

**NEW ZEALAND POST PRIMARY TEACHERS' ASSOCIATION (INC)**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 31 March 2011**

# New Zealand Post Primary Teachers' Association (Inc)

## Consolidated Statement of Comprehensive Income

For the year ended 31 March 2011

PPTA National 2010 Actual	PPTA Consolidated 2010 Actual	Note	PPTA National 2011 Actual	2011 Budget	PPTA Consolidated 2011 Actual
<b>INCOME</b>					
8,936,506	8,936,506		9,103,920	8,936,000	9,103,920
254,642	288,206		258,952	266,230	282,211
58,121	58,121		7,845	54,000	7,845
1,344	1,344		2,220	2,000	2,220
26,500	26,500		21,000	19,500	21,000
800	800		800	1,500	800
80,000	80,000		474	-	474
23,655	35,550		16,668	29,000	26,073
13,514	13,514		-	-	-
<b>9,395,082</b>	<b>9,440,541</b>		<b>9,411,879</b>	<b>9,308,230</b>	<b>9,444,543</b>
<b>EXPENDITURE</b>					
1,531,734	1,548,617		1,452,389	1,411,450	1,471,826
1,444,796	1,448,979		1,468,758	1,477,660	1,483,584
339,212	339,212		352,374	386,000	352,374
3,179,348	3,179,348		3,381,638	3,341,700	3,381,638
2,057,014	2,057,014		2,311,084	2,280,300	2,311,084
260,970	264,907		255,327	200,000	256,752
87,960	87,960		76,202	50,000	76,202
46,520	46,520		343,707	100,000	343,707
<b>8,947,554</b>	<b>8,972,557</b>		<b>9,641,479</b>	<b>9,247,110</b>	<b>9,677,167</b>
<b>447,528</b>	<b>467,984</b>		<b>(229,600)</b>	<b>61,120</b>	<b>(232,624)</b>
84,094	93,126	(5)	76,390	56,000	82,552
<b>363,434</b>	<b>374,858</b>		<b>(305,990)</b>	<b>5,120</b>	<b>(315,176)</b>
-	-		-	-	-
-	-		-	-	-
<b>363,434</b>	<b>374,858</b>		<b>(305,990)</b>	<b>5,120</b>	<b>(315,176)</b>

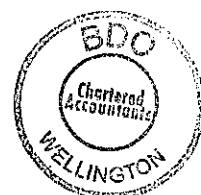


# New Zealand Post Primary Teachers' Association (Inc)

## Consolidated Statement of Changes in Equity

For the year ended 31 March 2011

PPTA National 2010	PPTA Consolidated 2010	Note	PPTA National 2011	PPTA Consolidated 2011
<u>6,074,941</u>	<u>6,901,035</u>	Accumulated Funds Start of year	<u>6,438,375</u>	<u>7,275,893</u>
<u>363,434</u>	<u>374,858</u>	Total Comprehensive income/(deficit)	<u>(305,990)</u>	<u>(315,176)</u>
<u>6,438,375</u>	<u>7,275,893</u>	Accumulated Funds End of Year	<u>6,132,385</u>	<u>6,960,717</u>



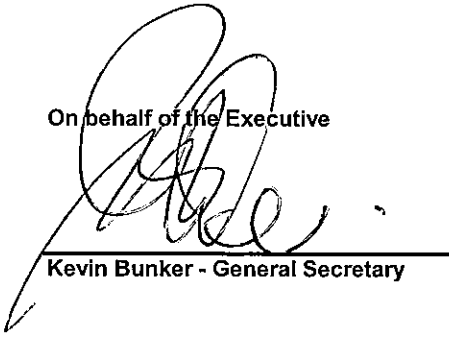
# New Zealand Post Primary Teachers' Association (Inc)

