	<u>1,629,352</u>
Equity		<u>1,628,022</u>	<u>1,626,579</u>	<u>1,629,352</u>

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

Al-Madinah 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		1,786,178	1,821,127	1,862,681
Locally Raised Funds		227,500	283,761	217,930
International Students		21,739	1,515	(10,754)
Goods and Services Tax (net)		5,934	1,228	7,048
Payments to Employees		(1,101,943)	(1,116,489)	(1,163,820)
Payments to Suppliers		(903,990)	(724,753)	(872,881)
Interest Paid		(4,721)	(3,000)	(4,222)
Interest Received		6,072	10,000	35,638
Net cash from/(to) Operating Activities		36,769	273,389	71,620
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(925,769)	(1,252,713)	(209,524)
Net cash from/(to) Investing Activities		(925,769)	(1,252,713)	(209,524)
Cash flows from Financing Activities				
Furniture and Equipment Grant		99,601	-	91,434
Contributions from Ministry of Education		-	-	42,252
Finance Lease Payments		(27,378)	(25,557)	(29,173)
Loans Received		-	-	(11,935)
Net cash from/(to) Financing Activities		72,223	(25,557)	92,578
Net increase/(decrease) in cash and cash equivalents		(816,777)	(1,004,881)	(45,326)
Cash and cash equivalents at the beginning of the year	7	1,030,552	1,030,552	1,075,878
Cash and cash equivalents at the end of the year	7	213,775	25,671	1,030,552

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.

Al-Madinah School

Notes to the Financial Statements

For the year ended 31 December 2025

1. Statement of Accounting Policies

a) Reporting Entity

Al-Madinah 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 Proprietor's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the School buildings. The estimate is based on the School's best estimate of the cost of painting the School and when the School is required to be painted, based on an assessment of the School's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 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 10.

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

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 20.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

Inventories are consumable items held for sale 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.

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	10-20 years
Furniture and equipment	5-10 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

k) Impairment of property, plant, and equipment

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

Non cash generating assets

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

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

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on the valuer's approach to determining market value.

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

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

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

n) Revenue Received in Advance

Revenue received in advance relates to fees received from Principal's Scholarship Fund and Attendance Dues 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 the above revenue received in advance, should the School be unable to provide the services to which they relate.

o) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Proprietor. 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 7-10 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.

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

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

q) 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.

r) 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.

s) Budget Figures

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

t) 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.

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

2. Government Grants

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Government Grants - Ministry of Education	1,732,771	1,786,127	1,774,038
Teachers' Salaries Grants	4,409,545	4,020,000	4,040,656
Other Government Grants	53,407	35,000	32,925
	<u>6,195,723</u>	<u>5,841,127</u>	<u>5,847,619</u>

3. Locally Raised Funds

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue			
Donations and Bequests	39,438	16,000	38,339
Fees for Extra Curricular Activities	23,512	117,500	42,848
Trading	138,604	120,000	130,489
Fundraising and Community Grants	23,663	30,000	12,142
International Student Fees	32,724	-	-
	<u>257,941</u>	<u>283,500</u>	<u>223,818</u>
Expense			
Extra Curricular Activities Costs	30,346	54,000	62,097
Trading	129,241	78,000	95,167
Fundraising and Community Grant Costs	-	5,000	1,812
	<u>159,587</u>	<u>137,000</u>	<u>159,076</u>
<i>Surplus / (Deficit) for the year Locally Raised Funds</i>	<u>98,354</u>	<u>146,500</u>	<u>64,742</u>

4. Learning Resources

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Curricular	167,754	189,000	150,930
Information and Communication Technology	3,405	5,000	5,791
Employee Benefits - Salaries	5,142,019	4,796,000	4,827,632
Staff Development	24,731	25,000	35,638
Depreciation	188,354	170,000	178,721
Other Learning Resources	29,843	31,500	34,145
	<u>5,556,106</u>	<u>5,216,500</u>	<u>5,232,857</u>

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

5. Administration

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Audit Fees	16,450	10,000	15,530
Board Fees and Expenses	36,319	32,700	36,337
Legal Fees	-	1,500	1,739
Other Administration Expenses	92,194	71,200	84,897
Employee Benefits - Salaries	242,265	223,500	244,737
Insurance	12,184	15,000	11,295
Service Providers, Contractors and Consultancy	9,656	10,000	9,306
	<u>409,068</u>	<u>363,900</u>	<u>403,841</u>

