

**SKILLS ACTIVE**  
**ANNUAL REPORT**  
**2022**

*Embrace change*

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The Skills Active Aotearoa group is a not-for-profit organisation, 50% owned by Māori shareholders, supporting capability development in te ahumahi ā-rēhia: the active recreation, leisure, entertainment and events sectors.

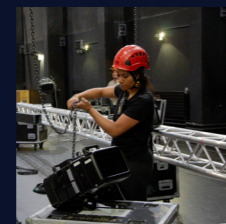
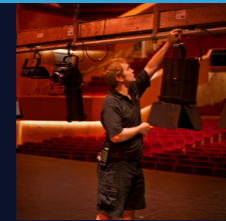
Skills Active Aotearoa is the parent company of Te Mahi Ako, which provides work-based learning to our sectors, and Qualworx, which provides safety certification services.

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# Embrace Change

Moving forward often involves embracing change – a theme which highlights our organisation’s willingness to make the leap, take risks and adapt to new circumstances.





# What we stand for - our kaupapa

## Our ambition

Step up. Strengthen. Flourish. Mauri Oho, Mauri Tū, Mauri Ora.

We're proud of the vital role our workplaces play in the health and wellbeing of Kiwis. We want to make sure our industry has the workforce it needs so it can best serve the people who matter most: its customers and communities.

As the industry's partner in workforce development, we're passionate about helping our organisations step up and strengthen their people so the industry can flourish.

## Our purpose

Fuel the fire within!

Our purpose is to partner with industry organisations and help them deliver consistent and safe services to their customers.

We work face-to-face to get to know the specific training and assessment needs of our workplaces, and create customised strategies to help them qualify their people with the skills that matter - fuelling the fire of capability within their organisations.



## Our Promise

Stronger together

The organisations and the individuals that make up our industry are improving the lives of New Zealanders every day. We know that they are working hard to make an impact in our communities.

When we partner with employers, together we have a real impact on the skill base of their people, the quality of services delivered by organisations, and the value of sport, exercise, recreation and the performing arts to Kiwis and their wellbeing.

Together, we provide the structure and certainty organisations need to help their people, organisation and community grow strong and flourish.



# Chair's report

*Ko te Kore, ko te Pō  
Ko te Pō, ko te Ao  
Ka awatea te Ao Mārama  
Ko Ranginui e tū iho nei, ko Papatuanuku e takoto nei  
Ko ahau ki raro, e rapu ana e hāhau ana i te ara o Io Matua  
He ara tauwhāiti te ara, he ara namunamu te ara, he ara i kauorohia  
Kauorohia e Io-te-Hā-o-Ngā-Rangi, i a Io-te-Toi-Ururangi  
Toi Ururoa, Toi Urutapu, Toi Uruora, Toi Uru-Ariki  
Whakaheke i runga, whakaheke i raro, whakaheke i roto, whakaheke i waho  
Whakaheke i tua i tēnei kaupapa  
Nāu rā e Io, e Rangi, e.*

*Ka riro mā tēnei karakia tawhito nō Te Hokianga, e tuwhera kau ake nei aku kōrero. Ko te ara e kōrerohia nei, kōia ko te ara o Io Matua, ā, ā, ko ara kawenata e hokoi nei tātou kia hoki rawa atu, kia tae rawa atu ki te wāhi e kīa nei ko te Hononga-o-ngā-Wairua. Me te maumahara hoki ki wā tātou tini mate maha. Nā reira, tuatahi kia tuku atu te reo hākamōemi Matua-nui-i-te-Rangi; tuarua iho, ka mihi ki te hunga kua riro ki tua. Rātou ki a rātou, tātou te hunga ora ki a tātou. Mauri ora ki a tātou katoa.*



**Sam Napia**  
Kaiwhakahaere Poari  
Board Chairperson  
Skills Active Aotearoa

It is with a great sense of gratitude and accomplishment that I reflect upon the hurdles we overcame and the milestones we achieved in 2022.

After two years in the making, Skills Active Aotearoa's new subsidiary, Te Mahi Ako, is up and running as an NZQA-registered private training establishment (PTE). When faced with the reform of vocational education in 2019, Skills Active recognised the potential to seamlessly transition from an industry training organisation (ITO) to a PTE and emerge from the reform as the preferred provider of qualifications within the te ahumahi ā-rēhia sectors, an approach supported by the industries we serve.

Work had since gone into laying the foundations for our new PTE and by February 2022, we had brought together the Te Mahi Ako establishment board and appointed an acting chief executive to guide our initial steps. Crucial founding documents, including the charter and constitution, had been drafted and approved, and we had completed the application process for charitable status for the new entity. Additionally, to ensure good governance, a comprehensive assessment of our governance framework was conducted. We then earned approval from the Tertiary Education Commission for Skills Active's transition plan and in July our PTE application was approved by NZQA.

We had significant organisational changes as we implemented a new corporate group structure and operating model across Skills Active, Te Mahi Ako and Qualworx. The highlight was seeing it all come together on 1 October with the smooth transition of 2700 of our Skills Active learners to Te Mahi Ako, marking a new chapter in vocational education for our sectors.

December 2022 was another significant milestone in the reform as it marked the end of ITOs and the beginning of a stronger, more unified, and sustainable vocational education system. Arranging training functions were transitioned to the network of providers – in our case to Te Mahi Ako. This has kicked off a new era of work-based learning for the vocational education sectors with the rise of new entities which will nurture the taonga for which we have been the protectors and kaitiaki.

In the midst of this reform and organisational change, we have still upheld our commitment to our learners and to the participation of Māori and Pasifika. In 2022, we maintained an apprenticeship number of 1000 against the pre-apprenticeship boost and targeted training and apprenticeship fund average of 80 per annum, and we continued to support over 90 programme variations, more than 5,500 ākonga and 400 assessors.

There is room for improvement however – with this year's learner completion rate of 52% falling short of our 75% target. Better assistance is needed for employers engaging in apprenticeship programmes which struggle to effectively support their staff. We have also acknowledged we can do better to support our learners, and from October, we established a pastoral care team and a new learner support system, enabling us to provide better care and better act on information from our learners.

As we continue to support the establishment phases of Te Mahi Ako, the Skills Active board and its shareholders look ahead at what the future holds for the Skills Active group and ngā mahi a te rehia. 2023 is where we can start to reimagine the future for Skills Active, the difference we want to make on the world around us and the organisation we want to aspire to be. Together with iwi, industry and our wider stakeholders, we will be charting a new future for the organisation.

Nāku nā,

**Sam Napia**  
Board Chairperson - Skills Active Aotearoa

# Our outcomes and achievements

Over **5,588**

individual learners supported by Skills Active and Te Mahi Ako in 2022

**1,496**

National qualifications achieved (SAA 702 / TMA 794)

		<b>92</b> programme variations maintained		<b>1,356</b> active learners in Te Mahi Ako's first three months		<b>1</b> Private Training Establishment registration
		Over <b>400</b> assessors		<b>3,141</b> online learners		<b>400</b> unit standards gained consent to assess
		<b>9</b> assessor training workshops		<b>2,783</b> ākonga/learners transferred to Te Mahi Ako		Over <b>50</b> programmes transferred to Te Mahi Ako
		<b>45</b> new registered assessors		Largest programme <b>400</b> learners		<b>1,483</b> standard training measures (STMs) before offset
						<b>52%</b> credit completion educational performance indicator

Over **1,900**

workplaces engaged in workplace training

# Our partners

Our partnerships mean we can provide the best business and learning outcomes for the people we work with.