## Consolidated Statement of Financial Position

as at 31 March 2011

PPTA National 2010	PPTA Consolidated 2010		Notes	PPTA National 2011	PPTA Consolidated 2011
<b>Current Assets</b>					
75,343	287,449	Cash at Bank	2	115,450	354,273
16,231	104,435	Accounts Receivable	3	22,271	54,265
5,142	5,142	Imprest Advances		5,142	5,142
4,836,888	5,413,600	Investments	7	5,115,855	5,712,234
14,311	14,311	Income Tax Receivable	5	-	-
369,750	369,750	Other Current Assets		452,238	452,238
<b>5,317,665</b>	<b>6,194,687</b>			<b>5,710,956</b>	<b>6,578,152</b>
<b>Current Liabilities</b>					
167,655	216,429	Trade Creditors		181,537	228,506
793,520	793,520	Employee Creditors	4	962,464	962,464
95,267	95,267	GST Payable		125,286	125,286
67,879	67,879	Accrued Expenses		111,160	111,160
-	-	Income tax Payable	5	4,685	4,685
20,609	20,609	Lease Payments		23,050	23,050
105,148	105,148	Other Current Liabilities		62,580	62,580
<b>1,250,078</b>	<b>1,298,852</b>			<b>1,470,762</b>	<b>1,517,731</b>
<b>4,067,587</b>	<b>4,895,835</b>			<b>4,240,194</b>	<b>5,060,421</b>
<b>Working Capital</b>					
<b>Non Current Assets</b>					
2,641,752	2,651,022	Property, Plant & Equipment	6	2,500,937	2,509,042
316,511	316,511	Investments	7	1,262	1,262
<b>2,958,263</b>	<b>2,967,533</b>			<b>2,502,199</b>	<b>2,510,304</b>
<b>Non Current Liabilities</b>					
70,772	70,772	Lease Payments		47,721	47,721
516,703	516,703	Employee Creditors	4	562,287	562,287
<b>587,475</b>	<b>587,475</b>			<b>610,008</b>	<b>610,008</b>
<b>6,438,375</b>	<b>7,275,893</b>			<b>6,132,385</b>	<b>6,960,717</b>
<b>Net Assets</b>					
<i>Represented by</i>					
<b>Accumulated Funds</b>					
<b>6,438,375</b>	<b>7,275,893</b>	Accumulated Funds		<b>6,132,385</b>	<b>6,960,717</b>

On behalf of the Executive

  
Kevin Bunker - General Secretary

  
Date

# New Zealand Post Primary Teachers' Association (Inc)

## Notes to the Financial Statements

For the year ended 31 March 2011

### 1 Summary of Significant Accounting Policies

#### Reporting Entity

New Zealand Post Primary Teachers' Association (Inc) ("NZPPTA") is an association incorporated in New Zealand under the Incorporated Societies Act 1908. NZPPTA operates as a trade union for post primary teachers in New Zealand.

These financial statements have been prepared in accordance with the Incorporated Societies Act 1908.

#### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by NZPPTA.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. NZPPTA is a qualifying entity for differential reporting purposes as it is not publicly accountable as defined in the Framework for Differential Reporting and is not large as defined.

All differential reporting concessions have been applied in preparing these financial statements.

The financial statements have been prepared using accounting policies and disclosures as are appropriate for a public benefit entity.

The financial statements comprise the separate financial statements of NZPPTA National Office as well as the consolidated financial statements incorporating the financial statements of the regions of NZPPTA.

The information is presented in New Zealand dollars.

#### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

##### a) Accounts Receivable

Accounts Receivable are stated at their estimated net realisable value; being cost less impairment losses.

##### b) Consolidation of Regions

The regions of the NZPPTA are included in the consolidated financial statements using the purchase method.

All significant inter office transactions have been eliminated on consolidation.

##### c) Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis, except that Accounts Receivable and Accounts Payable are stated inclusive of GST.

##### d) Employee Benefits

Provision is made for staff entitlements provided in the Staff Collective Agreement currently in force.

An obligation is recognised when the employee provides the service in exchange for the benefit even though the benefit might only vest and be payable in the future.

The provision for annual leave is calculated on an actual and anticipated future entitlement basis at current and projected rates of pay.

Sick pay is accrued only where a known liability in excess of annual sick leave entitlement is probable.

The provision for long service leave and retirement leave is calculated on the projected unit credit method, bringing to account the current estimate of future payments in respect of service that employees have accumulated at balance date. The obligation is discounted to present value using the yield on equivalent term Corporate Bonds.

NZPPTA makes contributions on behalf of employees to superannuation schemes. These are designated as "Defined Contribution Plans" in terms of NZ IAS 19.44, and the expense is recognised as the obligation to make contributions on behalf of employees is incurred.

