

# 2013 Annual Report

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**Te Kura**

TE AHO O TE KURA POUNAMU

THE CORRESPONDENCE SCHOOL

# WELCOME

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## TE AHO O TE KURA POUNAMU

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# KEY POINTS 2013

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## > Review of curriculum delivery

Following a Board of Trustees-commissioned review of the school's curriculum function a new role, to be called Deputy Chief Executive Ako, was created to strengthen Te Kura's pedagogical leadership and our focus on curriculum as we move toward Education 3.0.

## > Māori student achievement

During 2013, Te Kura staff engaged in a process of discussion and feedback to review the Māori Responsiveness Strategy. The result of that review was our Māori Student Success Framework (2013–2018), aligned with the government's Māori Education Strategy, Ka Hikitia – Accelerating Success 2013–2017, and designed to enable Māori students enrolled with Te Kura to enjoy and achieve education success as Māori.

## > Pasifika Strategy updated

In 2013 we reviewed and updated our Pasifika Strategy, first developed in 2009. With this updated Strategy in place, we created a new position, Kaiako Matua Pasifika, to assist us as we build and maintain relationships with the Pasifika community.

## > Online learning strategy

In October the Board approved a new online learning strategy which includes putting policies and processes in place to support online learning through the school's Online Teaching and Learning Environment (OTLE), the creation of compelling, effective online teaching resources, professional development for Te Kura staff, and addressing the issue of student connectivity.

## > NCEA courses online

As part of our focus on online learning, we digitised all our NCEA Level 1 to 3 course materials so they can be accessed through the OTLE, providing a quick and cost-effective means of delivering courses online from 2014 onwards, initially to our dual students.

## > Regional managers based permanently in their regions

With the March appointment of a permanent, Hamilton-based Regional Manager for the Central North region, both the Northern and Central North region managers are now based permanently in their regions. Those two regions now have more staff based in-region than in Wellington.

## > International education

In May Te Kura was awarded \$30,000 by Education New Zealand to research the feasibility of offering preparatory courses by distance for senior secondary and pre-tertiary students in China who are planning to study in New Zealand. This represents an opportunity for Te Kura as a provider of distance education at secondary level to contribute to the Ministry of Education's priority to grow international education and maximise the contribution it makes to the New Zealand economy.

## > Authentic learning online music video success

In a great example of authentic learning done at a distance, a powerful song called *Keep Moving*, collaboratively composed by talented senior music students Jae Herekiuha (from Auckland) and Bryony Greene (from Waikato) became the basis of an online music video project involving 44 Te Kura students, past and present, from New Zealand and beyond.

## > Education Review Office (ERO) scheduled review of Te Kura

In March ERO carried out its scheduled review of Te Kura, focusing on full-time students in Years 1 to 13. ERO's report noted that the increased accessibility of staff in the regions has had a positive impact on the engagement and learning of some students through more opportunities for face to face contact, improved relationships with other education and social service providers, and opportunities for greater engagement with iwi and whānau. This finding supports our own view that when working in partnership with schools and communities we can achieve better outcomes for our students.

> ERO's findings regarding Te Kura's early childhood service  
ERO found that our early childhood service continues to be well placed to promote positive outcomes for children and families, putting this success down in large part to the service's collaborative leadership and effective mentoring of staff; development of the Māori dimension within the curriculum; a buddy teaching approach that provides opportunities for professional dialogue, raises the quality of practice and better supports children and their families; and well developed self-review.

> New strategic plan We embarked on developing a new strategic plan for Te Kura, a process strongly supported by wide-ranging feedback from staff and stakeholders. The Strategic Plan 2013–2018 sets Te Kura on a path towards Education 3.0 – a future-oriented approach to learning designed to meet the evolving and dynamic challenges of the 21st century.

# NGĀ KAUPAPA MATUA 2013

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## > Te arotake i te whakarato marautanga

Whai muri mai i te arotake i tā te marautanga kura mahi – he mea tohu e te Poari Tarati – i whakatūria tētahi tūranga mahi hou, me kī, he tumu matua tuarua, arā, ko te Tumu Tautoko Ako hei whakakaha ake i te ārahitanga ā-tikanga ako o Te Kura me tā tātou aro ki te marautanga i a tātou e neke whakamua ana ki te Mātauranga 3.0.

## > Te whakatutukitanga ākongā Māori

I te roanga o te tau 2013, ka whakamahia e ngā kaimahi o Te Kura tētahi tukanga matapakī, tukanga urupare hoki, hei arotake i te Rautaki Aronga Māori. Ko te Tirewa Angitu Ākongā Māori te tino hua o taua arotakenga, me tōna hāngai ki tā te kāwanatanga rautaki mātauranga Māori, ko Ka Hikitia – Kōkiri Kia Angitu 2013–2017, he mea hoahoa hoki kia taea ai e ngā ākongā Māori kua rēhitatia ki Te Kura kia manawareka ai, kia angitu ai hoki hei Māori.

## > Te whakahou i te rautaki Pasifika

Nō te tau 2013 i arotake, i whakahou hoki mātou i tā mātou Rautaki Pasifika, i waihangatia tuatahitia i te tau 2009. Poupoua ana tēnei whakahoutanga o te Rautaki, whakatūria ana e mātou tētahi tūranga hou, arā, ko te Kaiako Matua Pasifika, hei āwhina i a mātou ki te hanga, ki te tiaki hoki i ngā hononga ki te hapori Pasifika.

## > Rautaki ako ā-ipurangi

Nō te marama o Whiringa-ā-nuku i whakaaetia e te Poari tētahi rautaki ako ā-ipurangi ka whai wāhi hoki ngā kaupapa here me ngā tukanga hei tautoko i te ako ā-ipurangi mā te OTLE o te kura, te waihanga i ētahi rauemi ā-ipurangi whai whakaaro – whai take hoki, te whakangungutanga ngaio o ngā kaimahi o Te Kura, me te whakatau i te take o te whakahono ākongā.

## > Akoranga ā-ipurangi o NCEA

Hei wāhanga o tā mātou aro atu ki te ako ā-ipurangi, kua whakamamatihia katoatia ā mātou rauemi akoranga NCEA Taumata 1-3 kia taea ai te tiki mai mā te OTLE, kia tere ake ai, kia iti iho ai hoki te utu hei tuku i ngā akoranga ā-ipurangi mai i te tau 2014 haere ake nei, tuatahi ake ki ā mātou ākongā ara rua.

## > Te noho tūturu a ngā kaiwhakahaere ā-rohe ki ō rātou rohe

Nā te whakataunga o tētahi Kaiwhakahaere ā-Rohe mō te Te Puku o Te Ika kia noho tūturu ki Kirikiriroa, kua poupoua ngātahi nei ngā kaiwhakahaere ā-rohe mō Te Taitokerau me Te Puku o Te Ika kia noho tūturu ki ō rāua ake rohe. Ināianei, tokomaha ake ngā kaimahi kei aua rohe e rua i ngā kaimahi kei Te Whanganui-a-Tara.

## > Te mātauranga ki te ao

Nō te marama o Haratua i whakawhiwhia a Te Kura ki te \$30,000 e Education NZ hei rangahau i te āheitanga o te tāpae atu i ētahi akoranga whakarite ki tawhiti mā ngā ākongā nō Haina, me kī, he tuākana kei ngā kura tuarua, kāore anō kia eke ki te whare wānanga hoki e whakaaro ana kia kuraina ki Aotearoa. He mea angitu tēnei ki a Te Kura hei kaiwhakarato mātauranga ki tawhiti mō te taumata kura tuarua kia tautoko ai i tā te Tāhuhu o Te Mātauranga whāinga ki te whakatipu ake i te mātauranga ki te ao me te whakanui ake i tana tukunga ki te ohanga o Aotearoa.

## > He ako ā-ipurangi tūturu, he ataata waiata, he angitu

Arā tētahi tauira pai rawa atu o te ako tūturu ki tawhiti, me kī, ko tētahi waiata wehi rawa atu e kīia nei ko *Keep Moving*, he mea tito tahi e ētahi ākongā whai pūkenga, ko Jae Herekiuha (nō Tāmaki Makaurau) rāua ko Bryony Greene (nō Waikato), ā, koinei hoki te takenga o tētahi kaupapa ataata waiata ki te ipurangi, ā, 44 ngā ākongā o Te Kura – o mua, o nāianei hoki, nō Aotearoa, nō whenua kē hoki – i whai wāhi.

## > Te arotake a Te Tari Arotake (ERO) i Te Kura

Nō te marama o Poutū-te-rangi i whakahaeretia e ERO tana arotakenga o Te Kura, me te āta aro atu ki ngā ākongā wā-kikī kei ngā tau 1–13. E ai ki te pūrongo a Te Tari Arotake nā te kaha ake o te āhei ki te whakapā atu ki ngā kaimahi i roto i ngā rohe i whai hua ai te pānga me te ako ā tētahi ākongā mā te nui ake o ngā mea angitu i te whakapā atu – kanohi ki te kanohi, i kaha ake ai hoki ngā hononga ki kaiwhakarato mātauranga kē atu, ki ratonga porihanga kē atu hoki, ā, i puta mai ētahi mea angitu kia kaha ake ngā pānga – iwi mai, whānau mai hoki. Ka tautoko tēnei kitenga i tō mātou tirohanga, arā, mā te mahi tahi me ngā kura me ngā hapori anō hoki e tutuki pai ai ngā putanga mā ā mātou ākongā.

> Ngā kitenga o ERO mō te ratonga kōhunguhunga a Te Kura  
Ko tā Te Tari Arotake i kite atu ai kei uta tā mātou ratonga kōhunguhunga hei toko ake i ngā putanga papai mā te hunga tamariki, mā te whānau hoki. Nā te mahi tahi o te hunga ārahi o te ratonga me te whai take o te akopono i ngā kaimahi; nā te whakahiato ake i tā te Māori titiro i roto i te marautanga; nā te ako ā-takirua hei mea angitu kia matapaki ngaio, kia piki ake te kounga o te mahi, ā, ka kaha tautokona te hunga tamariki me ō rātou whānau; me tētahi arotakenga whaiaro tino pai rawa atu i pēnei ai te angitu.

> He mahere rautaki hou  
I tīmata mātou ki te waihanga i tētahi mahere rautaki hou mō Te Kura, arā, he tukanga i kaha tautokona ki te whānuitanga o ngā urupare mai i ngā kaimahi me te hunga whai pānga. Ko tā te Mahere Rautaki 2013–2018 tikanga ko te whakatakoto i tētahi huarahi ki te Mātauranga 3.0 – ko tētahi aronga ako e anga whakamua ana, he mea hoahoa hei whakatutuki i ngā wero o te rautau rua mano mā tahi e hurihuri nei, e nekeneke nei.

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# 01 CHAIR'S REPORT

TE KUPU A TE HEAMANA



I am very pleased to present the annual report for the 2013 school year.

2013 was an eventful year for Te Kura. We carried out a review of curriculum delivery, following a report by the Education Review Office (ERO). We developed a new strategic plan based on a vision for student achievement, being that *students achieve their educational and personal goals, enabling them to participate effectively as members of their communities*. We also worked with Education New Zealand to progress our international education strategy, and implemented a number of improvements to our student management system.

The Board commissioned a review of the school's curriculum function to determine the extent to which Te Kura is enabling the effective delivery of the New Zealand Curriculum to our diverse student population, embedding the concepts of 21st century knowledge and learning within the Te Kura curriculum, facilitating cross-curricula development, addressing government priorities including the Better Public Services goals and facilitating inter- and

intra-school moderation and associated professional development.

The review found that Te Kura was not as effective as it should be in some of these areas. It recommended a mix of leadership and business process change within Te Kura. Subsequently, the Board approved the establishment of a new role to be called Deputy Chief Executive Ako, which will report to the Chief Executive and be a member of the Senior Leadership Team. The new role will strengthen the school's pedagogical leadership and our focus on curriculum, ensuring we are best placed to achieve our strategic goals and move toward Education 3.0.

As the largest school in New Zealand with a presence throughout the country, we have a significant role to play in reaching Pasifika students, their families and communities to help deliver better results for Pasifika students. In 2013 the Ministry of Education published its Pasifika Education Plan, prompting a review of our own Pasifika Strategy which had been developed in 2009. As a result the Strategy was updated and a new position, Kaiako Matua Pasifika, was created to assist the school in building and maintaining relationships with the Pasifika community.

The scheduled review by ERO focused on full-time students in Years 1 to 13. The review found that our strategic initiatives – including regionalisation and authentic learning – have led to improvements for some full-time students. ERO noted that the increased accessibility of staff in the regions has had a positive impact on the engagement and learning of some students through more opportunities for face to face contact, improved relationships with other education and social service providers, and opportunities for greater engagement with iwi and whānau. We know that when we are working in partnership with schools and communities, we can achieve better outcomes for our students and this view was supported by the findings of the ERO review. ERO noted self-review and e-learning as two areas for review and improvement with regard to the school's curriculum.

ERO found that our early childhood service continues to be well placed to promote positive outcomes for children and families. It noted four factors that contribute to the success of the service, including collaborative leadership and effective mentoring of staff, development of the Māori dimension within the curriculum, and well developed self-review.

The ERO review findings fed into the development of a new strategic plan for the school, along with wide-ranging feedback from staff and stakeholders. The Strategic Plan 2013–2018 sets Te Kura on a path towards Education 3.0 – a future-oriented approach to learning which is designed to meet the evolving and dynamic challenges of the 21st century. Everyone is a teacher and a learner and teaching can be delivered teacher to student, student to student, or student to teacher. Teaching and learning can occur anywhere, and schools are not just places for students to learn, but for family and whānau too.

Embedding technology into teaching and learning is fundamental to this approach, so the school's newly developed online learning strategy forms a key part of the Strategic Plan. We will also continue our focus on improving education outcomes for Māori, Pasifika and other priority groups and the provision of personalised, authentic learning programmes to support student achievement. At the same time, the Board and Senior Leadership Team are looking to the future and considering how Te Kura could make a greater contribution within the education system to meeting the needs and raising the achievement of a broader range of students.

In May 2013 Te Kura was awarded \$30,000 by Education NZ to research the feasibility of offering preparatory courses by distance for senior secondary and pre-tertiary students in China who are planning to study in New Zealand. Preliminary research to identify potential markets indicated there is significant potential for distance-based preparatory courses, which could lead to further study by these students with New Zealand tertiary providers. We know that distance education works best when there is good support for the students in their communities, so a key element of this approach would be developing partnerships with organisations in the students' home country. As a provider of distance education at secondary level, we have a unique opportunity to contribute to the Ministry of Education's priority to grow international education and maximise the contribution it makes to the New Zealand economy.

During the year the Board continued to meet with representatives of the two unions, the Post Primary Teachers Association and New Zealand Educational Institute, to improve the usability of the school's student management system. A number of improvements to the usability of the system were made and specifications were developed for automating the enrolment of secondary dual students, which will enable Te Kura to offer a much more efficient and responsive service to schools. Further usability improvements will be delivered in 2014.



KAREN SEWELL  
OSO

# 02 CHIEF EXECUTIVE'S REPORT

TE KUPU A TE HEAMANA



2013 saw the development of several key strategic documents and preparations for significant changes to the delivery of NCEA courses to dual-enrolled students, which will enable Te Kura to increase our focus on online learning.

In October the Board approved a new online learning strategy to move Te Kura from being a largely paper-based school to an online school where technology is embedded into everything we do. The strategy includes putting policies and processes in place to support online learning through the school's Online Teaching and Learning Environment (OTLE), the creation of compelling, effective online teaching resources, professional development for Te Kura staff, and addressing the issue of student connectivity and/or access to devices. To enable the development of online courses, all NCEA Level 1 to 3 course materials were digitised so they could be accessed through the OTLE, providing a quick and cost-effective means of delivering courses to dual students. For the 2014 school year, all dual students enrolled in NCEA Level 2 and 3 courses will access course materials through the OTLE, while NCEA Level 1 students will access their first work that way, with the option of receiving printed materials instead, once the first assessable work has been received. Completed work will be submitted digitally or through the post. In 2015 all NCEA course materials for these students will only be available digitally and we hope to have mechanisms in place so that all completed work can be submitted digitally as well.

In March a permanent Regional Manager was appointed for the Central North region, to be based in Hamilton. Both the Northern and Central North regional managers are now based permanently in their region. During the year we increased the number of teachers based in Whangarei and appointed a team leader there. We also relocated the position of team leader special education and years 1 to 6 for Central North from Wellington to Hamilton. Both the Northern and Central North regions now have more staff based in the region than in Wellington and we expect that, in time, this will be the case for the Southern region as well.

