



PROGRESSIVE, IT'S OUR TRADITION

STATEMENT OF SERVICE PERFORMANCE

For the Year Ended
31 December 2024



Who are we?

On 19 February 1919, Queen Margaret College (QMC) welcomed its first 53 students. The Hon. John Aitken and The Very Rev. Dr. James Gibb, our Scottish Presbyterian founders, firmly believed in the importance of educating girls. The College was founded with the intention of giving girls a solid academic education while also developing strong moral character on a broadly religious foundation. This is reflected in our current purpose and vision:

Our purpose is to empower young women to live, learn, and lead adventurously.
Our vision is to live by the light of truth.

Today, the College is part of a group of twelve Presbyterian schools. It is a boarding and day school in Wellington for Year 1 to 13 girls that also includes a co-educational Preschool.

What do we want to achieve?

The following is from the QMC Strategic Plan 2019 – 2024:

Thriving in the Queen Margaret College community, our learners and leavers become:

- Confident collaborators
- Engineers of solutions
- Architects of their futures

Inspired by the best of our past, our school community will shape the next legacy together by:

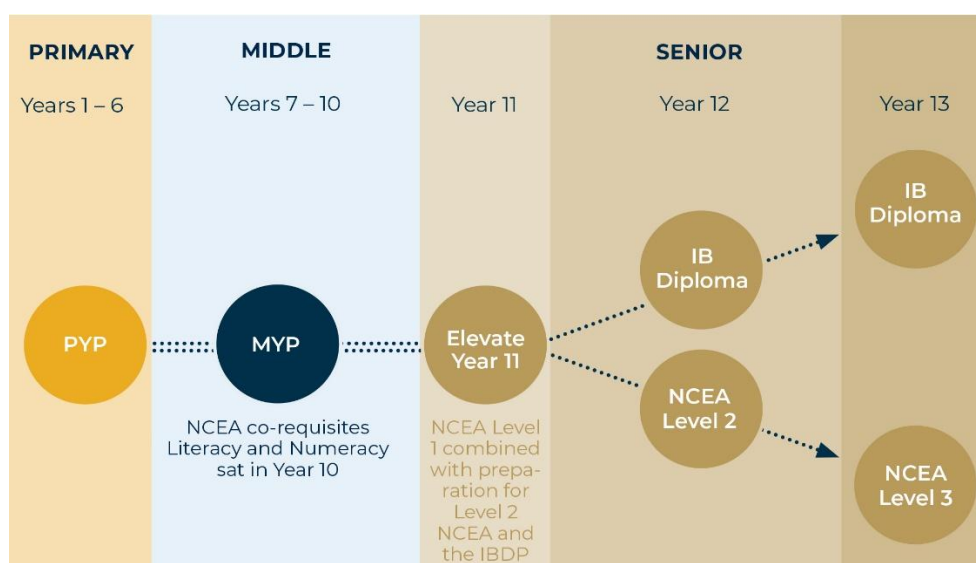
- Producing confident future leaders
- Lifting barriers to diversity and inclusiveness
- Challenging the status quo for sustainable futures

How will we get there?

Five strategic pathways support the College in achieving its purpose: adventurous learning; dynamic community and partnerships; our people; excellence in operations; and sustainable futures.

Strategic Pathway 1 – Adventurous learning

The College offers a diverse curriculum through a dual learning pathway that supports every student to excel: the National Certificate in Educational Achievement (NCEA) and the International Baccalaureate Diploma Programme (IB Diploma). Students complete NCEA Level 1 in Year 11, then choose either the NCEA or IB Diploma pathway for Years 12 and 13.



Note: PYP = Primary Years Programme, MYP = Middle Years Programme

The College believes in tailoring education for girls. That means championing their learning needs, building resilience, and supporting leadership and academic success.

"The Queen Margaret College Model for Learning is our pivotal platform for change. It puts the learners in charge of their learning and challenges educators to understand the impact they are having and to act on that understanding." – Jayne-Ann Young, Principal.

The College's NCEA and IB Diploma results show excellent progress towards academic success for ākonga (learners).

NCEA academic results

NCEA comprises three levels and is New Zealand's national qualification for Year 11 to 13 students. It is a standards-based assessment with a mix of internal and external assessments.

The New Zealand Qualifications Authority (NZQA) calculate NCEA achievement rates as a proportion of the entire cohort in a school, not just those entered for NCEA standards. This is done to discourage schools from removing students who are unlikely to achieve the standards.