Other employee entitlements are accounted for when due or when a known or anticipated liability exists.



# New Zealand Post Primary Teachers' Association (Inc)

## Notes to the Financial Statements

For the year ended 31 March 2011

### e) Property, Plant & Equipment

Items of property, plant & equipment are stated at cost less accumulated depreciation. Depreciation is calculated on a straight line basis, at the IRD recommended rates, which are expected to reduce carrying values to estimated residual values over the useful lives of the assets. The broad category rates at which assets are depreciated are:-

Buildings	3.0%
Building alterations	7.8%
Computers	36.0%
Motor Vehicles	21.6%
Office Equipment	28.8%
Furniture & Fittings	12.0%

When an item of property, plant and equipment is disposed of, any gain or loss is recognised in the Consolidated Statement of Comprehensive Income and is calculated as the difference between the sale price and the carrying value of the item

### f) Taxation

The income tax expense charged to the Consolidated Statement of Comprehensive Income includes both the current year's provision and the income tax effect of:

- \* Taxable temporary differences, except those arising from initial recognition of assets that are not depreciated; and
- \* Deductible temporary differences to the extent that it is probable that they will be utilised.

Taxation is provided on the taxes payable method and deferred tax is not recognised.

### g) Operating Leases

Operating lease payments are included in the Consolidated Statement of Comprehensive Income in equal instalments over the period of the lease.

### h) Financial Instruments

Financial instruments are recognised in the balance sheet when NZPPTA becomes party to a financial contract. They include cash balances, receivables, payables, and investments in and loans to others.

Non-derivative financial instruments are initially recognised at fair value. Financial assets are derecognised if NZPPTA's contractual rights to the cash flows expire or if the association transfers the financial asset to another party without retaining control. Financial liabilities are derecognised if NZPPTA's obligations under the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits.

### i) Comparative Figures

When the presentation or classification of items in the financial statements has been amended, comparative amounts have been reclassified.

### j) Investments

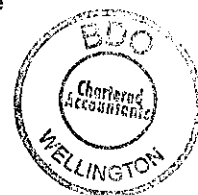
Investments are limited to term deposits with major trading banks. A term deposit is classified as an Investment when it has a maturity at acquisition greater than 3 months. Investments with less than 12 months to maturity are recognised as Current.

### k) Budget Figures

The budget figures are those approved by the Executive at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Executive for the preparation of the financial statements.

### l) Revenue Recognition

All income is recognised when earned and is reported in the financial period to which it relates. All overseas income has been brought into account in the New Zealand dollar equivalent ruling as at the date such income was derived.



# New Zealand Post Primary Teachers' Association (Inc)

## Notes to the Financial Statements

For the year ended 31 March 2011

### m) Impairment

The carrying amounts of the NZPPTA's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

Estimated recoverable amount of assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### n) Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates, judgements and assumptions are based on historical and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of NZ IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year relate to the following in particular:-

- Employee long service entitlements
- Recoverable amount on account of receivables
- Provisions and contingencies

### Changes in Accounting Policies

All accounting policies have been applied in accordance with generally accepted accounting policies in New Zealand and there have been no changes to the accounting policies adopted by NZPPTA in the 31 March 2011 year.



# New Zealand Post Primary Teachers' Association (Inc)

## Notes to the Financial Statements

For the year ended 31 March 2011

	2011 \$	2010 \$
<b>2 Cash at Bank</b>		
Bank of New Zealand Cheque Account	99,915	75,088
Bank of New Zealand Current Account	15,462	183
National Bank Current Account	73	72
<b>Total Cash at Bank at National Office</b>	<u>115,450</u>	<u>75,343</u>
Plus - Cash at Bank held by Regions	238,823	212,106
<b>Total Cash at Bank</b>	<u><u>354,273</u></u>	<u><u>287,449</u></u>

<b>3 Accounts Receivable</b>		
Balances outstanding	34,137	28,098
Provision for doubtful debts	(11,867)	(11,867)
<b>Total accounts Receivable by National Office</b>	<u>22,270</u>	<u>16,231</u>
Accounts Receivable by Regions	31,994	88,204
<b>Total Accounts Receivable</b>	<u><u>54,264</u></u>	<u><u>104,435</u></u>

The provision for doubtful debts is considered adequate provision for non-collectible accounts.

