

STRATFORD PRIMARY SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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Ministry Number: 2244

STRATFORD PRIMARY SCHOOL

Financial Statements - For the year ended 31 December 2017

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Stratford Primary School

Statement of Responsibility

For the year ended 31 December 2017

The Board of Trustees 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 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Brendan Gernthofer

Full Name of Board Chairperson



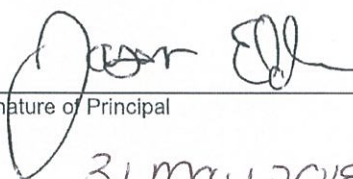
Signature of Board Chairperson

31 May 2018

Date:

Jason Elder

Full Name of Principal



Signature of Principal

31 May 2018

Date:

Stratford Primary School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2017

		2017	2017	2016
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	2,772,925	2,599,447	2,609,230
Locally Raised Funds	3	167,124	120,668	173,314
Interest Earned		18,607	25,000	24,104
Gain on Sale of Property, Plant and Equipment		783	-	-
		<u>2,959,439</u>	<u>2,745,115</u>	<u>2,806,648</u>
Expenses				
Locally Raised Funds	3	61,086	10,300	62,387
Learning Resources	4	2,003,604	1,968,194	1,871,083
Administration	5	170,848	179,572	186,343
Finance Costs		1,934	-	448
Property	6	594,780	496,199	664,718
Depreciation	7	120,446	97,047	101,295
Loss on Disposal of Property, Plant and Equipment		1,362	-	-
		<u>2,954,060</u>	<u>2,751,312</u>	<u>2,886,274</u>
Net Surplus / (Deficit)		5,379	(6,197)	(79,626)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>5,379</u>	<u>(6,197)</u>	<u>(79,626)</u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

Stratford Primary School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	748,283	748,283	815,718
Total comprehensive revenue and expense for the year	5,379	(6,197)	(79,626)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	12,191
Equity at 31 December	753,662	742,086	748,283
 Retained Earnings	 753,662	 742,086	 748,283
Equity at 31 December	753,662	742,086	748,283

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.

Stratford Primary School
Statement of Financial Position
As at 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Current Assets				
Cash and Cash Equivalents	8	43,447	31,448	101,437
Accounts Receivable	9	122,882	108,040	96,717
GST Receivable		11,690	7,877	11,947
Prepayments		9,635	4,008	14,406
Inventories	10	890	-	-
Investments	11	622,292	444,268	603,554
		<u>810,836</u>	<u>595,641</u>	<u>828,061</u>
Current Liabilities				
Accounts Payable	13	165,884	174,723	123,123
Revenue Received in Advance	14	3,191	9,122	3,951
Provision for Cyclical Maintenance	15	141,429	-	144,375
Painting Contract Liability - Current Portion	16	-	-	20,598
Finance Lease Liability - Current Portion	17	17,934	6,396	11,759
Funds held in Trust	18	49,268	-	104,261
Funds held for Capital Works Projects	19	35,073	-	-
Funds held on behalf of NITS Cluster	20	702	-	-
Funds held on behalf of Curious Mind Project (CAPOW) CI	21	1,776	-	8,640
		<u>415,257</u>	<u>190,241</u>	<u>416,707</u>
Working Capital Surplus/(Deficit)		<u>395,579</u>	<u>405,400</u>	<u>411,354</u>
Non-current Assets				
Property, Plant and Equipment	12	459,460	420,204	433,341
Shares in Group Mowing Scheme		10,622	15,466	12,020
		<u>470,082</u>	<u>435,670</u>	<u>445,361</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	81,932	81,932	74,934
Finance Lease Liability	17	30,067	17,052	33,498
		<u>111,999</u>	<u>98,984</u>	<u>108,432</u>
Net Assets		<u><u>753,662</u></u>	<u><u>742,086</u></u>	<u><u>748,283</u></u>
Equity		<u><u>753,662</u></u>	<u><u>742,086</u></u>	<u><u>748,283</u></u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Stratford Primary School
Statement of Cash Flows
For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		684,048	681,987	641,170
Locally Raised Funds		162,219	110,368	270,468
Goods and Services Tax (net)		257	-	(4,070)
Payments to Employees		(384,502)	(353,122)	(346,093)
Payments to Suppliers		(444,553)	(517,790)	(425,760)
Interest Paid		(1,934)	-	(448)
Interest Received		18,464	25,000	23,097
Net cash from / (to) the Operating Activities		33,999	(53,557)	158,364
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(113,657)	(91,248)	(67,086)
Purchase of Investments		-	-	(121,876)
Net cash from / (to) the Investing Activities		(113,657)	(91,248)	(188,962)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	12,191
Finance Lease Payments		(11,283)	(6,400)	(2,953)
Painting contract payments		-	-	(19,839)
Funds Administered on Behalf of Third Parties		(2,122)	-	1,126
Funds Held for Capital Works Projects		35,073	-	(3,655)
Net cash from Financing Activities		21,668	(6,400)	(13,130)
Net increase/(decrease) in cash and cash equivalents		(57,990)	(151,205)	(43,728)
Cash and cash equivalents at the beginning of the year	8	101,437	182,653	145,165
Cash and cash equivalents at the end of the year	8	43,447	31,448	101,437