QMC calculates achievement rates for Years 12 and 13 as a proportion of those students entered for NCEA and not as a proportion of the entire cohort. This is because the NZQA calculation method considers those QMC students who choose the IB Diploma pathway as having failed to achieve NCEA, which does not accurately represent the achievements of either the NCEA or the IB Diploma groups.

Performance measure

NCEA Level 1	2024	2023	NCEA Level 2	2024	2023	NCEA Level 3	2024	2023
Number of eligible students	80	90	Number of eligible students	48	40	Number of eligible students	36	43
Endorsed with Excellence	31%	50%	Endorsed with Excellence	45.5%	42%	Endorsed with Excellence	31%	40%
Endorsed with Merit or Excellence	85%	89%	Endorsed with Merit or Excellence	85.5%	81%	Endorsed with Merit or Excellence	81%	75%
Achieved overall (Level 1 gained)	100%	97%	Achieved overall (Level 2 gained)	100%	100%	Achieved overall (Level 3 gained)	100%	98%

IB Diploma academic results

QMC is the only girls' school in Wellington to offer the International Baccalaureate from Years 1 to 13 (IB World School). The IB Diploma is a two-year globally recognised programme that promotes international and intercultural understanding and provides an exceptional depth of knowledge.

24 points are needed to be awarded the IB Diploma. The highest mark possible is 45 points. Assessment data for 2024 and 2023 is shown in the following table:

Performance measure

IB Diploma	2024	2023
Number of eligible students	28	27
45 points (Top 0.02% of the world)	0%	0%
40+ points (Top 10% of the world)	21%	15%
World average and above (29 points in 2024, 29 points in 2023)	71%	93%
24+ points (Diploma gained)	90%	100%

Sporting activities

Sports provide opportunities for socialising, fostering self-discipline, and enhancing both mental and physical health outside of the classroom. All students are encouraged to take part in sports during their time at QMC. The following data shows the number of sporting opportunities available across Years 1 to 13 at Queen Margaret College:

Performance measure

Sporting activities across Years 1 to 13	2024	2023
Number of sports offered	26	25

Cultural and Performing Arts activities

Cultural and performing arts activities are creative outlets that enhance learning and social development. The College offers many extra-curricular Cultural and Performing Arts activities, including:

- debating
- choirs
- music groups
- drama
- Te Whānau o Kuīni Mākareta (Māori and Pasifika performing arts group)
- PRISM (a student-led LGBTQIA+ group)
- QMFem (a student-led group created to explore and promote issues relating to women)
- QM Green (a student-led sustainability group)
- Film Club

Education Outside The Classroom (EOTC)

Students are encouraged to collaborate, discover new interests, and learn in novel ways through the Education Outside The Classroom (EOTC) programme. Every year, students engage in outdoor activities as part of EOTC week. Other activities include The Duke of Edinburgh's Hillary Awards.

Strategic Pathway 2 – Dynamic community and partnerships

The four main groups active within the QMC community are the Board of Governors, the Foundation Trust (QMCFT), the Old Girls' Association (QMCOGA), and the Parents' Association (QMCPA). These groups support the College in many ways.

Board of Governors

The Board of Governors is entrusted to work for the benefit of the College. Its key roles are strategic leadership, financial oversight, and setting the values and culture of the College. The Board has responsibility to ensure that the College complies with all legal and policy requirements. Enhancing student achievement and wellbeing is its focus. The Board consists of thirteen people:

- two Presbytery representatives,
- two Queen Margaret College Old Girls' Association representatives,
- two Queen Margaret College Parents' Association representatives, and
- seven independent members.

The Board delegates all authority and accountability for the day-to-day operational leadership of the College to the Principal.

Queen Margaret College Foundation Trust (QMCFT)

The QMCFT is a dedicated group of community members including parents, staff, and Board of Governors' members. Its purpose is to support the continued future growth and development of the College and its students. In 2024 the QMCFT:

- organised a 360° video booth at the School's open day,
- continued fundraising efforts to support campus development initiatives,
- enabled sponsorship opportunities for the new library development,
- hosted the annual Junior School pantomime, and
- supported a Late Moon Festival for students, staff, and families.

