

STRATFORD PRIMARY SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

School Directory

Ministry Number:	2244
Principal:	Jason Elder
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Accountant / Service Provider:

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STRATFORD PRIMARY SCHOOL

Annual Financial Statements - For the year ended 31 December 2025

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Stratford Primary School

Statement of Responsibility

For the year ended 31 December 2025

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

The management (including the Principal and others, as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2025 fairly reflects the financial position and operations of the School.

The School's 2025 financial statements are authorised for issue by the Board.

Le-anna Russ
Full Name of Presiding Member

LRuss
Signature of Presiding Member

21 May 2026
Date

Jason ELDER
Full Name of Principal

[Signature]
Signature of Principal

21 May 2026
Date

Stratford Primary School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue				
Government Grants	2	5,215,886	4,488,367	5,178,603
Locally Raised Funds	3	126,824	116,271	99,133
Interest		14,603	9,784	24,500
Gain on Sale of Property, Plant and Equipment		-	-	125
Other Revenue		789	-	-
Total Revenue		5,358,102	4,614,422	5,302,361
Expense				
Locally Raised Funds	3	70,623	35,700	64,560
Learning Resources	4	4,207,652	3,589,410	3,682,867
Administration	5	426,773	238,962	718,119
Interest		5,195	2,600	4,942
Property	6	843,648	693,138	744,912
Total Expense		5,553,891	4,559,810	5,215,400
Net Surplus / (Deficit) for the year		(195,789)	54,612	86,961
Other Comprehensive Revenue and Expense		(1,482)	-	(5,588)
Total Comprehensive Revenue and Expense for the Year		(197,271)	54,612	81,373

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

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

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Equity at 1 January		581,261	514,840	480,095
Total comprehensive revenue and expense for the year		(197,271)	54,612	81,373
Contribution - Furniture and Equipment Grant		35,885	20,000	-
Contributions from the Ministry of Education - Te Mana Tuhono		-	-	19,793
Equity at 31 December		419,875	589,452	581,261
Accumulated comprehensive revenue and expense		419,875	589,452	581,261
Equity at 31 December		419,875	589,452	581,261

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

Stratford Primary School
Statement of Financial Position
As at 31 December 2025

	Notes	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Current Assets				
Cash and Cash Equivalents	7	80,887	47,434	124,546
Accounts Receivable	8	331,101	221,442	255,212
GST Receivable		12,013	18,354	13,541
Prepayments		11,900	8,426	1,401
Inventories	9	85	334	143
Investments	10	206,422	254,605	270,497
Funds Receivable for Capital Works Projects	16	8,400	-	8,400
		<u>650,808</u>	<u>550,595</u>	<u>673,740</u>
Current Liabilities				
Accounts Payable	12	355,412	316,904	317,547
Revenue Received in Advance	13	49,225	20,481	8,874
Provision for Cyclical Maintenance	14	99,167	-	148,689
Finance Lease Liability	15	26,843	22,876	26,079
Funds held for Capital Works Projects	16	13,696	-	14,320
Funds held on behalf of RT Lit Cluster	17	-	-	3,699
		<u>544,343</u>	<u>360,261</u>	<u>519,208</u>
Working Capital Surplus/(Deficit)		106,465	190,334	154,532
Non-current Assets				
Property, Plant and Equipment	11	442,091	515,605	430,254
Shares in Group Mowing Scheme		31,453	38,524	32,935
		<u>473,544</u>	<u>554,129</u>	<u>463,189</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	124,133	121,805	4,410
Finance Lease Liability	15	36,001	33,206	32,050
		<u>160,134</u>	<u>155,011</u>	<u>36,460</u>
Net Assets		<u>419,875</u>	<u>589,452</u>	<u>581,261</u>
Equity		<u>419,875</u>	<u>589,452</u>	<u>581,261</u>

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

Stratford Primary School
Statement of Cash Flows
For the year ended 31 December 2025

		2025	2025	2024
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		1,490,712	1,461,809	1,526,646
Locally Raised Funds		165,560	116,271	100,374
Goods and Services Tax (net)		1,528	-	4,813
Payments to Employees		(956,361)	(865,774)	(939,104)
Payments to Suppliers		(700,107)	(630,567)	(470,103)
Interest Paid		(5,195)	(2,600)	(4,942)
Interest Received		15,601	-	24,850
Net cash from/(to) Operating Activities		11,738	79,139	242,534
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(115,851)	(139,912)	(91,361)
Purchase of Investments		(10,470)	-	(15,891)
Proceeds from Sale of Investments		74,545	-	-
Net cash from/(to) Investing Activities		(51,776)	(139,912)	(107,252)
Cash flows from Financing Activities				
Furniture and Equipment Grant		35,885	-	-
Finance Lease Payments		(23,118)	(26,114)	(18,071)
Repayment of Borrowings		-	-	(27,431)
Funds Administered on Behalf of Other Parties		(16,388)	-	(99,555)
Net cash from/(to) Financing Activities		(3,621)	(26,114)	(145,057)
Net increase/(decrease) in cash and cash equivalents		(43,659)	(86,887)	(9,775)
Cash and cash equivalents at the beginning of the year	7	124,546	134,321	134,321
Cash and cash equivalents at the end of the year	7	80,887	47,434	124,546

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense and other notional items have been excluded.

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

Stratford Primary School Notes to the Financial Statements For the year ended 31 December 2025

1. Statement of Accounting Policies

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 and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2025 to 31 December 2025 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements with reference to generally accepted accounting practice. The financial statements have been prepared with reference to generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The School is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the School is not publicly accountable and is not considered large as it falls below the expense threshold of \$33 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Cyclical maintenance

The School recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the School buildings. The estimate is based on the School's best estimate of the cost of painting the School and when the School is required to be painted, based on an assessment of the School's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 22b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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



Depreciation

Property, plant and equipment 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	5 - 15 years
Motor Vehicles	5 years
Library Resources	8 years
Leased Assets held under a Finance Lease	Term of Lease

k) Impairment of property, plant, and equipment

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

Non cash generating assets

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

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

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to recent market transactions.

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

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

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

n) 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 or grants are recorded as revenue as the obligations are fulfilled and the fees or grants are earned.

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

o) Funds Held in Trust

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

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

p) Funds held for Capital works

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

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

q) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

r) Provision for Cyclical Maintenance

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

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

The School carries out painting maintenance of the whole school over a 10 to 15 year period. The economic outflow of this is dependent on the plan established by the School to meet this obligation and is detailed in the notes and disclosures of these accounts.

s) Financial Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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

t) Borrowings

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

u) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

v) Budget Figures

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

w) Services received in-kind

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

2. Government Grants

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Government Grants - Ministry of Education	1,499,038	1,459,040	1,535,835
Teachers' Salaries Grants	3,047,061	2,574,937	2,650,964
Use of Land and Buildings Grants	498,145	450,120	498,123
Ka Ora, Ka Ako - Healthy School Lunches Programme	161,923	-	478,298
Other Government Grants	9,719	4,270	15,383
	<u>5,215,886</u>	<u>4,488,367</u>	<u>5,178,603</u>

3. Locally Raised Funds

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue			
Donations and Bequests	56,613	44,488	32,797
Fees for Extra Curricular Activities	50,257	8,300	50,354
Trading	525	-	492
Fundraising and Community Grants	19,429	63,483	15,490
	<u>126,824</u>	<u>116,271</u>	<u>99,133</u>
Expense			
Extra Curricular Activities Costs	70,126	35,450	63,674
Trading	497	250	886
	<u>70,623</u>	<u>35,700</u>	<u>64,560</u>
<i>Surplus for the year Locally Raised Funds</i>	<u>56,201</u>	<u>80,571</u>	<u>34,573</u>