6. Property

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Consultancy and Contract Services	81,562	90,000	101,971
Cyclical Maintenance	6,309	20,000	(39,082)
Heat, Light and Water	71,578	75,000	77,649
Repairs and Maintenance	77,529	74,000	62,923
Use of Land and Buildings	646,250	510,000	590,000
Employee Benefits - Salaries	142,703	120,000	118,239
Other Property Expenses	51,385	38,000	43,119
	<u>1,077,316</u>	<u>927,000</u>	<u>954,819</u>

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

7. Cash and Cash Equivalents

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Bank Accounts	213,775	25,671	1,030,552
Cash and cash equivalents for Statement of Cash Flows	<u>213,775</u>	<u>25,671</u>	<u>1,030,552</u>

Of the \$213,775 Cash and Cash Equivalents, \$7,506 is held for Attendance Dues and Principal's Scholarship Fund.

Al-Madinah School
Notes to the Financial Statements (cont'd)
For the year ended 31 December 2025

8. Accounts Receivable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Receivables	10,530	6,000	6,044
Teacher Salaries Grant Receivable	418,281	385,000	383,833
	<u>428,811</u>	<u>391,000</u>	<u>389,877</u>
Receivables from Exchange Transactions	10,530	6,000	6,044
Receivables from Non-Exchange Transactions	418,281	385,000	383,833
	<u>428,811</u>	<u>391,000</u>	<u>389,877</u>

9. Inventories

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Stationery	2,037	5,000	6,581
School Uniforms	94,706	85,000	81,136
	<u>96,743</u>	<u>90,000</u>	<u>87,717</u>

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2025	\$	\$	\$	\$	\$	\$
Building improvements	22,018	813,446	-	-	(11,559)	823,905
Furniture and Equipment	359,624	54,032	-	-	(75,114)	338,542
Information and Communication Technology	185,706	36,828	-	-	(62,220)	160,314
Leased Assets	55,934	26,564	-	-	(27,451)	55,047
Library Resources	80,561	15,636	(119)	-	(12,010)	84,068
Work in Progress	20,737	-	(20,737)	-	-	-
	724,580	946,506	(20,856)	-	(188,354)	1,461,876

The net carrying value of furniture and equipment held under a finance lease is \$55,047 (2024: \$55,934)

Restrictions

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

	2025 Cost or Valuation	2025 Accumulated Depreciation	2025 Net Book Value	2024 Cost or Valuation	2024 Accumulated Depreciation	2024 Net Book Value
	\$	\$	\$	\$	\$	\$
Building improvements	870,234	(46,329)	823,905	56,788	(34,770)	22,018
Furniture and Equipment	1,565,698	(1,227,156)	338,542	1,511,666	(1,152,042)	359,624
Information and Communication Technology	639,792	(479,478)	160,314	602,964	(417,258)	185,706
Motor Vehicles	51,728	(51,728)	-	51,728	(51,728)	-
Leased Assets	126,064	(71,017)	55,047	107,713	(51,779)	55,934
Library Resources	234,588	(150,520)	84,068	219,276	(138,715)	80,561
Work in Progress	-	-	-	20,737	-	20,737
	3,488,104	(2,026,228)	1,461,876	2,570,872	(1,846,292)	724,580

11. Accounts Payable

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Creditors	25,830	35,000	71,897
Accruals	11,800	14,500	13,804
Employee Entitlements - Salaries	432,878	395,000	392,729
Employee Entitlements - Leave Accrual	62,891	55,000	53,093
	533,399	499,500	531,523
Payables for Exchange Transactions	533,399	499,500	531,523
	533,399	499,500	531,523

The carrying value of payables approximates their fair value.

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

12. Borrowings

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Loans due in one year	-	-	8,951
	<u>-</u>	<u>-</u>	<u>8,951</u>

The School has borrowings at 31 December 2025 of \$nil (31 December 2024 \$8,951). The loan was from Energy Efficiency and Conservation Authority for the purpose of electrical upgrade. The loan was unsecured and was payable without interest in equal quarterly instalments of \$2,984.

