



IPCA

Independent Police
Conduct Authority

Whaia te pono, kia puawai ko te tika

Statement of Performance Expectations 2015/16

Independent Police Conduct Authority

Copyright ©

This copyright work is licensed under the Creative Commons Attribution 3.0 license. In essence you are free to copy, distribute and adapt the work, as long as you attribute the work to the Independent Police Conduct Authority (the Authority) and abide by the other license terms.

To view a copy of this license, visit <http://creativecommons.org/licenses/by.3.0/nz>. Please note that this license does not apply to any logos, emblems and/or trademarks that may be placed on the Authority's website or to the Authority's website design elements. Those specific items may not be reused without express permission



Contents

Preamble 4

Overview of services for 2015/16 5

Summary of outputs & output expenses for 2015/16 7

Category definitions 8

Key measures for our outputs 9

Impact measures 11

Annex 1: Forecast financial statements 2015/16 – 2018/19 12

Annex 2: Notes to and forming part of the financial statements 16

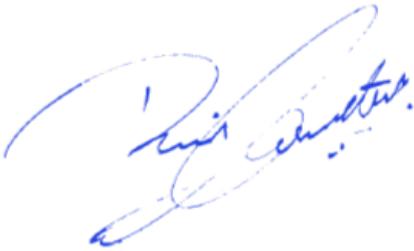
Annex 3: Critical judgments in applying the Authority’s accounting policies 21



Preamble

This Statement of Performance Expectations has been prepared in accordance with the requirements of sections 141 and 142 of the Crown Entities Act 2004.

It aligns with the Independent Police Conduct Authority's (the Authority's) 2014/15 – 2017/18 Statement of Intent and describes the Authority's performance measures and annual forecast financial statements. The Statement of Performance Expectations should be read in conjunction with the Statement of Intent.



Judge Sir David Carruthers, KNZM

Chair

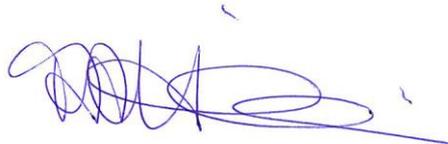
5 June 2015



Dianne Macaskill

Member

5 June 2015



Angela Hauk-Willis

Member

5 June 2015

Overview of services for 2015/16

FUNDING

The Authority is funded by the Crown through the Vote Justice Non-Departmental Output Class, 'Equity Promotion and Protection Services'. The purchase of outputs within this appropriation is solely by the Minister of Justice and is detailed in the Estimates of Appropriations for Vote Justice and the Authority's Statement of Intent 2014/15 to 2017/18.

During the 2015/16 financial year the Authority's Vote Justice revenue will be \$3.811 million (GST exclusive). All figures in this document are GST exclusive.

SCOPE OF APPROPRIATION

The scope of the Authority's appropriation, as detailed in the Estimates of Appropriations, is to investigate incidents and investigate and resolve complaints against the Police, and to uphold the rights of persons in Police detention.

CONSULTATION WITH, AND REPORTING TO, OUR RESPONSIBLE MINISTER

The Authority will consult with the Minister of Justice, our Responsible Minister, on our activities for the purposes of financial accountability and ensuring that our outputs are being delivered. We will also inform the Minister as appropriate on such issues as may result in significant media, public, or parliamentary attention. The Authority will also work constructively with the Ministry of Justice as the Minister's 'Monitoring Department'.

The Authority will provide the Minister with four-monthly performance reports covering key results and performance highlights, any emerging issues, and significant performance variances or risks.

FINANCIAL STRATEGY

Managing in a tight fiscal environment

The Authority's financial management is designed to ensure financial sustainability and prudent expenditure that is directed to meeting the organisation's priorities and goals.

In the 2014/15 financial year the Authority's reserve reached the minimum sustainable level. The forecast financial statements provided below have been prepared on the assumption that the Authority will not receive additional government funding during the forecast period. They are therefore based on a reduction in expenditure on routine operations in order both to ensure the maintenance of a prudent level of working capital and to allow for the accumulation of some reserves for future capital expenditure. This will make it difficult for the Authority to meet any unexpected demand for its services.

Expenditure will continue to be prioritised towards key services and outputs, and in particular the management and investigation of complaints and serious incidents referred by the Police. As a result, the resources devoted to discharging the Authority's function of monitoring Police custodial facilities under the Crimes of Torture Act will be kept at a minimum level until our financial position improves.