<b>4 Employee Creditors</b>		
Annual and Long Service Leave	871,709	800,832
Retirement Leave Accrual	536,286	465,471
Superannuation Contributions	-	-
Other Employee benefits and accruals	116,756	43,920
	<u>1,524,751</u>	<u>1,310,223</u>

Included in employee creditors are amounts due to the IRD for PAYE and ACC.

Employee Creditors are disclosed as follows:-

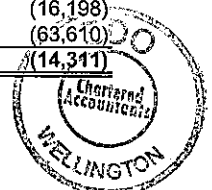
Current Liability	962,464	793,520
Non-Current Liability	562,287	516,703
	<u>1,524,751</u>	<u>1,310,223</u>

	2011 National Office \$	2011 Consolidated \$	2010 National Office \$	2010 Consolidated \$
<b>5 Income Tax</b>				
<b>Recognised in the Income Statement</b>				
Surplus (deficit) for the year	(305,990)	(315,176)	447,528	467,984
Tax at 30%	(91,797)	(94,553)	134,258	154,435
Imputation Credits on Investment Income	-	-	-	-
Permanent and Timing Differences	168,187	177,105	(50,164)	(61,309)
Income Tax Expense	<u>76,390</u>	<u>82,552</u>	<u>84,094</u>	<u>93,126</u>

Permanent differences arise because much of NZPPTA's activities are tax exempt.

### Current Income Tax Payable/(Receivable)

Opening Balance	(14,311)	(14,311)	(26,157)	(26,157)
Use of Money Interest	(399)	(399)	(1,464)	(1,464)
Tax adjustments	-	-	(8)	(8)
Current Taxation	76,390	82,552	84,094	93,126
Current Year Tax Paid	(12,000)	(12,000)	(16,198)	(16,198)
Resident Withholding Tax Paid	(44,995)	(51,157)	(54,578)	(63,610)
	<u>4,685</u>	<u>4,685</u>	<u>(14,311)</u>	<u>(14,311)</u>



# New Zealand Post Primary Teachers' Association (Inc)

## Notes to the Financial Statements

For the year ended 31 March 2011

### 6 Property, Plant & Equipment

	Cost \$	Accumulated Depreciation \$	Book Value 2011 \$	Depreciation 2011 \$	Book Value 2010 \$
Buildings - Willis Street Premises	2,260,000	334,662	1,925,338	67,800	1,993,139
Buildings - President's Apartment	370,896	61,891	309,005	14,738	312,125
Computers	749,307	599,157	150,150	113,978	168,205
Office Equipment	380,878	331,872	49,006	39,689	85,434
Furniture & Fittings	286,668	225,134	61,534	19,093	78,391
Furniture & Fittings - President's Apartment	26,379	20,475	5,904	30	4,458
<b>Total National Office</b>	<b>4,074,128</b>	<b>1,573,191</b>	<b>2,500,937</b>	<b>255,328</b>	<b>2,641,752</b>
<b>Regional Offices - Total</b>	<b>100,348</b>	<b>94,078</b>	<b>9,270</b>	<b>3,937</b>	<b>9,270</b>
<b>Total Consolidated</b>	<b>4,174,476</b>	<b>1,667,269</b>	<b>2,510,207</b>	<b>259,265</b>	<b>2,651,022</b>

### 7 Investments

	2011 \$	2010 \$
Term Deposits	5,100,630	5,119,189
Staff Mortgage Loan	16,487	34,120
<b>National Office</b>	<b>5,117,117</b>	<b>5,153,309</b>
<b>Regions</b>	<b>596,379</b>	<b>576,712</b>
<b>Consolidated</b>	<b>5,713,496</b>	<b>5,730,021</b>

	2011 National Office \$	2011 Consolidated \$	2010 National Office \$	2010 Consolidated \$
Investments are disclosed as follows:-				
Current	5,115,855	5,712,234	4,836,888	5,413,600
Non-Current	1,262	1,262	316,511	316,511
	<b>5,117,117</b>	<b>5,713,496</b>	<b>5,153,399</b>	<b>5,730,111</b>

These are "held to maturity" financial assets, being non-derivative financial assets with fixed or determinable payments and fixed maturity dates that NZPPTA has the positive intention to hold to maturity.