A year-long project to bring together the voices and talents of Te Kura students in New Zealand and around the world culminated in the premiere of a student-produced music video at our prize-giving ceremony in December. Talented senior music students Jae Herekiuha (from Auckland) and Bryony Greene (from Waikato) collaboratively composed a powerful song called *Keep Moving*. They did this totally online, without ever meeting. Their song became the basis of a project involving Te Kura students from throughout New Zealand and across the world. The song and video represent the contributions of 44 Te Kura students, past and present, utilising a wide range of technologies that allowed them to overcome the physical distances between them. The two composers finally met when they came to Wellington, along with student Tehimana Pokaia (from Palmerston North), who was responsible for the final musical arrangements. The video was compiled and edited by student Henry Leckie-Hodge (from Tauranga), who was mentored by Theatre Arts Director Isobel Mebus.

The *Keep Moving* project is a great example of authentic learning done at a distance. Authentic, real life learning occurs in a wide variety of settings, from students working in advisories and participating in internships, through to students attending Gateway and STAR programmes or completing projects to earn NCEA credits. During 2013 we continued to implement our authentic learning strategy, based on the Big Picture learning approach which was developed in the United States and has since spread around the world, including to the United Kingdom and Australia. We are now using our expertise in this approach to support other New Zealand schools to adopt Big Picture-style authentic learning. For smaller schools such as Te Aute College and Tai Wānanga, Te Kura is able to support their focus on personalised, authentic learning through access to our range of NCEA-level courses.



MIKE HOLLINGS  
CHIEF EXECUTIVE

# 03 GOVERNANCE

## TE POARI WHAKAHAERE

Te Kura is governed by a Board of Trustees, the composition of which is determined by the Minister of Education in accordance with section 95 of the Education Act 1989. The constitution of Te Kura's Board is gazetted.

The Board is supported by the Risk Assurance Committee and the Employer Committee, which between them deal with much of the detailed work prior to consideration by the Board.

The following table details the term of office for each trustee who served on the Board during 2013:

NAME	TERM EXPIRES
Karen Sewell (Chair) – appointed September 2012	September 2015
Paul Adams – appointed September 2012	September 2015
Niki Davis – appointed September 2012	Resigned March 2013
Gillian Heald – appointed September 2012	September 2015
Maxine Moana-Tuwahangai – appointed September 2012	June 2015
John Sproat – appointed June 2012	June 2015

The Board is supported by the following two committees:

### Risk Assurance Committee

Maxine Moana-Tuwahangai (Chair)

John Sproat

Karen Sewell

### Employer Committee

Gillian Heald (Chair)

Paul Adams

Karen Sewell

# 04 OUR STUDENTS AND COMMUNITY

## Ā MĀTOU ĀKONGA, TŌ MĀTOU HAPORI

Te Kura was established as the Correspondence School in 1922 to provide primary level education for 83 students living in remote areas. Expansion in 1929 allowed the extension of services to secondary students. Since then, the school has grown and developed to meet changing demands as our role in the national education system has evolved over time.

Our cumulative roll in 2013 was close to 27,000 with around 15,000 students enrolled at any one time. While most are of secondary school age, our students range from pre-schoolers to senior citizens and live in all regions of New Zealand and overseas.

While still a Wellington-based organisation, Te Kura has regional offices staffed by teachers in Auckland, Hamilton, Christchurch and an increasing number of smaller centres.

Te Kura is New Zealand's only provider of distance education in the early childhood and compulsory education sectors, providing educational services to early childhood, primary and secondary level students for whom we are the best current option, as well as supplementary services to students already enrolled in other New Zealand primary and secondary schools. Our services are also available to adults accessing second-chance education and to fee-paying students in New Zealand and overseas.

ENROLMENTTYPE	2013 STUDENT CUMULATIVE ENROLMENTS*	ENROLMENT CATEGORY
EARLY CHILDHOOD	999	FULL-TIME
YEAR 1-6	580	FULL-TIME
	391	DUAL
	8	FEE PAYER
YEAR 7-10	1054	FULL-TIME
	3496	DUAL
	35	FEE PAYER
YEAR 11-13	1864	FULL-TIME
	8304	DUAL
	117	FEE PAYER
ADULTS	3586	INCLUDING 1337 DEPT OF CORRECTIONS ADULT ENROLMENTS
YOUNG ADULTS	5954	
<b>TOTAL</b>	<b>26388</b>	

\*These figures represent cumulative enrolments throughout 2013, not a count of students.

Our full-time students (i.e. where we are their only school) may come from families who are geographically remote or itinerant, or living overseas. The larger proportion, however, consists of students whose alienation is the result of complex social circumstances or psychological problems. They may have been alienated or excluded from their face-to-face school or referred to Te Kura by the Ministry of Education because they have psychological or psycho-social needs. They may be young parents, or students who have been referred by Child, Youth and Family. These students make up 22% of our full-time roll at years 1 to 8 and 62% at years 9 to 13.

Te Kura has a sizeable Māori community, with Māori students comprising 24% of full-time enrolments at years 1 to 6, 36% at years 7 to 10 and 39% at years 11 to 13. Our Māori Responsiveness Strategy recognises the need to engage, develop and support Māori learners to be successful and to do so in ways that support their identity as Māori. The successor to that strategy, our Māori Student Success Framework 2013-2018, is designed to enable Māori students enrolled with Te Kura to enjoy and achieve education success as Māori.

Our roll includes an increasing number of Pasifika students, particularly in early childhood education, as well as a wide range of other ethnic groups.

We work with students, their whānau and community to provide effective teaching and personalised learning to enhance student engagement and achievement. To do this we have focused on building and strengthening partnerships with our students' families, communities and other agencies throughout New Zealand to help build readily accessible support for our students' learning.

Providing authentic learning experiences that build on students' passions and goals is a key element of our approach to teaching and learning. Our authentic learning approach is inspired by the international Big Picture learning model, and sees our skilled learning advisors and liaison teachers working closely with students and whānau to identify each student's passions and goals, and then personalising a programme of learning to enable the student to reach those goals. Each student's programme is likely to include real life learning experiences such as STAR courses, a Gateway placement, enrolment in a trades academy or internship in their community. Students also have the opportunity to participate in advisories, led by Te Kura staff, where they can work collaboratively with other students face to face.

Our roll includes a large number of publicly-funded young adult enrolments. Our Enrolment Policy agreed with the Ministry of Education allows students aged 16 or over who are studying part-time at their local school to also enrol at Te Kura up to and including the end of the year in which they turn 19. Where possible, young

adult students who are enrolled with us in two or more subjects are allocated their own learning advisor for ongoing pastoral support.

Te Kura also has a substantial number of dual-enrolled students from primary and secondary schools, who are enrolled for curriculum access, adaptation or extension. Through these enrolments the school has developed solid working partnerships with most of the country's primary and secondary schools and regional health schools. Each of these partnerships is based on a Service Level Agreement (SLA) that formalises each party's responsibilities for the student's education.

While early childhood enrolments encompass a diversity of lifestyle, socio-economic and ethnic backgrounds, they continue to be drawn mainly from rural areas. Most of these students go on to attend their local primary school. During 2013 we continued providing Ministry of Education 'supported playgroups' in South Auckland with an early childhood education service. Under this arrangement, Te Kura teachers provided mentoring support to the playgroup kaimanaaki (supervisors), and supplied playgroup resources and student packs. This playgroup initiative brought Pasifika students onto our Early Childhood roll in significant numbers.

Years 11–13 enrolments included many young adults of 16 or over who have left the schooling system but have since chosen to return to school. Like our adult students, they typically enrolled at Te Kura in 2013 to gain specific credits, skills or qualifications.

## FUNDING AND ENROLMENT

Te Kura is funded by the Ministry of Education in accordance with section 81A of the Education Act 1989. Funding is based on student engagement. The resourcing notice from the Ministry of Education stipulates the funding to be provided to the school.

The enrolment of students is governed by sections 7 and 7A of the Education Act 1989 which describe restrictions on enrolment and access to government funded education. The enrolment policy is agreed annually between the Ministry of Education and the Board of Trustees and is published by Gazette notice. Students who meet the policy criteria may enrol as government-funded students. Other students may enrol as fee-paying students in some enrolment categories.

## ORGANISATIONAL STRUCTURE

Te Kura is organised into three wāhanga (areas) – Learner Services, Operations and Performance, and the Chief Executive's office. The Chief Executive and the Board are supported by the Chief Advisor.

Learner Services is responsible for the school's teaching and learning, curriculum leadership and development and has school-wide responsibility for the assessment of years 1 to 13 students and for leading, developing and coordinating e-learning. This wāhanga also provides in-region pastoral support through its four regional, cross-disciplinary teams aligned with the Ministry of Education regional offices – Northern, Central North, Central South and Southern. This alignment enables Te Kura to have greater collaboration with the Ministry at a regional level. Teachers work in multidisciplinary teams to promote better understanding and engagement with students, creating an environment conducive to improved student achievement. Learner Services' responsibilities also include early childhood teaching and learning.

Operations and Performance provides the school's corporate support structure. Its functions include enrolment services, procurement, facilities management, finance, human resources, information resources, the library, media and distribution services, and organisational performance, planning and reporting.

The Chief Executive's office provides advice and support to the Chief Executive (CE), the Board of Trustees and the Senior Leadership Team. This wāhanga is made up of the Chief Advisor to the CE, the Senior Advisor Māori Education and the Communications Specialist.

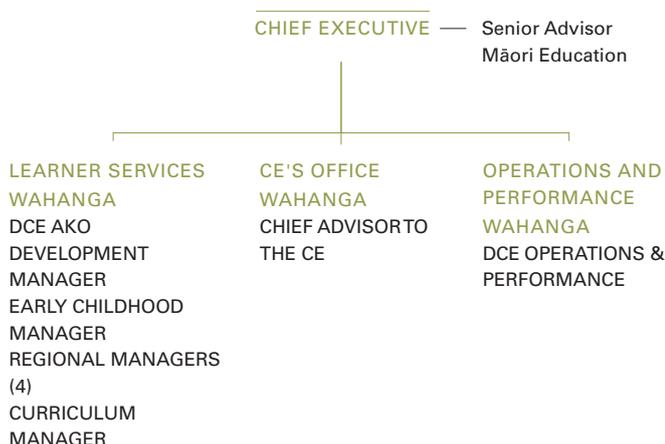
The Senior Leadership Team (SLT) has responsibility for the overall leadership and strategic direction of Te Kura, and comprises the Chief Executive, Deputy Chief Executive Operations and Performance, and the Chief Advisor. A new position, Deputy Chief Executive Ako, was established in December 2013 to strengthen the school's focus on curriculum.

The school's Lead team comprises SLT, the Chair of the Learner Services Rūnanga, the four regional managers, a management representative from the Operations and Performance Wāhanga and the Communications Specialist.

Each senior manager has accountability for specific areas of activity, management of resources and leadership of people and projects.

Te Kura has approximately 432 full-time equivalent (FTE) staff members. In addition we oversee the employment of 173 teacher aides. Approximately 31% of our staff are based in regional offices outside Wellington.

Our management structure is detailed in the diagram below.



**EQUAL EMPLOYMENT OPPORTUNITIES (EEO) PROGRAMME**

The school reports annually to the Board of Trustees on our EEO programme, providing a snapshot of Te Kura’s staff, with information on their gender, age and ethnicity at the end of each calendar year. This ongoing reporting supports identification of trends and appropriate responses. The report excludes data on teacher aides, relief teachers, temporary employees and contractors. Such staff are generally employed for very short periods of time and including their data would disproportionately affect the information presented.

The total number of permanent and fixed term staff at year end is 478. The average age of Te Kura teachers is 54, and 47 for our support staff. The average age of all Te Kura staff is 52, the same as in 2012. The median age of Te Kura teachers is 57, and 55 for all staff, unchanged from 2012.

The gender mix of all Te Kura’s employees, at 71% female and 29% male, is little changed from that of 2012 and is in line with that of the New Zealand teaching profession.

Te Kura does not currently require employees to provide ethnicity information and therefore staff ethnicity data included in the report is based on information relating to 79% of current permanent and fixed term staff. Where Te Kura staff have reported their ethnicity, around 6% of them are recorded as Māori. The ethnic diversity of Te Kura employees is a reasonable match with the general New Zealand workforce, although all the minority groups are slightly underrepresented.

**LOCATION AND REGIONAL SERVICES**

The school’s Wellington operations are housed at our Portland Crescent site in Thorndon, with a complex inventory, distribution and delivery system for student learning materials managed from the school’s warehouse in Petone, Lower Hutt.

Te Kura is also represented in regional offices in Auckland, Christchurch and Hamilton, which provide a base for in-region staff including liaison teachers and a number of subject teachers, while sub-regional offices in locations such as Whangarei, Tauranga, Palmerston North and Nelson support local activity and connections in their communities. The regional managers for Northern and Central North are also based in the regional offices.

Regional managers are key contacts for stakeholders in the regions. To support our full-time students they work with communities, non-government and government agencies, and lead the development of new relationships in the region. Regional Reference Groups provide a forum for all our stakeholders to hear about what is happening at their school and to provide their own feedback. Relationship coordinators in each region work with dual-education providers to support the learning of dual-enrolled students.

# 05 2013 ACTIVITIES

NGĀ MAHI A 2013

## TE KURA'S TRADES ACADEMY

Te Kura's Huarahi Trades Academy, in operation since September 2012, has provided an opportunity for senior secondary students to complete NCEA Level 2 through Te Kura and, through access to our Trades Academy partners, to gain a national certificate in a vocational trade at Level 2 or above.

Te Kura seeks to provide secondary/tertiary support through Huarahi for our students, wherever they are in New Zealand. To this end, where there is a need from one or more of our students we continue to develop relationships with providers. In 2013 through the arrangements we made with a number of providers we were able to expand the range of national certificates which students could work towards. This saw Huarahi offering our trades academy students a diverse range of programmes including agriculture, aviation, building, construction and allied trades, early childhood, electronics technology, engineering (automotive, electrical, mechanical), hair and beauty, hospitality, joinery, primary industries, retail, and trades technology.

## PASIFIKA STRATEGY

In July the Board of Trustees approved Te Kura's revised Pasifika Strategy. In its Statement of Intent 2013–2018 the Ministry of Education identifies Pasifika students as a priority group whose presence, engagement and achievement in education need to be improved. The Pasifika Education Plan 2013–2017 is the Government's response to accelerating the progress of Pasifika learners. In view of this renewed focus, it was considered timely to review Te Kura's 2009 Pasifika Strategy. Our revised Pasifika Strategy retains the original key strategic platforms but they have been expanded in terms of focus and implementation, to reflect the Ministry's Statement of Intent and align with the relevant focus areas of the Ministry's Pasifika Education Plan.

During 2013 Te Kura enrolled 1229 Pasifika students: 33 early childhood students, 84 full-time students, 219 young adults, 196 adults, 50 primary duals, 645 secondary duals and two fee-payers. As the largest school in New Zealand with a presence throughout the country, we believe we have a significant role to play in reaching Pasifika students, their families and communities to help deliver better results for Pasifika students.

## AUTHENTIC LEARNING

In its 2013 review of Te Kura, ERO found that our regionalisation and authentic learning strategies have led to improvements for some students. Its report noted that the increased accessibility of staff in the regions has had a positive impact on the engagement and learning of some students through more opportunities for face to face contact, improved relationships with other education and social service providers, and opportunities for greater engagement with iwi and whānau.

Our authentic learning strategy is based on the Big Picture learning approach, and Te Kura has a close relationship with the founders of Big Picture Australia and Big Picture Learning in the United States. Te Kura Chief Executive Mike Hollings and Development Manager Jen McCutcheon are on the Board of Big Picture Education New Zealand, which was established as a trust in 2012 and is a member of the Big Picture International network of educators.

*The Big Picture approach has the following characteristics:*

- > one student at a time in a community of learners
- > learning based on each student's passions and interests
- > curriculum relevant to each student; personalised flexible learning to support interest
- > real-life learning in the community within the student's own context
- > students working together in small groups or 'advisories', supported by a learning advisor.

During 2013 Te Kura has continued to work with other schools and providers who want to incorporate Big Picture-style authentic learning into their teaching practice. By supporting such schools and passing on expertise in this style of authentic learning, Te Kura is helping the growth of practices closely aligned with 21st century education aspirations.

During 2013 we have worked with Te Aute College to establish Big Picture-inspired provision for their students, providing Te Aute staff with professional development and dialogue in support of this initiative. Similarly, we took part in professional training for the staff at Youthline in Auckland, based on Te Kura's Big Picture development of processes and systems with a focus on personalising programmes for students enrolled through Te Kura.