Given that our people are our greatest single area of investment and cost, we will set pay and employment conditions that are realistic but mindful of retention risks.

We will continue to review how our services can be delivered more effectively and to a higher standard and implement appropriate changes to our operations. In particular, in 2015/16 we will complete a review of all corporate services and implement decisions to ensure that they are being delivered by the right people in the most effective and efficient way. We will also complete a new IT strategy to identify required levels of future capital expenditure and to ensure the most efficient form of service delivery.

The Authority's financial performance is reviewed by the Board on a monthly basis. In addition, the budget is reviewed and where necessary adjusted during the financial year in the light of expenditure trends and needs.

Summary of outputs & output expenses for 2015/16

The forecast expenses for the Authority's output class, and the total forecast revenue, are provided below:

Forecast output class expenditure: **\$4,027,631**

OUTPUT CLASS: Investigate and resolve complaints against the Police, and to uphold the rights of persons in Police detention

Output 1: Receive, manage, and ensure resolution of complaints.

Output 2: Carry out Independent and timely investigations into Police Conduct and report on these as required.

Output 3: Make recommendations for improved Police conduct, practices, policies and procedures, based on the results of investigations, and monitor their implementation.

Output 4: Monitor and report on places of Police detention.

TOTAL: Forecast output expenditure **\$4,027,631**

Forecast revenue:

Forecast Revenue Crown **\$3,811,000**

Forecast interest revenue **\$24,177**

TOTAL: Forecast revenue **\$3,835,177**

Category definitions

In order to allocate resources most effectively, the Authority categorises cases by level of seriousness. The most serious complaints are investigated while those of a less serious nature are generally referred to Police for investigation under the Authority's oversight.

Categories range from the most serious, Category 1, to minor matters, Category 5.

Category 1:

IPCA investigation. This category covers all instances of death or serious bodily harm associated with Police actions, and serious complaints with high public interest. The Authority's investigators will independently investigate, usually in parallel with Police.

Category 2:

Serious – Police investigation. This category covers incidents that may lead to prosecution of Police officers, for example allegations of assault. The Authority will actively oversee the Police investigation.

Category 3:

Significant complaints of substance – Police investigation. These could include, minor or non-injury assaults, property damage, serious traffic matters, or a failure to report significant matters. The Authority will fully review the Police investigation at its conclusion.

Category 4:

Conciliation. Complaints in this category are defined as those most appropriate for conciliation. They include, for example, excessive delay, inappropriate racial comments, and inappropriate use of any Police information system not amounting to corruption.

Category 5:

No further action. Complaints are defined as minor or older than 12 months at the time of reporting, or complaints that have been declined by the Authority but may still be of interest to the Police. These minor complaints require no action by the Authority.

Key measures for our outputs

At the beginning of the 2015 financial year the Authority implemented a new performance reporting framework. These new measures have worked well and present a clear view of the Authority's performance. However, the targets outlined below are stretched and as such have not been fully met in 2014/15. The Authority is confident that it will move towards full compliance of these measures in the coming years. Some targets whereby the Authority has not achieved fall out of the Authority's control and explanations for this are outlined below:

OUTPUT MEASURES

Output measure 1: *Receive and manage complaints and incidents*

<i>Measures</i>	<i>Performance target forecast</i>	<i>How it will be measured</i>
	2015/16-2018/19	
All notifications of new complaints and incidents are acknowledged within seven days	95%	The Authority's database
All new complaints and incidents are categorised and decisions made about the appropriate actions are taken within 42 days	95%	The Authority's database

Output measure 2: *Independent, high quality and timely investigations and reviews*

<i>Measures</i>	<i>Performance target forecast</i>	<i>How it will be measured</i>
	2015/16-2018/19	
Reviews of Police investigations for Category 2 and 3 files will be completed by the Authority within 28 days of receiving the file from Police	90%	The Authority's database
Independent investigations carried out by the IPCA will be concluded as soon as practicable ¹	90% within 12 months 99% within 24 months	The Authority's database
For each Category 1 case that proceeds to a full investigation, an investigation plan, milestones and a completion date will be set and monitored	100% of investigations	The Authority's investigation files

¹ Cases whereby there are issues outside of the Authority's control for example, on-going court proceedings, impact on the Authority's timeliness output measure and its ability to achieve the set performance target.