Queen Margaret College Old Girls' Association (QMCOGA)

The QMCOGA has an increasing focus on supporting students currently at the College, particularly in the senior school. In 2024 the QMCOGA:

- sponsored Junior School wellbeing space and rugs,
- honoured Sarah Vrede,
- sponsored Old Girls' daughter badges,
- supported the Year 13 Easter celebration and pizza Lunch,
- hosted a Third form (Year 9) 1954 class reunion,
- hosted a combined Third Form (Year 9) classes of 1960 and 1961 reunion,
- hosted a Year 13 gratitude evening to recognise those who have supported our students,
- organised the Old Girls' Association annual meeting,
- sponsored the annual aria and concerto competition,
- supported the Year 13 leavers' dinner,
- sponsored the Spirit of Adventure scholarship prize awarded to a student in Year 12,
- hosted a Third Form (Year 9) 1974 class reunion,
- hosted speakers for various functions and celebrations including the PYP Exhibition opening and four fireside chats,
- sponsored prizes for the Middle School Prizegiving,
- hosted annual back-to-school drinks for Year 14 leavers from 2023, and
- sponsored a display cabinet to house the Gospel Book of St Margaret in the library.

Queen Margaret College Parents' Association (QMCPA)

The QMCPA is about connecting the parent community. Their wider vision is to engage with areas of the College that can benefit from the QMCPA's logistical ability and extensive volunteer group. In 2024 the QMCPA:

- organised ice-creams for staff and students during Spirit Week,
- organised ice blocks for all those attending the Athletics Carnival,
- hosted a new parents' evening in the College Hall,
- hosted the Late Summer Festival event,
- organised the annual Quiz Night with record participation,
- raised funds for a school minivan,
- assisted students with extra-curricular Activities they might otherwise miss, and
- hosted the Year 13 leavers' dinner.

Performance measure

Community Association	2024	2023
Number of initiatives or events supported by the QMC Foundation Trust	5	4
Number of initiatives or events supported by the QMC Old Girls' Association	16	16
Number of initiatives or events supported by the QMC Parents' Association	8	8

Strategic Pathway 3 – Our people

The College places a strong emphasis on helping both our students and staff to grow.

Students

The Government announced in June 2022 that the national target in New Zealand schools is for 70% of ākonga (learners) to be attending school regularly by 2024. QMC attendance rates exceed this target across all year groups, as shown below:

Performance measure

Year groups	1 July 2024 student roll	2024 full-day attendance rate	1 July 2023 student roll	2023 full-day attendance rate
1 to 6	136	92.5%	135	92.8%
7 to 10	329	93.0%	288	92.5%
11 to 13	249	90.2%	240	90.7%
Totals	714		663	

Notes:

1. Student roll is taken from the 1 July Ministry of Education roll returns for Year 1 to 13 students.
2. Student full-day attendance rates are the cohort average attendance rates for Ministry of Education 'present' attendance codes for the whole year. All 'justified absence' and 'unjustified absence' codes are excluded.

The College offers a broad curriculum as outlined in our adventurous learning pathway to support learning. There are also two psychologists and a health centre staffed by nurses to support student wellbeing.

Staff

Our staff numbers across the College are shown below:

Performance measure

Group	Number of staff in 2024	Number of staff in 2023
Executive Leadership Team	9	7
Preschool teaching staff	7	7
College teaching staff	72	68
Non-teaching staff	63	47
Total people	151	129

Notes:

1. These figures exclude relief teachers, itinerant music tutors, sports coaches, external assessment supervisors, those who left during the year, and volunteers who attend events and trips.
2. Figures for 2024 non-teaching staff include 8 after-school care and 5 boarding supervisors not included in 2023. The number of these supervisors varies from year to year as they have casual contracts, but including them gives a better overall view of the number of staff supporting students.

Strategic Pathway 4 – Excellence in operations

Ensuring financial stability is a priority for excellence in operations.

Performance measure

Financial measure	2024	2023
Consolidated operating surplus (deficit) for the College and Foundation Trust	\$346,096	\$890

The College saw positive roll growth throughout 2024 that placed the College in a strong position at the start of 2025. The Year 1 to 13 College roll (excluding the Preschool) rose from 705 on 30 January 2024 to 726 on 28 November 2024, an increase of 3.0%.

Strategic Pathway 5 – Sustainable futures

The College is working to create an enduring culture for future generations. The College's Sustainability Prefect leads the QM Green sustainability team. Students in Years 1 to 6 are challenged to take responsibility for their thoughts, deeds, and behaviour as part of their personal development.

Performance measure

The creation of a QMC Sustainability Charter, underpinned by the United Nations' 17 sustainable development goals, is ongoing.