4. Learning Resources

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Curricular	253,439	207,813	162,487
Employee Benefits - Salaries	3,774,331	3,227,142	3,363,199
Staff Development	37,677	43,286	36,440
Depreciation	139,958	108,484	118,434
Text Books	167	600	-
Learning Centre	2,080	2,085	2,307
	<u>4,207,652</u>	<u>3,589,410</u>	<u>3,682,867</u>

5. Administration

	2025	2025	2024
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fees	9,039	5,300	8,690
Board Fees and Expenses	15,248	9,750	9,603
Other Administration Expenses	76,266	70,251	66,023
Employee Benefits - Salaries	136,531	125,881	128,201
Insurance	11,626	12,000	11,524
Service Providers, Contractors and Consultancy	16,140	15,780	15,780
Ka Ora, Ka Ako - Healthy School Lunch Programme	161,923	-	478,298
	<u>426,773</u>	<u>238,962</u>	<u>718,119</u>

6. Property

	2025	2025	2024
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cyclical Maintenance	119,361	35,819	31,294
Heat, Light and Water	44,936	43,600	45,335
Rates	1,431	1,480	698
Repairs and Maintenance	63,331	57,131	48,819
Use of Land and Buildings	498,145	450,120	498,123
Employee Benefits - Salaries	96,006	87,688	96,854
Other Property Expenses	20,438	17,300	23,789
	<u>843,648</u>	<u>693,138</u>	<u>744,912</u>

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

7. Cash and Cash Equivalents

	2025	2025	2024
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	80,887	47,434	124,546
Cash and cash equivalents for Statement of Cash Flows	<u>80,887</u>	<u>47,434</u>	<u>124,546</u>

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

Of the \$80,887 Cash and Cash Equivalents \$62,921 is subject to restrictions for the following reasons:

- \$13,696 is held by the School on behalf of the Ministry of Education. The funds have been provided as part of the school's 5 Year Agreement Funding and is required to be spent on the school's buildings. See note 16.
- \$49,225 of Revenue Received in Advance is held by the school, as disclosed in note 13.

8. Accounts Receivable

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Receivables	4,094	1,857	466
Receivables from the Ministry of Education	8,653	-	7,162
Interest Receivable	3,603	4,951	4,601
Teacher Salaries Grant Receivable	314,751	214,634	242,983
	<u>331,101</u>	<u>221,442</u>	<u>255,212</u>
Receivables from Exchange Transactions	7,697	6,808	5,067
Receivables from Non-Exchange Transactions	323,404	214,634	250,145
	<u>331,101</u>	<u>221,442</u>	<u>255,212</u>

9. Inventories

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Stationery	85	334	143
	<u>85</u>	<u>334</u>	<u>143</u>

10. Investments

The School's investment activities are classified as follows:

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Current Asset			
Short-term Bank Deposits	206,422	254,605	270,497
Total Investments	<u>206,422</u>	<u>254,605</u>	<u>270,497</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2025	\$	\$	\$	\$	\$	\$
Building Improvements	72,168	21,370	-	-	(13,045)	80,493
Furniture and Equipment	207,075	85,138	-	-	(65,353)	226,860
Information and Communication Technology	85,222	8,090	-	-	(27,938)	65,374
Leased Assets	53,712	34,072	-	-	(30,137)	57,647
Library Resources	12,077	3,125	-	-	(3,485)	11,717
	430,254	151,795	-	-	(139,958)	442,091

The net carrying value of equipment held under a finance lease is \$57,647 (2024: \$53,712)

Restrictions

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

	2025	2025	2025	2024	2024	2024
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	597,888	(517,395)	80,493	576,517	(504,349)	72,168
Furniture and Equipment	1,045,095	(818,235)	226,860	959,957	(752,882)	207,075
Information and Communication Technology	368,529	(303,155)	65,374	360,439	(275,217)	85,222
Motor Vehicles	31,287	(31,287)	-	31,287	(31,287)	-
Leased Assets	125,746	(68,099)	57,647	99,537	(45,825)	53,712
Library Resources	105,184	(93,467)	11,717	102,059	(89,982)	12,077
	2,273,729	(1,831,638)	442,091	2,129,796	(1,699,542)	430,254

12. Accounts Payable

	2025	2025	2024
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	21,363	86,743	57,656
Accruals	9,038	5,166	8,690
Employee Entitlements - Salaries	314,751	214,634	242,983
Employee Entitlements - Leave Accrual	10,260	10,361	8,218
	355,412	316,904	317,547
Payables for Exchange Transactions	355,412	316,904	317,547
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	355,412	316,904	317,547

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Revenue in Advance	40,000	-	-
Grants in Advance - Ministry of Education	-	17,127	-
Other Revenue In Advance	9,225	3,354	8,874
	<u>49,225</u>	<u>20,481</u>	<u>8,874</u>

14. Provision for Cyclical Maintenance

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Provision at the Start of the Year	153,099	85,986	121,805
Increase/(decrease) to the Provision During the Year	119,361	35,819	31,294
Use of the Provision During the Year	(49,160)	-	-
Provision at the End of the Year	<u>223,300</u>	<u>121,805</u>	<u>153,099</u>
Cyclical Maintenance - Current	99,167	-	148,689
Cyclical Maintenance - Non current	124,133	121,805	4,410
	<u>223,300</u>	<u>121,805</u>	<u>153,099</u>

Per the cyclical maintenance schedule, the School is next expected to undertake painting works during 2026. This plan is based on the School's 10 Year Property plan / painting quotes.

15. Finance Lease Liability

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

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
No Later than One Year	31,237	22,876	30,296
Later than One Year	39,905	33,206	35,212
Future Finance Charges	(8,298)	-	(7,379)
	<u>62,844</u>	<u>56,082</u>	<u>58,129</u>
Represented by			
Finance lease liability - Current	26,843	22,876	26,079
Finance lease liability - Non current	36,001	33,206	32,050
	<u>62,844</u>	<u>56,082</u>	<u>58,129</u>

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7, and includes retentions on the projects, if applicable.

	2025	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions / Transfers	Closing Balances \$
LSM Modifications SENCO		232289	(8,400)	-	-	-	(8,400)
AMS B: Covered Outdoor Learning		240169	13,696	-	-	-	13,696
UNC Site: Drainage		250565	624	576	(1,200)	-	-
Totals			5,920	576	(1,200)	-	5,296

Represented by:

Funds Held on Behalf of the Ministry of Education	13,696
Funds Receivable from the Ministry of Education	(8,400)

	2024	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions / Transfers	Closing Balances \$
BlkB Outdoor Learn Area		227151	3,508	-	(3,508)	-	-
A,C,D,E,G Roof		227146	55,323	(10,819)	(44,504)	-	-
RM A: Leak		242140	6,226	-	(6,226)	-	-
Hot Water Replacement		241744	(31)	908	(877)	-	-
LSM Modifications SENCO		232289	-	-	(8,400)	-	(8,400)
AMS B: Covered Outdoor Learning		240169	-	13,696	-	-	13,696
UNC Site: Drainage		250565	-	5,185	(4,561)	-	624
Totals			65,026	8,970	(68,076)	-	5,920

Represented by:

Funds Held on Behalf of the Ministry of Education	14,320
Funds Receivable from the Ministry of Education	(8,400)

17. Funds held on behalf of RT Lit Cluster

Stratford Primary School is the lead school funded by the Ministry of Education to provide services to its cluster of schools.

	2025 Actual \$	2025 Budget \$	2024 Actual \$
Funds Held at Beginning of the Year	3,699	-	3,355
Funds Received from MOE	14,576	-	14,767
Total funds received	18,275	-	18,122
Funds Spent on Behalf of the Cluster	18,275	-	14,423
Funds remaining	-	-	3,699
Funds Held at Year End	-	-	3,699

18. Related Party Transactions

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

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

During the year, the School entered into a transaction with Armourshield Surfaces, a company for which Board member Jack Whitikia is a director and shareholder, to provide installation services for alarm & enamel coating of school toilet blocks. The total value of the transaction was \$13,734.12 excluding GST.