## ONLINE LEARNING STRATEGY

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In October the Board approved a new online learning strategy for Te Kura which recognises the need to offer dynamic and engaging learning experiences for students, and to ensure students develop the skills they need to become adept users of technology in the 21st century. For Te Kura this means we need to move from a largely paper-based teaching approach to an online approach where technology is embedded within all teaching and learning.

An implementation plan has been developed and progress against that plan is reported regularly to the Board. Key elements of the implementation plan include putting policies and processes in place to support online learning through the school's Online Teaching and Learning Environment (OTLE), creation of compelling, effective online teaching resources, professional development for all teaching and curriculum staff, and addressing the issue of student connectivity/access to devices.

This is a five year strategy that will be overseen by the DCEs Ako and Operations and Performance. Already, a key deliverable – making all NCEA courses available digitally – has been achieved and all dual-enrolled students studying at NCEA Level 2 and 3 are accessing their course materials through the OTLE.

## EDUCATION REVIEW OFFICE (ERO) REVIEW

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ERO carried out a four-week review of Te Kura in March focusing on full-time students in years 1 to 13 who have been less well served by the education system, and on our early childhood service. The review found that our strategic initiatives, including regionalisation and authentic learning, have led to improvements for some full-time students. We know that when we are working in partnership with schools and communities, we can achieve better outcomes for our students and this view was supported by the review's findings. ERO noted self-review and e-learning as two areas for review and improvement with regard to the school's curriculum.

ERO found that our early childhood service continues to be well placed to promote positive outcomes for children and families. It noted four factors that contribute to the success of the service, including collaborative leadership and effective mentoring of staff, development of the Māori dimension within the curriculum, and well developed self-review.

## CURRICULUM REVIEW

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At the request of the Board of Trustees, Te Kura engaged an experienced evaluator to carry out a review of the school's curriculum function. The Board asked for this review both in response to ERO's feedback on our curriculum area self-review processes, and as a means of addressing the requirements of centralised curriculum development within our regionalised approach to delivery of teaching and learning.

*The review assessed how effectively curriculum development and the current structure of Te Kura's Curriculum team:*

- > enable the effective delivery of the NZ Curriculum to Te Kura's diverse student population
- > embed the concepts of 21st century knowledge and learning within the Te Kura curriculum
- > address government priorities, including the Better Public Services goals
- > facilitate inter- and intra-school moderation
- > facilitate cross-curricula development.

Among the recommendations of the review already implemented has been the establishment of a new tier two position, DCE Ako. In creating this position we have signalled our aim of strengthening Te Kura's pedagogical leadership and intensifying our focus on curriculum as we move towards Education 3.0 – the education system transformation that will be necessary to meet the evolving and dynamic challenges of the 21st century.

# 06 STRATEGIC CONTEXT

## TE HOROPAKI RAUTAKI

### OUR STRATEGIC DIRECTION

2013 saw the development of a new Strategic Plan for Te Kura, for the period through to 2018. The strategic planning process began with team input via planning workshops, followed by opportunities for staff and external stakeholders to provide feedback to a draft version. The plan builds on our previous strategic plan and highlights the specific areas where our efforts will be focused over the next five years. This annual report reflects our 2013 charter and annual plan.

Te Kura’s contribution to the education sector in 2013 has echoed the Ministry of Education’s future priorities for the sector, as expressed in the Ministry’s Statement of Intent 2012–2017. These priorities are aimed at ensuring the education system delivers on the Government’s key goals for better public services which in turn will deliver improved outcomes for all New Zealanders and strong economic growth for New Zealand. Te Kura’s strategic goals and priorities fit within and align to these Ministry priorities.

To achieve these key government goals, the Ministry set targets for the education sector with the learner as the central focus, starting with increased participation in high-quality early childhood education, continuing through to attainment of core skills and qualifications. It identified the key priority learner groups for improved education outcomes as being Māori learners, Pasifika learners, learners with special education needs and learners from low socio-economic backgrounds.

The key themes in our Strategic Plan 2013–2018 support the Ministry’s education sector targets described above. These themes are ‘personalising’ learning, and a focus on future-oriented learning and teaching and moving to Education 3.0 – a concept which describes the transformation necessary to enable the current system of education, developed in the age of industrialisation, to meet the evolving and dynamic challenges of the 21st century.

Te Kura’s strategic direction remains centred on three overarching and integrated strategic goals, which are the focus of everything we do, within the context of teaching and learning as core delivery for the school:



*Over the period 2013 to 2018 we are focusing on three strategic priorities:*

- > Online learning.
- > Improving education outcomes for Māori and Pasifika students and other priority groups.
- > Authentic and engaging learning experiences.

These priorities are the key changes we want to make towards achieving our vision and moving into an Education 3.0 model of teaching and learning for our students. Some of the key characteristics of this model are a transfer of ownership from teachers to students, authentic learning and collaborative learning techniques. Education 3.0 is a future-oriented learning system in which family and whānau view schools as a place for them to learn as well.

The key priorities are supported by three enabling strategies which highlight the key things we are doing across the school to support the achievement of our strategic goals and priorities, and our core delivery of teaching and learning. These encompass every aspect of the school’s operations and typically contribute to more than one of our strategic priorities.

Underpinning this five-year strategy are three capability improvement initiatives designed to ensure our resources, tools and systems are fit for purpose and focused on achieving our goals.

# 07 MĀORI RESPONSIVENESS STRATEGY

## TE RAUTAKI URUPARE KI NGĀ AKONGA MĀORI

### STRATEGY REVIEW

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In 2013, the Te Kura Board approved the review and realignment of the Māori Responsiveness Strategy 2010–2012. As a first step, a review process was developed, involving close consultation with Te Kura's staff, management and Board and approved by the Senior Leadership Team.

The review itself engaged Te Kura staff in discussion and feedback, using the document *Supporting future-oriented learning and teaching – a NZ perspective* as the starting point. That process resulted in a revitalising of our Strategy to align with the government's Māori Education Strategy, Ka Hikitia – Accelerating Success 2013–2017. We continued to work towards the key objectives and goals of our Māori Responsiveness Strategy 2010–2013 whilst this review was taking place.

### REVIEW OUTCOME – MĀORI STUDENT SUCCESS FRAMEWORK (2013–2018)

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The outcome of that strategy review was our Māori Student Success Framework (2013–2018), designed to enable Māori students enrolled with Te Kura to enjoy and achieve education success as Māori. The Framework incorporates the following four principles, based on those underpinning Ka Hikitia 2013–2017:

- > Māori potential.
- > Ako – a two-way teaching and learning process.
- > Identity, language and culture count.
- > Productive partnerships.

### TE KURA'S MĀORI ROLL

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Although the profile of our Māori students is a diverse one, the majority of them are based in the Central North and Northern regions. Over 50% of our full-time Māori enrolments (i.e. Te Kura is their only school) are also based in these two regions. In 2013 Te Kura's roll included:

- > 8819 enrolments by Māori students (33% of all 2013 Te Kura enrolments)
- > 1702 enrolments by Māori students participating in Māori language education.

During 2013, Māori students enrolled with Te Kura as follows:

ENROLMENT CATEGORY	MĀORI ENROLMENTS IN 2013	AS PROPORTION OF ALL ENROLMENTS IN THIS CATEGORY	AS PROPORTION OF TOTAL MĀORI ENROLMENTS 2013
Early childhood education	242	24%	3%
Full-time year 1–6	142	24%	2%
Full-time year 7–10	379	36%	4%
Full-time year 11–13	718	39%	8%
Dual year 1–6	101	26%	1%
Dual year 7–10	1576	45%	18%
Dual year 11–13	2776	33%	31%
Adults (incl Dept of Corrections adult enrolments)	1196 (655)	33% (49% of Dept of Corrections adult enrolments)	14% (7%)
Young adults	1681	28%	19%
<b>TOTAL</b>	<b>8819</b>		<b>100%</b>

## KEY ACTIVITIES IN 2013

During 2013 Te Kura continued implementation of the Māori Responsiveness Strategy's key actions and intermediate outcomes, concentrating on the focus areas of Foundation Years, Young People Engaged in Learning, Māori Language Education, and Organisational Success, with the following results:

### *Foundation Years for Māori*

Increase Māori participation in early childhood education.

- > We explored partnerships for working together for Engaging Priority Families (EPF) students, such as with EPF contractor Ngati Hine Trust in Kawakawa. Te Kura early childhood staff took up an invitation to visit the Waipoua headquarters of Ngati Whatua to present information on what Te Kura Early Childhood offers to children, whānau and those working in community support roles.
- > At the AADES International Conference in Melbourne in September, two Te Kura staff members presented a well-received workshop on our early childhood resource development project with Te Atiawa. The workshop focused on Te Kura's experience in working with indigenous partners on creating children's stories to transmit legends about places of significance for New Zealand iwi.

### *Young Māori Engaged in Learning*

Increase Māori students' involvement, responsibility and decision-making about future pathways, and authentic learning.

- > By the end of 2013, 16 of Te Kura's 72 Gateway places had been filled by Māori students. Twenty Māori students took part in Tertiary Link courses, and 28 of the 72 enrolments in Te Kura's Huarahi Trades Academy were Māori.
- > During 2013 Te Kura delivered authentic learning to Māori students through partnerships established with Te Ahi Kaa (Wellington), Te Aute (Hawkes Bay), Tu Toa (Palmerston North) and Ngā Tai Atea (Hamilton).

Build staff knowledge of Māori education pedagogy and mātauranga Māori.

- > Early in 2013 we launched Te Rito, the first part of a larger programme of work called the Māori Competency Matrix. Te Rito is a software programme used by many government departments and now available to every member of Te Kura's staff – teachers, managers, and specialist and support staff.

It enables each staff member to self-select an area and level of Māori competency learning to study at their own pace. All staff have been surveyed on their use of Te Rito.

- > Te Kura staff, leaders and managers continued to participate in the culturally responsive leadership programme He Kākano, which has increased staff's contribution, understanding, knowledge and role in lifting the achievement of Māori student achievement at Te Kura. This programme of work finished in December 2013.
- > Implementation of our Māori Competency Matrix saw Te Kura's teaching staff working towards meeting the requirements of tataiako, the Māori-focused teacher registration competencies, and every staff member adopting a Māori competency goal as part of their individual performance development and achievement plan for 2013.

Expand staff relationships with Māori students, their whānau, the community and iwi Māori.

- > In February Te Kura was present at Rotorua's Te Matatini event. We used that occasion to promote to whānau, hapū, iwi and Māori organisations the services Te Kura has to offer for young adults, early childhood students, and those wishing to study te reo Māori
- > Throughout 2013 Te Kura's development manager and regional managers worked with other trades academies to identify potential partners for our own Huarahi Trades Academy. As part of this partnership development work we negotiated agreements with a wide range of learning providers, including Te Tai Tokerau Trades Academy and Te Wananga in Porirua.
- > Towards the end of 2013 a whānau hui was held in Christchurch with our Māori students and their whānau, the first of a regular cycle of planned meetings with this group.

### *Māori Language in Education*

Increase effective teaching and learning of, and through, te reo Māori.

- > During 2013 we surveyed all students who were enrolled in the Te Reo course MA1000, to better understand their experience of learning te reo through this online course, and teaching staff also provided feedback. Work to consolidate the survey results and feedback is planned for early 2014.

### Organisational Success

Build culturally responsive organisational leadership through participating in the He Kākano programme.

- > The He Kākano programme supports the development of culturally responsive pedagogical leaders with capability to enable schools and teachers to build educational success for and with Māori learners. In March, a group of Te Kura staff attended the national He Kākano conference in Rotorua.
- > As part of our participation in He Kākano, many of our regional offices carried out staff professional development in August on building capability for improving student achievement for Māori in their region.
- > He Kākano surveys of Te Kura's teaching staff, specialist and support staff and Māori students were analysed and a commitment made that the information they contained will be used to inform planning and actions across the school in 2014.

Build Te Kura's capacity and confidence to lift performance for and with Māori.

- > Regional staff workshops were held on the Treaty of Waitangi and on the theme of effective teaching for the 21st century, with a particular focus on achievement of Māori students.
- > To further support our Māori students in the regions, we partnered with other local agencies to participate in the Social Sector Trials. The Trials are a government-led initiative established to test innovative ideas for improving the quality of life for young New Zealanders by supporting local solutions to local issues. To progress Te Kura's participation in the development of a Rotorua Trial, we entered into a partnership with Ngāti Whakauae in Rotorua, with 30 students formally identified to participate.
- > In late 2013 Te Kura applied to join the new Building on Success programme 2014–2016, designed to accelerate Māori secondary school student achievement. The programme aims to deliver an integrated package in schools of culturally responsive leadership, teaching and learning practices.

Use evidence deliberately to focus decisions and investments on what works for Māori students.

- > In May we provided feedback on the draft implementation plan for the rollout of Ka Hikitia 2013–2017, the Ministry of Education's draft Māori Education Strategy. We also provided feedback and comment on the final draft directly to the Ministry's Ka Hikitia team.
- > We surveyed students and staff, as we did in 2012, in order to capture the voice of our Māori students and take it into account in the way we deliver teaching and learning programmes.

Build relationships with iwi, hapū, whānau and Māori organisations.

- > During 2013 we worked with Te Aute College to support its provision of authentic, personalised learning programmes for their students, providing Te Aute staff with professional development and dialogue in support of this initiative.
- > In August, Te Kura took the opportunity to meet with iwi representatives while attending the four regional releases of Ka Hikitia, held on marae and in partnership with tangata whenua.
- > We continued to work with Te Atiawa throughout 2013 to develop learning resources for pre-school tamariki.

# 08 STATEMENT OF SERVICE PERFORMANCE

## TE TAUAKI WHAKATUTUKITANGA RATONGA

The Ministry of Education's Resourcing Notice defines the resourcing entitlement for Te Kura for each school year and establishes the processes for the school to access this funding.

The resourcing provided is for early childhood, years 1–13, young adult and adult students eligible under the school's gazetted enrolment policy to receive full government-funded tuition. The required outputs consist of direct service provision for those students.

According to the Resourcing Schedule, the services comprise:

- > Early childhood education
- > Education services for adult and young adult students
- > Full-time education services to years 1–13 students
- > Curriculum services for years 1–13 dual-enrolled students
- > Supplementary 0.1/0.2 services for full-time, years 1–13, ORS-verified students
- > On-payment of the supervisors' allowance to eligible supervisors of the school's full-time students.

Te Kura's report against these targets is presented below.

Outputs	Performance targets	Service delivered
1. Early childhood education	Deliver early childhood education to pre-school students	Te Whāriki programmes delivered to: <b>999 early childhood enrolments, of whom:</b> – 242 (24%) were Māori.
2. Adult and young adult students	Deliver education services	Programmes offered according to the New Zealand Curriculum Framework and the school curriculum delivered to: <b>9540 adult enrolments, of whom:</b> – 5954 (62%) were young adult enrolments, of whom – 1681 (28%) were Māori.
3. Years 1–13 full-time education services	Deliver full-time education services to years 1–8 students	Programmes required by the National Education Guidelines, the New Zealand Curriculum Framework and the school curriculum delivered to: <b>881 full-time enrolments at primary level, of whom:</b> – 683 (78%) were access enrolments – 198 (22%) were referral enrolments – 228 (26%) were Māori.
	Deliver full-time education services to years 9–13 students	Programmes required by the National Education Guidelines, the New Zealand Curriculum Framework and the school curriculum delivered to: <b>2617 full-time enrolments at secondary level, of whom:</b> – 986 (38%) were access enrolments – 1631 (62%) were referral enrolments – 1011 (39%) were Māori.