PROGRESSIVE, IT'S OUR TRADITION

FINANCIAL STATEMENTS

For the Year Ended
31 December 2024



Consolidated Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2024

	Note	2024 \$	2023 \$
REVENUE			
Revenue from exchange transactions			
Tuition fees and levies		17,306,318	14,539,217
Boarding House fees		776,855	689,279
Less prompt payment discounts		(34,262)	(32,264)
Other income	2a	685,639	608,035
		18,734,550	15,804,267
Revenue from non-exchange transactions			
Government grants		1,643,594	1,475,175
Other income	2b	50,286	1,983
Income from Queen Margaret College Foundation Trust 2005	6a	91,955	89,494
		1,785,835	1,566,652
Other gains/(losses)			
Gain/(loss) on interest rate swaps	12	(76,419)	(100,775)
		(76,419)	(100,775)
Total revenue and other gains/(losses)		20,443,966	17,270,144
EXPENSES			
Employee benefit expense		12,460,400	10,784,815
Tuition and classroom expenses		1,997,728	1,438,331
Boarding house expenses		178,076	119,088
Audit fees	3	27,300	26,250
Depreciation and amortisation	7	764,002	800,170
Interest expense		354,399	331,895
Other expenses	2c	4,304,657	3,757,031
Expenses from Queen Margaret College Foundation Trust 2005	6b	11,308	11,674
Total expenses		20,097,870	17,269,254
Total comprehensive revenue and expenses for the period		346,096	890

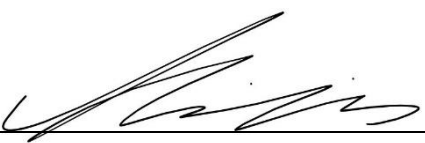
The accounting policies and notes on pages 13 to 22 should be read in conjunction with these financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	4	258,819	712,990
Trade and other receivables	5	1,166,634	1,253,219
Interest rate swaps	12	7,770	12,569
Total Current Assets		1,433,223	1,978,778
NON-CURRENT ASSETS			
Property, plant and equipment	7	23,045,577	22,378,506
Other financial assets	8	22,997	23,002
Interest rate swaps	12	-	56,406
Total Non-Current Assets		23,068,574	22,457,914
TOTAL ASSETS		24,501,797	24,436,692
CURRENT LIABILITIES			
Trade and other payables		390,914	581,116
Other current liabilities	9	3,186,435	3,322,883
Borrowings	10	1,200,000	2,430,000
Other financial liabilities	11	230,813	310,368
Total Current Liabilities		5,008,162	6,644,367
NON-CURRENT LIABILITIES			
Interest rate swaps	12	15,214	-
Borrowings	10	4,260,000	2,920,000
Total Non-Current Liabilities		4,275,214	2,920,000
TOTAL LIABILITIES		9,283,376	9,564,367
NET ASSETS		15,218,421	14,872,325
Funds Employed			
Trust funds	13	-	22,457
Retained Earnings		15,218,421	14,849,868
TOTAL EQUITY		15,218,421	14,872,325

These financial statements were approved for release by the Board of Governors on 20 March 2025.


Anna Lillis
 Board of Governors Chair


Chris Redpath
 Finance Committee Chair

The accounting policies and notes on pages 13 to 22 should be read in conjunction with these financial statements.

Consolidated Statement of Changes in Net Assets/Equity

For the year ended 31 December 2024

2023	Trust Funds \$	Retained Earnings \$	Total Equity \$
Balance at beginning of year	22,457	14,848,978	14,871,435
Comprehensive revenue for the year	-	890	890
Balance at the end of year	22,457	14,849,868	14,872,325
2024	Trust Funds \$	Retained Earnings \$	Total Equity \$
Balance at beginning of year	22,457	14,849,868	14,872,325
Comprehensive revenue for the year	-	346,096	346,096
Transfer from trust funds	(22,457)	22,457	-
Balance at the end of year	-	15,218,421	15,218,421

The accounting policies and notes on pages 13 to 22 should be read in conjunction with these financial statements.