Exercise New Zealand is the national peak body for exercise, and works closely with its partner organisation, the Register of Exercise Professionals.

Its mission is to proactively support a sustainable exercise and fitness industry in New Zealand by growing participation in structured exercise through advocacy, information and industry standards.



Entertainment Technology New Zealand (ETNZ) is the national body representing technicians, craftspeople and designers in the entertainment, theatre and event industry, across both the professional and amateur communities.

ETNZ serves as a central point where members can access information and resources on entertainment technology, health and safety issues, service providers and personnel. It also identifies industry training needs and supports interested parties with targeted professional development.



Sport NZ's purpose is to contribute to the wellbeing of everybody in Aotearoa New Zealand by leading an enriching and inspiring play, active recreation and sport system. Its vision is simple: Every Body Active.



The Event Venues Association New Zealand (EVANZ) is the professional industry association representing venues throughout New Zealand. Its mission is to add value to the entertainment venues industry through sustainability, development and engagement.

The main objective of EVANZ is to facilitate information sharing, upskilling, and best practices across the industry.

Recreation Aotearoa is the voice of recreation in Aotearoa New Zealand, representing professionals working in the parks and open spaces, community recreation, outdoors, aquatics, and facility-based recreation sectors. Recreation Aotearoa empowers members to deliver quality recreation experiences, places and facilities that fuel a more active, healthy and connected country.



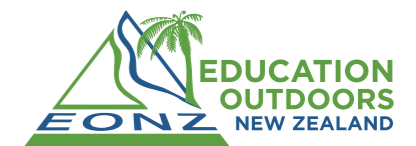
Swimming New Zealand is the national sports organisation for competitive pool and open water swimming in New Zealand. Its mission is to grow and strengthen swimming by providing services to the members of Swimming New Zealand, supporters and the general public.

As well as its role in high-performance sport, Swimming New Zealand plays an active role in the promotion of water safety, learn to swim education, and the certification of swimming instructors and swim schools.



EONZ is a national professional organisation supporting education outside the classroom (EOTC) and education outdoors.

EONZ believes all young people in Aotearoa New Zealand should have quality EOTC and outdoor learning experiences, facilitated by competent and capable educators. It's committed to advocating, promoting and supporting EOTC across in all schools, across all areas and demographics, and fostering quality EOTC that educates for a sustainable future.





# TE MAHI AKO

## AN INDEPENDENT WORK-BASED LEARNING PROVIDER IS LAUNCHED: TE MAHI AKO GETS UNDERWAY

**Skills Active Aotearoa group officially launched its new tertiary education organisation, Te Mahi Ako, with a karakia in Wellington on 3 October, 2022.**

“After two years of hard work, planning, consultations, application processes, new systems, brand creation, and many press releases, we are finally there,” Skills Active Aotearoa and Te Mahi Ako interim chief executive Maren Frerichs says.

The launch marked the transfer of Skills Active Aotearoa’s training functions and learners to the new private training establishment. All staff transitioned either to Te Mahi Ako, or to new roles within the Skills Active Aotearoa group.

“It has been a huge piece of mahi by our team and we couldn’t be more proud,” Ms Frerichs says.

“We have been building the foundations of a new organisation that will strengthen vocational education for and maintain a total commitment to its learners and sectors.

“At Te Mahi Ako, our mission is to help learners unlock their potential and realise their ambitions for themselves, their whānau, their customers and their communities. We want to stand out as an organisation that gives effect to Te Tiriti, fuels a passion for lifelong learning, and supports ākonga and workforce success through flexible, tailored learning.

“We are excited for what this means for te ahumahi ā-rēhia – our active recreation, entertainment and leisure sectors. They will continue to have a dedicated provider to champion their workforce, and the huge contribution they make to health and wellbeing in Kiwi communities.”

The launch of Te Mahi Ako followed two other key milestones last year – the Tertiary Education Commission Board’s approval of the transition and the granting of NZQA registration to Te Mahi Ako, the last of its regulatory hurdles.

“I also want to note that the requirements for these TEC and NZQA approvals were a very high bar,” Ms Frerichs says.

“Our team put in a huge amount of work to provide all of the evidence to our regulators, covering our academic credentials, programme content, learner focus, and financial position. I’m really proud of all our kaimahi who contributed to such a successful establishment process.

“The wero for us now is to do right by the kaupapa that saw the creation of Skills Active 30 years ago. The same kaupapa which more recently inspired us and our industries to pursue this new, independent path,” Ms Frerichs says.

“Finally, we couldn’t have done this without our shareholders, key stakeholders, and all our clients and learners. Our thanks go out to them for supporting us along this journey so far. Together, we have steered a course of action that will preserve independent and dedicated vocational services for te ahumahi ā-rēhia, the sectors that we all care so much about.



**Ka kaha ake mā te tū ngātahi**  
**We are stronger together**



**TE MAHI AKO**



# Te Mahi Ako 2022 scholarships

## Tautoko for excellence in te ahumahi ā-rēhia.

Te Mahi Ako celebrated high achievers in te ahumahi ā-rēhia with its 2022 scholarships.

E ngā mana, e ngā reo, e ngā karangatanga maha, tēnā koutou, tēnā tātau.

He hōnore, he kororia ki te Atua, he maungarongo ki te whenua, he whakaaro pai ki ngā tāngata katoa. Ki ngā iwi I runga I ngā motu e rua, arā, Te Ika a Maui me Te Waipounamu, tēnā koutou, tenā koutou, tēnā tātau katoa.

As the national work-based learning specialist in active recreation, leisure and entertainment, Te Mahi Ako provides the Volunteer Development and Small Business scholarships.

Heather Grady is the recipient of the Volunteer Development Scholarship.

This scholarship comes with a trophy and a \$500 grant towards future enrolments. It recognises the amazing volunteers in our sectors, as well as the people who support them.

Heather is the founder and chair of Outdoor Training New Zealand. OTNZ provides training and advice for outdoor volunteers, schools and organisations like Duke of Edinburgh, and the Te Araroa Trail Trust, covering safety, bushcraft and more.

In recent years, Heather also advocated for high quality education opportunities

for volunteers, when she was on the industry training working group as part of the reform of vocational education.

The Small Business Scholarship has gone to McMillan’s Aquatic Centre, a Christchurch swim school owned and run by Karen and Blair McMillan. Photo of Karen with Amanda from Te Mahi Ako.

This award is open to small employers that demonstrate a commitment to enriching the knowledge and skills of their staff, and it comes with a trophy and a \$1500 grant towards future enrolments for the organisation.

MAC’s has supported numerous swim teachers to complete a Te Mahi Ako apprenticeship, and Karen provides extensive learner support all the way through the qualification from start to finish.

Interim chief executive Maren Frerichs says Te Mahi Ako is thrilled to be able to support hard-working people with lofty goals – whether that’s better training for outdoor recreation volunteers, more qualified swim teachers, or better Māori health outcomes.

“Ka mau te wehi to all our scholarship recipients,” Ms Frerichs says.

“These exceptionally talented people are a reminder of the vital importance of sport and physical activity to the fabric of Kiwi life, and we are honoured to support them.”



## Mapping career pathways for six sectors: snowsport, aquatics, entertainment and events, outdoor recreation and exercise.

# Te Mahi Ako new career maps

Did you know that lift operators sometimes turn into bungy operators over the summer? Or that lifeguards often add swim teaching and aqua fitness to their repertoire? The updated Te Mahi Ako career pathway maps are spilling the secrets on all the rewarding careers to be had in te ahumahi ā-rēhia.