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Stratford Primary School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Stratford Primary School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (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 reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

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 Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with 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 expenditure threshold of \$30 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.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward 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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

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 recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) 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.

f) 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.

g) 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.

h) Accounts Receivable

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Inventories

Inventories are consumable items held for sale and comprise 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.

j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements under section 28 of schedule 6 of the Education Act 1989 in relation to the acquisition of securities.

k) Property, Plant and Equipment

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

Improvements to buildings owned by the Crown 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.

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	15-40 years
Furniture and Equipment	15 years
Motor Vehicles	5 years
Library Resources	8 years

Leased assets are depreciated over the life of the lease.

l) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit.

n) 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.

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows

p) Revenue Received in Advance

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

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

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

t) Financial Assets and Liabilities

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 categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

u) Borrowings

Borrowings are recognised at the amount borrowed. 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 the balance date.

v) 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 statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

x) Services received in-kind

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

2. Government Grants

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	563,731	566,925	530,485
Teachers' salaries grants	1,646,540	1,628,073	1,555,461
Use of Land and Buildings grants	422,010	289,387	406,754
Other MoE Grants	140,644	115,062	107,570
Other government grants	-	-	8,960
	2,772,925	2,599,447	2,609,230

3. Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	48,924	43,118	113,926
Fundraising	-	350	-
Trading	1,338	-	-
Activities	58,506	32,200	59,388
Bequest	58,356	45,000	-
	167,124	120,668	173,314
Expenses			
Activities	58,191	10,300	62,387
Trading	2,895	-	-
	61,086	10,300	62,387
<i>Surplus for the year Locally raised funds</i>	106,038	110,368	110,927

4. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	56,862	68,620	55,484
Extra-curricular activities	2,027	-	4,096
Employee benefits - salaries	1,905,462	1,857,074	1,782,038
Staff development	27,175	28,000	14,498
Text Books	706	1,000	797
Learning Centre	797	1,200	1,034
Rt Lit	10,575	12,300	13,136
	2,003,604	1,968,194	1,871,083

5. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,170	4,300	4,110
Board of Trustees Fees	3,090	3,200	3,435
Board of Trustees Expenses	2,265	4,500	6,846
Communication	8,673	15,300	11,279
Consumables	21,259	21,500	34,590
Operating Lease	3,163	5,200	7,416
Other	19,284	18,100	15,553
Employee Benefits - Salaries	90,277	85,172	83,423
Insurance	5,607	6,800	6,831
Service Providers, Contractors and Consultancy	13,060	15,500	12,860
	<u>170,848</u>	<u>179,572</u>	<u>186,343</u>

6. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	56,573	50,440	50,661
Cyclical Maintenance Expense	4,052	27,623	81,377
Grounds	14,140	11,100	21,347
Heat, Light and Water	28,744	30,500	30,701
Rates	910	-	793
Repairs and Maintenance	25,525	46,700	23,825
Use of Land and Buildings	422,010	289,387	406,754
Security	6,483	1,500	6,416
Employee Benefits - Salaries	36,343	38,949	42,844
	<u>594,780</u>	<u>496,199</u>	<u>664,718</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Depreciation

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	26,163	25,241	26,346
Furniture and Equipment	41,247	56,942	59,434
Information and Communication Technology	29,301	-	-
Motor Vehicles	1,047	382	399
Leased Assets	18,717	10,244	10,692
Library Resources	3,971	4,238	4,424
	<u>120,446</u>	<u>97,047</u>	<u>101,295</u>

8. Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash on Hand	140	-	140
TSB Cheque	(330)	31,448	(142)
TSB On Call	43,637	-	101,439
Cash equivalents and bank overdraft for Cash Flow Statement	43,447	31,448	101,437

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

Of the \$43,447 Cash and Cash Equivalents, \$37,023 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	3,995	-	13,113
Receivables from the Ministry of Education	6,581	-	-
Interest Receivable	4,346	3,196	4,203
Teacher Salaries Grant Receivable	107,960	104,844	79,401
	122,882	108,040	96,717
Receivables from Exchange Transactions	8,341	3,196	17,316
Receivables from Non-Exchange Transactions	114,541	104,844	79,401
	122,882	108,040	96,717

10. Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Sports Shirts	890	-	-
	890	-	-

11. Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	622,292	444,268	603,554

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	200,165	994	-	-	(26,163)	174,996
Furniture and Equipment	107,498	110,411	(1,362)	-	(41,247)	175,300
Information and Communication Tech	58,469	16,125	-	-	(29,301)	45,293
Motor Vehicles	4,835	-	-	-	(1,047)	3,788
Leased Assets	48,042	17,153	-	-	(18,717)	46,478
Library Resources	14,332	3,244	-	-	(3,971)	13,605
Balance at 31 December 2017	433,341	147,927	(1,362)	-	(120,446)	459,460

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building Improvements	548,987	(373,991)	174,996
Furniture and Equipment	651,475	(476,175)	175,300
Information and Communication	208,272	(162,979)	45,293
Motor Vehicles	5,235	(1,447)	3,788
Leased Assets	107,013	(60,535)	46,478
Library Resources	78,902	(65,297)	13,605
Balance at 31 December 2017	1,599,884	(1,140,424)	459,460

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Building Improvements	226,511	-	-	-	(26,346)	200,165
Furniture and Equipment	166,352	59,049	-	-	(59,434)	165,967
Motor Vehicles	-	5,234	-	-	(399)	4,835
Leased Assets	9,687	49,047	-	-	(10,692)	48,042
Library Resources	15,953	2,803	-	-	(4,424)	14,332
Balance at 31 December 2016	418,503	116,133	-	-	(101,295)	433,341

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Building Improvements	547,994	(347,829)	200,165
Furniture and Equipment	806,497	(640,530)	165,967
Motor Vehicles	5,234	(399)	4,835
Leased Assets	89,860	(41,818)	48,042
Library Resources	75,658	(61,326)	14,332
Balance at 31 December 2016	1,525,243	(1,091,902)	433,341

13. Accounts Payable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating creditors	25,624	63,098	25,455
Accruals	4,170	-	4,727
Capital accruals for PPE items	19,683	-	-
Banking staffing overuse	-	-	6,127
Employee Entitlements - salaries	107,960	104,844	79,401
Employee Entitlements - leave accrual	8,447	6,781	7,413
	<u>165,884</u>	<u>174,723</u>	<u>123,123</u>
Payables for Exchange Transactions	165,884	174,723	116,996
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	6,127
	<u>165,884</u>	<u>174,723</u>	<u>123,123</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Income In Advance	-	9,122	87
Other Income In Advance	3,191	-	3,864
	<u>3,191</u>	<u>9,122</u>	<u>3,951</u>