Outputs	Performance targets	Service delivered
4. Years 1–13 dual enrolment education services	Deliver dual enrolment curriculum services to years 1–8 students	<p>Programmes required by the National Education Guidelines, the New Zealand Curriculum Framework and the school curriculum delivered to:</p> <p><b>863 enrolments from years 1–8 students enrolled at other primary schools, of whom:</b></p> <ul style="list-style-type: none"> <li>– 530 (61%) were enrolled for special education needs</li> <li>– 237 (27%) were Māori</li> <li>– 156 (18%) were gifted and talented</li> <li>– 75 (9%) were enrolled at a Health School</li> <li>– 64 (7%) were enrolled to maintain/gain qualifications in te reo Māori</li> <li>– 10 (1%) were enrolled for technology courses.</li> </ul>
	Deliver dual enrolment curriculum services to years 9–13 students	<p>Programmes required by the National Education Guidelines, the New Zealand Curriculum Framework and the school curriculum delivered to:</p> <p><b>11328 enrolments from years 9–13 students enrolled at other secondary schools, of whom:</b></p> <ul style="list-style-type: none"> <li>– 4216 (37%) were Māori</li> <li>– 3949 (35%) were enrolled in a subject not available at their home school</li> <li>– 1726 (15%) were attending an Alternative Education centre</li> <li>– 1423 (13%) were enrolled at a Health School</li> <li>– 1045 (9%) were enrolled because their home school had only a small number of students studying their subject at senior levels</li> <li>– 709 (6%) were young parents</li> <li>– 406 (4%) were attending an Activity Centre</li> <li>– 47 (0.4%) were gifted.</li> </ul>
5. Years 1–13, 0.1/0.2 ORS supplement	Deliver supplementary 0.1/0.2 services for full-time years 1–13 ORS-verified students	<p>Supplementary services delivered to:</p> <p><b>118 ORS-verified students, comprising:</b></p> <ul style="list-style-type: none"> <li>– 89 ORS high needs or ORS extension (0.1)</li> <li>– 29 ORS very high needs (0.2).</li> </ul> <p>Breakdown of year levels of students:</p> <p>Years 1–8 = 42                      Years 9–13 = 71                      Years 14+ = 5</p> <p>(Years 14 and 15 accommodate students who remain on the special education roll until the age of 21.)</p> <p>Access to additional teacher assistance was provided for 73 of these students, and teacher aide support was provided for 70 students.</p>

Outputs	Performance targets	Service delivered																																										
6. On-payment of the supervisors' allowance to eligible supervisors of the school's full-time students	Make on-payments and reconciliations that are correct, to time, and within agreed criteria.	The school paid the supervisors' allowance to supervisors on behalf of the Ministry.																																										
	Provide to the Ministry a verified student roll and supervisor eligibility return. The June payment can be against a projected roll and eligibility return. The December return must fully reconcile projected and actual results for that school year.	<table border="1"> <thead> <tr> <th></th> <th colspan="2">2013</th> <th colspan="2">2012</th> </tr> <tr> <th></th> <th>No. of payments made</th> <th>Costs (\$000)</th> <th>No. of payments made</th> <th>Costs (\$000)</th> </tr> </thead> <tbody> <tr> <td>June</td> <td>1066</td> <td>389</td> <td>1539</td> <td>565</td> </tr> <tr> <td>December</td> <td>1253</td> <td>458</td> <td>1718</td> <td>632</td> </tr> <tr> <td>Sub total</td> <td>2319</td> <td>847</td> <td>3256</td> <td>1197</td> </tr> <tr> <td>Prior year adjustment</td> <td></td> <td></td> <td>(443)</td> <td>(133)</td> </tr> <tr> <td>2012 adjustment</td> <td></td> <td></td> <td>(381)</td> <td>(142)</td> </tr> <tr> <td><b>Total</b></td> <td><b>2319</b></td> <td><b>847</b></td> <td><b>2432</b></td> <td><b>922</b></td> </tr> </tbody> </table>					2013		2012			No. of payments made	Costs (\$000)	No. of payments made	Costs (\$000)	June	1066	389	1539	565	December	1253	458	1718	632	Sub total	2319	847	3256	1197	Prior year adjustment			(443)	(133)	2012 adjustment			(381)	(142)	<b>Total</b>	<b>2319</b>	<b>847</b>	<b>2432</b>
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		Forecast and reports provided to the Ministry as required.																																										
		Note: As from 2013 these payments are calculated and made direct from Te Kura's student management system. The payment process prior to 2013 required adjusting to reflect actual payments made.																																										

# 09 ACHIEVEMENTS

## NGĀ MAHI KUA OTI

### NATIONAL STANDARDS

For National Standards, 63% of students who were assessed at both mid-year and end of year were 'at', 'above' or 'well above' the standard in reading. That figure increases to 71% when special education students are removed. For writing, 56% of students were 'at', 'above' or 'well above' the standard, increasing to 64% when special education students are removed. For mathematics, 59% of students were 'at', 'above' or 'well above' the standard, increasing to 67% when special education students are removed. Although there were increases in the percentages of Māori students 'at', 'above' or 'well above' the standard in all three areas, significant differences remain between the success of Māori and non-Māori students.

### NATIONAL CERTIFICATE OF EDUCATIONAL ACHIEVEMENT (NCEA)

Our NCEA results for 2013 followed a similar pattern to those of 2012, with some very positive results for achievement of individual standards, and mixed results for the achievement of NCEA qualifications.

This is explained, in part, by some of the unique characteristics of Te Kura and our diverse student population. Many students who enrol with Te Kura come to us after being out of school for a period of time. For these students it can take a while to get back on track, meaning it may take them more than a year before they have enough credits to gain NCEA Level 1 or 2. We also have a large number of adult and young adult students who do not enrol in a full course, meaning they do not have the intention or the opportunity to complete enough standards to gain an NCEA.

The 2013 results show there are more students participating<sup>[1]</sup> at all levels, which reflects the efforts staff have made to encourage attendance at advisories, event days and tutorials, particularly for our full-time and young adult students.

### NCEA STANDARD ACHIEVEMENT

The high rate of achievement of standards continued, with an increase in both the number of students entered for standards and in the number of results.

YEAR	ROLL	RESULTS	AVERAGE RESULTS	PASSED RESULTS	PASS RATE
2013	6954	40475	5.8	36396	89.9%
2012	6516	36691	5.6	33123	90.3%
CHANGE	+438	+3784	+0.2	+3273	-0.4%

<sup>[1]</sup>A participating student would have sufficient credits to be able to achieve the qualification by the end of the year in question if they were to achieve all of the credits for which they are entered and those were added to any credits previously attained.

### NCEA LEVEL 1 ACHIEVEMENT, YEAR 11–13 STUDENTS

More students achieved Level 1 and even more students participated at Level 1 compared with 2012. However, the overall achievement dropped slightly as a result of the increase in participation not being quite matched by the increase in achievement.

YEAR	L1 ROLL	L1 PARTICIPATION	PARTICIPATION %	L1 ACHIEVEMENT	ACHIEVEMENT %
2013	2192	680	31.0%	332	48.8%
2012	2020	560	27.7%	288	51.4%
CHANGE	+172	+120	+3.3%	+44	-2.6%

### NCEA LEVEL 2 ACHIEVEMENT, YEAR 11–13 STUDENTS

Although fewer students achieved Level 2 overall, there was increased participation. There was no change in the percentage of full-time students achieving Level 2 and in fact an increase for young adult students. The decrease in achievement for other student types is largely due to changed NCEA Literacy/Numeracy requirements taking full effect, in particular for adult students.

YEAR	L2 ROLL	L2 PARTICIPATION	PARTICIPATION %	L2 ACHIEVEMENT	ACHIEVEMENT %
2013	2650	516	19.4%	302	58.5%
2012	2443	413	16.9%	327	79.1%
CHANGE	+207	+103	+2.5%	-25	-20.6%

### NCEA LEVEL 3 ACHIEVEMENT, YEAR 11–13 STUDENTS

More students achieved Level 3 and more students participated at Level 3 compared with 2012. The relatively low participation percentage in the table below is due to the inclusion of year 11 and year 12 students of whom we do not expect participation at Level 3. In year 13 participation is 20%.

YEAR	L3 ROLL	L3 PARTICIPATION	PARTICIPATION %	L3 ACHIEVEMENT	ACHIEVEMENT %
2013	3217	304	9.4%	223	73.3%
2012	3002	262	8.7%	183	69.8%
CHANGE	+215	+42	+0.7%	+40	+3.5%

## ANALYSIS OF VARIANCE

Results against 2013 performance measures and standards as follows:

### EARLY CHILDHOOD

<b>Focus:</b>	<b>Participation in early childhood education</b>	
<b>Strategic aim:</b>	<p>To extend the delivery of early childhood education into rural and isolated areas.</p> <p>One of the Ministry of Education’s key goals over the next five years is to increase the percentage of children starting school who have participated in early childhood education (ECE). With the support of the Ministry, we will extend our ECE programme delivery to include children aged from 3–5 years of age who are not currently attending established early childhood services.</p> <p>Priority will be given to Māori and Pasifika children supported by the Ministry’s Engaging Priority Families (EPF) or Parents, Families and Whānau contracts.</p>	
<b>Annual aims for 2013:</b>	To increase the number of early childhood education enrolments, particularly for Māori learners, Pasifika learners and learners from low socio-economic backgrounds.	
<b>Baseline data for performance measures, targets and results for 2013:</b>	<p>An increase in the total number of Māori early childhood education enrolments</p> <p>i.e. the total number on the roll for two or more months.</p>	<p>Baseline 2012: 125</p> <p>Target 2013: 137</p> <p>Result 2013: 203</p> <p><b>Target achieved</b></p>
<b>Baseline data for performance measures, targets and results for 2013:</b>	<p>An increase in the total number of Pasifika early childhood education enrolments</p> <p>i.e. the total number on the roll for two or more months.</p>	<p>Baseline 2012: 7</p> <p>Target 2013: 20</p> <p>Result 2013: 24</p> <p><b>Target achieved</b></p>
<b>Baseline data for performance measures, targets and results for 2013:</b>	<p>An increase in the total number of playgroups.</p>	<p>Baseline 2012: 26</p> <p>Target 2013: 35</p> <p>Result EOY 2013: 3 (quarter 3: 28)</p> <p><b>Target not achieved</b></p>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p><b>Māori enrolments</b></p> <p>Early childhood (ECH) teachers responded to requests from iwi education groups and made approaches to organisations with significant numbers of Māori whānau involved.</p> <p>ECH purchased resources which reflect the needs and aspirations of Māori students.</p>	<p>Increased enrolments in Māori early childhood education through Te Kura.</p>	<p>Our input was received positively with new enrolments to our programme.</p> <p>We have been flexible in our mode of delivery to these students and have partnered with referring organisations, iwi and with the student’s whānau/family.</p>	<p>We will continue to consult and develop new modes of delivery in response to the needs of partnering organisations.</p> <p>We will continue to amend existing resources and develop new ones to ensure every resource produced contains both languages, Te Reo and English, as well as a Pasifika theme.</p>
<p><b>Pasifika enrolments</b></p> <p>ECH teachers have participated in Pasifika sponsored events designed to showcase early childhood education.</p> <p>ECH has shared resources with Pasifika organisations that are keen to engage young families in educational opportunities.</p>	<p>Some Pasifika students from South Auckland have joined the programme as a result of the relationships formed between Te Kura’s mentors and playgroup families. Families have joined with Engaging Priority Families (EPF) providers and qualified for enrolment in that way.</p> <p>As a result of our work with playgroups, we have developed resources with a Pasifika theme through motifs, design and Samoan language.</p>		
<p><b>Playgroups</b></p> <p>Te Kura promoted and supported groups to join the Ministry of Education’s playgroup initiative.</p>	<p>During the year, up to 28 playgroups received learning resources and support from Te Kura.</p>	<p>By year’s end, many of the playgroups supported by Te Kura in 2012 and 2013 had ceased operation.</p>	<p>The Ministry’s playgroup initiative was set up to strengthen the gateway for children who have barriers to accessing early childhood education.</p> <p>Te Kura has all of the necessary resources available and ready to go, and is keen to work with the Ministry to grow the playgroup initiative in whichever direction the Ministry wishes to proceed.</p>

**NATIONAL STANDARDS**

<b>Focus:</b>	<b>Māori student achievement in National Standards in reading, writing and mathematics</b>	
<b>Strategic aim:</b>	<p>To improve the percentage of years 1 to 8 students who are achieving 'at' or 'above' in National Standards in reading, writing and mathematics.</p> <p>Analysis of school-wide achievement data has identified areas of concern, particularly for Māori students. The results consistently show us that a significant proportion of Māori students are not meeting the National Standards in reading, writing and mathematics when compared with the achievement of all our students.</p>	
<b>Annual aims for 2013:</b>	<p>We will aim to increase the percentage of full-time Māori students in years 1 to 8 who are achieving 'at' or 'above' in National Standards in reading, writing and mathematics.</p> <p>To achieve this, we will be closely monitoring student progress to identify which students need extra input and to state clear goals in their individual education plans. Note: this includes students with special education needs. Where a need is identified, supervisors of years 1 to 10 students will be encouraged to access adult literacy services through Literacy Aotearoa.</p>	
<b>Baseline data for performance measures, targets and results for 2013:</b>	<p>The percentage of full-time Māori students in years 1 to 8 who are achieving 'at' or 'above' in National Standards will increase by 5% from end-2012 to end-2013 in:</p>	
	<b>Reading – full-time Māori students achieving 'at' or 'above'</b>	Baseline 2012: 40% Target 2013: 45% Result 2013: 48% (62 students) <b>Target achieved</b>
	<b>Writing – full-time Māori students achieving 'at' or 'above'</b>	Baseline 2012: 38% Target 2013: 43% Result 2013: 40% (52 students) <b>Target not achieved</b>
	<b>Mathematics – full-time Māori students achieving 'at' or 'above'</b>	Baseline 2012: 37% Target 2013: 42% Result 2013: 42% (55 students) <b>Target achieved</b>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>A comprehensive analysis of student achievement in National Standards was considered by the Board.</p>	<p>The targets for reading and mathematics were achieved.</p> <p>Although the target for writing was not achieved, there was a 2% increase.</p>		<p>New writing resources will be prepared to help supervisors teach writing, as well as for students in pre-reading and writing.</p> <p>In 2014, naturally occurring evidence will be used to make teacher judgements about writing as well as the formal writing assessments.</p>
<p>Students were closely monitored in a number of ways, e.g.</p> <ul style="list-style-type: none"> <li>– Spreadsheets were used to track and monitor progress.</li> <li>– There was direct follow-up with students causing concern.</li> <li>– At targeted event days for students and supervisors.</li> <li>– Individual education plans were reassessed i.e. goals, next steps.</li> </ul>	<p>There were increased opportunities for face-to-face contact with students e.g. via Skype, invitations to event days, tutorials and advisories.</p>	<p>n/a</p>	<p>Providing more opportunities for face-to-face contact with students will continue to be a key focus in 2014.</p>
<p>There was ongoing monitoring and encouragement for students to return tests and to progress their levels of achievement in reading, writing and mathematics.</p>	<p>Test return rates, at set points during the two main testing rounds, showed higher return rates of mathematics and reading tests. The rate of return by Māori students was less than for non-Māori/non-Pasifika students.</p>	<p>Although the return for writing tests improved, the return rates across all ethnicities were well below those for reading and mathematics.</p> <p>Due to the distance-based nature of teaching at Te Kura and the fluctuations in the time students are on the roll throughout the year, it is difficult to get students to return tests consistently across all subject areas.</p>	<p>A particular emphasis will need to be placed on students returning writing tests.</p> <p>In 2014, naturally occurring evidence will be used to make teacher judgements about writing as well as the formal writing assessments.</p> <p>There will be ongoing monitoring and encouragement of students to return tests and to progress their levels of achievement.</p>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Ongoing professional development for staff e.g. staff were encouraged to incorporate Māori perspectives into their curriculum areas.</p> <ul style="list-style-type: none"> <li>– Team meetings included a component of professional development related to Māori achievement.</li> <li>– Professional development has included:                             <ul style="list-style-type: none"> <li>• teams focusing on cultural responsiveness</li> <li>• strengthening relationships with mana whenua</li> <li>• team meetings providing opportunities for staff to demonstrate how they have incorporated Māori perspectives into the curriculum</li> <li>• attendance at He Kakano workshops and conferences</li> <li>• performance appraisal continuing to provide the link between Māori student outcomes and Te Kura's pedagogy.</li> </ul> </li> </ul>	<p>Māori student results improved as follows:</p> <p>For reading, an 8% increase, writing 2% and mathematics 5%.</p>		<p>Further professional development will be delivered for literacy and numeracy.</p> <p>Staff will continue to incorporate Māori perspectives into their curriculum areas and share these examples.</p> <p>Teams will regularly review their strategies, their effectiveness and identification of next steps.</p>