19. Remuneration

Key management personnel compensation

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

	2025 Actual \$	2024 Actual \$
<i>Board Members</i>		
Remuneration	3,240	3,075
<i>Leadership Team</i>		
Remuneration	928,413	911,917
Full-time equivalent members	7.00	7.22
Total key management personnel remuneration	931,653	914,992

There are 6 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has a Finance committee (3 members) that met 7 times. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2025 Actual \$000	2024 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	200 - 210	190 - 200
Benefits and Other Emoluments	6 - 7	5 - 6
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2025 FTE Number	2024 FTE Number
100 - 110	4.00	2.00
110 - 120	6.00	4.00
130 - 140	1.00	1.00
140 - 150	1.00	1.00
	12.00	8.00

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



20. Compensation and Other Benefits Upon Leaving

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

	2025 Actual	2024 Actual
Total	\$0	\$0
Number of People	0	0

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2025 (Contingent liabilities and assets at 31 December 2024: nil).

Holidays Act Compliance – Schools Payroll

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

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

22. Commitments

(a) Capital Commitments

As at 31 December 2025, the Board had capital commitments of \$17,696 (2024: \$19,005) as a result of entering the following contracts:

Contract Name	Remaining Capital Commitment \$
AMS B: Covered Outdoor Learning	17,696
Total	<u><u>17,696</u></u>

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 16.

(b) Operating Commitments

There are no operating commitments as at 31 December 2025 (Operating commitments at 31 December 2024: nil).

23. Financial Instruments

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

Financial assets measured at amortised cost

	2025 Actual \$	2025 Budget (Unaudited) \$	2024 Actual \$
Cash and Cash Equivalents	80,887	47,434	124,546
Receivables	331,101	221,442	255,212
Investments - Term Deposits	206,422	254,605	270,497
Total financial assets measured at amortised cost	618,410	523,481	650,255

Financial liabilities measured at amortised cost

Payables	355,412	316,904	317,547
Finance Leases	62,844	56,082	58,129
Total financial liabilities measured at amortised cost	418,256	372,986	375,676

24. Events After Balance Date

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

25. Comparatives

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

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF STRATFORD'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Auditor-General is the auditor of Stratford School (the School). The Auditor-General has appointed me, Sarah Jenkins, using the staff and resources of Silks Audit Chartered Accountants Limited, to carry out the audit of the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2025, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

Opinion

In our opinion the financial statements:

- present fairly, in all material respects:
 - the School's financial position as at 31 December 2025; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 21 May 2026. This is the date at which our opinion is expressed.

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information included in the Board's annual report

The Board is required to prepare an annual report which includes the annual financial statements and the audit report, as well as Statement of Responsibility, Statement of Variance, an Evaluation of the School's Students' Progress and Achievement, a Statement of Compliance with Employment Policy, and a Statement of KiwiSport funding. The Board is responsible for the other information that it presents alongside its annual financial statements.

The other information obtained at the date of our audit report includes copies of the Statement of Responsibility, Members of the Board, Statement of Variance, Evaluation of the School's Students' Progress and Achievement, Statement of Compliance with Employment Policy, Statement of KiwiSport funding, How we have given effect to Te Tiriti o Waitangi, and Evaluation and Analysis of Stratford Primary Schools' Progress and Achievement.

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

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

Independence

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

Other than in our capacity as auditor, we have no relationship with, or interests in, the School.



Sarah Jenkins
Silks Audit Chartered Accountants Limited
On behalf of the Auditor-General
Whanganui, New Zealand

Stratford Primary School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Le-arna Russ	Presiding Member	Elected	Sep 2028
Jason Elder	Principal	ex Officio	
Jack Whitikia	Parent Representative	Elected	Sep 2025
Nathan Taingahue	Parent Representative	Elected	Sep 2025
David Chadwick	Parent Representative	Elected	Sep 2028
Kate Fairhurst	Parent Representative	Elected	Sep 2028
Jason Beckett	Parent Representative	Elected	Sep 2028
Fiona Jansma	Parent Representative	Elected	Sep 2028
Fiona Riddick	Parent Representative	Co-opted	Sep 2028
Deborah Campbell	Staff Representative	Elected	Sep 2025

Stratford Primary School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2025, the school received total Kiwisport funding of \$7,122 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2025 the Stratford Primary School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment.
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.



School Name:	Stratford Primary School	School Number:	2244
Target 1: Planned Actions to Improve Mathematics Achievement in 2025			
Strategic Aim:	<p>Strategic Goals: 1. To 'CONTINUALLY' improve the school's learning culture so ākonga (students) are safe, secure, engaged and have a strong sense of belonging. 2. 'Ki Runga Rawa (AIM HIGH)'; To support all ākonga to be the best they can be and to develop a love and passion for learning. 3. To 'BUILD' teachers capability by embedding schoolwide best practice, which is aligned to the New Zealand Curriculum and supports each ākonga to AIM High to be the best they can be. Goal: Most Year 8 learners (with a focus on Māori students and boys) are meeting/exceeding the Stratford Primary School Curriculum Milestones (Reading, Writing and Mathematics) when they leave for high school.</p>		
Annual Aim for Mathematics:	<p>Mathematics Target Roopu for 2025: Most Priority Learners will make accelerated progress in Mathematics. Roopu will be in Year 2, Year 3, Year 4, Year 5, Year 6, Year 7 and Year 8. They will include all gender and ethnic groups. Review Questions: What were the reasons that supported accelerated progress? What were the reasons ākonga did not make accelerated progress with their Mathematics? The updated reporting tool will be used to show progress within a stage.</p>		
Baseline Mathematics Data from 2024:	<p>Schoolwide Mathematics Data (Comparing Term 2 2023 with Term 4 2023) (Supporting documentation):</p> <ul style="list-style-type: none"> • Summary of the three Key Cohorts from Markbook Data: <ul style="list-style-type: none"> ○ 3+ Cohort (136): 67.6% of ākonga are Working 'Within (At)' or 'Exceeding (Above)' the Mathematics Curriculum Milestones. There has only been a small decline of 3.4%. However, more ākonga have made progress from Within to Exceeding the Mathematics Milestones (+5.5% improvement). ○ Current Year (Non- I.E.P - (286): This group shows for 286/342 ākonga who were at S.P.S in Term 1, 2024. Number of current ākonga (Non I.E.P - 286) who are Working Within or Exceeding the Milestones = 68.5% (Progress in 2024 = -4.1% decline). The trend again shows more students have moved to Exceeding (+6.7%) and more have dropped to Working Towards (+3.2%). <p>Schoolwide PAT Data (Comparing 2023 to 2024): An analysis of the school wide PAT results show some encouraging shifts in our data from 2023 to the current year. Key points to note include:</p> <ol style="list-style-type: none"> 1. The mean Stanine increasing from 3.8 in 2023 to 4.7 in 2024. 		



2. A reduction of students below standard (Stanine 1-3) from 46% in 2023 to 27% in 2024.
3. An increase of students at Stanine 4 or above moving from 54% in 2023 to 73% in 2024.

An analysis of the Boys' PAT results show some encouraging shifts in data from 2023 to the current year. Key points to note include:

1. The mean Stanine increasing from 3.9 in 2023 to 4.8 in 2024.
2. A reduction of students below standard (Stanine 1-3) from 49% in 2023 to 26% in 2024
3. An increase of students at Stanine 4 or above moving from 51% in 2023 to 74% in 2024.