The term deposits are invested at interest rates ranging from 4.6% to 5.3% p.a. and have maturity dates ranging from six months to 18 months.

The staff mortgage loan is a variable interest rate loan with interest rates set in January and July at 1% less than the average floating rate of three trading banks. Repayments are set at \$727.72 every fortnight. At current interest rates, the loan is due to be repaid on 4 March 2012.

### 8 Operating Leases

	2011 \$	2010 \$
The association has the following operating lease commitments:		
Within one year	273,975	285,933
One to two years	173,933	211,598
Two to five years	201,603	222,324
Over 5 years	207,370	416,720
	<b>856,881</b>	<b>1,136,575</b>

The operating leases are of a non-cancellable commercial nature and are on normal commercial terms and conditions.



# New Zealand Post Primary Teachers' Association (Inc)

## Notes to the Financial Statements

For the year ended 31 March 2011

### 9 Financial Instruments

Exposure to credit, interest rate and liquidity risk arise in the ordinary course of operations for NZPPTA.

Revenue and expenses in relation to financial instruments are recognised in the Consolidated Statement of Comprehensive Income

The fair value of financial instruments is equivalent to the carrying amount disclosed in the Balance Sheet.

Concentrations of credit risk include the association's banking arrangements and accounts receivable. Most funds are held with the Bank of New Zealand and with The National Bank. Management reduces counterparty, credit and currency risk by spreading its investments amongst reputable financial institutions.

### 10 Contingent Liabilities

There are no known material contingent liabilities as at 31 March 2011 (2010: nil).

### 11 Capital Commitments

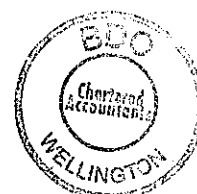
There were no capital commitments at 31 March 2011

At 31 March 2010 NZPPTA had committed to spend \$50,000 on new Caseware software

### 12 Related Parties

*Transactions with key management personnel*

	2011	2010
	\$	\$
Key management personnel compensation includes		
Short-term employee benefits	178,126	173,056
Long-term employee benefits	2,600	2,600



New Zealand Post Primary Teachers' Association (Inc)