**NATIONAL CERTIFICATE IN EDUCATIONAL ACHIEVEMENT LEVEL 2**

<b>Focus:</b>	<b>Achievement in National Certificate in Educational Achievement Level 2 (NCEA L2)</b>	
<b>Strategic aim:</b>	Te Kura plans to contribute towards the Ministry's five-year target of 85% of 18-year-old students achieving NCEA Level 2 (or a higher qualification) by 2016.	
<b>Annual aims for 2013:</b>	<p>To improve the number of students achieving on NCEA Level 2, more specifically the achievement of full-time students, the credit achievement of dual-enrolled students and participation rates of full-time, years 12 and 13 students.</p> <p>We will focus on teachers developing quality relationships with students through discussions around student interests and appropriate course selection in order to increase student engagement. Staff will continue to encourage students to attend event days and advisories which are offered throughout provincial and regional areas, and to consider opportunities that are available through the Trades Academy. We will continue to closely track and monitor student progress throughout the year.</p>	
<b>Baseline data for performance measures, targets and results for 2013:</b>	<p>The percentage of all 'participating' full-time students achieving NCEA Level 2 will increase to 84%.</p>	<p>Baseline 2012: 83%</p> <p>Revised target 2013: 84%</p> <p>Results 2013: 75%</p> <p><b>Target not achieved</b></p>
<b>Baseline data for performance measures, targets and results for 2013:</b>	<p>The percentage of all dual-enrolled students achieving 12 credits or more in an NCEA Level 2 subject in which they were enrolled will increase to 18%.</p>	<p>Baseline 2012: 13%</p> <p>Target 2013: 18%</p> <p>Results 2013: 9%</p> <p><b>Target not achieved</b></p>
<b>Baseline data for performance measures, targets and results for 2013:</b>	<p>The percentage of all full-time, years 12 and 13 students on the roll for six months or more who were 'participating' in NCEA Level 2 will increase to 16%.</p>	<p>Baseline 2011: 14% (2012: n/a)</p> <p>Target 2013: 16%</p> <p>Results 2013: 12%</p> <p><b>Target not achieved</b></p>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Analysis of the results for the performance measures and targets set for NCEA Level 2.</p>	<p><b>Full-time student achievement</b></p> <p>There was a 10% increase in the number of students participating. However, the number of students achieving remained the same as 2012. This resulted in a decrease in the achievement rate.</p> <p>A number of students did not achieve NCEA Level 2 because they did not meet the literacy and numeracy requirements.</p> <p>As was the case last year, many of our students worked across more than one NCEA level in any one year.</p>	<p>Changed literacy and numeracy requirements for NCEA Level 2 have contributed to a number of students not achieving NCEA Level 2.</p>	<p>There will be closer monitoring to identify earlier, any students who are enrolled in 80 credits or more for NCEA Level 2 who still need to gain their NCEA Level 1 Literacy and Numeracy credits.</p> <p>A more detailed analysis of results will be completed by enrolment gateway to better understand the achievement made by 'at risk' students.</p> <p>We will define our targets more clearly to recognise that many of our students are working across more than one NCEA and/or curriculum level in any one year.</p>
	<p><b>Dual-enrolled student achievement</b></p> <p>The number of dual subject enrolments in courses offering 12 or more credits increased by 31% from 2012. These enrolments spanned 32 courses.</p> <p>The courses with the highest rates of dual-enrolled students achieving 12 or more credits were in languages.</p>	<p>Some subjects, particularly English and Mathematics, are often studied so that the student can catch up on specific standards not gained at their face-to-face school, yet needed to gain university entrance or to complete a qualification. These students' goals would typically not include completing all of the offered standards.</p> <p>Some students who enrol through the gateways of Activity Centre, Alternative Education, Remedial or Regional Health School are unable to complete all of the standards offered in the course in one year.</p>	<p>The majority of dual-enrolled students enrol through the gateways of Subject not available, Regional Health School or Young Parent.</p> <p>A more detailed analysis of the results for these student groups is underway to help in identifying the type of additional support needed to improve achievement.</p>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Analysis of the results for the performance measures and targets set for NCEA Level 2.</p>	<p><b>Participation by full-time, years 12 and 13 students</b></p> <p>Some student enrolment types such as Exceptional Arts and Sports, Geographical, Itinerancy and Overseas, meet or exceed the goal. However, these enrolment gateways make up just over a quarter (27%) of full-time years 12 and 13 enrolments.</p> <p>Participation rates have declined for full-time, year 12 and 13 students enrolled through the Alienation, Psychological/Psycho-social or Young parent gateways. These students make up two-thirds of the full-time student enrolments in years 12 and 13.</p>	<p>There was a wide variance in participation rates across the 11 enrolment gateways targeted in this measure.</p>	<p>This measure targeted a specific cohort of students with the intention of increasing their participation. A number of initiatives to encourage more face-to-face contact with students were trialled.</p> <p>There was improved face-to-face engagement at targeted event days and advisories. These initiatives will be continued in 2014.</p>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Several initiatives were trialled during the year, including:</p> <ul style="list-style-type: none"> <li>– strengthening teacher/student relationships and discussions around student interests and course selection</li> <li>– strong encouragement for students and supervisors to attend face-to-face events; invitations to tutorials, advisories and event days</li> <li>– closer monitoring of student progress by learning advisors</li> <li>– early intervention strategies to reduce disengagement e.g. student requirement to return assessable work, liaison teacher visits, involvement of Youth Services and mentors.</li> </ul>	<p>Improved face-to-face engagement in some areas.</p> <p>Targeted event days were held to set goals on numeracy and literacy, and for students working towards specific achievement standards.</p> <p>Continued monitoring has been a key focus.</p>	<p>n/a</p>	<p>The initiatives trialled in 2013 will continue into 2014.</p>
<p>Students were encouraged to participate in Huarahi, our Trades Academy.</p>	<p>This resulted in increased student engagement and NCEA credit achievement.</p>	<p>n/a</p>	<p>Additional placements will be available through Trades Academy in 2014.</p>

YOUNG ADULT STUDENTS

<b>Focus:</b>	<b>Improved outcomes for young adult students</b>	
<b>Strategic aim:</b>	<p>The Ministry of Education aims to have improved foundation education to ensure all young people are able to gain skills and qualifications. This will include strengthening transitions between schools and tertiary education, skills training or the workplace, and developing and implementing vocational pathways for students.</p> <p>At Te Kura, a large proportion of young adult students continue to “fall through the gaps” in terms of engagement and achievement. We aim to improve the outcomes for these students by providing easier transition into further study or work and/or greater achievement in NCEA Level 2.</p>	
<b>Annual aims for 2013:</b>	<p>A number of initiatives will be trialled in the regions which will aim to develop closer connections with young adult students from the time of enrolment, ensuring appropriate course selection, through to providing a greater focus on goal achievement.</p> <p>Young adult students will have increased opportunities to participate in other work/study programmes such as through our Trades Academy, vocational pathways and in partnership relationships Te Kura has with a number of iwi, community and tertiary organisations throughout New Zealand.</p>	
<b>Performance measures, targets and results for 2013:</b>	<p>Young adult students will achieve their 2013 annual goals according to the following categories: Completed literacy/numeracy; Obtained entry into tertiary or armed forces; Completed qualification; Found employment; Other (e.g. for interest to supplement other study).</p>	<p>Target 2013: 30%</p> <p>Results 2013: This could not be measured reliably due to young adult students having such a wide range of goals.</p>
<b>Note: no baseline data as new measures for 2013.</b>	<p>The number of young adult students enrolled in partnership learning will increase through Gateway placements, Trades Academy and other pilot programmes.</p>	<p>Target 2013: 200 placements</p> <p>Results 2013: 240 (total fully funded)</p> <p>Gateway: 72</p> <p>Huarahi: 60 + 23*</p> <p>Tertiary Link: 108</p> <p><b>Target achieved</b></p> <p>* Te Kura is part-funded for these with other Secondary Tertiary Providers (STPs).</p>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Developed closer connections at enrolment to build positive relationships with students.</p> <p>Some regions allocated learning advisors to all young adults.</p>	<p>Higher engagement rates were achieved at advisories.</p>	<p>The opportunity for more face-to-face contact with young adult students has enabled teachers to run goal-setting sessions. This incorporates a revision of shared expectations.</p>	<p>A continuation of current strategies to encourage engagement and achievement e.g. regular tracking and monitoring of engagement. Interventions to be put in place as required.</p> <p>The range of goals for young adult students is very wide and this measure requires a clearer focus on a specific cohort of young adults.</p>
<p>Students were encouraged to participate in partnership training programmes.</p> <p>All regions allocated a teacher call-back day which was devoted to the role of learning advisors in authentic learning.</p>	<p>Total student placements on STAR programmes during 2013:</p> <p>STAR Distance: 102</p> <p>STAR face-to-face: 676 bookings made.</p> <p>Increased uptake through trades academies.</p>	<p>n/a</p>	<p>Additional placements will be available through trades academies in 2014.</p>

**SPECIAL EDUCATION NEEDS**

<b>Focus:</b>	<b>Achievement of learners with special education needs.</b>		
<b>Strategic aim:</b>	To provide highly inclusive practices for learners with special education needs as assessed by the Education Review Office.		
<b>Annual aims for 2013:</b>	During 2013 we will consider the processes we use for collecting data to measure and report on gains made by learners with special education needs. These students are assessed using a number of assessment tools such as the Central Region Special School Curriculum Exemplars, as well as standardised testing using NumPA, e-asTTle and reading running records.		
<b>Performance measures, targets and results for 2013:</b>	Progress is made by all full-time students with special education needs who are working at Curriculum Level 1 or early Level 2 for all of their compulsory schooling years.		
<b>Note: no baseline data as new measures for 2013.</b>	An increase in the number of NCEA credits gained by students who have been identified with a specific learning disability and have been granted Special Assessment Conditions (SAC) for reader/writer assistance by the NZQA.		
<b>Note: no baseline data as new measures for 2013.</b>	The engagement of dual-enrolled students who are enrolled through the remedial and special education gateways will increase by 5%, as measured through the non-returners process.		
<b>Actions (what did we do?)</b>	<b>Outcomes (what happened?)</b>	<b>Reasons for the variance (why did it happen?)</b>	<b>Evaluation (where to next?)</b>
<p><b>Full time</b></p> <p>Team leaders included Special Education students in the achievement tracking sheets set-up for all full-time students.</p> <p>Team leaders and teachers described students' levels of achievement using the Central Region Special School exemplars and descriptors or other assessments commonly used for mainstream students e.g. reading running records or numeracy stages.</p>	<p>Of the 99 full-time students in the Special Education qualification, the following progress was recorded:</p> <p><b>Reading results</b></p> <p>40 students made progress</p> <p>43 students made no progress</p> <p><b>Writing results</b></p> <p>28 students made progress</p> <p>3 regressed</p> <p>52 made no progress</p> <p><b>Numeracy results</b></p> <p>35 students made progress</p> <p>1 regressed</p> <p>47 made no progress</p>	<p>Determining the most appropriate processes for collecting, measuring and reporting gains made by students with special education needs has been a new initiative for 2013.</p>	<p>There will be ongoing review and monitoring of the data collected, to ensure that students that are included for special education are studying on an appropriate programme of learning that will help them to progress at their academic level.</p>

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p><b>Specific learning disabilities</b></p> <p>A specific cohort of students who had been granted reader/writer assistance through Special Assessment Conditions (SAC) was established for tracking and reporting purposes.</p> <p>Learning advisors monitored the progress of these students to ensure Te Kura's support and intervention had been effective. Monthly progress reports were submitted to Team Leaders and discussed to address any areas of concern.</p>	<p>A total of 34 students were identified as possible candidates for SAC support i.e. reader, writer or reader/writer combined.</p> <p>Results: Of the 34 SAC-funded students in 2013, a total of:</p> <ul style="list-style-type: none"> <li>- 629 credits were gained at NCEA Level 1 by 24 students</li> <li>- 395 credits were gained at NCEA Level 2 by 20 students</li> <li>- 129 credits were gained at NCEA Level 3 by 11 students</li> </ul>	<p>This was a new measure for 2013.</p>	<p>The progress reports have provided new evidence of engagement and achievement made by students supported through SAC.</p> <p>The closer monitoring and analysis carried out during 2013 will continue in 2014. Regional Managers and Team Leaders will meet each term to discuss the monthly progress reports and various initiatives put into place to improve progress.</p> <p>The findings from this initiative have led to further analysis in 2014 around students with special assessment conditions.</p>
<p><b>Dual-enrolled</b></p> <p>The level of engagement of dual-enrolled students who are enrolled through the remedial and special education gateways was measured through the non-returns process.</p> <p>The engagement level has been measured from mid-year to end-of-year 2013 to ascertain any change.</p>	<p>Overall engagement of dual-enrolled by remedial and special education gateways, as a result of running routine processes for non-returns during the year, was 73% as at the end of 2013.</p>	<p>This was a new measure in 2013. No baseline figures were available to measure improvement year-to-year due to the non-returns process not running in 2012 and the unavailability of reliable subject level data for these gateways in 2011.</p>	<p>The target increase of 5% in engagement will remain for 2014 i.e. 78% engagement, as measured against the baseline of 73%. This will require the percentage removed from the roll via the non-returns process to be no greater than 22%.</p>

## STUDENT PRESENCE AND ENGAGEMENT

<b>Focus:</b>	<b>Student presence and engagement</b>		
<b>Strategic aim:</b>	Te Kura aims to have students ready and able to learn, to be positively engaged in their learning and to feel connected to, and supported by, the school and their own communities.		
<b>Annual aims and targets for 2013:</b>	Te Kura will aim to: <ul style="list-style-type: none"> <li>– ensure enrolments are processed as quickly as possible</li> <li>– answer all calls successfully</li> <li>– dispatch all student learning resources promptly</li> <li>– encourage all Māori students to attend a face-to-face event during 2013.</li> </ul>		
<b>Baseline data for performance measures, targets and results for 2013:</b>	All students enrolled within 10 working days of receipt of enrolment documents.	Baseline: not available Target 2013: 87% Results 2013: 65%	<b>Target not achieved</b>
	Reports on ring time, response time, waiting time, abandonment level and other relevant indicators reported to the Board.	Baseline 2012: 1% abandonment level Target 2013: ≤3% Results 2013: 4%	<b>Target not achieved</b>
	Students' learning resources dispatched within five working days of being ordered.	Baseline 2012: 91% Target 2013: 93% Results 2013: 96.6%	<b>Target achieved</b>
	All Māori students attend a face-to-face event.	Baseline: new measure Target 2013: 30% Results 2013: (unable to be reliably measured)	
<b>Actions (what did we do?)</b>	<b>Outcomes (what happened?)</b>	<b>Reasons for the variance (why did it happen?)</b>	<b>Evaluation (where to next?)</b>
Students were enrolled as quickly as possible so that they could commence their studies promptly.  New initiatives were implemented to focus staff on processing specific types of enrolments, allowing other staff to manage telephone and email queries.	The percentages of enrolments processed within 10 working days of receipt of enrolment documents (by quarter) were:  Quarter 1: 38% Quarter 2: 73% Quarter 3: 91% Quarter 4: 65%	The target of 87% was not achieved. The mixed results during the year can be attributed to staffing and system issues.	Staff are now more familiar with the Student Management System and there are fewer issues to contend with for 2014 enrolments.  We will investigate the capabilities of the Student Management System further to ensure that enrolment processes are as efficient as possible.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Reports on ring time, response time, waiting time, abandonment level were reported to the Board.</p> <p>Regular review of the levels of enrolment staff to ensure there was adequate coverage provided to respond to calls.</p> <p>In quarter 4, we trialled new ways to roster additional staff onto the phones each day, particularly at peak enrolment times.</p>	<p>Total calls: 26,337</p> <p>Average ring time (seconds): 0.04</p> <p>Average talk time (minutes): 3:47</p> <p>Abandonment rate: 4%</p> <p>As a result of new initiatives trialled during the final quarter, the abandonment rate reduced to 1.75% for quarter 4. This was a significant reduction in the abandonment rate to previous quarters.</p>	<p>The result indicates that the staffing measures put in place in quarter 4 have been effective.</p>	<p>Initiatives around the roster of staff onto phones each day, particularly at peak enrolment times, will continue into 2014 with the aim of improving results.</p>
<p>Closer monitoring of dispatch rates; quicker identification and clearance of any back orders.</p> <p>Several new reports were developed to monitor the dispatch rates and orders that fell into back order.</p> <p>All back orders, out of stocks and re-order points were monitored three times a week and cleared accordingly.</p>	<p>For 2013 a total of 303,255 items were dispatched. The percentage of items dispatched within five working days was 96.26%, exceeding the annual target of 93%.</p>	<p>n/a</p>	<p>Regular monitoring will continue.</p>
<p>A target of 30% of Māori students attending a face-to-face event was set for 2013. Students were encouraged to attend a number of face-to-face events held in regions e.g. advisories, event days, Skype discussions.</p>	<p>The Northern region recorded 49.7% attendance by its full-time and young adult Māori students.</p>	<p>This was a new measure trialled in 2013. The target proved difficult to measure across-school due to the wide range of opportunities available for students to have face-to-face contact with teachers.</p>	<p>Te Kura will continue to offer a variety of opportunities for students to have face-to-face contact with teachers.</p>

**OPERATIONAL**

<b>Focus:</b>	<b>School efficiency and effectiveness</b>	
<b>Strategic aim:</b>	Ensure our people, systems and processes are adaptive, responsive, and capable of achieving our goals. Cross-school collaboration, adaptability and responsiveness can enhance the capability of Te Kura. In fostering a school culture that values and supports those ways of working, we recognise the power of each staff member to contribute to improved organisational performance.	
<b>Annual aims, performance measures, targets and results for 2013:</b>	Te Kura achieves its operating and capital budget targets within variance acceptable to the Chief Executive and Board.	Result 2013:  <b>Target achieved</b>
<b>Annual aims, performance measures, targets and results for 2013:</b>	Target: Te Kura operates within its approved budget.	<b>Target achieved</b>
<b>Annual aims, performance measures, targets and results for 2013:</b>	Te Kura assets will be well-managed and updated according to the replacement cycle.	Result 2013:  <b>Target achieved</b>
<b>Annual aims, performance measures, targets and results for 2013:</b>	Target: The Capital Management policy is adhered to.	<b>Target achieved</b>
<b>Annual aims, performance measures, targets and results for 2013:</b>	Te Kura will comply with all statutory, regulatory and audit requirements and the school's policies and procedures.	Results 2013:  <b>Target achieved</b>
<b>Annual aims, performance measures, targets and results for 2013:</b>	Targets: – Te Kura receives an 'unqualified opinion' from the Auditor General.	<b>Target achieved</b>
<b>Annual aims, performance measures, targets and results for 2013:</b>	– No incidents of imprudence or non-compliance with legislation arise that may compromise Te Kura, its stakeholders or the Board.	<b>Target achieved</b>

# 09 FINANCIAL STATEMENTS

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# 9a STATEMENT OF RESPONSIBILITY

## FOR THE YEAR ENDED 31 DECEMBER 2013

Enclosed are the financial statements of Te Aho o Te Kura Pounamu (Te Kura) for the year ended 31 December 2013. These are prepared in accordance with the requirements set out in section 87 of the Education Act 1989 and in section 155 of the Crown Entities Act 2004.