An analysis of the Māori Boys PAT results show some encouraging shifts in data from 2023 to the current year. Key points to note include:

1. The mean Stanine increasing from 3.9 in 2023 to 4.4 in 2024
2. A reduction of students below standard (Stanine 1-3) from 48% in 2023 to 39% in 2024.
3. An increase of students at Stanine 4 or above moving from 53% in 2023 to 61% in 2024.

Observations of changing behaviours include:

1. Ākonga feeling more comfortable taking the test
2. Ākonga are giving the test more importance and taking the time to ensure their answers are accurate.
3. Kalako have commented on increased ākonga engagement in Mathematics sessions and this has also been noted by Team Leaders and Senior Leadership from walkthroughs and anecdotal conversations.

Actions: What did we do for Mathematics?

1. **Mathematics Team:** The Associate Principal led the Mathematics Team. They planned staff professional development to support the implementation of the new Curriculum. The Team also supported the development of schoolwide consistent practice. This included what lessons should look like, the use of the new Mathematics Work Books (Mathematics No Problem) and scaffolding questions for teachers to reflect from in relation to their three videos.
2. **Professional Development:** The whole staff were involved in two full-day Professional Developments days to unpack the new Curriculum. This was funded by the Ministry of Education. Members of the Mathematics Team were involved in the local Mathematics Network with an external provider. All teachers unpacked and used the new Mathematics Curriculum, where they continually reflected on their practice. Staff meetings further supported



	<p>the development of the new Curriculum.</p> <ol style="list-style-type: none"> 3. Priority Learners Meeting: The Principal, Deputy Principal, Associate Principal and Year 1-2 Team Leader led Priority Learners meetings. These were held twice each term. 4. Professional Growth Docs and video reflections: Teachers reflected on their practice, including three videos. Reflections formed part of the discussions at Priority Learners Meetings, to support teachers with the acceleration of ākonga. 5. Markbook updates: Markbooks were updated. The number strand was weighted at different Year Levels. For example, 80% for Year 1-4 and 50% for Year 5-8. The weighting system supported teachers to make their overall teacher judgements when comparing number and other strands. 6. Reporting to the Board: Data was regularly presented to the Board throughout the year. The Associate Principal also provided reports to the Board around the implementation of the new Mathematics Curriculum.
<p>Mathematics Outcomes: What happened?</p>	<p>A breakdown of results showed:</p> <ul style="list-style-type: none"> • Year 2: 14/16 (88%) achieved the Year Level expectation. • Year 3: 2/10 (20%) achieved the Year Level expectation. • Year 4: 0/4 (0%) achieved the Year Level expectation. • Year 5: 1/7 (14%) achieved the Year Level expectation. <ul style="list-style-type: none"> ◦ Note: +1 other ākonga is nearly at the expectation. • Year 6: 2/6 (33%) achieved the Year Level expectation. <ul style="list-style-type: none"> ◦ Note: +1 other ākonga is nearly at the expectation. ◦ Note: +1 other ākonga made accelerated progress e.g. Mid Year = Yr 4 → End of Year = Yr 5 • Year 7: 2/8 (25%) achieved the Year Level expectation. • Year 8: 0/8 (0%) achieved the Year Level expectation. <p>Mathematics Priority Learners Results = 21/59 (36%) ākonga made accelerated progress in Mathematics.</p>



<p><i>Reasons for the variance in Mathematics: Why did it happen?</i></p>	<ol style="list-style-type: none">1. Students required a significant amount of "backfilling" of knowledge in order to access the learning at their level. All of these students made one year of progress but were unable to complete another full year of progress to ensure they were accelerated enough to be proficient.2. In many of the Year levels, the expectations have changed with the new curriculum meaning that the expectations are higher than they have been historically. This only serves to increase the challenge of achieving sufficient progress.
<p><i>Evaluation: Where to next?</i></p>	<p>Priority Learners Process for 2026:</p> <ul style="list-style-type: none">• The Associate Principal will review additional Mathematics data, before identifying potential priority learners.• The selection of Priority Learners will be tighter, where ākonga who just reached the expectation or were just below will be selected.• The Leadership Team will review the Priority Learners Process, planning actions in the first four weeks of Term 1.• Tracking Boards: The Leadership Team will explore the use of a visual tracking board to support teachers to understand ākonga progress over the term.• Keeping Priority Learners on top for teachers• Long-term tracking of Priority Learners• Developing a greater understanding of 'Maths No Problem' and how to ensure our priority learners are still receiving the extra support required for acceleration.



MINISTRY OF EDUCATION
Te Kaitiaki Take Kōwhiri

Tātaritanga raraunga



Target 2: Planned Actions to Improve Writing Achievement in 2025

Strategic Aim:	<p>Strategic Goals: 1. To 'CONTINUALLY' improve the school's learning culture so ākonga (students) are safe, secure, engaged and have a strong sense of belonging. 2. 'Ki Runga Rawa (AIM HIGH)': To support all ākonga to be the best they can be and to develop a love and passion for learning. 3. To 'BUILD' teachers capability by embedding schoolwide best practice, which is aligned to the New Zealand Curriculum and supports each ākonga AIM High to be the best they can be.</p> <p>Theory of Improvement Approach: Murray Gadd's Writing Research (Stratford Primary School: School-Wide Directions For Effective Teaching Of Writing Based On Research)</p>
Annual Aim for Writing:	<p>Writing Target Roopu for 2025: Most Priority Learners will make accelerated progress in writing. Roopu will be in Year 3, Year 4, Year 5, Year 6, Year 7 and Year 8. They will include all gender and ethnic groups. Target: 68% of Priority Learners will make accelerated progress in Writing.</p>
Baseline Data for Writing:	<p>Although students in some year level cohorts are achieving reasonably well (especially Years 1, 2, 4, 8), students in some other year level cohorts are achieving less well. To this end, particular attention should be given to monitoring the progress of the:</p> <ul style="list-style-type: none"> Year 4 cohort in 2024 in that average achievement by these students as a Year 3 cohort in 2023 (36.2%) is 51.3% lower than what they achieved as Year 2s in 2022 (87.5%). It is recommended that a target of at least 50% of Year 4s achieving 'at' or 'above' national expectations be set for 2024. Year 6 cohort in 2024 in that average achievement by these students as a Year 5 cohort in 2023 (55.8%) is 14% lower than what they achieved as Year 4s in 2022 (69.8%). It is recommended that a target of at least 60% of Year 6s achieving 'at' or 'above' national expectations be set for 2024. Year 8 cohort in 2024 in that average achievement by these students as a Year 7 cohort in 2023 (53.6%) is 4.1% lower than what they achieved as Year 6s in 2022 (57.7%). It is recommended that a target of at least 60% of Year 8s achieving 'at' or 'above' national expectations be set for 2024.



Tātaritanga raraunga

Actions: What did we do to improve Writing Achievement?

Writing Coaches: Teachers were supported to learn how to take the Writing Workshops. The Teams have been planning together for writing topics. The Writing Coach helped guide teachers through best practice and our schoolwide consistencies.

Explicit Instruction of Writing: Teams have been weaving the deliberate acts of teaching into their writing plans. This has been collaborative. For example, planning out their teaching think alouds. There has been more deliberate planning of workshops by teams. Bek Galloway has supported the development of sentence structure and how to teach it.

Double Dosing: This has been one of the biggest impacts of achievement, especially for Boys. The Writing Coach took the lesson with Priority Learners before the class. This developed ākonga self efficacy. For example, they were able to participate more in class discussions and as learners. As a result, a lot more Boys have wanted to share their writing.

Handwriting: There has been more explicit teaching of handwriting. This was taken by the teacher, writing coaches and teacher aides. This has supported ākonga to be able to write without thinking about their formation. For example, this takes it to automaticity and reduces cognitive load. One ākonga could not correctly form letters. He can now write 19 letters in a minute to support his writing.

Trained Teachers in the Better Start Literacy Approach: Two leaders have been trained in the facilitator role. Three teachers have also trained in the programme. This training has supported teachers' knowledge, consistent practice in Writing.