Skills Active first created the maps in 2017. Following its launch in October of non-profit tertiary training provider Te Mahi Ako, they have been given a design refresh and overhauled with all new information.

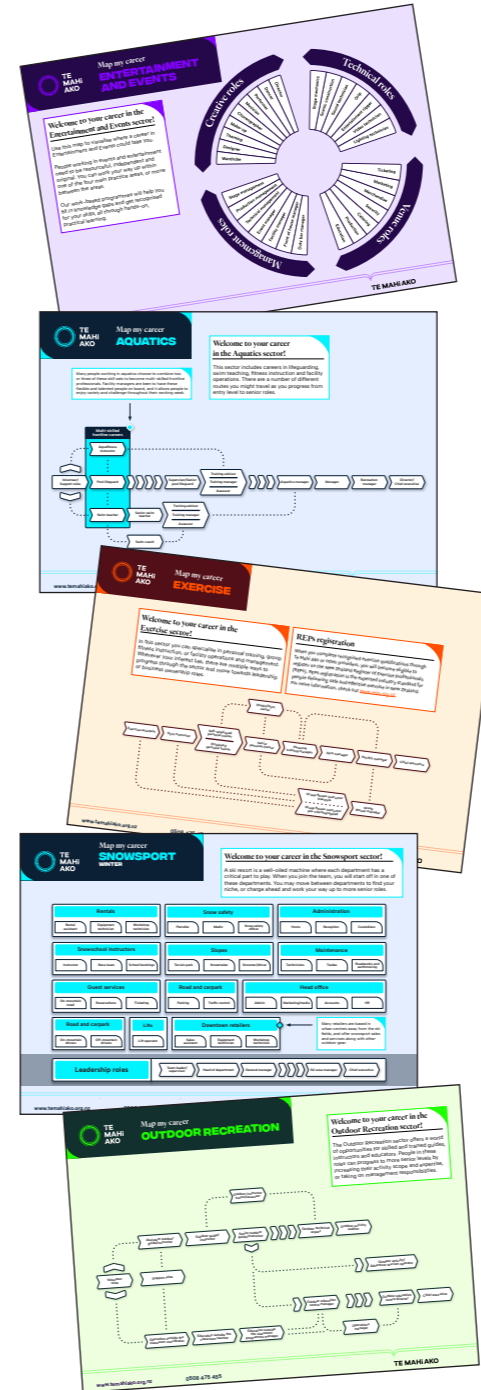
The maps are aimed at people aspiring to work in active recreation, leisure or entertainment, or early in their careers in this space. That might be secondary students and young people, or career changers with a bit of life experience behind them.

The maps enable people to visualise the sectors and jobs contained within them, and imagine how they might travel along different routes as they gain seniority and skill progression.

With some handy hints and background information thrown in, they give the viewer a practical flavour of these exciting, hands-on industries.

“As the work-based learning experts in active recreation, we originally developed the maps as part of our campaign to increase visibility of these meaningful and rewarding careers,” says Te Mahi Ako interim chief executive Maren Frerichs.

“They show the common and less common routes by which people can progress from new entrants through to senior managers, business owners or even CEOs, another step in our long-term efforts to keep building awareness of te ahumahi ā-rēhia and all it offers,” she says.



# Bay Venues staff upskilling on the job

## Bay Venues in Tauranga is supporting its staff with work-based learning to help them step up and grow their skills within the business.

Shyann Parkinson has spent four years working at Baypark, which is a 20,000-seat arena and multi-purpose events complex managed by Bay Venues. After starting off as a receptionist, Shyann came to appreciate the big variety of events on offer, from expos and sports matches to music festivals.

Her manager encouraged her career progress, and when she expressed an interest in getting involved in events, supported her to enrol in the Skills Active Entertainment and Event Operations certificate.

Shyann is now an event coordinator, and not only works in the events team, but also takes on duty manager shifts which means she is on the ground during the events to make sure everything runs smoothly.

The team gets handed a new event, she says, and from there they get in touch with the client and start planning the event: writing the run sheet, sorting out equipment, furniture, audio-visual support, catering and much more. There's lots of back and forth, following up with people, meeting deadlines, and improvising when necessary.

Shyann says she loves getting to work closely with teams across the venue.

"When I was on reception, everybody would come by and say hello. But now I'm sitting down and talking with other departments, and you really see how

much they do and how much you rely on them for the event to go ahead.

"So, I enjoy working with our internal staff, and I also like seeing everything come together and presenting an awesome event at the end of it."

Asked what helped her to get through the qualification, Shyann said it was great completing it at the same time as her colleague Bailey Grey (right in photo). Like Shyann, Bailey works in reception, as well as often taking on duty manager roles.

"As a receptionist at Baypark you end up helping out all the different departments in the lead-up to events, without even realising it as such," Bailey says. "So, I'm constantly immersed in the events going on here, and I was really eager to learn more."

Being the duty manager involves getting a handover on the day from the events team, and then being the main point of contact for the client throughout the event.

"On event day, you get to experience the event first-hand obviously which is fun, but it's also great seeing everyone come to your venue and enjoy themselves, staff and attendees included. Seeing a happy client is really rewarding."

Bailey says completing the Skills Active certificate helped her get a big picture

view of what it takes to work in events.

"Learning everything I can on the job here is great, but getting behind the scenes and understanding the industry itself has also been really important for me. If an opportunity arises for an events role, I can feel confident in my skills after doing the certificate, and having that backup behind me."

Bailey says she and Shyann got tons of support from the team at Bay Venues when they took on the Skills Active qualification.

"Our manager and team leader were always encouraging us to learn and upskill, so they were happy for us to enrol in the certificate. We were also lucky enough to be given permission to work on our studies if we had a quiet period at work."

"Our event coordinators were also really helpful, and gave us incredible feedback and attestations for us to submit for the qualification."

"And because you're already working at an events centre, you are almost doing your qualification without realising. You have to do the events, and you're doing them without even thinking about it, which is absolutely a blessing when you go to tick things off for the qualification. You're like, 'Wow I've done that, and I've done that, and I've done that!'"





# Celebrating the WAVES conference

Skills Active was thrilled to be part of last year’s WAVES conference for aquatics professionals, where the Lifeguard of the Year Joseph Whittaker was awarded a \$1000 grant towards future study.

After a Covid cancellation the year before, 2022 was a long-awaited opportunity for the 250 conference delegates to come together, celebrate, connect and exchange ideas. It was also the year, hosts Recreation Aotearoa celebrated 60 years since the very first aquatics conference in 1962.

“We want to say a huge ‘ka rawe’ to Joseph Whittaker from CLM in Masterton, who won Lifeguard of the Year – recognising the big contribution he’s made to his sector and his community,” says Skills Active chief executive Maren Frerichs.

“Like all qualified pool lifeguards in New Zealand, Joseph is a Skills Active graduate, having completed our Pool Lifeguard Licencing Certificate.

“The same is true of his fellow lifeguards Phil Douglas from Auckland Council, Julian Carr from Kāpiti Coast District Council, and Rebecca Fraser from Christchurch City Council, who all won Lifeguard Merit Awards,” she says.

“As well as celebrating industry winners, the Skills Active team at the conference were also sharing the message of our new, independent work-based learning provider, Te Mahi Ako, ahead of its launch in October.

“Joseph will be able to put his \$1000 grant towards future enrolments with Te Mahi Ako to gain further recognition of his highly-skilled work as a lifeguard.