The Chief Executive Officer and the Board of Trustees of Te Kura accept responsibility for the preparation of the annual financial statements and the judgements used.

The Board and Management accept responsibility for establishing and maintaining systems of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting of Te Kura.

In the opinion of the Board and Management, the annual financial statements for the financial year fairly reflect the financial position and operations of Te Kura.

During 2012 the Ministry of Education introduced a new payroll system, Novopay, which has resulted in many errors and has caused the statutory reporting deadline of 31 May to be missed in both 2013 and 2014. To the best of our knowledge, all material matters are properly reflected in the financial statements.

The financial statements have been authorised for issue by:



KAREN SEWELL  
CHAIR OF THE BOARD  
17 July 2014



MIKE HOLLINGS  
CHIEF EXECUTIVE OFFICER  
17 July 2014

# 9b STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2013

	NOTES	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>REVENUE</b>				
Government Funding		44,518	43,168	43,493
Government Funded Initiatives	3	3,714	3,281	3,023
Tuition Fees		415	435	353
Finance Income	4	242	18	208
Donations		14	41	57
Miscellaneous		1,341	1,003	1,199
Gain on Sale of Assets	13	18	0	27
<b>TOTAL REVENUE</b>		<b>50,262</b>	<b>47,946</b>	<b>48,360</b>
<b>EXPENDITURE</b>				
Personnel	5	33,821	34,647	35,230
Operating Costs	6	10,497	10,523	10,789
Finance Costs	4	(45)	0	29
Depreciation & Amortisation	20, 21	2,524	2,782	1,992
<b>TOTAL EXPENDITURE</b>		<b>46,795</b>	<b>47,952</b>	<b>48,040</b>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>3,465</b>	<b>(6)</b>	<b>320</b>
Other Comprehensive Income		0	0	0
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR:</b>		<b>3,465</b>	<b>(6)</b>	<b>320</b>

The Statement of Accounting Policies and Notes to the Financial Statements on pages 44 to 69 form part of and are to be read in conjunction with the Financial Statements.

# 9c STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013

	NOTES	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Retained Earnings		19,675	16,200	16,211
Other Reserves		60	61	59
<b>TOTAL EQUITY</b>		<b>19,735</b>	<b>16,261</b>	<b>16,270</b>
Represented by:				
<b>CURRENT ASSETS</b>				
Cash & Cash Equivalents	14	8,168	2,889	4,749
Inventory Held for Distribution		2,357	1,652	1,779
Prepayments		508	547	580
Accounts Receivable	15	1,641	694	1,344
<b>TOTAL CURRENT ASSETS</b>		<b>12,674</b>	<b>5,782</b>	<b>8,452</b>
<b>CURRENT LIABILITIES</b>				
Creditors & Other Payables	16	3,836	821	4,663
Employee Entitlements	18	2,786	2,436	2,634
GST Payable		218	375	232
Revenue in Advance		46	64	16
Provisions	17	213	245	292
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,099</b>	<b>3,941</b>	<b>7,837</b>
<b>WORKING CAPITAL</b>		<b>5,575</b>	<b>1,842</b>	<b>615</b>
<b>NON-CURRENT ASSETS</b>				
Fixed Assets & Work in Progress	20	2,455	2,267	2,869
Intangible Assets & Work in Progress	21	12,082	12,460	13,093
<b>TOTAL NON-CURRENT ASSETS</b>		<b>14,537</b>	<b>14,727</b>	<b>15,962</b>
<b>NON-CURRENT LIABILITIES</b>				
Employee Entitlements	18	216	180	180
Provisions	17	161	127	127
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>377</b>	<b>307</b>	<b>307</b>
<b>NET ASSETS</b>		<b>19,735</b>	<b>16,261</b>	<b>16,270</b>

The Statement of Accounting Policies and Notes to the Financial Statements on pages 44 to 69 form part of and are to be read in conjunction with the Financial Statements.

# 9d STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2013

	NOTES	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>EQUITY AT THE START OF THE YEAR</b>				
Restricted Reserve		50	51	51
Asset Revaluation Reserve		10	10	10
Retained Earnings		16,210	16,207	15,891
		<b>16,270</b>	<b>16,268</b>	<b>15,952</b>
<b>ADD</b>				
Total Comprehensive Income for the year		3,465	(7)	320
Movement in Restricted Reserve		0	0	(2)
<b>EQUITY AT THE END OF THE YEAR</b>	<b>23</b>	<b>19,735</b>	<b>16,261</b>	<b>16,270</b>

The Statement of Accounting Policies and Notes to the Financial Statements on pages 44 to 69 form part of and are to be read in conjunction with the Financial Statements.

# 9e STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Government Funding- EFTS	43,655	42,526	42,899
Government Funded Initiatives	3,496	3,281	3,185
Fees & Charges	465	524	407
Miscellaneous	480	28	443
Interest	242	18	208
	<b>48,338</b>	<b>46,377</b>	<b>47,142</b>
<b>Cash was applied to:</b>			
Payments to Employees	(33,076)	(33,851)	(34,519)
Payments to Suppliers	(12,107)	(12,981)	(11,600)
Net GST paid *	(13)	142	125
	<b>(45,196)</b>	<b>(46,690)</b>	<b>(45,994)</b>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES (NOTE 24)</b>	<b>3,142</b>	<b>(313)</b>	<b>1,148</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Proceeds from Sale of Assets	26	0	32
	<b>26</b>	<b>0</b>	<b>32</b>
<b>Cash was applied to:</b>			
Purchase of Assets	(101)	(612)	(200)
Purchase of Intangible Assets/Work in Progress	352	(935)	(1,942)
	<b>251</b>	<b>(1,547)</b>	<b>(2,142)</b>
<b>NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES</b>	<b>277</b>	<b>(1,547)</b>	<b>(2,110)</b>
<b>NET (DECREASE)/INCREASE IN CASH HELD</b>	<b>3,419</b>	<b>(1,860)</b>	<b>(962)</b>
Add cash and cash equivalents at the beginning of the year	4,749	4,749	5,711
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>8,168</b>	<b>2,889</b>	<b>4,749</b>

\*The Net GST paid component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The Net GST paid component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The Statement of Accounting Policies and Notes to the Financial Statements on pages 44 to 69 form part of and are to be read in conjunction with the Financial Statements.

# 9f STATEMENT OF COMMITMENTS

AS AT 31 DECEMBER 2013

	2013 ACTUAL \$000	2012 ACTUAL \$000
<b>Property lease commitments:</b>		
Not later than one year	668	672
Later than two years and not later than five years	584	660
Later than five years	0	560
<b>TOTAL</b>	<b>1,252</b>	<b>1,892</b>

	2013 ACTUAL \$000	2012 ACTUAL \$000
<b>Equipment lease commitments:</b>		
Not later than one year	158	265
Later than two years and not later than five years	0	158
<b>TOTAL</b>	<b>158</b>	<b>423</b>

The Statement of Accounting Policies and Notes to the Financial Statements on pages 44 to 69 form part of and are to be read in conjunction with the Financial Statements.

# 9g STATEMENT OF CONTINGENT ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2013

There were no contingent assets (2012: \$0) or contingent liabilities (2012: \$0) in the current year.

The Statement of Accounting Policies and Notes to the Financial Statements on pages 44 to 69 form part of and are to be read in conjunction with the Financial Statements.

# 9h NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2013

### 01. GENERAL INFORMATION

Te Aho o Te Kura Pounamu ("Te Kura") is a New Zealand domiciled state school within the meaning ascribed to that term by the Education Act 1989 (the "Act").

The reporting entity is that entity known as Te Aho o Te Kura Pounamu, identified by the Te Kura School Charter and governed by the Te Kura Board of Trustees, and includes all activities carried out in the name of Te Kura.

The primary objective of Te Kura is to provide services to the community for social benefit rather than making a financial return. Accordingly, Te Kura has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

The financial statements of Te Kura are for the year ended 31 December 2013. The financial statements were authorised for issue by the Board of Trustees on 17 July 2014.

### 02. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (A) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with NZ IFRS and other applicable Financial Reporting Standards as appropriate for public benefit entities.

#### (B) BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, modified by the revaluation of artworks and certain financial instruments. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000's). The functional currency of Te Kura is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Income.

#### (C) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable.

#### Donations

Donations are recognised as revenue at the point when Te Kura formally acknowledges receipt. Revenue is measured at the fair value of consideration received.

#### Government funding

Te Kura receives Government grants to supply education services to eligible students. Revenue is recognised as the services are delivered to students based on either the number of students on the roll for each funding period or specific service delivery. Revenue is measured at the fair value of consideration received.

#### Interest

Interest income is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

#### Tuition fees

Tuition fees are received from students who are ineligible for Government funding for the supply of education services. Revenue is recognised at the point of student enrolment unless the enrolment is for the following year. Revenue is measured at the fair value of consideration received.

#### (D) INCOME TAX

The Income Tax Act states that public authorities, including schools, are exempt from income tax. Accordingly, no charge for income tax has been provided for.

#### (E) LEASES

All leases held by Te Kura are operating leases. Operating leases, where the lessor substantially retains the risks and rewards of ownership, are recognised in a systematic manner over the term of the lease. Leasehold improvements are capitalised and the cost is amortised over the unexpired period of the lease or the estimated useful life of the improvements, whichever is shorter.

Lease payments under an operating lease are recognised as an expense on a straight line basis over the term of the lease.

#### (F) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the Statement of Comprehensive Income.

Purchases and sales of investments are recognised on trade-date, the date on which Te Kura commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive

cash flows from the financial assets have expired or have been transferred and Te Kura has transferred substantially all the risks and rewards of ownership. All financial assets held by Te Kura have been categorised as “Loans and Receivables”.

At each balance date Te Kura assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account.

#### **(G) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, cash in transit, bank accounts and deposits held at call with banks with a maturity of no more than three months as at 31 December 2013.

#### **(H) OTHER FINANCIAL ASSETS**

Other financial assets include deposits held at call with banks with a maturity longer than three months as at 31 December 2013.

#### **(I) LOANS AND OTHER RECEIVABLES**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially measured at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

Loans and receivables issued with a duration of less than 12 months are recognised at their nominal value, unless the effect of discounting is material.

A provision for estimated irrecoverable amounts is recognised when there is objective evidence that the asset is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method. Impairment losses are recognised in the Statement of Comprehensive Income.

The receivables include personnel related debts relating to Novopay. The recoveries of these amounts are dependent on the resolution of Novopay discrepancies and recovery by the Ministry of Education and may have a duration of more than 12 months to fully recover.

#### **(J) INVENTORIES**

Inventories held for distribution, or consumption in the provision of services, that are not issued on a commercial basis are measured at cost adjusted when applicable for any loss of service potential.

Loss of service potential is recognised in the Statement of Comprehensive Income in the period when the write down occurs.

#### **(K) PROPERTY, PLANT AND EQUIPMENT**

Items of property, plant and equipment are initially recorded at cost. This includes the make good provision. Te Kura has estimated the cost of reinstatement of the leased buildings at the time the lease expires and discounted back to the present value.

These have been classified as “Make Good - Leasehold Improvements” in Note 20.

Any equipment or furniture with a cost value less than \$2,000 is treated as expenditure rather than as an item of property, plant and equipment. The value of an individual asset less than \$2,000 which is part of a group of similar assets is capitalised.

#### **Additions**

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

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired for nil or nominal cost it is recognised at fair value as at the date of acquisition.

#### **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 Statement of Comprehensive Income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

#### **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 Te Kura and the cost of the item can be measured reliably.

#### **Revaluation**

Art work is recorded at fair value based on the current market. A valuation is carried out every five years. The appropriateness of the valuation is assessed on an annual basis.

All other classes of property, plant and equipment are recorded at cost, less accumulated depreciation and accumulated impairment losses.

Classes of property, plant and equipment that are revalued are revalued at least every five years or whenever the carrying amount differs materially to fair value. Revaluation is based on the fair value of the asset, with changes reported by class of asset. Unrealised gains and losses arising from changes in the value of property, plant and equipment are recognised as at balance date. To the extent that a gain reverses a loss previously charged to the Statement of Comprehensive Income for the asset class, the gain is credited to the Statement of Comprehensive Income. Otherwise, gains are credited to an asset revaluation reserve for that class of asset. To the extent that there is a balance in the asset revaluation reserve for the asset class any loss is debited to the reserve. Otherwise losses are reported in the Statement of Comprehensive Income.

**Depreciation**

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its estimated useful life. Typically, the estimated useful lives of different classes of property, plant and equipment are as follows:

Information and Communications Technology Equipment	3–5 years
Education resources	5 years
Library materials	5 years
Furniture and fittings	5 years
Leasehold Improvements	5 years
Motor vehicles	5 years
Plant and equipment	10 years

Make Good – Leasehold Improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end. Capital work in progress and art works are not depreciated.

**(L) INTANGIBLE ASSETS (SOFTWARE)**

Intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents direct costs incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated: technical feasibility;

ability to complete asset; intention and ability to sell or use; and development expenditure can be reliably measured.

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

Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Statement of Comprehensive Income on a straight-line basis over the useful life of the asset.

**Amortisation:**

Intangible assets are amortised on a straight line basis at rates calculated to allocate the cost or valuation of the asset, less any estimated residual value, over its estimated useful life. Typically, the estimated useful lives of different classes of intangible asset are as follows:

Intangible assets (internally generated – finite life)	3–10 years
Intangible assets (externally acquired – finite life)	3 –5 years

**(M) IMPAIRMENT OF NON-FINANCIAL ASSETS**

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 assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

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. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset.

Where that results in a debit balance in the revaluation reserve, the balance is recognised in the Statement of Comprehensive Income.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Comprehensive Income.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the Statement of Comprehensive Income, a reversal

of the impairment loss is also recognised in the Statement of Comprehensive Income.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

#### (N) CREDITORS AND OTHER PAYABLES

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

#### (O) EMPLOYEE ENTITLEMENTS

##### Short term employee entitlements

Employee entitlements to be settled within 12 months are reported at the amount expected to be paid. These are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and retiring and long service leave entitlements expected to be settled within 12 months. These benefits are recognised in the Statement of Comprehensive Income when they accrue to employees.

##### Long term employee entitlements

The liability for long-term employee entitlements such as long service leave and retiring leave is reported as the present value of the estimated future cash outflow. The calculations are based on: likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlements information; and the present value of the estimated future cash flows.

#### (P) SUPERANNUATION SCHEMES

##### Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Statement of Comprehensive Income.

##### Defined benefit schemes

Te Kura does not operate any defined benefit superannuation schemes.

#### (Q) PROVISIONS

Te Kura recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

#### Reinstatement provision

Te Kura has entered into lease agreements for various properties which require the school, at the completion of the lease, to return the building to the same condition as when the lease was first signed. The liability for the reinstatement provision is based on reasonable estimates of expenditure required to reinstate the premises. The other side of the provision has created an asset called "Make Good – Leasehold Improvements" refer to 2 (k).

#### Merit performance provision

Te Kura reviews salaries and performance of all employees at the end of December. Recommendations are put forward to a Moderation panel for consideration. The liability for the merit provision is based on reasonable estimates of likely payments.