Moderation: The Leadership Team has supported Team Leaders to unpack shift reports from Markbooks. Team Leaders are analysing shifts before the data is moderated. They have taken back to their Teams questions around sudden drops or increases in data and getting them to explain this with evidence. This has improved the validity of schoolwide data.

Structured Literacy Support: The focus has been on phonological awareness and developing alphabet code in the earlier years. This has also supported Priority Learners Writing progress.

Small Focus Groups of Priority Learners: This programme has supported classroom teachers to see the significant shifts that can be made through explicit teachers of writing.

Writing Outcomes: What happened?

A breakdown of results showed:

- Year 3: 1/2 (50%) achieved the Year Level expectation.
- Year 4: 11/14 (78%) achieved the Year Level expectation.



- Year 5: 9/9 (100%) achieved the Year Level expectation.
- Year 6: 4/8 (50%) achieved the Year Level expectation.
- Year 7: 8/9 (88%) achieved the Year Level expectation.
- Year 8: 0/9 (0%) achieved the Year Level expectation.

Writing Priority Learners Results: 33/51 (65%) ākonga made accelerated progress in Writing. This is just short of the 68% Target that was set at the start of the year.

Reasons for the variance in Writing: Why did it happen?

Some ākonga are only one to two points away. Some of the original assessment data for Priority Learners were inaccurate; this prompted strengthened moderation processes. The Deputy Principal will take a deeper dive into writing data, with a particular focus on Boys and Priority Learner progress. This will shape the approach for 2026.

Evaluation: Where to next?

We need to sustain the writing programme, especially for Boys.

All teachers in Years 1-4 will have been trained in the BSLA. This provides more consistency as we move forward with the new curriculum and focus on Boys writing.

The Deputy Principal, with the support of the Literacy Team, will develop and monitor writing programmes, with a focus on Year 3-8 target groups. Continue to use a specialist teacher/coach to support practice. Continue to develop moderation with writing assessments. A more integrated approach at the Year 7 - 8 level to support interest and motivation of writing across the curriculum. Priority learners to stay 'priorities for longer' long term tracking of these children to monitor progress.

Teachers: To focus on one priority learner for writing as we the schoolwide focus for Maths 2026.

Explore the new literacy assessments in line with the 'new curriculum'.

Specialist writing coaches will continue, with two positioned in the Year 7-8 area where acceleration has historically been more challenging.



STRATFORD PRIMARY SCHOOL
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www.stratfordprimary.school.nz



How we have given effect to Te Tiriti o Waitangi:

The Stratford Primary School Board are committed to giving effect to Te Tiriti o Waitangi. The Board has set this out in their Vision and Strategic Goals.

This is illustrated in the school's vision:

- We also want our Māori children to grow up with a strong sense of who they are and where they have come from (Whakapapa).

This is shown in the school charter, which states:

STRATFORD PRIMARY SCHOOL BOARD WILL:

1. Develop, for the school, policies and practices that reflect New Zealand's cultural diversity and the unique position of Māori culture.
2. Ensure that all reasonable steps are taken to provide instruction in tikanga Māori (Māori culture) and te reo Māori (Māori language) for full-time students whose parents request it.

This is demonstrated by the following outcomes the Board is working towards:

- **Sense of belonging:** Continue to create a learning environment that engages and develops a sense of belonging in all ākonga. Senior ākonga are leading school tikanga. Whānau also have a strong sense of belonging, including Education around school tikanga.
- **Te Reo Māori:** Continue to provide opportunities for tamariki and staff to learn Te Reo Māori. Continue to build a common set of Te Reo Māori words and phrases that are naturally used as part of the daily school and classroom culture.
- **Tikanga Māori:** Continue to provide opportunities for ākonga to lead and strengthen Tikanga Māori.

Evaluation and Analysis of Stratford Primary School's Students' Progress and Achievement (2025):

Reading:

- Progress Data: Comparing Progress from Term 4, 2024 to Term 4, 2025.
 - **3+ Cohort**
Almost all ākonga are Proficient or Exceeding in Reading for the 3+ Cohort.
 - **Current Cohort (No I.E.P)**
Almost all ākonga are Proficient or Exceeding in Reading for the Current Cohort (No I.E.P)
 - **Current Cohort (All ākonga)**
A small majority of ākonga are Proficient or Exceeding in Reading for the Current Cohort (All ākonga). This was 2.9% short of being a large majority.
-

Writing:

- Progress Data: Comparing Progress from Term 4, 2024 to Term 4, 2025.
 - **3+ Cohort**
A large majority of ākonga are Proficient or Exceeding in Writing for the 3+ Cohort.
 - **Current Cohort (No I.E.P)**
A large majority of ākonga are Proficient or Exceeding in Writing for the Current Cohort (No I.E.P).
 - **Current Cohort (All ākonga)**
A small majority of ākonga are Proficient or Exceeding in Writing for the Current Cohort (All ākonga). This was 2.1% short of being a large majority.
-



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Mathematics:

- Progress Data: Comparing Progress from Term 4, 2024 to Term 4, 2025.
 - **3+ Cohort**
A large majority of ākonga are Proficient or Exceeding in Mathematics for the 3+ Cohort.
 - **Current Cohort (No I.E.P)**
A large majority of ākonga are Proficient or Exceeding in Mathematics for the Current Cohort (No I.E.P).
 - **Current Cohort (All ākonga)**
A small majority of ākonga are Proficient or Exceeding in Mathematics for the Current Cohort (All ākonga). This was 7% short of being a large majority.

Additional Context:

At the conclusion of 2025:

- SENCO roll: 17 ākonga (4%)
- Learning I.E.P roll: 69 ākonga (15%)
- This means that 86 ākonga — nearly one in five (19%) — are currently on an I.E.P, which is an important consideration when analysing overall cohort achievement.



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Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 2025.

The following questions address key aspects of compliance with a good employer policy:

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	Yes, the school has monthly health and safety meetings. Every staff member has a wellbeing goal. We have an open and inclusive employment process, where the best person for the role is selected.
What is in your equal employment opportunities programme? How have you been fulfilling this programme?	<p>Policy Statement:</p> <ul style="list-style-type: none"> Shows commitment to equal opportunities in all aspects of employment including recruitment, training, promotion, conditions of service, and career development. Selects the person most suited to the position in terms of skills, experience, qualifications, and aptitude. Recognises the value of diversity in staffing (for example, ethnicity, age, gender, disability, tenure, hours of work, etc.) and the employment requirements of diverse individuals/groups. Ensures that employment and personnel practices are fair and free of any bias. Staff are consulted regarding future employment opportunities.
How do you practise impartial selection of suitably qualified persons for appointment?	We have an appointment process that includes a member of the Board. We use criteria to select the best person for the position.
How are you recognising, <ul style="list-style-type: none"> - The aims and aspirations of Maori, - The employment requirements of Maori, and - Greater involvement of Maori in the Education service? 	<p>Every staff member has a Te Reo Māori goal.</p> <p>Stratford Primary School values are based around Manaakitanga. Our school culture is based around this culture so all Māori staff are valued and included.</p> <p>We have sought outside support to grow staff development with culturally responsive practice and Te Reo Māori.</p>



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How have you enhanced the abilities of individual employees?	<i>At present we have no staff with a disability. However, we have an inclusive employment process. Any new staff employed, who have a disability, will be valued as individuals and supported through professional growth goals. Our school is fully accessible to all.</i>
How are you recognising the employment requirements of women?	<i>Female staff are valued. There is no pay or leadership difference between male and female staff.</i>
How are you recognising the employment requirements of persons with disabilities?	<i>We support them through our induction process. All staff are well supported with their wellbeing.</i>

Good employer policies should include provisions for an Equal Employment Opportunities (EEO) programme/policy . The Ministry of Education monitors these policies:

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

Note: This is thro

Report to Governance

Stratford Primary School

For the Year ended 31 December 2025

21 May 2026

21 May 2026

Presiding Member
School Board Members
Stratford Primary School

Tēnā koe,

Report to Governance – Management Letter

In accordance with our engagement letter, we confirm we have completed our audit of Stratford Primary School ("the School") for the year ended 31 December 2025.