Reports as a result of Category 1 investigations are clear, consistent and well-structured and have well-argued conclusions.	100% of reports meet required standard	Five reports are independently peer reviewed
------------------------------------------------------------------------------------------------------------------------------	----------------------------------------	----------------------------------------------

Output measure 3: *Make recommendations for improved Police conduct, policies, practices and procedures, and monitoring implementation of those recommendations*

<i>Measures</i>	<i>Performance target forecast</i>	<i>How it will be measured</i>
	2015/16-2018/19	
All systemic issues identified by the IPCA relating to Police practices, policies and procedures are raised and discussed with Police prior to the completion of the relevant review or independent investigation	100%	The Authority's database

Output measure 4: *Monitor places of Police detention*

<i>Measures</i>	<i>Performance target forecast</i>	<i>How it will be measured</i>
	2015/16-2018/19	
All complaints and referrals indicating systemic custodial management issues are investigated and required improvements recommended.	100%	The Authority's database
All routine audits of compliance with the National Standards are undertaken as agreed.	100%	The Authority's record of visits
On-going performance audits of compliance with the National Standard are agreed with Police by 30 September 2015	Achieved	Programme of Audits

Impact measures

Impact measure 1: *Improved satisfaction relating to the work of the Authority*

<i>Measure</i>	<i>Performance target forecast</i>	<i>How it will be measured</i>
	2015/16-2018/19	
Participants in surveys are satisfied with their contact with Authority staff	75% are satisfied	Authority's complainant and Police satisfaction survey introduced in 2014/15
Participants in surveys are satisfied with the Authority's investigation processes	75% are satisfied	Authority's complainant and Police satisfaction survey introduced in 2014/15
Participants in surveys are satisfied with the Authority's review processes	75% are satisfied	Authority's complainant and Police satisfaction survey introduced in 2014/15

Impact measure 2: *Make recommendations for improved Police conduct, policies, practices and procedures and monitoring during the course of investigations, and monitoring implementation of those recommendations*

<i>Measure</i>	<i>Performance target forecast</i>	<i>How it will be measured</i>
	2015/16-2018/19	
All recommendations for improved Police policies, practices and procedures are accepted by Police	90%	A shared spreadsheet with Police and the Authority's database

Annex 1: Forecast financial statements 2015/16 – 2018/19

FORECAST STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE

	Forecast 2015/16 (\$)	Forecast 2016/17 (\$)	Forecast 2017/18 (\$)	Forecast 2018/19 (\$)
Income				
Income				
Revenue from Crown	3,811,000	3,811,000	3,811,000	3,811,000
Other Income	16,000	16,000	16,000	16,000
Interest income	35,270	42,228	45,632	47,638
Total Income	3,862,270	3,869,228	3,872,632	3,874,638
Less Expenses				
Remuneration to auditors	31,920	31,920	32,878	32,878
Amortisation	20,822	16,300	15,311	16,996
Communication charges	36,000	36,000	37,080	37,080
Loss on Disposal of Assets	-	-	-	-
Depreciation	100,558	80,091	60,788	54,557
Personnel	2,646,975	2,830,475	2,858,779	2,887,367
Training	3,000	10,000	10,000	10,000
Printing and Stationary	26,000	26,000	26,780	26,780
Professional fees	55,000	55,000	56,650	56,650
Rent	375,350	375,350	384,751	384,751
Services and supplies	195,000	225,000	245,000	245,000
Subscriptions	15,000	15,000	15,450	15,450
Travel and accommodation	75,000	75,000	75,000	75,000
Total Expenses	3,580,625	3,776,135	3,818,467	3,842,508
Net Surplus	281,645	93,093	54,165	32,130

FORECAST STATEMENT OF FINANCIAL POSITION THROUGH TO 2019

	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19
	(\$)	(\$)	(\$)	(\$)
Public Equity				
Retained earnings	494,964	776,610	869,702	923,868
Current profit	281,645	93,093	54,165	32,130
Total	776,610	869,703	923,867	955,998
Current Assets				
Cash & cash equivalents	741,816	891,969	975,441	1,030,123
GST receivable	21,560	22,855	23,887	23,887
Total	763,376	914,824	999,327	1,054,010
Current Liabilities				
Bank overdraft	-	-	-	-
Creditors	52,792	57,757	60,995	60,995
Employee entitlements	189,675	189,675	189,675	189,675
GST payable	-	-	-	-
Total	242,467	247,432	250,670	250,670
Working Capital	520,909	667,392	748,657	803,340
Non-Current Assets				
Property, plant & equipment	305,108	243,016	206,227	175,671
Intangible assets	62,093	60,794	60,482	58,487
Total	367,201	303,810	266,710	234,158
Non-Current Liabilities				
Lease Inducement Accrual	111,500	101,500	91,500	81,500
Net Assets	776,610	869,702	923,867	955,998