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

#### (R) GOODS AND SERVICES TAX (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated 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 Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, 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.

#### (S) STATEMENT OF CASHFLOWS

The following terms are used in the statement of cashflows:

- > Cash and cash equivalents – as described in Note 2(g)
- > Operating activities are the principal revenue producing activities of Te Kura and other activities that are not investing or financing activities; and
- > Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

#### (T) BUDGET FIGURES

The budget figures are those approved by the Board of Trustees. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Te Kura for the preparation of the financial statements.

**(U) CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS**

In preparing these financial statements Te Kura has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The following are the judgements and estimates that Te Kura have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- > Lease restatement provision: as described in Note 17 Te Kura has recognised a liability for the reinstatement provision based on reasonable estimates of expenditure required to reinstate the premises.
- > Useful lives of property, plant and equipment and intangible assets: As described in Note 2 (k) and Note (l) Te Kura reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

**(V) CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES OF TE KURA**

Te Kura must exercise judgement when recognising grant income to determine if conditions of the letter of resourcing from the Ministry of Education have been satisfied. This judgement will be based on student enrolment and engagement data from the student management database.

**(W) CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

Contingent assets and contingent liabilities are recorded in the Statements of Contingent Assets and Contingent Liabilities at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

**(X) NOTIONAL LEASE**

Te Kura uses the Portland Crescent property which is owned by the Ministry of Education ("MoE"). MoE have advised that the notional revenue and the notional expense are to be recorded in the financial statements. The fair value assessment has been made by the Ministry of Education.

**(Y) STANDARDS AND INTERPRETATION ISSUED AND NOT YET ADOPTED**

At the date of authorisation of these financial statements the following Standards and Interpretations, including those Standards or Interpretations issued by the International Accounting Standards Board ("IASB") or International Financial Reporting Interpretations Committee ("IFRIC") where an equivalent New Zealand Standard or Interpretation has not been approved, were in issue but not yet effective:

NAME	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER:
IPSAS (tier 1)	1 July 2014

Te Kura expects to adopt the above Standards and Interpretations in the period in which they become mandatory. Te Kura anticipates that the above Standards and Interpretations will have no material impact on the financial statements of Te Kura in the period of initial application.

There are no other standards and interpretations issued but not yet adopted expected to have an impact on Te Kura.

**(Z) CHANGES IN ACCOUNTING POLICIES**

There have been no other changes to accounting policies.

**03. GOVERNMENT FUNDED INITIATIVES**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>PAYMENTS TO SUPERVISORS</b>			
Revenue	905	1,200	1,120
Expense	853	1,144	1,064
	<b>52</b>	<b>56</b>	<b>56</b>
<b>NOVOPAY SUPPORT</b>			
Revenue	32	0	0
Expense	0	0	0
	<b>32</b>	<b>0</b>	<b>0</b>
<b>GATEWAY</b>			
Revenue	72	62	72
Expense	96	91	61
	<b>(24)</b>	<b>(29)</b>	<b>11</b>
<b>KIWISPORT</b>			
Revenue	42	56	56
Expense	42	47	49
	<b>0</b>	<b>9</b>	<b>7</b>
<b>PLAYGROUP INITIATIVE</b>			
Revenue	433	410	313
Expense	148	145	83
	<b>285</b>	<b>265</b>	<b>230</b>
<b>ASSISTIVE TECHNOLOGY</b>			
Revenue	7	10	8
Expense	7	10	8
	<b>0</b>	<b>0</b>	<b>0</b>
<b>ONGOING AND REVIEWABLE RESOURCING SCHEME (ORRS)</b>			
Revenue	957	945	810
Expense	563	619	461
	<b>394</b>	<b>326</b>	<b>349</b>
<b>SPECIAL EDUCATION</b>			
Revenue	467	598	596
Expense	416	509	252
	<b>51</b>	<b>89</b>	<b>344</b>

## GOVERNMENT FUNDED INITIATIVES (CONT'D)

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>TRADES ACADEMY</b>			
Revenue	787	0	48
Expense	198	0	92
	<b>589</b>	<b>0</b>	<b>(44)</b>
<b>STUDY GRANTS</b>			
Revenue	12	0	0
Expense	0	0	0
	<b>12</b>	<b>0</b>	<b>0</b>
<b>TOTAL MINISTRY OF EDUCATION INITIATIVES</b>			
Revenue – Grants	2,757	2,336	2,213
Revenue – Other	957	945	810
	<b>3,714</b>	<b>3,281</b>	<b>3,023</b>
Expense Ministry of Education Initiatives**	1,977	2,565	1,895
<b>BALANCE</b>	<b>1,737</b>	<b>716</b>	<b>1,128</b>

Revenue received under the various Ministry Initiatives is spent in accordance with the rules set by the Ministry of Education for each initiative.

\*\*These expenses are part of Note 5 Personnel Costs and Note 6 Operating Costs.

## 04. FINANCE INCOME AND FINANCE COSTS

	NOTES	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>FINANCE INCOME</b>				
Interest income:				
Term deposits		0	18	0
Cash at bank and on hand		242	0	208
<b>TOTAL FINANCE INCOME</b>		<b>242</b>	<b>18</b>	<b>208</b>
<b>FINANCE COSTS</b>				
Discount unwind on provisions		6	0	(22)
Interest		(51)	0	0
<b>TOTAL FINANCE COSTS</b>		<b>(45)</b>	<b>0</b>	<b>2</b>

## 05. PERSONNEL COSTS

	NOTES	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Salaries and wages		31,581	32,525	32,089
Contractors		674	723	1,666
Personnel related		1,007	1,220	985
Restructuring and exit costs		23	0	(109)
Movement in employee benefits	19	189	(198)	229
Employer contributions to defined contribution plans		347	376	370
<b>TOTAL PERSONNEL COSTS</b>		<b>33,821</b>	<b>34,646</b>	<b>35,230</b>

**06. OPERATING COSTS**

	NOTES	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Consumables/school costs	7	1,893	1,820	1,878
Inventory related expenditure	8	2,061	1,744	1,777
Rent		714	875	806
Notional rent		1,051	1,000	1,026
Other accommodation expenses	9	766	794	737
Administration expenses	10	2,656	2,705	3,053
Student expenses	11	1,073	1,379	1,291
Fees to auditors	12	100	85	88
Board of Trustees remuneration	25	102	121	133
<b>TOTAL OPERATING COSTS</b>		<b>10,497</b>	<b>10,523</b>	<b>10,789</b>

**07. CONSUMABLES/SCHOOL COSTS**

	NOTES	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Communications		1,650	1,639	1,664
Production materials		165	121	152
Textbooks		26	39	31
Copyright expenses		52	20	31
<b>TOTAL CONSUMABLES/SCHOOL COSTS</b>		<b>1,893</b>	<b>1,819</b>	<b>1,878</b>

## 08. INVENTORY RELATED EXPENDITURE

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Sundry	0	0	(1)
Print	0	0	429
Consumables	0	0	11
Hardware	0	0	26
Video	0	0	4
Audio	0	0	7
Teaching resources	2,009	1,617	1,169
Inventory write off	52	127	132
<b>TOTAL INVENTORY RELATED EXPENDITURE</b>	<b>2,061</b>	<b>1,744</b>	<b>1,777</b>

## 09. OTHER ACCOMMODATION EXPENSES

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Off site storage	40	41	36
Office relocation	16	12	12
Cleaning	227	250	242
Security	14	12	14
Remote Working Allowance	11	13	0
Car parks	30	36	31
Repairs and maintenance	192	188	177
Compliance costs	14	12	0
Utilities	222	230	225
<b>TOTAL OTHER ACCOMMODATION EXPENSES</b>	<b>766</b>	<b>794</b>	<b>737</b>

**10. ADMINISTRATION EXPENSES**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Bad debt write off	0	0	1
Insurance	122	116	97
Legal expenses – tax advice	6	0	1
Legal expenses – other	39	33	30
Professional services	742	592	1,279
Operational supplies	1,748	1,963	1,645
<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>2,657</b>	<b>2,704</b>	<b>3,053</b>

**11. STUDENT EXPENSES**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Parents Association/payment to supervisors	853	1,144	1,064
Other student expenses	220	235	227
<b>TOTAL STUDENT EXPENSES</b>	<b>1,073</b>	<b>1,379</b>	<b>1,291</b>

**12. FEES TO AUDITORS**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Audit fees – financial statements	100	85	88
<b>TOTAL FEES TO AUDITORS</b>	<b>100</b>	<b>85</b>	<b>88</b>

## 13. (GAIN)/LOSS ON SALE OF ASSETS

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
IT Equipment – (Gain) on Sale	0	0	(1)
Furniture and Fittings – Written Off	0	0	5
Motor Vehicles – (Gain) on Sale	(20)	0	(31)
Leasehold – Written Off	2	0	0
<b>TOTAL (GAIN)/LOSS ON SALE OF ASSETS</b>	<b>(18)</b>	<b>0</b>	<b>(27)</b>

## 14. CASH AND CASH EQUIVALENTS

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Cheque account 00 a/c	1	2,839	2
Cheque account 25 a/c	93	0	287
Cheque account 28 a/c	16	0	1
Short term deposit accounts	8,009	0	4,409
Multi deposit account	49	50	50
	<b>8,168</b>	<b>2,889</b>	<b>4,749</b>
Cash at bank and in hand	8,119	2,839	4,699
Multi deposit account	49	50	50
	<b>8,168</b>	<b>2,889</b>	<b>4,749</b>

**15. ACCOUNTS RECEIVABLE**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Receivables	351	85	85
Less: provision for doubtful debts	(81)	0	0
Ministry of Education	1,371	610	1,258
	<b>1,641</b>	<b>695</b>	<b>1,343</b>
Not past due	1,342	695	1,262
Past due 31–60 days	89	0	31
Past due 61–90 days	(34)	0	0
Past due > 91 days	244	0	50
	<b>1,641</b>	<b>695</b>	<b>1,343</b>

**Fair value**

Debtors and other receivables are non-interest bearing and receipt is normally on 30 day terms, therefore the carrying value of debtors and other receivables approximates fair value.

**16. CREDITORS AND OTHER PAYABLES**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Suppliers	690	150	843
Salary related liabilities	109	72	92
Other accruals	1,751	0	1,895
Ministry of Education (EFTS)	768	453	1,631
Ministry of Education (Other)	470	120	175
Students	48	27	27
	<b>3,836</b>	<b>821</b>	<b>4,663</b>

**17. PROVISIONS**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>CURRENT PROVISIONS ARE REPRESENTED BY:</b>			
Lease make-good	213	245	245
Merit performance	0	0	1
Contractual	0	0	46
<b>TOTAL CURRENT PORTION</b>	<b>213</b>	<b>245</b>	<b>292</b>
<b>NON-CURRENT PROVISIONS ARE REPRESENTED BY:</b>			
Lease make-good	161	127	127
<b>TOTAL NON-CURRENT PORTION</b>	<b>161</b>	<b>127</b>	<b>127</b>
<b>TOTAL PROVISIONS</b>	<b>374</b>	<b>372</b>	<b>419</b>

*MOVEMENTS FOR EACH CLASS OF PROVISION ARE AS FOLLOWS:*

	LEASE MAKE-GOOD \$000	MERIT PERFORMANCE \$000	CONTRACTUAL \$000
<b>2013</b>			
Balance at 1 January	372	1	46
Additional provisions made	0	0	0
Amounts used	(4)	(1)	(46)
Discount unwind (note 4)	6	0	0
<b>BALANCE AT 31 DECEMBER 2013</b>	<b>374</b>	<b>0</b>	<b>0</b>
<b>2012</b>			
Balance at 1 January	415	17	266
Additional provisions made	0	1	46
Amounts used	(20)	(17)	(266)
Discount unwind (note 4)	(23)	0	0
<b>BALANCE AT 31 DECEMBER 2012</b>	<b>372</b>	<b>1</b>	<b>46</b>

**Reinstatement provision:**

Te Kura has entered into lease agreements for various properties which require the school, at the completion of the lease, to return the building to the same condition when the lease was first signed. The liability for the reinstatement provision is based on reasonable estimates of expenditure required to reinstate the premises.

**Contractual provision:**

The Contractual provision is made up of:

Restructure provision: Te Kura has made changes to its organisational structure in 2012.

The provision reflects the estimated cost for redundancy payments arising from the restructure.

**18. EMPLOYEE ENTITLEMENTS**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>CURRENT PORTION</b>			
Accrued pay	2,786	2,436	2,634
<b>TOTAL CURRENT PORTION</b>	<b>2,786</b>	<b>2,436</b>	<b>2,634</b>
<b>NON-CURRENT PORTION</b>			
Long service leave	6	(0)	0
Retirement leave	210	180	180
<b>TOTAL NON-CURRENT PORTION</b>	<b>216</b>	<b>180</b>	<b>180</b>
	<b>3,002</b>	<b>2,616</b>	<b>2,814</b>
<b>LONG SERVICE LEAVE</b>			
Over 20 Years of Service	6	0	0
	<b>6</b>	<b>0</b>	<b>0</b>
<b>RETIREMENT LEAVE</b>			
19 Years of Service	0	0	18
Over 20 Years of Service	210	180	162
	<b>210</b>	<b>180</b>	<b>180</b>

**19. MOVEMENT IN EMPLOYEE BENEFIT LIABILITIES**

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
Annual leave and salary expense	153	(198)	218
Long service leave	6	0	(3)
Retirement leave	30	0	14
<b>TOTAL EMPLOYEE BENEFIT LIABILITIES</b>	<b>189</b>	<b>(198)</b>	<b>229</b>
<b>COMPRISING:</b>			
Current	189	(198)	(218)
Non-current		0	11
<b>TOTAL EMPLOYEE BENEFIT LIABILITIES</b>	<b>189</b>	<b>(198)</b>	<b>229</b>

## 20. PROPERTY, PLANT AND EQUIPMENT

	COST		ACCUMULATED DEPRECIATION		CARRYING AMOUNT		CURRENT YEAR ADDITIONS		CURRENT YEAR DISPOSALS		CURRENT YEAR DEPRECIATION		DISPOSAL DEPRECIATION IN PERIOD		COST		ACCUMULATED DEPRECIATION		CARRYING AMOUNT	
	31/12/12	\$000	31/12/12	\$000	31/12/12	\$000	\$000	\$000	\$000	\$000	\$000	31/12/13	\$000	31/12/13	\$000	31/12/13	\$000	31/12/13	\$000	
<b>2013</b>																				
IT Equipment	4,406		(3,985)		421		15		(136)		(261)		136		4,285		(4,110)		175	
Library Materials	763		(763)		0		0		0		0		0		763		(763)		0	
Furniture and Fittings	1,841		(1,317)		524		0		(1)		(210)		0		1,840		(1,527)		313	
Leasehold	3,719		(2,365)		1,354		6		(8)		(527)		5		3,717		(2,887)		830	
Make Good – Leasehold Improvements	348		(115)		233		0		(5)		(34)		0		343		(149)		194	
Motor Vehicles	514		(235)		279		57		(74)		(96)		69		497		(262)		235	
Art	35		(2)		33		0		0		0		0		35		(2)		33	
Plant and Equipment	468		(443)		25		22		0		(14)		0		490		(457)		33	
	<b>12,094</b>		<b>(9,225)</b>		<b>2,869</b>		<b>100</b>		<b>(224)</b>		<b>(1,142)</b>		<b>210</b>		<b>11,970</b>		<b>(10,157)</b>		<b>1,813</b>	
Work in progress																				642
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>																				<b>2,455</b>

The valuation of artwork was completed by Christopher Moore Gallery on 16 December 2010. The value is completely independent and not associated with Te Kura in any way.

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## 20. PROPERTY, PLANT AND EQUIPMENT CONT'D

	COST 31/12/11 \$000	ACCUMULATED DEPRECIATION 31/12/11 \$000	CARRYING AMOUNT 31/12/11 \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	CURRENT YEAR DEPRECIATION \$000	DISPOSAL DEPRECIATION IN PERIOD \$000	COST 31/12/12 \$000	ACCUMULATED DEPRECIATION 31/12/12 \$000	CARRYING AMOUNT 31/12/12 \$000
2012										
IT Equipment	5,027	(4,109)	919	72	(693)	(568)	692	4,406	(3,985)	421
Library Materials	763	(763)	0	0	0	0	0	763	(763)	0
Furniture and fittings	1,880	(1,069)	811	2	(41)	(284)	36	1,841	(1,317)	524
Leasehold	3,681	(1,744)	1,937	39	(1)	(622)	1	3,719	(2,365)	1,354
Make Good – Leasehold Improvements	368	(233)	135	0	(20)	118	0	348	(115)	233
Motor Vehicles	503	(212)	291	84	(73)	(96)	73	514	(235)	279
Art	35	(2)	33	0	0	0	0	35	(2)	33
Plant and Equipment	475	(424)	51	2	(9)	(28)	9	468	(443)	25
	12,732	(8,556)	4,176	199	(837)	(1,480)	811	12,094	(9,225)	2,869
Work in progress										0
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>										<b>2,869</b>

The valuation of artwork was completed by Christopher Moore Gallery on 16 December 2010. The value is completely independent and not associated with Te Kura in any way.