This report sets out certain matters which came to our attention during the course of the audit as well as other required communications. These items may include matters of subjectivity and accounting issues.

We have prepared this report solely for the use of the Board Members and Management of the School. This report forms part of a continuing dialogue between us and therefore, it is not intended to include every matter that came to our attention. For this reason, we believe that it would be inappropriate for this report to be made available to third parties. If such a third party were to obtain a copy without our prior written consent, we would not accept any responsibility for any reliance that they may place on it.

We congratulate the Board on its efforts to maintain effective internal controls in the School. We take this opportunity to thank the board members and staff for the co-operation afforded to us during the course of the audit.

If we can be of further assistance, please advise.

Ngā mihi nui,
Silks Audit Chartered Accountants



Appointed Auditor / Audit Partner

Email: sjenkins@silks.co.nz
Encl: Board Report

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Executive summary

This report details the processes, findings and recommendations from our audit of Stratford Primary School (the "School") in accordance with the Auditor General's Auditing Standards which incorporate International Standards on Auditing (NZ), and the terms of our engagement as set out in our audit engagement letter. In accordance with our normal practice we enclose our comments on certain areas of the internal control and accounting practices which came to our attention during our recent audit. We also offer recommendations for possible courses of action.

We have prepared this report solely for the use of the School. It forms part of the continuing dialogue between the School and ourselves and contains constructive suggestions to improve some practices which we identified in the course of our normal audit procedures. We would like to emphasise that our audit work involves the review of only those systems and controls in your School upon which we rely for audit purposes. Our examination may not have identified and should not be relied upon to identify all control weaknesses that exist, and this report should not be relied on to include all such matters as we will expect management to apply continuous improvements in these areas and Governance members to continually monitor the level of controls and procedures in place at the School.

Overall, we are satisfied that the School has presented its results for the year ended 31 December 2025 to a good level of compliance with applicable financial reporting standards. Adjustments made during the audit are noted in Appendix 1.

We would like to thank Governance, management, and staff for their co-operation extended to us, during the course of the audit. We have received full co-operation.

Overall result

Our audit work is complete. We have issued an unmodified audit report on the financial statements of the School for the year ended 31 December 2025. The audit report contains no matters or items that the Board needs to consider further.

Accounting policies

Auditing standards require us to discuss with you the qualitative aspects of the School's accounting practice and financial reporting. We reviewed the financial statements of the School against the Financial Reporting Standards and templates applicable to the School - Tier 2: Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime and noted no material departures from the requirements.

These findings and recommendations should be discussed and agreed with the Schools management and those charged with governance. Provided below is a summary of key findings:

New Recommendations

Item #	Findings and recommendations	RATING
	None noted	

The following framework for ratings has been developed to facilitate discussion with the School's management in order to prioritise issues according to their relative significance.

Rating	Definition
Urgent	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives. This needs to be addressed immediately.
Necessary	Issue represents a control weakness, which could have or is having significant adverse effect on the ability to achieve process objectives. Address at the earliest reasonable opportunity, generally within 6 months.
Beneficial	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives. Address generally within six to 12 months.

Summary of previous recommendations

Rating	Priority			Total
	Urgent	Necessary	Beneficial	
Open	0	0	0	0
Implemented or Closed	0	1	0	1
Total	0	1	0	1

Audit scope and objectives

Silks Audit Chartered Accountants Limited has been engaged to carry out the audit of Stratford Primary School.

Auditor responsibilities include a requirement to express an opinion on the School's financial statements arising from our audit conducted in accordance with the Auditor-General's Auditing Standards which incorporate International Standards on Auditing (NZ).

Our audit objectives are to:
report on whether the financial statements give a true and fair view, and
report to Management about control environment issues that should be addressed by the School.

A strong control environment would feature adequate segregation of duties over important financial processes, and independent reviews as compensating controls should it not always be practicable for the duties to be separated.

We have documented, tested and assessed the controls supporting the School's key transaction streams, and there are some significant weaknesses to report. Control weaknesses identified during the audit have been included in the Summary Findings section of this report.

Confirmation of audit independence

In conducting our audit, we are required to comply with the independence requirements of the Code of Ethics issued by the Professional Standards Board of Chartered Accountants Australia and New Zealand and the External Reporting Board.

Our own internal policies and procedures are put in place to identify any threats to our independence, and to appropriately deal with and, if relevant, mitigate those risks.

For the comfort of the Board, we note that the following processes assist in maintaining our independence:
No other work is permitted to be undertaken by Silks Audit Chartered Accountants.

We have not provided any non-audit services to the School. We confirm the independence of the Silks Audit engagement team.

Areas of audit focus

Outlined below are the key risks we have considered for your School. We have identified the potential impact of these risks to your financial statements, and we have tailored our audit approach accordingly.

Risk	Audit Response	Audit findings
<p>Revenue Completeness of revenue, particularly from locally raised funds, is a significant risk.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Updated our understanding of the processes relevant to the recognition of revenue. Designed our audit procedures to respond to the risk of a material misstatement in Revenue with a particular focus on ensuring that all revenue was properly captured in the reporting period. 	<p>Our testing around revenue has not identified any issues that management should be aware of.</p>
<p>Payroll The nature of the Edpay payroll system raises an inherent risk of a material misstatement through internal and/or external processing.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Assessed the results carried out by Ernst & Young over the central processing of Edpay. • Cleared any unusual transactions identified by this testing at the individual school level. • Performed analytical review procedures and employee existence testing at the individual school level. 	<p>Our testing around payroll has not identified any issues that management should be aware of.</p>

Risk	Audit Response	Audit findings
<p>Segregation of Duties The ability of a key person to override or manipulate receipt or recording of school funds through the exercise of control and opportunity.</p> <p>It is important that no single person has control over, or access to, all aspects of recording and control of school funds.</p> <p>Not only does this provide opportunity for abuse of the school funds, but also puts a great responsibility and burden of trust on the person who has this control.</p>	<p>The separation of key accounting responsibilities is a critical internal control in any system to prevent misappropriation of funds, error or unrecorded transactions.</p> <p>We assessed the extent of the segregation of duties in the financial reporting process and our substantive audit approach was designed to respond to the control findings</p>	<p>All schools will have segregation of duties risk but with careful monitoring and oversight by management and the Board this risk can be mitigated.</p>

Risk	Audit Response	Audit findings
<p>Management Override of Controls The ability of management to override controls over the financial reporting process creates a fraud risk.</p>	<ul style="list-style-type: none"> • Our risk assessment process concluded that the risk of fraud from management override of controls was through processing manual journals. • Our procedures included a risk-based approach to testing manual journals that included assessment of unusual journals. • We assessed the extent of the segregation of duties in the financial reporting process and our substantive audit approach was designed to respond to the control findings. 	<p>Our testing around manual journals has not identified any issues that management should be aware of.</p>

General Comment

Section 136 and 146 of the Education and Training Act 2020 requires School Board to publish or make available to the public their Annual Report on the internet which is normally on the School's website.