FORECAST STATEMENT OF CASH FLOWS THROUGH TO 2019

	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19
CASHFLOWS FROM OPERATING ACTIVITIES				
<i>Cash Was Provided From:</i>				
Govt grant	3,811,000	3,811,000	3,811,000	3,811,000
Other Income	16,000	16,000	16,000	16,000
Interest Received	35,270	42,228	45,632	47,638
<i>Cash Was Applied To:</i>				
Payments to Suppliers	(817,442)	(844,307)	(880,351)	(883,589)
Net GST Paid	3,689	(1,295)	(1,032)	-
Payment to Employees	(2,646,975)	(2,830,474)	(2,858,777)	(2,887,367)
Net Cash Inflow/(Outflow) from Operating Activities	401,542	193,152	132,472	103,683
CASHFLOW FROM INVESTING ACTIVITIES				
<i>Cash Was Provided From:</i>				
Proceeds from Sale of PP&E	-	-	-	-
Proceeds from Sale of Investments	-	-	-	-
<i>Cash Was Applied To:</i>				
Purchase of PP&E	(80,000)	(18,000)	(24,000)	(24,000)
Purchase of Intangibles	(7,200)	(15,000)	(15,000)	(15,000)
Loans Made	-	-	-	-
Net Cash Inflow/(Outflow) from Investing Activities	(87,200)	(33,000)	(39,000)	(39,000)
CASHFLOWS FROM FINANCING ACTIVITIES				
<i>Cash Was Provided From:</i>				
Leasehold Inducement Received	-	-	-	-
<i>Cash Was Applied To:</i>				
Leasehold rental	(10,000)	(10,000)	(10,000)	(10,000)
Net Cash Inflow/(Outflow) from Financing Activities	(10,000)	(10,000)	(10,000)	(10,000)
Net Increase/(Decrease) in Cash	304,343	150,152	83,472	54,682
Opening Cash	437,474	741,816	891,969	975,441
Closing Cash	741,816	891,969	975,441	1,030,123
<i>Represented By:</i>				
Cash & cash equivalents	741,816	891,969	975,441	1,030,123

RECONCILIATION OF CASH FLOW WITH REPORTED OPERATING SURPLUS FOR THE YEAR ENDED 30 JUNE

CASHFLOWS FROM OPERATING ACTIVITES	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19
Net Surplus/(Deficit)	281,645	93,093	54,165	32,130
<i>Add Non Cash Items</i>				
Gain on Sale	-	-	-	-
Depreciation	100,559	80,091	60,788	54,557
Amortisation	20,822	16,300	15,311	16,996
Loss on disposal of assets	-	-	-	-
Other	-	-	-	-
Total	403,026	189,483	130,264	71,553
<i>Movements in Working Capital Items</i>				
(increase)/decrease in receivables	-	-	-	-
(increase)/decrease in accrued interest	-	-	-	-
increase/(decrease) in Creditors and other payables	(5,172)	4,965	3,238	-
increase/(decrease) in Employee Entitlements	-	-	-	-
increase/(decrease) in GST payables	3,689	(1,296)	(1,031)	-
			-	-
Total	(1,483)	3,669	2,207	-
Net Cash In/(Out) from Operating Activities	401,542	193,152	132,472	103,683

Annex 2: Notes to and forming part of the financial statements

STATEMENT OF UNDERLYING ASSUMPTIONS

Significant assumption

The opening position of the forecasted statements is based on un-audited results for 2015/2016.

Nature of forecasted financial statements

The forecasted financial statements have been prepared as a best efforts indication of the Independent Police Conduct Authority's future financial performance. Actual financial results achieved for the period covered are likely to vary from the information presented, potentially in a material manner.

Reporting entity

The reporting entity is the Independent Police Conduct Authority, a Crown entity as defined by the Crown Entities Act 2004, and is domiciled in New Zealand. As such, the Independent Police Conduct Authority's ultimate parent is the New Zealand Crown.