Consolidated Statement of Cashflows

For the year ended 31 December 2024

	2024 \$	2023 \$
CASHFLOWS FROM OPERATING ACTIVITIES		
Cash was received from:		
Fees and Government grants	21,030,470	18,702,328
Interest received	17,575	17,900
Other income	415,368	251,221
Queen Margaret College Foundation Trust 2005	91,955	89,493
	21,555,368	19,060,942
Cash was applied to:		
Operating expenses	(20,322,759)	(16,659,099)
Interest paid	(354,399)	(331,895)
Queen Margaret College Foundation Trust 2005	(11,308)	(11,674)
	(20,688,466)	(17,002,668)
Net cashflows from operating activities	866,902	2,058,274
CASHFLOWS FROM INVESTING ACTIVITIES		
Cash was applied to:		
Purchase of fixed assets	(1,431,073)	(608,317)
Net cashflows applied to investing activities	(1,431,073)	(608,317)
CASHFLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,840,000	590,000
Repayments of borrowings	(1,730,000)	(2,120,000)
Net cashflows applied to financing activities	110,000	(1,530,000)
Net (decrease) / increase in cash held	(454,171)	(80,043)
Opening cash balance	712,990	793,033
Closing cash balance	258,819	712,990
Disclosed in the consolidated statement of financial position as:		
Cash and cash equivalents	258,819	712,990

The accounting policies and notes on pages 13 to 22 should be read in conjunction with these financial statements.

Notes to the Financial Statements

1. Summary of accounting policies

Queen Margaret College Incorporated is an incorporated society under the Incorporated Societies Act 1908 and is registered as a charity under the Charities Act 2005. It operates as an independent Presbyterian school for girls, providing day school education from Preschool to Year 13 and a boarding option from Year 7. It was officially opened in February 1919. The founders' stated ideals were to provide girls with 'a sound intellectual and moral education, and to build up a strong Christian character on a broad religious basis, and thus to produce the best type of girlhood and womanhood'. The College's financial statements comply with the Incorporated Societies Act 1908.

Queen Margaret College Foundation Trust 2005 is incorporated under the Charitable Trusts Act 1957 and is consolidated in the financial statements. It is registered as a charity under the Charities Act 2005.

Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). The financial statements comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-for-Profit entities.

For financial reporting purposes of complying with NZ GAAP, Queen Margaret College is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-for-Profit PBE IPSAS on the basis that it does not have public accountability and is not defined as large.

Queen Margaret College has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has applied all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

Basis of preparation

The financial statements have been prepared based on historical cost. The presentation currency is the New Zealand dollar, rounded to the nearest dollar. Certain prior year comparative amounts have been reclassified to align with the current year presentation.

Significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

a. Revenue recognition

Tuition fees are recognised over the period of student enrolment to match the revenue with the time period over which the services are provided.

b. Government grants

Government grants are assistance from the Ministry of Education in the form of operating funding to the College in return for past or future compliance with certain conditions relating to the operating activities of the College.

Government grants are recognised as income over the periods necessary to match them with the related costs to which they are intended to compensate on a systematic basis.

Government grants that are receivable as compensation for expenses already incurred are recognised as income of the period in which it becomes receivable.

c. **Goods and services tax**

Revenues, expenses, assets, and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST.

d. **Income tax**

The College is exempt from tax pursuant to sections CW41 and CW42 of the Income Tax Act 2007 and, accordingly, no income tax is recognised in these financial statements.

e. **Financial instruments**

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Financial assets and liabilities are classified into the following specified categories: amortised cost investments (Note 8), 'trade and other receivables' (Note 5), Fair Value through Profit and Loss (Note 12) and borrowings measured at amortised costs (Note 10). The classification depends on the nature and purpose of the financial assets and liabilities and is determined at the time of initial recognition.

The carrying amounts of financial assets and financial liabilities have been disclosed either on the face of the Statement of Financial Position or in the notes to the financial statements.

f. **Payables**

Trade payables and other accounts payable are recognised when the College becomes obliged to make future payments resulting from the purchase of goods and services. Payables are recognised at fair value and are subsequently valued at amortised cost.

g. **Employee benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provision made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the College in respect of services provided by employees up to reporting date.

h. **Reporting entity**

The reporting entity comprises Queen Margaret College Incorporated and the Queen Margaret College Foundation Trust 2005.

i. **Critical accounting judgements and estimates**

The College makes estimates and assumptions that affect the reported amounts of assets and liabilities at year end. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The area where critical accounting estimates are applied is in the determination of the useful lives and carrying values of the property, plant and equipment, provision for expected credit losses.

j. **Changes in significant accounting policies**

There were no changes in accounting policies or accounting standards that materially impact the financial statements in the current year.

k. **Statement of cashflows**

For the purpose of the cashflow statement, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. The following terms are used in the statement of cashflows:

Operating activities: are the principal revenue producing activities of the College and other activities that are not investing or financing activities.