“Congratulations again to Joseph and his fellow winners, and to all the lifeguards doing vital mahi in Kiwi communities every day.”

Photo: Joseph Whittaker with Skills Active aquatics industry engagement specialist Tracey Hickman.



## Outdoor instructor helping rangatahi out of their comfort zone and into the green zone.

# Smashing through the comfort zone

the outdoors,” she says.

Rachel is completing the Skills Active New Zealand Apprenticeship in Outdoor Leadership (Level 4) while she works at Adventure Southland.

She first completed her bachelor’s degree in sport and exercise science before getting the role at Adventure Southland.

“I then wanted to do the apprenticeship, because I wanted to be outdoors rather than in a gym. My degree had a focus on physiology and nutrition, and understanding the body is still really important for this job. So the two qualifications work well together,” Rachel says.

“The apprenticeship is giving me the training and experience to be outdoors, working with groups of people, while I’m being paid for it. It’s a hands-on way of learning and that’s what I enjoy the most.

“Work is also really supportive and allows me to get some study done in my downtime.”

As well as being an outdoor instructor and leading activities on site, Rachel is the coordinator for Southland Alive, a dedicated programme for local 18 to 24 year-olds who are on the jobseeker benefit.

The participants start with a 10-day

trip to Fiordland, and then come back for further outings and activities over a period of three months.

“The programme is designed to help them gain confidence, which will support them in the working world, going to job interviews, and so on.

“The Fiordland trip pushes us all out of our comfort zones. We spend six days at Borland lodge, doing activities, and then we do a four-day tramp to finish off the experience.”

Meeting all kinds of people, and seeing them get past their apprehension and do things they find hard, is what makes the work so rewarding, Rachel says.

“[At Adventure Southland] we are offering an experience that I was fortunate enough to have growing up, but I acknowledge that lots of young people don’t get those opportunities to be in the outdoors, going kayaking or climbing or abseiling or camping.

“I love being in a job that helps people get out and experience the green zones, and push outside of their comfort zones and smash it.

“And even if they don’t compete the whole activity - for them it might be just getting to the edge and looking down over the abseil - I’m still stoked for them.”

# Sharing the love

## A yoga teacher and fitness all-rounder reflects on helping others succeed.



Yoga teacher and business owner Zuri Brudenell has always looked at life as a journey of development – setting goals, reaching them, and setting new ones.

Now at the stage where she has achieved many of her big goals, Zuri has switched lanes to focus on helping others in their professional development journey, with the help of on-job qualifications.

Zuri owns yoga and Pilates studio Z Health on the Kāpiti Coast – she has been a fitness instructor for the past 30 years and a yoga teacher for 20. She has always supplemented her fitness career with other work, to help balance out the physical demands of working in exercise.

Six years ago she saw a job for a lifeguard team leader based at Ōtaki pool, and thought it could fit in well with her teaching schedule.

Before long Zuri was teaching aquafitness as well, and most recently she has added on the role of aquatics training coordinator working across the Kāpiti Coast pools – all while continuing to run her yoga business.

Zuri won the Exercise New Zealand Yoga Teacher of the Year award in 2021, and this big achievement prompted her to reflect back on her career and how far she had come.

“I’ve always been very goal-focused. I feel like I am in a really good space in so many ways, and now my focus and intention is around supporting other people,” Zuri says.

“We have both younger and older staff, and I am passionate about motivating all our people to do well in whatever they choose.”

This makes the role of aquatics training coordinator a perfect fit. In her role, Zuri is tasked with supporting staff completing on-job qualifications such as the Skills Active apprenticeship in Swim and Water Safety Teacher.

She is the first port of call for the swim teacher apprentices – booking their extension courses, keeping an eye on workloads, helping to navigate the paperwork – and she’s also there to problem-solve, keep them focused, and give them a boost when they need it.

“Sometimes inspiring one in the team has a positive effect on all staff,” Zuri says.

If one learner has zoomed through their qualification with flying colours, she will buddy them up with someone else who is finding it harder, to provide encouragement and direction.

“My job is to keep things ticking over, but I’m not necessarily going to be the best mentor for the learner. The best mentor is someone who has completed the apprenticeship successfully.”

When someone is struggling with their training, it’s also important for employers to listen and make space for honesty, Zuri says.

“Listen to your staff. How can you best support them on their journey? If someone has signed up to the apprenticeship but we see they are not going online and not doing the work, that says to me something is not right.

“It might be – especially with the pandemic – all too much. Is it not the right time? Can they take a break, focus on something else? It is about giving staff the opportunity, and all the support they need, and having those honest conversations.”

You can’t put a price on personal and professional growth Zuri says although learning and growth isn’t easy, it’s worth it. Throughout her career she has invested a lot of her own money in training and developing herself.

“Yoga teacher training, Pilates training, industry training, life coaching – I’ve always looked at how I can develop myself further, whether in my business or as a person. And I’ve never once questioned the value of that.”

Zuri believes everything in life happens for a reason, and she is exactly where she needs to be right now, with both her fitness and education careers beautifully aligned.

“Winning Yoga Teacher of the Year was the ultimate for me. That was my first accolade. It took me 30 years to get there! If I had dropped out of the industry for five or 10 years, I would never have got there.

“I think that’s what I would say to all the learners out there: If you believe in yourself and you’re passionate about what you’re doing, then keep at it. It may take you 30 years to get where you want to be, but you will do it.”



# Ngā taonga tākaro

# 2022 Māori Sports scholarship

## Ngā taonga tākaro practitioners gather for Skills Active assessor wānanga.

## Tautoko for excellence in te ahumahi ā-rēhia.

Skills Active was thrilled to bring together our Ngā Taonga Tākaro trainee assessors and tauira (learners) from around the motu, for a wānanga held at Kokiri Marae in Wellington.

The new assessors are Karla Matua from Aktive Auckland, Troy Tawhai from Te Kete Hauora o Rangitāne, Wiremu Sarich from Te Oranga Te Runanga o Te Rarawa, and Kat Te Tau from Whaiora Whānui Hauora.

Skills Active industry engagement advisor Chauntelle Brown and assessor liaison Lizzie Parker organised the wānanga and noho marae (overnight stay) in partnership with senior assessor mentor John Kingi of Kokiri Marae Keriana Olsen Trust.

Karla, Troy, Wiremu and Kat are well-known in their respective communities and have been a part of the tākaro kaupapa for a number of years. They come to Skills Active with a wealth of expertise in tākaro, teaching and learning.

The wānanga group spent their time exchanging ideas and techniques, testing knowledge, building professional networks and solidifying their assessment practices. Through this wānanga they will be able to achieve the national Assessment Practice unit standard, and become registered Skills Active assessors, supporting tākaro learners around Aotearoa.

“Our mātauranga Māori stakeholders were central to the process of developing and launching our taonga tākaro qualification,” says Skills Active chief executive Maren Frerichs.

“So it was a proud moment for them and us, and there was a lot of aroha and excitement, when it finally arrived in 2021. And now, getting more assessors on board means more people to support the taonga tākaro sector,” Ms Frerichs says.

“For those taonga tākaro practitioners who wish to get a formal qualification recognising this uniquely Māori kaupapa, their assessors will tautoko that learning journey. Together they will be contributing to more awesome tākaro experiences for iwi, hapū, whānau and communities.”



E ngā mana, e ngā reo, e ngā karangatanga maha, tēnā koutou, tēnā tātau.