13. Revenue Received in Advance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
International Student Fees in Advance	-	12,500	10,985
Other revenue in Advance	8,552	2,000	1,783
	<u>8,552</u>	<u>14,500</u>	<u>12,768</u>

14. Provision for Cyclical Maintenance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	63,448	63,448	102,530
Increase/(decrease) to the Provision During the Year	6,309	20,000	(39,082)
Use of the Provision During the Year	-	(9,691)	-
Provision at the End of the Year	<u>69,757</u>	<u>73,757</u>	<u>63,448</u>
Cyclical Maintenance - Non current	69,757	73,757	63,448
	<u>69,757</u>	<u>73,757</u>	<u>63,448</u>

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 MOE approved property expert's knowledge of the school and has been prepared and reviewed in the last 3 years.

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

15. Finance Lease Liability

The School has entered into a number of finance lease agreements for photocopiers and computers.

Minimum lease payments payable:

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
No Later than One Year	29,853	21,424	29,374
Later than One Year	32,961	8,991	34,739
Future Finance Charges	(7,656)	-	(8,141)
	<u>55,158</u>	<u>30,415</u>	<u>55,972</u>
Represented by			
Finance lease liability - Current	26,026	21,424	25,568
Finance lease liability - Non current	29,132	8,991	30,404
	<u>55,158</u>	<u>30,415</u>	<u>55,972</u>

16. Related Party Transactions

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

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

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

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

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

17. 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 \$
<i>Board Members</i> Remuneration	4,900	2,675
<i>Leadership Team</i> Remuneration Full-time equivalent members	712,075 5	679,044 5
Total key management personnel remuneration	<u>716,975</u>	<u>681,719</u>

There are 6 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 (1 members) and Property (3 members) committees that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2025 Actual \$000	2024 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	190 - 200	180 - 190
Benefits and Other Emoluments	1 - 5	1 - 5
Termination Benefits	-	-

Other Employees

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

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

Remuneration \$000	2025 FTE Number	2024 FTE Number
100 - 110	10.00	13.00
110 - 120	9.00	5.00
120 - 130	1.00	2.00
130 - 140	3.00	-
140 - 150	1.00	-
	<u>24.00</u>	<u>20.00</u>

18. 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 \$0	2024 Actual \$0
Total Number of People	-	-

Al-Madinah School

Notes to the Financial Statements (cont'd)

For the year ended 31 December 2025

19. 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.

20. Commitments

(a) Capital Commitments

As at 31 December 2025, the Board has entered into no contract agreements for capital works. (2024: Nil)

(b) Operating Commitments

As at 31 December 2025, the Board has no operating commitments. (2024: Nil)

21. Financial Instruments

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

	2025 Actual	2025 Budget (Unaudited)	2024 Actual
	\$	\$	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	213,775	25,671	1,030,552
Receivables	428,811	391,000	389,877
Total financial assets measured at amortised cost	<u>642,586</u>	<u>416,671</u>	<u>1,420,429</u>
Financial liabilities measured at amortised cost			
Payables	533,399	499,500	531,523
Borrowings - Loans	-	-	8,951
Finance Leases	55,158	30,415	55,972
Total financial liabilities measured at amortised cost	<u>588,557</u>	<u>529,915</u>	<u>596,446</u>

22. Events After Balance Date

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

23. Comparatives

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

Independent Auditor's Report

To the Readers of Al Madinah Shcool's Financial Statements

For the Year Ended 31 December 2025

The Auditor-General is the auditor of Al Madinah School (the School). The Auditor-General has appointed me, Bonita Swanepoel, using the staff and resources of William Buck Audit (NZ) Limited, to carry out the audit of the financial statements of the School on pages 2 to 18, 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:
 - its financial position as at 31 December 2025; 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 the Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 19 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.

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 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

The Board of Trustees is responsible for the other information. The other information comprises the information included in the annual report being the KiwiSport Report, Statement of Compliance with Employment Policy, Members of the Board of Trustees and Analysis of Variance, but does not include the financial statements, and our auditor's report thereon.

The other information obtained at the date of our audit report includes copies of the 2025 Annual Report, Analysis of Variance, Student Achievement Data 2025, Statement of Compliance with Employment Policy, How have we given effect to the Te Tiriti o Waitangi and Student Support and Services.

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- 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 the auditor, we have no relationship with, or interests in, the School.



Bonita Swanepoel
William Buck Audit (NZ) Limited
On behalf of the Auditor-General
Auckland, New Zealand