Investing activities: are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities: are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

2 Surplus from operations

a. **Revenue from exchange transactions**

Donations and Sundry income are recognised at the time of receipt.

Other Income	2024	2023
	\$	\$
Trading income	455,918	330,115
Interest received	14,523	17,900
Sundry income	215,198	260,020
	685,639	608,035

b. **Revenue from non-exchange transactions**

Other Income	2024	2023
	\$	\$
Donations and sponsorships	50,286	1,983
	50,286	1,983

c. Other expenses

Other expenses consisted of the following items:

	2024	2023
	\$	\$
Administration expenses	2,317,464	1,969,410
Occupancy and maintenance expenses	1,588,072	1,389,645
ICT maintenance (excluding equipment)	296,806	279,287
Equipment and rental purchases	102,315	118,689
	4,304,657	3,757,031

3 Remuneration of auditors

The auditor of Queen Margaret College is Deloitte Limited.

	2024	2023
	\$	\$
Audit of the financial statements	27,300	26,250
	27,300	26,250

4 Cash and cash equivalents

	2024	2023
	\$	\$
Bank deposits	258,219	711,877
Cash on hand	600	1,113
	258,819	712,990

5 Trade and other receivables

Trade receivables and other receivables are measured at amortised cost using the effective interest method less impairment and expected credit losses. All Loans and Receivables relate to exchange transactions.

	2024	2023
	\$	\$
Trade and other receivables	314,468	303,365
Less expected credit losses	(6,279)	(6,279)
Sundry debtors	915	3,792
Accounts prepaid	857,530	785,852
GST receivable	-	166,489
	1,166,634	1,253,219

6 Queen Margaret College Foundation Trust 2005

	2024	2023
a. Non-exchange revenue	\$	\$
Scholarship fund donations and interest	3,052	3,204
Fundraising, donations and sponsorship	19,940	23,021
Retained capital fund donations - annual giving	68,963	63,269
	91,955	89,494
b. Expenses		
Other	11,308	11,674
	11,308	11,674
c. Distribution to Queen Margaret College	117,405	24,000
Statement of financial position		
Bank deposits	160,679	198,311
Sundry debtors	-	194
GST (payable)/receivable	(38)	-
Fixed Assets	662	662
Net assets as at 31 December 2024	161,303	199,167

7 Property, plant, and equipment

Land is measured at cost. Buildings, plant and equipment and leasehold improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. Work in progress is reported on an accrual basis and stated at cost and includes all costs directly related to specific projects up to reporting date.

On the subsequent disposal or permanent withdrawal of an item of property, plant, and equipment the difference between the disposals proceeds (if any) and the carrying amount is recognised in the Consolidated Statement of Comprehensive Revenue and Expense.

Depreciation is provided on property, plant, and equipment, including freehold buildings but excluding land. Depreciation has been calculated on the straight-line method based on the economic life of the asset.

School and other buildings	40 years – 67 years
School buildings (work in progress)	Nil
Furniture and equipment	10 years
Computers	3 years
Improvements	10 years – 40 years

Impairment of Assets

At each reporting date, the College reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered impairment loss. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Consolidated Statement of Comprehensive Revenue and Expense immediately.

2024	Land	School Buildings	Improve-ments	Furniture, Equipment & Computers	Total
Gross carrying amount	\$	\$	\$	\$	\$
Balance as at 01/01/24	503,863	25,687,012	3,417,013	5,477,535	35,085,423
Additions	-	1,450,443	-	318,909	1,769,352
Disposals	-	-	-	-	-
Balance as at 31/12/2024	503,863	27,137,455	3,417,013	5,796,444	36,854,775
Depreciation/amortisation					
Balance as at 01/01/24	-	7,363,714	1,584,099	4,327,360	13,275,173
Depreciation	-	417,365	80,762	265,875	764,002
Disposals	-	-	-	-	-
Balance as at 31/12/2024	-	7,781,079	1,664,861	4,593,235	14,039,175
Book value 31/12/2024	503,863	19,356,376	1,752,152	1,203,209	22,815,600
Work in progress		229,977			229,977
Total					23,045,577

The 2024 work in progress is for projects related to expanding and modernising the campus in line with the Campus Master Plan 2025-2035.