He hōnore, he kororia ki te Atua, he maungarongo ki te whenua, he whakaaro pai ki ngā tāngata katoa. Ki ngā iwi I runga I ngā motu e rua, arā, Te Ika a Maui me Te Waipounamu, tēnā koutou, tenā koutou, tēnā tātau katoa.

As the national work-based learning specialist in active recreation, leisure and entertainment, Te Mahi Ako provides the Volunteer Development, Small Business, and Māori Sports scholarships.

The Te Mahi Ako Māori Sports Scholar for 2022 is Gisele Howard (Ngāti Tūwharetoa, Ngāti Kauwhata, Te Atihaunui a Pāpārangi) from St John College in Rotorua (pictured second from right).

Gisele is involved in athletics, netball, rugby and multisport at a regional and national level. She has been accepted into the Bachelor of Health Sciences degree at Otago University and her \$5,000 scholarship will support her aspirations to become a medical practitioner.

“Mātauranga Māori, aroha and niwha are values I believe will inspire me to hopefully enter medicine and become a great doctor for my tangata whenua,” Gisele says.

Interim chief executive Maren Frerichs says Te Mahi Ako is thrilled to be able to support hard-working people with lofty goals – whether that’s better training for outdoor recreation volunteers, more qualified swim teachers, or better Māori health outcomes.

“Ka mau te wehi to all our scholarship recipients this year,” Ms Frerichs says. “These exceptionally talented people are a reminder of the vital importance of sport and physical activity to the fabric of Kiwi life, and we are honoured to support them.”

# Directors' disclosure

Skills Active board member	Interest	Meetings attended
<b>Stephen Gacsal</b>	Director, Skills Active Aotearoa Director (Chair), Qualworx Limited Registrar, Register of Exercise Professionals, Exercise Association of New Zealand Board member, Allied Health Aotearoa New Zealand	6/6 Skills Active Board meetings 1 AGM 1 Strategic planning meeting 5/6 Audit and Risk Committee meetings 6/6 QualWorx Board meetings
<b>Andrew Gunn</b>	Director, Skills Active Aotearoa Director, Snake Point Lodge Limited Director, Bertney #35 Limited Director, Trafalga Nominees Director, Kokoroa Farms Director, Qualworx Limited Acting CEO Qualworx Limited	6/6 Skills Active Board meetings 1 AGM 1 Strategic planning meeting 4/6 Audit and Risk Committee meetings 6/6 QualWorx Board meetings
<b>Butch Bradley</b>	Executive Director, Skills Active Aotearoa Director, Skills Active Aotearoa Chair (to end Dec), Te Ara a Maui Inc. Director, Qualworx Limited Director, Radio A Limited Director, Whakatu Enterprises Limited	6/6 Skills Active Board meetings 1 AGM 1 Strategic planning meeting 5/6 Audit and Risk Committee meetings 5/6 QualWorx Board meetings
<b>Sam Napia</b>	Director Skills Active Aotearoa Director Qualworx Limited Director Freedom Exel Limited Whanau Development Manager, Hauraki Māori Trust Board CEO, Te-Rūnanga-Ā-Iwi-Ō-Ngāpuhi Director, Co-Chair, Skills Active Te Mahi Ako (ended August 2022)	5/6 Skills Active Board meetings 1 AGM 1 Strategic planning meeting 2/6 Audit and Risk Committee meetings 3/6 QualWorx Board meetings 5/7 SATMA Board meetings

<b>Hinemaui Rikirangi</b>	Director, Skills Active Aotearoa Director, Qualworx Limited Chief Advisor, Māori, System Strategy and Policy, Ministry of Health	5/6 Skills Active Board meetings 1 AGM 1 Strategic planning meeting 5/6 QualWorx Board meetings
<b>Jordan Pomana</b> (Elected in June 2022)	Director, Skills Active Aotearoa	2/6 Skills Active Board meetings 1 AGM 1 Strategic planning meeting 1/6 QualWorx Board meetings
<b>Kirsty Knowles</b> (Elected in June 2022)	Director, Skills Active Aotearoa Director/Shareholder, Community Leisure Management Board member, Community Leisure Charitable Trust Board member, Recreation Aotearoa General Manager of Operations, Community Leisure Management Director, Skills Active Te Mahi Ako [from June 2022]	3/6 Skills Active Board meetings 1 AGM 1 Strategic planning meeting, 2/6 QualWorx Board meetings 2/7 SATMA Board meetings
<b>Stephanie Hadley</b> (Stood down in 2022)	Director, Skills Active Aotearoa Director Qualworx Limited Associate, James & Wells Intellectual Property Director, En Forme Limited	3/6 Skills Active Board meetings 3/6 QualWorx Board meetings



# Skills Active shareholder allocations

## COMMUNITY RECREATION

New Zealand Recreation Association Incorporated	33
Water Safety New Zealand	33
National Council of YMCAs of New Zealand Incorporated	34

## EXERCISE

Exercise Association of New Zealand	100
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## PERFORMING ARTS

Entertainment Venues Association of New Zealand (EVANZ)	33
Dance Aotearoa New Zealand Limited	34
Entertainment Technology New Zealand	33

## SPORT

Sport and Exercise Science New Zealand Incorporated	100
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## SNOWSPORT

New Zealand Snowsport Instructors Alliance Incorporated	33
New Zealand Snow Industries Federation Incorporated	34
Ski Areas Association (New Zealand) Incorporated	33

## OUTDOOR RECREATION

Christian Camping New Zealand Incorporated	20
Education Outdoors New Zealand Incorporated	20
New Zealand Mountain Safety Council Incorporated	20
New Zealand Outdoors Instructors Association Incorporated	20
Sir Edmund Hillary Outdoors Education Trust	20

## NGĀ MAHI A TE RĒHIA

Aotearoa Māori Providers of Training Education and Employment (AMPTEE)	67
Aotearoa Māori Tennis Association Incorporated	67
Handball New Zealand	67
Hauraki Māori Trust Board	67
Te Tohu Taakaro o Aotearoa Charitable Trust - National Māori Sports Awards	67
New Zealand Māori Rugby Board	67
Te Arawa Lakes Trust	66
Te Roopu o te Pātaka	66
Whakaruruhau Ngā Mahi a Te Rēhia	66

## TOTAL SHARES

**1,200**



BDO Wellington Audit Limited

### INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF SKILLS ACTIVE AOTEAROA LIMITED

#### Opinion

We have audited the consolidated financial statements of Skills Active Aotearoa Limited ("the Company) and its subsidiary (together, "the Group"), which comprise the consolidated financial statements and the consolidated service performance information. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2022 the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements presents fairly, in all material respects:

- the consolidated financial position of the Group as at 31 December 2022 and (of) its consolidated financial performance, and its consolidated cash flows for the year then ended; and
- the consolidated service performance for the year ended 31 December 2022 in accordance with the Group's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the consolidated service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the company or its subsidiary/any of its subsidiaries.

#### Directors' Responsibilities for the Consolidated Financial Statements

Those charged with governance are responsible on behalf of the Group for:

- a) the preparation and fair presentation of the consolidated financial statements and consolidated service performance information accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;
- b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and
- c) such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated financial statements and consolidated service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, those charged with governance are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the consolidated service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the XRB's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13/>

#### Who we Report to

This report is made solely to the Company's directors, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Directors as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Wellington Audit Limited*

**BDO WELLINGTON AUDIT LIMITED**  
Wellington  
New Zealand  
31 May 2023



## Financial statements

### SKILLS ACTIVE AOTEAROA LIMITED

#### Statement of Service Performance FOR THE YEAR ENDED 31 DECEMBER 2022

##### Who are we and why do we exist?

##### Our vision

Skills Active Aotearoa is a place where we create equitable, vibrant, productive and safe futures for the generations to come, through the sphere of rēhia – active recreation, leisure and entertainment – and the individuals and organisations within.