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## 21. INTANGIBLE ASSETS

	ACQUISITION COST 31/12/12 \$000	ACCUMULATED AMORTISATION 31/12/12 \$000	CARRYING AMOUNT 31/12/12 \$000	CURRENT YEAR ADDITIONS \$000	CURRENT YEAR DISPOSALS \$000	DISPOSAL AMORTISATION IN PERIOD \$000	CURRENT YEAR AMORTISATION \$000	COST 31/12/13 \$000	ACCUMULATED AMORTISATION 31/12/13 \$000	CARRYING AMOUNT 31/12/13 \$000
<b>2013</b>										
Intangibles – Acquired	12,107	(1,414)	10,693	17	0	0	(154)	12,124	(1,568)	10,556
Intangibles – Internally generated	6,691	(5,459)	1,232	595	0	0	(1,228)	7,286	(6,687)	599
Work in progress	<b>18,798</b>	<b>(6,873)</b>	<b>11,925</b>	<b>612</b>	<b>0</b>	<b>0</b>	<b>(1,382)</b>	<b>19,410</b>	<b>(8,255)</b>	<b>11,155</b>
<b>TOTAL INTANGIBLES</b>			<b>927</b>							<b>12,082</b>
<b>2012</b>										
Intangibles – Acquired	1,562	(1,086)	476	10,545	0	0	(328)	12,107	(1,414)	10,693
Intangibles – Internally generated	6,641	(5,275)	1,366	50	0	0	(184)	6,691	(5,459)	1,232
Work in progress	<b>8,203</b>	<b>(6,361)</b>	<b>1,842</b>	<b>10,595</b>	<b>0</b>	<b>0</b>	<b>(512)</b>	<b>18,798</b>	<b>(6,873)</b>	<b>11,925</b>
<b>TOTAL INTANGIBLES</b>			<b>1,168</b>							<b>13,093</b>

**22. MONEY HELD IN TRUST**

	2013 ACTUAL \$000	2012 ACTUAL \$000
<b>RECEIPTS</b>		
Interest	1	1
	1	1
<b>PAYMENTS</b>		
Prizes	1	2
	1	2
<b>EXCESS OF RECEIPTS OVER PAYMENTS</b>	0	(1)
<b>MOVEMENT SUMMARY</b>		
Balance at 1 January	49	50
Plus excess of receipts over payments	0	(1)
<b>BALANCE AT 31 DECEMBER</b>	49	49
<b>REPRESENTED BY:</b>		
Deposit at Westpac Bank	49	50
Reimbursement due from / (to) school bank account	0	(1)
	49	49

**23. EQUITY**

	RETAINED EARNINGS \$000	MONEY HELD IN TRUST \$000	ASSET REVALUATION \$000	TOTAL EQUITY \$000
Opening balance	16,211	49	10	16,270
Surplus for the year	3,465	0	0	3,465
Transfer of funds to Retained Earnings	1	(1)	0	0
Transfer of funds to Money Held in Trust	(1)	1	0	0
<b>TOTAL RECOGNISED REVENUES AND EXPENSES</b>	3,465	0	0	3,465
<b>CLOSING BALANCE</b>	19,676	49	10	19,735

## 24. RECONCILIATION OF NET SURPLUS WITH OPERATING CASH FLOW

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>NET SURPLUS FROM OPERATIONS</b>	<b>3,465</b>	<b>(6)</b>	<b>320</b>
<b>NON CASH ITEMS</b>			
Depreciation & amortisation	2,524	2,782	1,992
Discount unwind on provisions & UOMI Interest	6	0	(23)
Doubtful debt provision expense	81	0	0
Loss on sale of assets	0	0	(27)
Inventory write-off/write-back	52	127	132
<b>TOTAL</b>	<b>6,128</b>	<b>2,903</b>	<b>2,394</b>
<b>MOVEMENTS IN WORKING CAPITAL</b>			
<b>Decrease/(Increase) In Assets</b>			
Accounts receivable – debtors	(298)	(642)	226
Prepayments	73	33	(191)
Inventory	(630)	0	(469)
<b>Increase/(Decrease) In Liabilities</b>			
GST owing	(13)	142	125
Long service leave and retirement leave	37	0	11
Creditors & accruals	(1,724)	(1,978)	(299)
Current employee entitlements	153	(198)	218
MoE payables	(567)	(572)	(599)
Provisions	(47)	(49)	(236)
Revenue in advance	30	48	(32)
<b>TOTAL</b>	<b>(2,986)</b>	<b>(3,216)</b>	<b>(1,246)</b>
<b>ITEMS CLASSIFIED AS INVESTING ACTIVITIES</b>			
(Gain)/loss on sale of assets	0	0	0
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3,142</b>	<b>(313)</b>	<b>1,148</b>

## 25. BOARD OF TRUSTEES REMUNERATION

The total value of the remuneration (other than reimbursement of expenses) paid or payable to trustees in their capacity as Trustees from the Board during this financial year.

	2013 ACTUAL \$000	2013 BUDGET \$000	2012 ACTUAL \$000
<b>TOTAL VALUE</b>	<b>102</b>	<b>121</b>	<b>133</b>

### THE FOLLOWING FEES WERE EARNED BY MEMBERS OF THE BOARD DURING THE YEAR.

P McKelvey (chairperson, term expired Sep 12)	0	0	21
R Taylor (term expired Sep 12)	0	0	14
R Drummond (term expired Sep 12)	0	0	11
N Parata (resigned May 12)	0	0	5
W Bainbridge (term expired Sep 12)	0	0	11
J Stafford (term expired Sep 12)	0	0	11
D Blakeney (term expired Sep 12)	0	0	11
J Nisbet (term expired Jun 13)	7	7	15
K Sewell (chairperson, appointed Sep 12)	29	28	7
J Sproat (appointed Jun 12)	19	19	10
P Adams (appointed Sep 12)	15	15	0
N Davis (resigned Jan 13)	2	15	4
G Heald (appointed Sep 12)	15	15	4
M Moana-Tuwhangai (appointed Jun 12)	15	15	9
<b>New Board Member</b>	<b>0</b>	<b>7</b>	<b>0</b>
<b>TOTAL VALUE</b>	<b>102</b>	<b>121</b>	<b>133</b>

## 26. KEY MANAGEMENT PERSONNEL

	2013 ACTUAL \$000	2012 ACTUAL \$000
Salaries and other short-term employee benefits	\$684	\$665
Termination benefits	\$0	\$0
	<b>\$684</b>	<b>\$665</b>

Key management personnel include the Chief Executive, the Senior Leadership team, and the Board.

	SALARY \$000	BENEFITS \$000	ACTUAL SEVERANCE \$000
<b>PRINCIPAL'S REMUNERATION (CEO)</b>			
Year 2013			
Principal	240–250	0	0
Year 2012			
Principal	240–250	0	0

## 27. EMPLOYEES OVER \$100,000 REMUNERATION

	2012 ACTUAL \$000	2011 ACTUAL \$000
<b>TOTAL VALUE OF REMUNERATION</b>	<b>\$2,121,226</b>	<b>\$1,933,647</b>
Excluding Principal's remuneration		
Number of employees in \$100,000- \$110,000	4	5
Number of employees in \$110,000- \$120,000	4	5
Number of employees in \$120,000- \$130,000	6	3
Number of employees in \$130,000- \$140,000	1	2
Number of employees in \$140,000- \$150,000	1	0
Number of employees in \$150,000- \$160,000	0	0
Number of employees in \$160,000- \$170,000	0	0
Number of employees in \$170,000- \$180,000	0	0
Number of employees in \$180,000- \$190,001	0	1
Number of employees in \$190,000- \$200,000	0	0
Number of employees in \$200,000- \$210,000	1	0

## 28. COMPENSATION AND OTHER BENEFITS UPON LEAVING

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

	2013 ACTUAL \$000	2011 ACTUAL \$000
<b>TOTAL</b>	<b>23</b>	<b>154</b>
<b>NUMBER OF PEOPLE</b>	<b>1</b>	<b>5</b>

## 29. EXPLANATION OF MAJOR VARIANCES

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Explanations for major variances from Te Kura's budgeted figures for 2013 are as follows:

### Statement of comprehensive income

- > Government Funding was lower than budget for the year due to a lower than expected number of students. Total EFTS for 2013 were 7,730, Budget 7,430- an increase of 4.0%. Actual \$44.518m, Budget \$43.168m.
- > Finance Income was higher than budget for the year due higher than anticipated cash reserves.
- > Personnel costs were lower than budget due to lower than budgeted learning & development costs, lower user of contractors and some vacancies held. Actual \$33.821m, Budget \$34.647m.
- > Operating costs were lower than budget Actual \$10.497m, Budget \$10.523m.
- > Depreciation was lower than budget due to delays in capitalising the student management system. Actual \$2.524m, Budget \$2.782m.

### Statement of financial position

- > There was a higher than expected cash balance due to more revenue earned than budgeted, lower than budgeted expenditure and an increase in Creditors. Actual \$8.168m, Budget \$2.889m.
- > Creditors & Other payables were higher than budget due to an increase in other accruals at year end with particular regard to the student management system. Actual \$3.836m, Budget \$0.821m.
- > Non Current Assets are lower than budget due to deferral of some capital projects. Actual \$14.537m, Budget \$14.726m

### Statement of changes in equity

The major variation occurred due to the surplus for the year.

## 30. RELATED PARTY TRANSACTIONS

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### Crown/Government

Te Aho o Te Kura Pounamu ("Te Kura") is a New Zealand domiciled state school within the meaning ascribed to that term by the Education Act 1989. The Government significantly influences the roles of Te Kura as well as being its major source of revenue.

Te Kura may enter into transactions with Government Departments, Crown Entities and State Owned Enterprises on an arms length basis. These transactions are not separately disclosed because they are conducted on an arms length basis and in the normal course of business.

### Members of Board and Key Management

During the year Te Kura purchased services from Western Institute of Technology, a provider of education courses and teaching resource material, of which Board of Trustees Chair Karen Sewell is a Mentor to the Leadership Team. These services were supplied on normal commercial terms at a cost of \$2,418.33 with a nil outstanding balance at year end. (2012: cost \$337.50; balance outstanding at year end nil.)

During the year Te Kura purchased services from Chapman Tripp, a provider of law services, of which Board of Trustees Deputy Chair John Sproat was a Partner. These services were supplied on normal commercial terms at a cost of \$8,409.95 with a nil outstanding balance at year end. (2012: nil cost)

During the year Te Kura purchased services from The Waikato Institute of Technology, a provider of education courses, of which Board of Trustees member and RAC Chair Maxine Moana-Tuwahangai is a Councillor. These services were supplied on normal commercial terms at a cost of \$1,975 with a nil outstanding balance at year end. (2012: cost \$2,317.00; balance outstanding at year end of \$82).

During the year Te Kura purchased services from CORE Education Limited, a provider of education courses and teaching resource material, of which Board of Trustees member Gillian Heald is a Trustee. These services were supplied on normal commercial terms at a cost of \$12,217.41 with an outstanding balance at year end of \$1,545.41. (2012: 5,178.61, balance outstanding at year end nil.)

During the year Te Kura purchased services from NZ Qualification Authority, managers of the NZ Qualifications framework and administrators of the assessment of the secondary school assessment system of which Board of Trustees member Gillian Heald is a Trustee. These services were supplied on normal commercial terms at a cost of \$39,612.92 with a nil outstanding balance at year end. (2012: cost \$524.00; balance outstanding at year end nil.)

During the year Te Kura purchased services from University of Canterbury, a provider of education courses and teaching resource material, of which Board of Trustees Dr Nikki Davis (resigned January 2013) is a Professor of e-Learning and Interim Pro Vice Chancellor. These services were supplied on normal commercial terms at a cost of \$90 with a nil outstanding balance at year end. (2012: nil cost.)

During the year John Nisbet was employed by Te Kura and was a Board of Trustees member (in the capacity of staff representative; term expired June 2013). As an employee John has received payments for salary expense reimbursements. These payments have not been disclosed due to confidentiality but have been made available to the auditors.

### 31. FINANCIAL INSTRUMENTS RISK

The carrying value of cash and cash equivalents, accounts receivable, investments and amounts owing by Te Kura are all considered to be equivalent to fair value. Amounts owing to Te Kura by the Ministry of Education are considered to be risk-free.

#### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Te Kura holds no financial instruments with any currency risk and, accordingly has no exposure to currency risk. Te Kura has no currency exposure in terms of overseas revenue as all fees are stated as payable in local currency.

#### Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate or, the cash flows from a financial instrument will fluctuate, due to changes in market interest rates. The primary imperatives underlying cash management policies of Te Kura are to:

- a. ensure sufficient liquidity to enable operational and capital expenditure commitments to be met, and
- b. invest in risk-free or near risk free investments.

However, subject to these constraints the Board seeks to minimise exposure to interest rate risk on investments due to fluctuating interest rates by acquiring investments with a range of short-term maturity dates.

All investments are for less than 12 months.

#### Credit risk

Credit risk is the risk that a third party will default on it's obligations to Te Kura, causing Te Kura to incur a loss.

In the normal course of its business, credit risk arises from debtors, deposits with banks and derivative financial assets. Maximum credit risks are disclosed in the Statement of Financial Position. The concentration of credit risk in respect of cash and cash equivalents is mitigated by investing with high credit rating registered banks (in accordance with section 73 of the Education Act 1989).

*The following cash at bank represents a concentration of credit risk:*

	2013 ACTUAL \$000	2012 ACTUAL \$000
Westpac Bank Limited	8,168	4,749
	<b>8,168</b>	<b>4,749</b>

**Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rests with the Board of Trustees, which has built an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements of Te Kura.

Te Kura manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Capital Management**

Te Kura assesses the availability of accumulated surplus and the funding provided by the Ministry of Education in the calculation of capital available. There are no externally imposed restrictions on capital.

There has been no change during the year to the exposure to market risks or the manner in which the risk is managed by Te Kura.

**32. EVENTS AFTER THE BALANCE DATE**

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There have been no significant events after the balance date requiring disclosure in the financial statements.

# 9i AUDITOR REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013



*To the readers of Te Aho o Te Kura Pounamu financial statements for the year ended 31 December 2013*

The Auditor-General is the auditor of Te Aho o Te Kura Pounamu (Te Kura). The Auditor-General has appointed me, Jacqueline Robertson, using the staff and resources of Deloitte, to carry out the audit of the financial statements of Te Kura on her behalf.

We have audited the financial statements of Te Kura on pages 40 to 71, that comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in 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

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In our opinion the financial statements of Te Kura on pages 40 to 71:

- > comply with generally accepted accounting practice in New Zealand; and
- > fairly reflect Te Kura's:
  - > financial position as at 31 December 2013 and
  - > financial performance and cash flows for the year ended on that date.

Our audit was completed on 17 July 2014. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities, and we explain our independence.

## BASIS OF OPINION

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We carried out our audit in accordance with the Auditor-General's Auditing Standards, and the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; we consider internal control relevant to Te Kura's preparation of financial statements that fairly reflect the matters to which they relate. We consider internal control 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 Te Kura's internal control.

An audit also involves evaluating:

- > the appropriateness of accounting policies used and whether they have been consistently applied;
- > the reasonableness of the significant accounting estimates and judgements made by the Board of Trustees;
- > the adequacy of all disclosures in the financial statements; and
- > the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also we did not evaluate the security and controls over the electronic publication of the financial statements.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### RESPONSIBILITIES OF THE BOARD OF TRUSTEES

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The Board of Trustees is responsible for preparing financial statements that:

- > comply with generally accepted accounting practice in New Zealand; and
- > fairly reflect Te Kura's financial position, financial performance and cash flows.

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

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

#### RESPONSIBILITIES OF THE AUDITOR

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We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Education Act 1989.

#### INDEPENDENCE

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When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

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



JACQUELINE ROBERTSON  
DELOITTE

On behalf of the Auditor-General  
Wellington, New Zealand

This audit report relates to the financial statements of Te Aho o Te Kura Pounamu for the year ended 31 December 2013 included on Te Aho o Te Kura Pounamu's website. The Board of Trustees is responsible for the maintenance and integrity of the entity's website. We have not been engaged to report on the integrity of the entity's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 17 July 2014 to confirm the information included in the audited financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