15. Provision for Cyclical Maintenance

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	219,309	219,309	137,932
Increase to the Provision During the Year	4,052	27,623	81,377
Use of the Provision During the Year	-	(165,000)	-
Provision at the End of the Year	<u>223,361</u>	<u>81,932</u>	<u>219,309</u>
Cyclical Maintenance - Current	141,429	-	144,375
Cyclical Maintenance - Term	81,932	81,932	74,934
	<u>223,361</u>	<u>81,932</u>	<u>219,309</u>

16. Painting Contract Liability

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Liability	-	-	20,598
Non Current Liability	-	-	-
	-	-	20,598

In 2011 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a 6 year period. The programme provides for exterior painting of the Ministry owned buildings in 2012, with regular maintenance in subsequent years. The agreement has an annual commitment of \$26,480. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

17. Finance Lease Liability

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	17,934	6,396	11,759
Later than One Year and no Later than Five Years	30,067	17,052	33,498
	48,001	23,448	45,257

18. Funds held in Trust

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Held in Trust on Behalf of Third Parties - Current	49,268	-	104,261
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	49,268	-	104,261

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

19. Funds Held (Owed) for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
New Carpets Rooms 11,17,18,19,20	<i>in progress</i>	-	17,550	19,500	-	(1,950)
Block F Windows Replacement	<i>in progress</i>	-	37,023	-	-	37,023
Totals		-	54,573	19,500	-	35,073

Represented by:

Funds Held on Behalf of the Ministry of Education	37,023
Funds Due from the Ministry of Education	(1,950)
	<u>35,073</u>

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
New Switchboard and Submains cable	<i>completed</i>	1,369	(1,369)	-	-	-
Totals		1,369	(1,369)	-	-	-

20. Funds held on behalf of NITS Cluster

Stratford Primary School is the lead school and holds funds on behalf of the NITS cluster, a group of schools funded by the Ministry of Education to share ICT professional development.

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds Held at Beginning of the Year	-	-	-
Funds Received from Cluster Members	15,340	-	33,636
Funds Spent on Behalf of the Cluster	14,638	-	33,636
Funds Held at Year End	<u>702</u>	<u>-</u>	<u>-</u>

These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.

21. Funds held on behalf of Curious Mind Project (CAPOW) CI

Stratford Primary School is the lead school and holds funds on behalf of the CAPOW cluster, a group of schools funded by the Ministry of Education to share ICT professional development.

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds Held at Beginning of the Year	8,640	-	-
Funds Received from Cluster Members	-	-	15,389
Funds Spent on Behalf of the Cluster	6,864	-	6,749
Funds Held at Year End	<u>1,776</u>	<u>-</u>	<u>8,640</u>

These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.

22. Related Party Transactions

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

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

23. Remuneration

Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,090	3,435
Full-time equivalent members	0.21	0.18
<i>Leadership Team</i>		
Remuneration	763,727	577,503
Full-time equivalent members	9.00	6.74
Total key management personnel remuneration	766,817	580,938
Total full-time equivalent personnel	9.21	6.92

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

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

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	90 - 100
Benefits and Other Emoluments	3 - 4	2 - 3
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2017 FTE Number	2016 FTE Number
100 - 110	-	-
	0.00	0.00

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

24. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, 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:

	2017 Actual	2016 Actual
Total	-	-
Number of People	-	-

25. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2017 (Contingent liabilities and assets at 31 December 2016: nil).

26. Commitments

(a) Capital Commitments

During 2017 the School signed into a new 7 year painting agreement with Programmed Property Services. The total payments will be \$264,376, with the annual instalments of \$37,768 starting in 2018.