##### Our purpose

##### Together creating tomorrow

We support people, organisations and communities with pathways to develop and strengthen their capability.

##### Ambition

We want collaboration and connectedness to be at the core of who we are. We want to be an authentic and transformative bicultural organisation, bringing together those that share a passion for the kaupapa so we can work hand-in-hand creating a better future. We wish to honour the knowledge and experience around us. In the pathways and solutions we create, we will seek to weave together mātauranga from people, communities, and cultures across Aotearoa.

We aspire to be purpose-driven, delivering value and always striving to do better. We will always be looking beyond the horizon, and continuing to improve on the future ahead of us, so that it will nurture generations to come.

##### What are our strategic focus areas?

Ensuring the continuity of support for our learners and workplaces within te ahumahi ā-rēhia for work-based training through the establishment of a private training establishment:

- Maintain and grow the number of enrolments in our programmes in order to grow the skill and knowledge-base in te ahumahi ā-rēhia
- To provide accessible education and contribute to equitable outcomes for previously underserved or hard-to-reach learners
- Ensuring that our learners are successful in completing their courses of study
- Identifying areas of growth to provide value-added learning outcomes to rēhia which may fall outside of the scope of a PTE
- To explore the opportunities to offer our shared corporate services to parties external to the Group.

##### Key judgements

The operations of Te Mahi Ako as a PTE commenced on 1 October 2022, including the transfer of enrolled learners from Skills Active Aotearoa. It is considered more useful to measure the performance over the full 2022 year in relation to the learners enrolled in the year both by Skills Active Aotearoa and by Te Mahi Ako, which can be more meaningfully compared to the annual targets and to the prior years performance. This also follows the funding received from TEC for the 2022 financial year, as the annual allocation was divided up between Skills Active Aotearoa and Te Mahi Ako according to the number of months in the year each entity was delivering learner services.

## Financial statements

In addition to the number of learners enrolled, standard training measures (STMs) before offsets are useful because these reflect the active enrolment of our learners during the period and enable comparability of our programmes with varying duration. At the beginning of each year we set agreed STM targets with the TEC, therefore our achievement can be compared with this target.

The 2022 year is very much a transitional year for the group. The service performance reporting for 2022 is considered to also be a transitional process. For this reason the measures that the group has chosen to report on, although targeting our key outcomes, is relatively narrow. Development of a 2023 business plan for the group was undertaken during 2022 and was approved by the Board in early 2023. The business plan sets out some KPIs both at a group level and for each individual entity in the group. It is intended that for 2023 and beyond, the group will expand the measures it chooses to report on with reference to these KPIs.

##### How did we perform?

Skills Active Aotearoa were successful in their application to establish a PTE. Operations commenced on 1 October 2022 and the transition to new systems, new roles for a number of employees to ensure a minimum of disruption was experienced by our learners.

**The following measures reflect the performance during the 12 months to 31 December 2022, combining performance for both Skills Active Aotearoa and Te Mahi Ako.**

Measure	Group Actual 2022 (12 months)	Target 2022	SAA Actual 2021 (12 months)
<b>Participation (out of total learners enrolled)<sup>1</sup></b>			
- Māori learners	16%	16%	16%
- Pasifica learners	5%	5%	5%
- Disabled learners <sup>2</sup>	3%	/	/
<b>Number of STMs</b>			
- Total STMs	1,483	1,502	1,632
<b>Number of completions</b>			
- Total credit completion EPI	52%	75%	68%
- Māori learner completion EPI	51%	75%	65%
- Pasifica learner completion EPI	40%	75%	62%
- Disabled learner completion EPI <sup>2</sup>	46%	/	/
<b>Number of credits reported</b>			
- Total credits reported	92,335	135,180	132,720
- Māori credits reported	13,349	21,629	19,623
- Pasifica credits reported	3,709	6,759	6,219

##### Notes:

<sup>1</sup> Participation is the number of learners who identify under each category, divided by the number of learners with a minimum of one funded month.

<sup>2</sup> For definition of this category, refer to the Office for Disability Issues ([www.odi.govt.nz](http://www.odi.govt.nz)). Targets were not set for this category for the 2022 year and data was not accurately recorded during the 2021 year.

## Financial statements

### What do these metrics tell us?

To help to understand the results presented in the table, the following explanations are provided to help make sense of the numbers.

#### 1. Impact of Covid and apprenticeship boost funding

In 2021 and 2022, Skills Active had a substantial enrolment STM, and in particular in the Apprenticeship funding stream, partly due to the Government support for apprenticeships through the Boost funding. However, it was a challenging period for learners to make progress as a result of Covid restrictions, and restricted travel and movement throughout the country impacting the ability to have assessment opportunities. In addition, flow on disruptions and restrictions to business operations across the sectors meant there were fewer work-based assessment opportunities for some of our learner groups. This is reflected in the lower STM, credit reporting and credit achievement rate across the learner groups.

#### 2. Change in data-management processes

We are accountable for capturing learners' enrolment status accurately throughout the year. Our end-of-year data quality review processes ensured we could pick up any data inaccuracies and inconsistencies retrospectively. As part of the end-of-year data quality checks, Skills Active routinely reviewed the 'active' funded duration of trainees and apprentices in the calendar year, impacting the STM accrued. This was managing the learners enrolment status from "active" to "on-hold" (equivalent to pausing the funding for enrolments) for periods of inactivity. This process ensured that Skills Active accurately reflected funded months of learning for the learner cohorts.

The learner data management was updated for the 2022 year and implemented with the transition to Te Mahi Ako in October 2022. This process involves a more robust data capture for learner progress throughout their learning journey, and reflecting periods of inactivity in the reporting system as it occurs rather than retrospectively once a year, for reporting purposes. The process provides us with more accurate 'live' learner data which is reported monthly to the Industry Training Register.

The transition to the new data quality processes had an expected impact on the reported credit completion rate for 2022, and in particular, the learners that were withdrawn or placed on hold as part of the transition process, and in the following months post-transition.

#### Preparation for reporting on customer satisfaction in the future

In October 2022, in the weeks following the commencement of operations of Te Mahi Ako, a survey was conducted to canvas satisfaction levels of learners, workplaces and assessors associated with Te Mahi Ako. The purpose of running this so soon after the commencement of operations was to serve as a baseline with which to compare future performance and for the setting of targets. It is planned that in the 2023 reporting year that the results will be presented in the statement of service performance alongside targets set and the baseline results.

#### New growth opportunities

For the remainder of the 2022 year following transition, the key focus was to ensure that Te Mahi Ako and its employees were well supported to move from the traditional arranging training functions into the operations as a PTE. With the strengthened focus on placing the learner at the centre, there was a lot of effort put into redefining processes, establishing and becoming familiar with the new support systems, and the development of learner support functions such as pastoral care, as well as satisfying the requirements of NZQA as a PTE.

Given this initial focus, there was little progress made in seeking out other opportunities during 2022. This work will ramp up in early 2023.