2023	Land	School Buildings	Improve-ments	Furniture, Equipment & Computers	Total
Gross carrying amount	\$	\$	\$	\$	\$
Balance as at 01/01/23	503,863	25,687,012	3,417,013	5,387,822	34,995,710
Additions	-	-	-	89,713	89,713
Disposals	-	-	-	-	-
Balance as at 31/12/2023	503,863	25,687,012	3,417,013	5,477,535	35,085,423
Depreciation/amortisation					
Balance as at 01/01/23	-	6,961,045	1,497,114	4,016,844	12,475,003
Depreciation	-	402,669	86,985	310,516	800,170
Disposals	-	-	-	-	-
Balance as at 31/12/2023	-	7,363,714	1,584,099	4,327,360	13,275,173
Book value 31/12/2023	503,863	18,323,298	1,832,914	1,150,175	21,810,250
Work in progress		568,256			568,256
Total					22,378,506

In accordance with the security arrangements of liabilities, as disclosed in Note 10 to the financial statements, the leasehold and freehold properties have been pledged as security.

8 Other financial assets

Investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective interest basis. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

	2024	2023
	\$	\$
Amortised cost		
Trust funds	22,997	23,002
	22,997	23,002

9 Other current liabilities

	2024	2023
	\$	\$
To be settled within the year		
Employee entitlements	253,669	393,256
Fees received in advance	2,932,766	2,929,627
	3,186,435	3,322,883

10 Borrowings

Current borrowings – Secured

	2024	2023
	\$	\$
Secured		
Current portion of long-term borrowings	-	1,730,000
Westpac money market facility	1,200,000	700,000
	1,200,000	2,430,000

The amount drawn under the Westpac Money Market facility is at call. The facility itself, which amounts to \$3.5m has an expiry date of 31 March 2026. Borrowings are recorded initially at fair value, net of transaction costs. The current drawdown on 31 December 2024 is \$1,200,000 (31 December 2023: \$700,000).

After initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the Consolidated Statement of Comprehensive Revenue and Expense over the period of the borrowing using the effective interest rate method.

Non-current borrowings

	Maturity date	2024	2023
		\$	\$
Westpac term loan 91	31/03/2026	1,460,000	1,460,000
Westpac term loan 95	26/03/2026	1,340,000	-
Westpac term loan 96	31/03/2026	1,460,000	1,460,000
		4,260,000	2,920,000

The loans are subject to financial covenants with Westpac relating to equity level, interest cover, and leverage ratios.

The Westpac loans are secured by way of a registered First Mortgage over the leasehold commercial property situated 53 Hobson Street, Thorndon, Wellington, as legally described in Certificates of Title 229866, 229867, 361553 and 568150; registered First Mortgage over the commercial property situated 47-51 Hobson Street, Thorndon, Wellington, as legally described in Certificates of Title WN40B/488, WN604/206, WN604/207, WN604/208, and WN604/209; registered Second Mortgage over the commercial property situated 53 Hobson Street, Thorndon, Wellington, as legally described in Certificate of Title 566435; and registered First Mortgage over the leasehold commercial property situated 53 Hobson Street, Thorndon, Wellington, as legally described in Certificate of Title 612296.

The weighted average interest rate on all borrowings (current and non-current) is 7.00% (2023: 8.32%).

11 Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

	2024	2023
	\$	\$
Fees protection fund	230,813	310,368

The Fees Protection Fund represents claims paid from the College's Fees Protection Insurance policy with Resolution Life on the death or permanent disablement of parents who were legally responsible for payment of tuition fees. The funds claimed are drawn against tuition fees during the students' time at the College. There is no direct financial benefit to the families concerned.

12 Interest rate swaps

Fair Value through profit and loss

Interest rate swaps are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value. Fair value is based on broker quotes as at reporting date. Changes in fair value through profit and loss are recognised in the Consolidated Statement of Comprehensive Revenue and Expenses as profit or loss on financial instruments held at fair value.

The interest rate swaps in place at year end are:

Notional Principal	Effective Date	Maturity Date
\$750,000	30/03/2021	30/03/2025
\$750,000	15/02/2022	15/02/2025
\$750,000	23/08/2024	23/08/2027
\$750,000	23/08/2024	23/08/2028

The fair value of interest rate swaps as of 31 December 2024 is a net liability of \$7,444 (2023: asset of \$68,975).

13 Trust funds

	2024	2023
	\$	\$
Prize funds	-	22,457

These historically inactive prize funds, for which no transactions or claims had been recorded in recent years, were derecognised and the balances transferred to retained earnings during the 2024 financial year.

14 Contingent liabilities and contingent assets

There are no contingent liabilities or contingent assets at balance date (2023: nil).