(Capital commitments at 31 December 2016: nil).

(b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2017 Actual \$	2016 Actual \$
No later than One Year	-	1,003
Later than One Year and No Later than Five Years	-	376
Later than Five Years	-	-
	<u>-</u>	<u>1,379</u>

(b) The School has entered into an agreement with Programmed Maintenance Services Ltd for painting of the School's buildings. The amount committed on the contract is:

	2017 Actual \$	2016 Actual \$
No later than One Year	-	20,598
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>-</u>	<u>20,598</u>

27. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

28. Financial Instruments

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

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	43,447	31,448	101,437
Receivables	122,882	108,040	96,717
Investments - Term Deposits	622,292	444,268	603,554
Total Loans and Receivables	<u>788,621</u>	<u>583,756</u>	<u>801,708</u>

Financial liabilities measured at amortised cost

Payables	165,884	174,723	123,123
Borrowings - Loans	-	-	-
Finance Leases	48,001	23,448	45,257
Painting Contract Liability	-	-	20,598
Total Financial Liabilities Measured at Amortised Cost	<u>213,885</u>	<u>198,171</u>	<u>188,978</u>

29. Events After Balance Date

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



STRATFORD PRIMARY SCHOOL
 Regan Street, Stratford 4332
 P. 06 765 6938 E. principal@sps.kiwi.nz
 www.sps.kiwi.nz



2017 BOARD MEMBERS

SURNAME	FIRST NAME	ELECTED/ APPOINTED	CO-OPTED	AREA OF INTEREST	TERM ENDED	REASON
Gernhoefer	Brendon	Re-elected 2016		Chair		
Patterson	Ian	Re-elected 2016				
Campbell	Deborah	Re-elected 2016		Staff Rep		
Loveridge	Hayley	Elected 2016				
Weir	Kathryn	Elected 2016				
Petrie	Sintina	Elected 2016				



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KIWISPORT 2017

In 2017, Stratford Primary School used the Kiwisport funding to employ a sports coordinator for 10h per week. This increased student participation in sport, both in school and in the community. For example, last year there were 12 netball teams, 4 basketball teams and 3 hockey teams. This was an increase in team numbers for the three sports in 2017.