The principal activity of the Independent Police Conduct Authority is to assess complaints made by members of the public against the Police. The primary objective is to provide public services to the New Zealand public, as opposed to that of making a financial return.

Accordingly, the Independent Police Conduct Authority has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS").

Basis for preparation

Statement of compliance

The forecast financial statements of the Independent Police Conduct Authority have been prepared with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice ('NZ GAAP').

The forecast financial statements comply with the NZ IFRS and other applicable financial reporting standards as appropriate for public benefit entities.

Measurement base

The forecast financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

Functional and presentation currency

The forecast financial statements are presented in New Zealand dollars, rounded to the nearest one dollar. The functional currency of the Independent Police Conduct Authority is New Zealand dollars.

SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted in the preparation and presentation of the forecast financial statements:

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable.

Revenue from the Crown

The Independent Police Conduct Authority is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of the Independent Police Conduct Authority meeting its objectives as specified in the statement of intent.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

Interest

Interest revenue is recognised using the effective interest method.

Operating leases

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the forecast statement of comprehensive income as an expense, in equal instalments over the lease term when the leased items are in use.

Where the leased items are not in use, the operating lease payments will be treated as a prepayment until the items are being used to derive income. These prepayments are released to the forecast statement of comprehensive income on a straight line basis over the period of the remaining operating lease term.

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less any provision for impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Investments

Investments consist of bank deposits with original maturities greater than three months but less than one year.

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

For bank deposits, impairment is established when there is objective evidence that the Independent Police Conduct Authority will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into receivership or liquidation, and default in payments are considered indicators that the deposit is impaired.

Property, plant and equipment

Property, plant and equipment asset classes consist of office equipment, furniture and fittings and leasehold improvements.

Property, plant and equipment are shown at cost or valuation, less any accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Independent Police Conduct Authority and the cost of the item can be measured reliably.

Cost includes consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the forecast statement of comprehensive income.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Independent Police Conduct Authority and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the forecast statement of comprehensive income as they are incurred.

Depreciation

Depreciation is calculated on a diminishing value basis on property, plant and equipment once in the location and condition necessary for its intended use so as to write off the cost or valuation of the property, plant and equipment over their expected useful life to its estimated residual value.

The following estimated rates are used in the calculation of depreciation:

Office equipment	25.0% DV
Furniture & fittings	25.0% DV
Leasehold improvements	25.0% DV

Intangible assets

Software acquisition

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of the Independent Police Conduct Authorities website are recognised as an expense when incurred.

Software is a finite life intangible and is recorded at cost less accumulated amortisation and impairment.

Amortisation

Amortisation is charged on a diminishing value basis over the estimated useful life of the intangible asset.

The following amortisation rate is used in the calculation of amortisation:

Software	25.0% DV
----------	----------

Impairment

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset’s ability to generate net cash inflows and where the Independent Police Conduct Authority would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset’s carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The impairment loss is recognised in the forecast statement of comprehensive income.

Financial liabilities

Creditors and other payables

Creditors and other payables, comprising trade creditors and other accounts payable, are recognised when the Independent Police Conduct Authority becomes obliged to make future payments resulting from the purchase of goods and services.

Employee entitlements

Short-term employee entitlements

Provisions made in respect of employee benefits expected to be settled within 12 months of reporting date, are measured at the best estimate of the consideration required to settle the obligation using the current remuneration rate expected.

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

The Independent Police Conduct Authority recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to Kiwisaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the forecast statement of comprehensive income as incurred.

Goods and Services Tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue is included as part of current assets or current liabilities in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Independent Police Conduct Authority is a public authority and consequently is exempt from the payment of income tax. Accordingly no charge for income tax has been provided for.

Cash flow statement

The Cash Flow Statement is prepared exclusive of GST, which is consistent with the method used in the statement of comprehensive income.

Definitions of the terms used in the cash flow statement are:

“Cash” includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash and includes at call borrowings such as bank overdrafts, used by the entity as part of its day to day cash management.

“Investing activities” are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.

“Financing activities” are those activities relating to changes in equity of the entity.

“Operating activities” include all transactions and other events that are not investing or financing activities.

Annex 3: Critical judgments in applying the Authority's accounting policies

In the application of New Zealand International Financial Reporting Standards (NZ IFRIS), management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The 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 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 effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.



Whaia te pono, kia puawai ko te tika

PO Box 25221, Wellington 6146

Freephone 0800 503 728

www.ipca.govt.nz