## Financial statements

### SKILLS ACTIVE AOTEAROA LIMITED

#### Statement of Comprehensive Revenue and Expenses FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 \$	2021 \$
<b>Revenue</b>			
<b>Revenue from Exchange Transactions</b>			
NZQA moderation rebate		(40)	41,258
QualWorx	4	273,843	364,044
<b>Total Revenue from Exchange Transactions</b>		<b>273,803</b>	<b>405,302</b>
<b>Revenue from Non-Exchange Transactions</b>			
Industry Training Fund (ITF)	5	7,642,847	7,617,290
Workplace fees and registration fees		486,800	646,012
Qualification Development Fund		-	120,000
<b>Total Revenue from Non-exchange Transactions</b>		<b>8,129,647</b>	<b>8,383,302</b>
<b>Total revenue</b>		<b>8,403,450</b>	<b>8,788,604</b>
<b>Less Cost of Sales</b>	6	777,682	1,323,406
<b>Gross Surplus</b>		<b>7,625,768</b>	<b>7,465,198</b>
<b>Expenses</b>			
Employee benefits expense	7	5,572,053	4,572,808
Other operating costs	8	1,591,732	1,240,887
Client servicing and training resources	9	257,511	203,257
<b>Total expenses</b>		<b>7,421,296</b>	<b>6,016,952</b>
<b>Surplus/(Deficit) before financing revenue</b>		<b>204,472</b>	<b>1,448,246</b>
<b>Interest revenue</b>		136,542	61,812
<b>Surplus/(Deficit) for the year</b>		<b>341,014</b>	<b>1,510,058</b>
<b>Total Comprehensive Revenue/(Loss)</b>		<b>341,014</b>	<b>1,510,058</b>



## Financial statements

### SKILLS ACTIVE AOTEAROA LIMITED

#### Statement of Changes in Equity FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		\$	\$
Equity at the beginning of the year		6,155,820	4,645,762
Surplus/(Deficit) for the year		341,014	1,510,058
<b>Total Comprehensive Revenue/(Loss) for the year</b>		<b>341,014</b>	<b>1,510,058</b>
<b>Equity at the end of the year</b>	<b>10</b>	<b>6,496,834</b>	<b>6,155,820</b>

## Financial statements

### SKILLS ACTIVE AOTEAROA LIMITED

#### Statement of Financial Position As at 31 December 2022

	Note	2022	2021
		\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	11	3,267,231	944,038
Short term deposits	12	5,072,291	6,734,896
Receivables	13	374,873	153,888
Prepayments		134,026	67,865
		<b>8,848,421</b>	<b>7,900,687</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	14	213,641	231,640
Intangible assets	15	56,891	80,881
		<b>270,532</b>	<b>312,521</b>
<b>Total Assets</b>		<b>9,118,953</b>	<b>8,213,208</b>
<b>Current Liabilities</b>			
Trade payables		987,210	576,215
Employee benefits payable		797,400	323,601
Goods & services tax payable		219,455	111,004
Revenue in advance		618,053	1,046,568
		<b>2,622,118</b>	<b>2,057,388</b>
<b>Net Assets</b>		<b>6,496,834</b>	<b>6,155,820</b>
<b>Equity</b>			
Share capital			-
Retained earnings	10	6,496,834	6,155,820
<b>TOTAL EQUITY</b>		<b>6,496,834</b>	<b>6,155,820</b>

For and on behalf of the Board



**Sam Napia** - Chairman  
Date: 31 May 2023



**Stephen Gacsal** - Chair - Audit & Risk Committee  
Date: 31 May 2023

## Financial statements

### SKILLS ACTIVE AOTEAROA LIMITED

#### Statement of Cash Flows FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Receipts from TEC funding		7,209,263	8,226,157
Receipts from quality development fund		-	120,000
Receipts from charges for goods and services		695,866	1,180,784
Payments to suppliers and employees		(7,213,904)	(7,052,413)
Proceeds from Interest received		123,061	53,950
Income tax refunded		-	14
		<b>814,286</b>	<b>2,528,492</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(53,699)	(78,735)
Movement in investments		1,562,606	(2,280,949)
		<b>1,508,907</b>	<b>(2,359,684)</b>
<b>Cash Flows from Financing Activities</b>			
Other cash items from financing activities		-	-
Total cash flows from financing activities		-	-
<b>Net Cash Flows</b>		<b>2,323,193</b>	<b>168,808</b>
<b>Cash Balances</b>			
Cash and cash equivalents at beginning of period		944,038	775,230
Cash and cash equivalents at end of period		3,267,231	944,038
<b>Net change in cash for period</b>		<b>2,323,193</b>	<b>168,808</b>

## Financial statements

### SKILLS ACTIVE AOTEAROA LIMITED

#### Statement of Cash Flows FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. Reporting entity

These financial statements comprise the financial statements of Skills Active Aotearoa Limited (“Skills Active Aotearoa”) and its subsidiaries QualWorx Limited (“Qualworx”) and Skills Active Te Mahi Ako Limited (“Te Mahi Ako”) for the period beginning 1 January 2022 to 31 December 2022. Skills Active Aotearoa is a Company incorporated in New Zealand, registered under the Companies Act 1993. The Company was the Transitional Industry Training Organisation for the Sport, Exercise, Recreation and Performing Arts industries of New Zealand until 30 September 2022. The registered office of the Company is 14 Sages Lane, Te Aro, Wellington. The financial statements of the Company are for the year ended 31 December 2022. The financial statements were authorised for issue by the Directors on 31 May 2023.

#### 2. Statement of compliance and basis of presentation

The Company is a reporting entity for the purposes of the Companies Act 1993, the Financial Reporting Act 1993 and the Charities Act 2005.

These consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (“NZ GAAP”). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime (“PBE Standards RDR”) as appropriate for Tier 2 not-for-profit public benefit entities, and disclosure concessions have been applied. The company qualifies as a Tier 2 reporting entity as for the two most recent reporting periods they are not publicly accountable and not large (operating expenditure was between \$2 million and \$30 million in the current and prior year for Skills Active Aotearoa Limited).

The financial statements are presented in New Zealand Dollars (NZD). All financial information presented has been rounded to the nearest dollar.

The financial statements are prepared on the historical cost basis.

The Directors have approved these financial statements on a going concern basis. The Directors have concluded the going concern basis is appropriate, as Skills Active Aotearoa Limited has obtained funding from the Tertiary Education Commission (TEC) for the 2022 calendar year and Te Mahi Ako has confirmed funding for the 2023 calendar year.

#### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### a) Revenue

Revenue is identified as either exchange or non-exchange. A transaction is classified as an exchange transaction if it has all of the following three components otherwise it is classified as non-exchange:

- There are two parties that have agreed to enter into the transaction
- There is a direct exchange of economic benefits or service potential between the parties
- The exchange is of approximately equal value.

##### i. Revenue from non-exchange transactions

- i. ITF and Apprenticeship Funding



## Financial statements

Skills Active Aotearoa receives funding from the Tertiary Education Commission based on Standard Training Measures (STMs). Revenue is recognised when received in accordance with contracted delivery and when conditions of the agreement are met. Any potential repayment of funding is an end of year clawback adjustment due to over-funding by TEC and is recognised as a liability in the Balance Sheet. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding. During 2022, for the third year, funding was provided by TEC to support learners who undertake qualifying apprenticeships as a direct response to the impacts of Covid-19 and the need for people to retrain. TEC advanced funding based on an assumed uptake of apprenticeships within our industries. Apprenticeships offered by Skills Active have a duration of 2 years and the funds received from TEC are treated as Revenue in Advance and recognised as revenue on a straight line basis over the expected course duration. In instances where the trainee withdraws, Skills Active may be required to return the proportion of unearned revenue to TEC. This scheme is in place until December 2022.