Colgate games

Athletics

Swimming

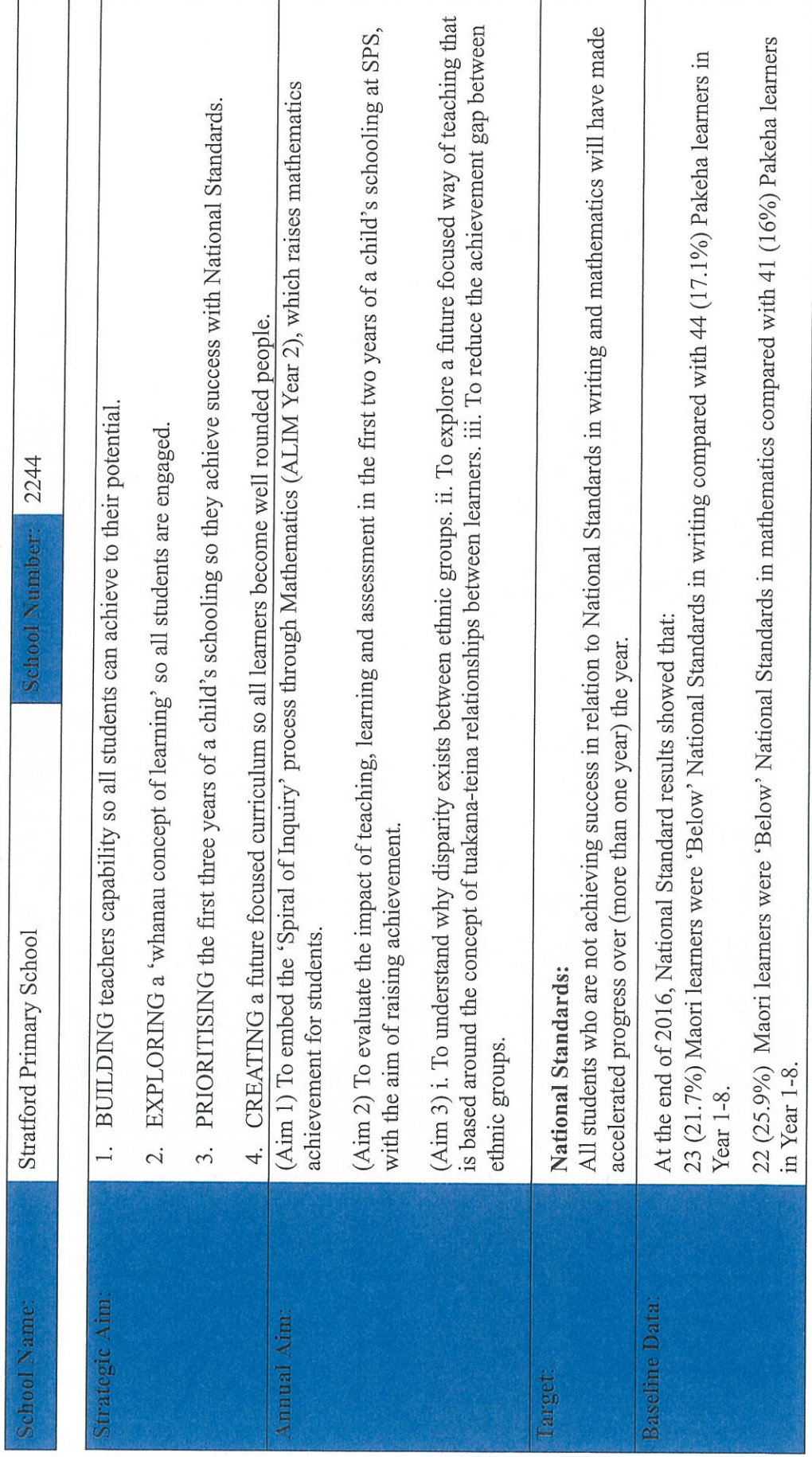
Turnbull cup

Girls Cricket

Golf days - girls and boys

Funding for sports gear

Tough kids challenge



Writing Target Goal:

Group A: Maori Learners in Yr 3-8 = $17/72 = 24\%$

Mathematics Target Goal:

Group A: Maori Learners in Yr 3-8= 28/72 = 39%

Group B: Pakeha Learners in Yr 3-8= 46/203 = 23%

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
3. The Principal presented National Standard achievement data for 2016 to the Board of Trustees. Trends and future actions determined by the Board of Trustees.	At the meeting, the Principal provided an overall analysis of 2016 National Standard results that were compared with other years and other local schools.	From this report the BoT confirmed the following future actions. a. The Principal looks to urgently address the disparity of Maori learners. b. Board have requested that targets in 2017 focus on comparing the accelerated progress of Maori and Pakeha	The Stratford Board of Trustees are committed towards raising the achievement of Maori learners. Maori achievement (and boys achievement) will be a priority in 2018.
Leadership Actions: Principal, December 2016: 1. The Principal successfully applied for Professional Development through the Ministry of Education that focused on Mathematics and Disparity for Maori Learners. This included teachers being involved in Alim 2.	Mathematics: <ul style="list-style-type: none"> Teachers were supported to develop monitoring tools using Rich Tasks. Team Leaders were supported to unpack the data Teachers were supported to look at student voice A team of teachers were involved in the ALIM 2 Mathematics programme. 	The Mathematics Professional Development helped teachers to further develop their pedagogy and self reflection on how to better support learners with mathematics through the Spiral of Inquiry Process. The ALIM process of teaching priority learners for extra time accelerated their learning.	A review of 2017 data by the Deputy Principals highlights the need to further support teachers with: <ul style="list-style-type: none"> The explicit teaching of mathematics, particularly around key strands and stages in mathematics Developing a system for ongoing formative assessment and teacher feedback More in depth use of the Rich Tasks tools.
2. The Stratford Community of Learning successfully applied for Professional Development focusing on Assessment Systems.	The Principal, Deputy Principal and Associate Principal attending sessions with other school leaders from the Stratford CoL to help support the unpacking of schoolwide data and trends.	This training supported the Leadership Team to unpack schoolwide data, particularly around tracking the progress of Priority Learners in Tier 2 and considering how well students with learning needs are being supported.	As a school, we need to further narrow the lens around Maori students and boys learning in writing and mathematics. Disparity still exists between Maori and NZ Pakeha.