Disclosures for leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Operating lease commitments

	2024	2023
	\$	\$
Not longer than 1 year	453,810	470,672
Longer than 1 year and not longer than 5 years	327,842	740,121
Longer than 5 years	-	-

Land leases are on fourteen-year terms with right of renewal subject to the covenants and provisions of the existing leases including the provision for ongoing renewal. QMC leases laptops for staff and other IT hardware on a three-year term.

15 Financial instruments

Management of risks arising from financial instruments

The College is exposed to risks arising from financial instruments that are in place. These risks can be categorised as credit risk, liquidity risk, and interest rate risk.

Credit risk

Credit risk is the risk that a counterparty will default on its obligations resulting in a financial loss. Other than Loans and Receivables, the College's financial assets are all with Westpac bank and ANZ bank and therefore present a low credit risk. Loans and Receivables are assessed for impairment and a provision is made accordingly in addition to a provision for expected credit losses (see note 5 for additional detail). The carrying amount of the financial assets represents the maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the College will not have the funds available to meet financial obligations as they fall due. The College manages this risk by maintaining adequate reserves and facilities to meet budgeted cash outflows monthly.

All financial liabilities are current other than borrowings. Additional information on maturity of these financial liabilities is disclosed in notes 9 to 12.

Interest rate risk

The College is exposed to interest rate risk from the interest-bearing financial instruments. The major risk relates to variability in cash flows, especially if there is a mismatch between assets /liabilities and floating/fixed rates. The Board manages this risk by reviewing interest rates

regularly and fixing interest rates on loans where appropriate. Fixing of interest rates is, in some instances, achieved through entering financial derivatives in the form of interest rate swaps. As a result, the Board believes there is no material sensitivity to interest rates at year end.

Capital management

The College assesses the availability of accumulated surplus and long-term borrowings in the calculation of capital available. There are no externally imposed restrictions on capital.

16 Maturity analysis

The following table details the College's expected maturity for its financial liabilities. These tables have been drawn up on the undiscounted contractual maturities of the financial liabilities.

	1 Year	2 Years	3-5 Years	>5 Years
Year ended 31 December 2024				
Trade and other payables	390,914	-	-	-
Borrowings	1,200,000	4,260,000	-	-
Other financial liabilities	230,813	-	-	-
Year ended 31 December 2023				
Trade and other payables	581,116	-	-	-
Borrowings	2,430,000	1,460,000	1,460,000	-
Other financial liabilities	310,368	-	-	-

17 Related party disclosures

Salaries paid to nine fulltime, key management personnel in 2024 totalled \$1,484,848 (2023: \$1,224,671).

18 Subsequent events

After the balance date, the College reached agreement on terms for leasing an additional property near the main campus to support future strategic initiatives.

Independent Auditor's Report

To the Members of Queen Margaret College Incorporated

Opinion

We have audited the consolidated general purpose financial report ('consolidated financial report') of Queen Margaret College Incorporated (the 'College'), which comprise the consolidated financial statements on pages 9 to 22, and the statement of service performance on pages 2 to 7. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial report presents fairly, in all material respects:

- the consolidated financial position of the College as at 31 December 2024, and its consolidated financial performance and cash flows for the year then ended; and
- the service performance for the year ended 31 December 2024 in accordance with the College's service performance criteria

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR') issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing ('ISAs'), and the audit of the service performance information in accordance with the ISAs (NZ) and New Zealand Auditing Standard 1 *The Audit of Service Performance Information* ('NZ AS 1'). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial report* section of our report.

We are independent of the College in accordance with 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other than in our capacity as auditor, we have no relationship with or interests in the College, except that partners and employees of our firm deal with the College on normal terms within the ordinary course of trading activities of the business of the College.

Board of Governors' responsibilities for the consolidated financial report

The Board of Governors is responsible on behalf of the College for:

- the preparation and fair presentation of the consolidated financial statements and the statement of service performance in accordance with PBE Standards RDR;
- service performance criteria that are suitable in order to prepare service performance information in accordance with PBE Standards RDR; and
- such internal control as the Board of Governors determines is necessary to enable the preparation of a consolidated financial report that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial report, the Board of Governors is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Governors either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the statement of service performance 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 conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated financial report.

A further description of our responsibilities for the audit of the consolidated financial report is located on at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13/>

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Members, as a body, in accordance with Section 22b of the Rules of the College. Our audit has been undertaken so that we might state to the Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Wellington, New Zealand
20 March 2025

Queen Margaret College

PROGRESSIVE, IT'S OUR TRADITION

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