The annual report contains the:

1. Audited Financial statements (required)
 - Statement of responsibility signed and dated
 - Statement of comprehensive revenue and expense
 - Statement of changes in net assets/equity
 - Statement of financial position
 - Statement of cash flows
 - Notes to the financial statements
 - Independent auditor's report signed and dated.
2. Presiding member/principal's report (optional)
3. List of all school board members (optional)
4. Statement of variance: progress against targets (required)
5. Evaluation of the school's students' progress and achievement (required)
6. How we have given effect to Te Tiriti o Waitangi (optional)
7. Statement of compliance with employment policy (required)
8. Report on other special and contestable funding (required)
9. Kiwisport funding (required)

Making your Annual Report accessible to the school community is important for transparency and accountability. The expectation is that your Annual Report is published as soon as possible after your audit is completed and after you have submitted your Annual Report to the Ministry of Education.

Further guidance can be obtained here:

<https://www.education.govt.nz/education-professionals/schools-year-0-13/administration-and-management/school-annual-reports>

Payroll General Comment

We consider the main risk to the accuracy of payroll expenditure is transactions being incorrectly processed, either due to fraud or error. The EdPay system relies on schools checking the accuracy of the payroll transactions processed by the school, as this information is not checked centrally.

To ensure the accuracy of payroll payments, our expectation is that schools have the following key controls:

- effective access controls to EdPay, limiting access to "authorised users";
- all transactions processed including changes to payroll and Masterfile data – such as bank account changes, new starters, or payments to non-salaried staff (such as relievers) - have appropriate supporting documentation and are appropriately authorised;
- checking of the fortnightly draft payroll (SUE) report and EdPay transaction history reports (activity history, timesheet history, and leave history) for accuracy; and

- review of the final fortnightly payroll (SUE) report by someone independent of staff who has access to EdPay - we would expect this review to include consideration of whether all those paid in the period were employed by the school, whether the amounts paid are as expected, and where amounts have changed since the previous period, whether those changes are expected and have been authorised.

To ensure controls are effective the school also needs to ensure that:

- it has segregation of duties between the processing and approval of transactions;
- access to EdPay is controlled, i.e. passwords are kept secure;
- payroll transactions are approved in line with delegations; and
- approvals are appropriately documented.

The guidance and resources for schools on payroll controls are available on the [training page](#) of the EdPay website. They consist of:

- A checklist of best practice payroll controls - [School internal processes and controls – payroll](#).
- A video - [How to use EdPay transaction histories \(for checking and approving transactions\)](#).
- A printable 'how to' guide showing the transaction checking process - [Checking transactions using the activity history and timesheet and leave histories](#).

Refresh of EdPay's guidance on controls

The current guidance to schools on controls ([School internal processes and controls – payroll – page 3](#)) notes that the online activity history for Masterfile changes, such as bank account and other changes to personal details within EdPay, is still in development. However, we understand from the Ministry that the activity history report now provides details of all Masterfile changes (except changes to employees' addresses). There is information about this on page 7 of the guidance, but this change has not been communicated to schools.

EPL and the Ministry are currently refreshing the guidance to schools on payroll controls, and we have been told that this will be available soon.

Recommendation

We recommend that the Board ask management for assurance that appropriate controls are in place at the school over payroll transactions, and that these controls are considered against the updated payroll guidance once it is published by EdPay.

Matters requiring board input

We have placed reliance on the Board's review and approval of the following matters:

- Minutes of the Board meetings;
- Implementation of such controls as is needed to ensure that financial statements are presented fairly;
- Review and approval of 2025 and 2026 budgets;

Notification of fraud; and
Review and approval of the financial statements.

Governance and accountability

Good governance and accountability need and support each other and, if done well, enhances trust and confidence by the beneficiaries and the public. Good governance encourages and can result in good accountability. In turn, accountability is a vital element of good governance.

Materiality and adjusted / unadjusted differences

Materiality means, in the context of an audit or review, if financial information is omitted, misstated or not disclosed it has the potential to affect the decisions of users of the financial statements. Materiality is used by auditors in making judgements on the amount of work to be performed, which balances require work and for evaluating the financial report. Materiality is initially calculated at the planning stage and has an influence on the amount of work we do, as well as where we direct our audit efforts. Materiality is not only based on a numeric quantification but is assessed qualitatively for some balances and disclosures.

During the course of our audit we have identified adjustments. All adjusted differences have been detailed in Appendix 1 of this report.

It should be noted that the auditing standards do not require us to communicate misstatements that are considered "clearly trivial" and as such, if we identify such misstatements, we will not communicate these to you. We consider "clearly trivial" to be 10% or less of our performance materiality.

Going concern

Management and governance are required to make a formal assessment on going concern. Under Auditing Standards, we are required to review this assessment for appropriateness.

During the course of our audit we have identified no material misstatements. All unadjusted differences (none of which we consider material, either individually or in aggregate) have been detailed in Appendix 1 of this report.

Paragraph 15 of ISA (NZ) 570 states:

15. The auditor shall enquire of those charged with governance as to their knowledge of events or conditions beyond the period of their assessment that may cast significant doubt on the entity's ability to continue as a going concern.

The assumption of going concern was concluded as appropriate for the School given the School's funding sources and its Year to date performance for the following financial period.

Fraud

During the audit, no matters relating to fraud, concerning either employees or management, have come to our attention. It should be noted that our audit is not designed to detect fraud, however, should instances of fraud come to our attention, we will report them to you.

Compliance with laws and regulations

We have made enquiries in relation to compliance with laws and regulations during the course of our audit. We have not become aware of any instances of non-compliance with laws and regulations which has materially impacted the financial position or performance of the School.

Audit Quality

To enhance audit quality - PES-3 Equivalent to International Standard on Quality Management 1 (ISQM 1) (Effective on 15 Dec 2022) was introduced in New Zealand to change the system of quality control to a system of quality management.

These changes require Silks Audit Chartered Accountants Limited which perform audits, reviews of financial statements, and undertake other assurance engagements, and agreed-upon procedures engagements are required to design, implement and operate a system of quality management using a risk-based approach.



How do we deliver audit quality

Confidence in our business communities is essential to New Zealand's prosperity. High quality, independent audit is the cornerstone of that confidence and audit quality.

To achieve audit quality

- Governance and Leadership – We have assigned Cameron Town as the person responsible and accountable of Silks Audit leadership.
- To establish and ensure all ethical requirements are complied and fulfilled in our day to day audit work.
- Establish client acceptance and continuance procedures of our client relationships whether new or existing which to ensure our strategic direction is in line with the type of clients we engage with.
- Establish quality objectives within Silks Audit to ensure we conduct high quality audits, reviews and or other assurance work. We ensure we have our audit methodology reviewed both internal and external to ensure we are carrying out the work in accordance with the current standards. Silks Audit engage external firms to provide both quality reviews and consultation advice to ensure we are providing a quality audit and assurance service.
- Silks Audit utilize technology and external resources for maintaining, allocating and assigning resources in a timely manner and utilize those resources to perform our audit engagements.
- Ensure we effectively communication with our clients and external parties.

Appendix 2 – Required communication

Standard ✖	Our Response ✔
<i>Auditors responsibility under General Accepted Auditing Standards</i>	<i>We are responsible for the completion of an audit in accordance with the International Standard on Auditing (New Zealand). The detailed terms are included in our letter of engagement signed off by the Board.</i>
<i>Significant accounting policies</i>	<i>We had read the accounting policies and are satisfied that these comply with the relevant accounting standards and disclosure.</i>
<i>Management judgements and accounting estimates</i>	<i>No management judgement or accounting estimate issues identified.</i>
<i>Significant matters</i>	<i>No significant matters identified.</i>
<i>Disagreements with management</i>	<i>No disagreements were had with School management.</i>
<i>Difficulties encountered during the audit</i>	<i>No difficulties were encountered during the audit.</i>
<i>Independence</i>	<i>There were no independence issues identified between the Silks Audit employees and/or spouses of those employees and the Board.</i>
<i>Independence – other services</i>	<i>We can confirm no other services were provided to the entity during the course of the audit</i>
<i>Laws and Regulations</i>	<i>The School have confirmed that the Board have complied with all necessary laws and regulations. We did not identify any significant breaches.</i>
<i>Fraud or Illegal Acts</i>	<i>From our enquiries with management and our audit testing we have not become aware of any significant fraudulent or illegal acts during the period.</i>
<i>Accumulation of unadjusted errors</i>	<i>We can confirm that all audit adjustments identified have been adjusted for in the financial statements. We can confirm that there is no accumulation of unadjusted errors which would impact on the financial statements</i>
<i>Deficiencies in internal control</i>	<i>As reported in the internal control section above.</i>

Appendix 3 – Public Sector Audit

The Members of the Board is accountable to STRATFORD PRIMARY SCHOOL and to the public for its use of public resources. Everyone who pays taxes or rates has a right to know that the money is being spent wisely and in the way the School said it would be spent.