4.	a.		
Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ol style="list-style-type: none"> The Leadership Team, with the support of an external provider, supported staff to analyse mathematics and writing data. Students are placed into tiers. The Leadership Team developed a process for tracking target groups at the team level. Team Leaders and Teams were trained in how to apply the process with the aim of accelerating students learning in mathematics and writing. The Appraisal Process aligned to the teaching and tracking of Priority Learners. 	<p>Writing:</p> <ul style="list-style-type: none"> Maori= 8 out of 18 learners have made accelerated progress in writing= 44% NZ European= 18 out of 29 learners have made accelerated progress in writing= 62% <p>Mathematics:</p> <ul style="list-style-type: none"> Maori= 15 out of 24 learners have made accelerated progress in mathematics= 63% NZ European= 30 out of 40 learners have made accelerated progress in mathematics= 75% 	<p>Record an analysis of your results and discuss the possible reasons for any difference in the aims and targets set in your charter and the outcomes you have achieved.</p> <p>You might like to consider the following questions:</p> <ul style="list-style-type: none"> - Based on the outcomes and the reasons for these, what will you do the same/ differently next year? - What impact is there on current and ongoing teaching practice as a result of 	<p>You might like to consider the following questions:</p> <ul style="list-style-type: none"> - Based on the outcomes and the reasons for these, what will you do the same/ differently next year? - What impact is there on current and ongoing teaching practice as a result of

<p>Record details of the outcomes you have achieved in relation to the target you set. Provide numbers and percentages where appropriate (eg. of students or cohorts of students that are now achieving at expected levels). You may also like to consider recording outcomes such as the reaction/response of teachers and/or students to the specific actions taken (were there changes in attitude, motivation or engagement).</p>	<p>- Which strategies worked well and had a significant impact on your progress in achieving your target? Why do you think this was the case?</p> <p>- Which strategies were not effective and had little or no impact in achieving your target? Why do you think this was the case?</p>	<p>the actions taken and the results?</p> <p>- Have you identified any ongoing teacher or student needs?</p> <p>- What funding/resourcing may be necessary to support identified actions and needs?</p>

5.				
a.				
Planning for next year:				
Provide a description of the actions the board will take to address any targets that were not achieved. This may involve including aims and targets in next year's charter to address the variance.				



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF STRATFORD PRIMARY SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Auditor-General is the auditor of Stratford Primary School (the School). The Auditor-General has appointed me, Maxwell John Dixon, using the staff and resources of PricewaterhouseCoopers, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 21, that comprise the statement of financial position as at 31 December 2017, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2017; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand (PBE Standards RDR).

Our audit was completed on 31 May 2018. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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



The Board of Trustees' responsibilities arise from the Education Act 1989.

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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees 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 within the Analysis of Variance, the Kiwisport Statement and the Board of Trustees List which form part of the Annual Report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

A handwritten signature in blue ink, appearing to read 'M. John Dixon', written in a cursive style.

Maxwell John Dixon
PricewaterhouseCoopers
On behalf of the Auditor-General
New Plymouth, New Zealand