Detailed Schedule of Expenses  
For the year ended 31 March 2011

PPTA National 2010 Actual	PPTA Consolidated 2010 Actual		PPTA National 2011 Actual	Budget 2011	PPTA Consolidated 2011 Actual
<b>ADMINISTRATION EXPENSES</b>					
94,483	94,483	Building Expenses	118,266	95,550	118,266
454,276	454,276	General Expenses	438,257	430,700	438,257
51,829	51,829	Information Technology	50,334	50,000	50,334
890,468	890,468	Staff Costs	818,713	807,200	818,713
11,363	11,363	Interest Expense	9,170	12,000	9,170
17,843	17,843	Audit Fees-National Office Auditors	19,200	16,000	19,200
11,472	11,472	Other Services National Office Auditors	2,419	-	2,419
-	-	Loss On Sale Of Fixed Assets	-	-	-
-	18,883	Audit Fees Other firms	-	-	19,437
<b>1,531,734</b>	<b>1,548,817</b>	<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>1,452,389</b>	<b>1,411,450</b>	<b>1,471,826</b>
<b>GENERAL SECRETARIAT</b>					
162,496	162,496	Annual Conference	145,188	150,000	145,185
195,505	195,505	Executive Expenses	212,795	201,500	212,795
53,565	53,565	General Expenses	60,185	59,200	60,185
220,814	220,814	President's Expenses	228,366	226,400	228,368
3,593	3,593	Special Groups	710	6,500	710
326,399	330,582	Regional Expenses	351,225	342,000	368,051
293,586	293,586	Staff Costs	298,130	287,500	298,130
-	12,725	Whaea & Kaumatua	-	7,000	-
201,563	201,563	External Relations	172,161	197,560	172,161
-	-	Special Projects	-	-	-
<b>1,444,796</b>	<b>1,448,979</b>	<b>TOTAL GENERAL SECRETARIAT</b>	<b>1,488,758</b>	<b>1,477,660</b>	<b>1,483,584</b>
<b>MAORI ACTIVITIES</b>					
42,624	42,624	Te Huarahi Huis	39,936	55,000	39,938
474	474	Te Huarahi Conferences	12,313	5,000	12,313
31	31	Kaupapa Maori	-	0	-
4,715	4,715	Te Reo A Rohe	2,987	10,000	2,987
36,974	36,974	Maori Teachers' Conference	33,226	65,000	33,226
8,851	8,851	Maori Teachers' Conference Misc	6,887	8,000	6,887
2,540	2,540	Whaea & Kaumatua	5,339	4,500	5,339
784	784	Maori Contributions to Key W/P	1,411	10,000	1,411
15,745	15,745	Kapa Haka	101	5,000	101
207	207	Conference Calls	-	800	-
30,133	30,133	Nga Manu Korero	33,505	34,500	33,505
193,219	193,219	Staff Costs	211,489	183,200	211,489
4,545	4,545	General Expenses	5,178	5,000	5,178
<b>339,212</b>	<b>339,212</b>	<b>TOTAL MAORI ACTIVITIES</b>	<b>362,374</b>	<b>386,000</b>	<b>352,374</b>
<b>MEMBERSHIP</b>					
235,225	235,225	General Expenses	174,148	190,200	174,146
2,313,383	2,313,383	Staff Costs	2,524,979	2,554,000	2,524,979
173,749	173,749	Training Activities	161,917	163,000	161,917
135,601	135,601	Auckland Field Office	151,276	128,500	151,276
73,948	73,948	Christchurch Field Office	89,898	69,000	89,898
30,493	30,493	Dunedin Field Office	35,875	29,500	35,875
81,951	81,951	Hamilton Field Office	91,741	75,000	81,741
135,098	135,098	Palmerston North Field Office	152,008	132,500	152,008
<b>3,179,348</b>	<b>3,179,348</b>	<b>TOTAL MEMBERSHIP EXPENSES</b>	<b>3,381,638</b>	<b>3,341,700</b>	<b>3,381,638</b>
<b>POLICY AND ADVOCACY</b>					
439,053	439,053	Association Activities	329,623	435,000	329,623
19,812	19,812	Collective Agreement	363,571	216,000	363,571
63,005	63,005	General Expenses	22,116	89,000	22,116
167,385	167,385	Information Services	168,731	170,000	168,731
54,156	54,156	Principals' Council	56,582	45,300	56,582
1,313,623	1,313,623	Staff Costs	1,370,461	1,345,000	1,370,461
<b>2,057,014</b>	<b>2,057,014</b>	<b>TOTAL POLICY &amp; ADVOCACY</b>	<b>2,311,684</b>	<b>2,280,300</b>	<b>2,311,084</b>
<b>OTHER</b>					
260,970	264,907	Depreciation Expense	255,327	200,000	256,752
87,960	87,960	Legal Expenses	76,202	50,000	76,202
46,520	46,520	Campaign Reserve	343,707	100,000	343,707
<b>395,450</b>	<b>399,387</b>		<b>675,236</b>	<b>350,000</b>	<b>676,661</b>
<b>8,047,554</b>	<b>8,872,557</b>	<b>TOTAL EXPENDITURE</b>	<b>8,841,479</b>	<b>8,247,110</b>	<b>9,677,167</b>



**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of New Zealand Post Primary Teachers Association Inc.**

**Report on the Financial Statements**

We have audited the financial statements of New Zealand Post Primary Teachers Association Inc. on pages 2 to 11, which comprise the statement of financial position as at 31 March 2011, and the statement of changes in equity, and statement of comprehensive income (single statement approach), for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Members, as a body, in accordance with the Constitution of New Zealand Post Primary Teachers Association Inc. Our audit has been undertaken so that we might state to the Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Executive Committee's Responsibility for the Financial Statements**

The Executive Committee are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Executive Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, New Zealand Post Primary Teachers Association Inc.

**Opinion**

In our opinion, the financial statements on pages 2 to 11, present fairly, in all material respects, the financial position of New Zealand Post Primary Teachers Association Inc. as at 31 March 2011, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

Our audit was completed on 18 July 2011 and our opinion is expressed as at that date.

**BDO Wellington**

*BDO Wellington*  
Chartered Accountants  
WELLINGTON