As such, public sector audits have a broader scope than private sector audits. As part of our audit, we have considered if the School has fairly reflected the results of its activities in its financial statements and non-financial information.

We also consider if there is any indication of issues relevant to the audit with:

- compliance with its statutory obligations that are relevant to the annual report;
- the Members of the Board carrying out its activities effectively and efficiently;
- the Members of the Board incurring waste as a result of any act or failure to act by a public entity;
- any sign or appearance of a lack of probity as a result of any act or omission, either by the School or by one or more of its members, office holders, or employees; and
- any sign or appearance of a lack of financial prudence as a result of any act or omission by a public entity or by one or more of its members, office holders, or employees.

Appendix 4 - Disclaimer

IMPORTANT NOTICE

This report is presented under the terms of our audit engagement letter.

- Circulation of this report is restricted
- The content of this report is based solely on the procedures necessary for our audit.

Purpose of this report

This report has been prepared in connection of our audit of the performance report of STRATFORD PRIMARY SCHOOL (the 'School'), prepared in accordance with Tier 2: Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime, as at and for the year ended 31 December 2025.

This report has been prepared for the Members of the Board in order to communicate matters that are significant to the responsibility of those charged with oversight of the financial reporting process as required by ISAs (including ISA 260 communication with Those Charged with Governance), and other matters coming to our attention during our audit work that we consider might be of interest, and for no other purpose.

Limitations on work performed

This report is separate from our audit report and does not provide an additional opinion on the School's performance report, nor does it add to or extend or alter our duties and responsibilities as auditors.

We have not designed or performed procedures outside those required of us as auditors for the purpose of identifying or communicating any of the matters covered by this report.

The matters reported are based on the knowledge gained as a result of being your auditors. We have not verified the accuracy or completeness of any such information other than in connection with and to the extent required for the purposes of our audit.

Restrictions on distribution

The report is provided on the basis that it is only for the information of those charged with governance of the School; that it will not be quoted or referred to, in whole or in part, without our prior written consent; and that we accept no responsibility to any third party in relation to it.

Appendix 5 – Useful Publications

Performance Report	Source
Public Schools are responsible for reporting their performance to Parliament and the public in a way that meaningfully reflects their School's aspirations and achievements. The Auditor-General published a discussion paper that explores five areas for improvement in performance reporting.	On the Office of the Auditor-General's website under publications. Link: The problems, progress, and potential of performance reporting
The Office of the Auditor-General, the Treasury and Audit New Zealand have jointly prepared good practice guidance on reporting about performance. The guidance provides good practice examples from public Schools in central government. Those working in other sectors may also find this useful.	On Audit New Zealand's website under good practice. Link: Good practice in reporting about performance — Audit New Zealand (auditnz.parliament.nz)
Local Government Risk Management Practices	Source
The Covid-19 pandemic is a stark reminder for all Schools about the need for appropriate risk management practices. In our audit work, we often see instances where councils do not have effective risk management. This report discusses the current state of local government risk management practices and what councils should be doing to improve their risk management.	On the Office of the Auditor-General's website under publications. Link: Observations on local government risk management practices
Public Accountability	Source
Public accountability is about public Schools demonstrating to Parliament and the public their competence, reliability, and honesty in their use of public money and other public resources. This discussion paper explores how well New Zealand's public accountability system is working in practice.	On the Office of the Auditor-General's website under publications. Link: Building a stronger public accountability system for New Zealanders

Setting and administering fees and levies for cost recovery	Source
<p>This good practice guide provides guidance on settings fees and levies to recover costs. It covers the principles that public Schools should consider when making any decisions on setting and administering fees and levies. It also sets out the matters public Schools should consider when calculating the costs of producing goods or providing services and setting charges to recover those costs.</p>	<p>On the Office of the Auditor-General's website under publications.</p> <p>Link: Setting and administering fees and levies for cost recovery: Good practice guide</p>
<p>The Office of the Auditor-General, the Treasury and Audit New Zealand have jointly prepared good practice guidance on reporting about performance. The guidance provides good practice examples from public Schools in central government. Those working in other sectors may also find this useful.</p>	<p>On Audit New Zealand's website under good practice.</p> <p>Link: Good practice in reporting about performance — Audit New Zealand (auditnz.parliament.nz)</p>
Managing conflicts of interest involving council employees	Source
<p>This article discusses findings across four councils on how conflicts of interest of council employees, including the chief executive and staff, are managed.</p>	<p>On the Office of the Auditor-General's website under publications.</p> <p>Link: Getting it right: Managing conflicts of interest involving council employees</p>
Model financial statements	Source
<p>Our model financial statements reflect best practice we have seen. They are a resource to assist in improving financial reporting. This includes:</p> <ul style="list-style-type: none"> • significant accounting policies are alongside the notes to which they relate; • simplifying accounting policy language; • enhancing estimates and judgement disclosures; and <p>including colour, contents pages and subheadings to assist the reader in navigating the financial statements.</p>	<p>Link: Model Financial Statements</p>

Tax matters

Source

<p>As the leading provider of audit services to the public sector, we have an extensive knowledge of sector tax issues. These documents provide guidance and information on selected tax matters.</p>	<p>On our website under good practice Link: Tax Matters</p>
<p>Sensitive expenditure</p>	<p>Source</p>
<p>The Auditor-General's good practice guide on sensitive expenditure provides practical guidance on specific types of sensitive expenditure, outlines the principles for making decisions about sensitive expenditure, and emphasises the importance of senior leaders "setting the tone from the top". It also describes how Schools can take a good-practice approach to policies and procedures for managing sensitive expenditure.</p>	<p>On the Office of the Auditor-General's website under good practice. Link: Sensitive expenditure</p>
<p>Conflicts of interest</p>	<p></p>
<p>The Auditor-General has published guidance on conflicts of interest. A conflict of interest is when your duties or responsibilities to a public School could be affected by some other interest or duty that you have.</p> <p>The material includes a printable A3 poster, an animated video on predetermination and bias, gifts and hospitality, and personal dealings with a tenderer. There is also an interactive quiz.</p> <p>These can all be used as training resources for your own employees.</p>	<p>On the Office of the Auditor-General's website under 2019 publications. Link: Conflicts of interest</p>

Severance payments	Source
<p>Because severance payments are discretionary and sometimes large, they are likely to come under scrutiny. The Auditor-General has released updated good practice guidance on severance payments. The guide is intended to help public sector employers when considering making a severance payment to a departing employee. It encourages public Schools to take a principled and practical approach to these situations. The update to the 2012 good practice guidance reflects recent case law and changes in accounting standards.</p>	<p>On the OAG's website under 2019 publications. Link: Severance payments</p>
Good practice	Source
<p>The OAG's website contains a range of good practice guidance. This includes resources on:</p> <ul style="list-style-type: none"> • audit committees; • conflicts of interest; • discouraging fraud; • good governance; • service performance reporting; • procurement; • sensitive expenditure; and <p>severance payments.</p>	<p>On the OAG's website under good practice. Link: Good practice</p>