### ii. Workplace and registration fees

Workplace and registration fees are recognised in the year which the related programme commences. This revenue is considered non-exchange on the basis that the fees are significantly subsidised by TEC, so the transaction is not of approximately equal value.

### iii. Qualifications Development Fund

Revenue is provided from TEC as a contribution towards the cost of Skills Active's work to develop qualifications, qualification reviews and unit standard reviews. There is no "use or return" requirement on this revenue and no liability is recognised for amounts not yet spent at balance date. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding.

### iv. Other TEC Funding

Other TEC funding is recognised in the year that the funding conditions are fulfilled. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding.

## ii. Revenue from exchange transactions

### i. NZQA Moderation Rebate

NZQA moderation rebate is recognised when received, in the year in which the related moderation occurs. This revenue is considered exchange on the basis that this is essentially a full-cost recovery subcontracting arrangement with NZQA, who hold ultimate responsibility for moderation of tertiary level qualifications. With effect from 4 October 2021, Skills Active Aotearoa no longer received this rebate following the transfer of standard setting functions to the workforce development councils.

### ii. QualWorx

The majority of QualWorx revenue is received in exchange for the provision of audit services. Revenue is recognised at the point that the audit is completed and an audit certificate has been issued. This is consistent with PBE IPSAS 9 which requires that revenue is only recognised when the significant act is completed, that being the issuance of the audit certification. QualWorx revenue is considered exchange on the basis that the audits are of direct benefit to those audited, and that the fees reflect an approximately equal exchange in value. QualWorx cost of sales is recognised when work is performed and the invoice from the third party is received. During the prior year, Qualworx also received revenue for providing written advice on setting up an auditing framework for a new customer, which led on to conducting a series of pilot audits for this customer. No further work was performed for this client in 2022.

## Financial statements

### iii. Interest Revenue

Interest revenue is recognised as it accrues, using the effective interest method.

### b) Property, plant and equipment

Property, plant and equipment are recognised at cost, less depreciation. All assets are depreciated using the straight-line or diminishing value methods and with the following useful life parameters:

Asset	Expected Useful Life	Residual Value
Motor vehicles	3 - 5 years	20%
Computer equipment	2 - 5 years	-
Office equipment	4 - 5 years	-
Office furniture	3 - 10 years	-
Telecommunications equipment	2 years	-
Leasehold improvements	Length of the Lease	-

Subsequent costs are added to the carrying amount of an item of property, plant and equipment, when that cost is incurred, if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the Statement of Comprehensive Income when incurred. The residual value of assets is reassessed annually.

### c) Leases

The Company leases certain buildings. Operating lease payments, where the lessors effectively retain substantially all of the risks and benefits of ownership of the leased items, are recognised in the determination of the operating surplus in equal instalments over the lease term.

### d) Intangible assets

An intangible asset is recognised only if all of the following conditions are met:

- An asset is controlled by the Company as a result of past events;
- It is probable that the asset created will generate future economic benefits; and
- The cost of the asset can be measured reliably.

Intangible assets are categorised into those with finite lives and those with indefinite lives. Intangible assets with finite lives i.e. software is amortised using the straight-line method with a useful life of 3 years and no residual value. Where an intangible asset cannot be recognised, the expenditure is charged to profit or loss in the period in which it is incurred.

On 1st May 2014 the Intellectual Property and Trademarks of OutdoorsMark were purchased from Outdoors New Zealand. Intellectual Property and Trademarks have indefinite lives therefore are not amortised, but are assessed annually for impairment.

The residual value of intangible assets is reassessed annually.

### e) Trade and other receivables

Trade and other receivables are stated at cost less impairment losses.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original receivable terms. Subsequent recoveries of amounts previously written off are credited against other income.

## Financial statements

### f) Employee benefits

The Company's net obligation in respect of annual leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using current pay rates and actual leave accrued. The Company has no obligation in respect to defined contribution pension plans, long service leave, or share-based payment transactions.

### g) Income tax

The Company is registered with the Charities Commission under the Charities Act 2005, and is therefore exempt from tax under section CW 42.

### h) Goods and services tax

All items are stated exclusive of GST except for trade receivables and trade creditors that are stated inclusive of GST.

### i) Cash and cash equivalents

These include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

### j) Short term deposits

Short term deposits are Bank held term deposits with maturities of 3 months or greater from inception. Short term deposits are recognised at the face value of the deposit plus any accrued interest.

### k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### l) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

### m) Financial instruments

Financial instruments are recognised in the Balance Sheet when the Company becomes party to a financial contract. They include cash balances, deposits, bank overdraft, receivables, and payables. The business invests funds only with entities with satisfactory credit ratings. Exposure to any one financial institution is restricted in accordance with the business' policy.

#### (a) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. At initial recognition, an entity may measure short-term receivables and payables at the original invoice amount if the effect of discounting is immaterial.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor

## Financial statements

retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

### (b) Classification and subsequent measurement

#### Financial assets

On initial recognition, all of the Company's financial assets are classified and measured at amortised cost.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

#### Financial liabilities

All of the Company's financial liabilities are classified and measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

### (c) Impairment of financial assets

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 90 days past due.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

### n) Controlled entities

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.



## Financial statements

### o) Changes in accounting policy

The accounting policies adopted are consistent with those of the previous year.

PBE IPSAS 41 Financial Instruments is effective from 1 January 2022 and was adopted on that date. PBE IPSAS 41 has not had a material impact on the company's measurement and recognition of financial instruments.

PBE IPSAS 48 Service Performance Reporting is effective from 1 January 2022 and was adopted on that date.

### 4. QualWorx

	2022	2021
	\$	\$
<b>QualWorx Revenue</b>		
Annual JASANZ fee	19,182	16,934
Audit fees	232,463	321,323
Disbursements recovery	14,798	18,587
Worksafe	7,400	7,200
<b>Total QualWorx Revenue</b>	<b>273,843</b>	<b>364,044</b>

Qualworx Limited is a NZ Limited Company incorporated on 25 May 2017 and Skills Active Aotearoa is the sole shareholder. Qualworx is primarily focused on risk mitigation for organisations. This is done through auditing and the development of risk frameworks for business. Qualworx collaborates with regulatory agencies, other recognised safety auditors and key stakeholders to enhance safety standards and culture in New Zealand.

Skills Active incorporated Qualworx as a separate company with the goal of injecting capital, capacity and capability to create a standalone operation, while staying true to the vision and mission of the business. Qualworx continues to rely on the support of Skills Active while it works toward being a self-supported business. During the year Skills Active provided support by way of an advance of \$100,000 (2021: \$nil), to support its cash flow needs. The board and management continue to closely monitor its performance against its business plan and its cash flows. Skills Active remains committed to supporting Qualworx during the 2023 financial year and beyond.

### 5. Tertiary Education Commission revenue

Skills Active continued to operate as a Transitional Industry Training Organisation (TITO) until 30 September 2022. With effect from 1 October 2022, Te Mahi Ako commenced operations as a private training establishment. The TEC set funding for 2022 on the basis as a TITO and this funding was provided to Skills Active for the period 1 January 2022 to 30 September 2022, and to Te Mahi Ako for the period 1 October 2022 to 31 December 2022 on a prorata basis. For the 2023 year, funding by the TEC is based on the new unified funding system approach and provided to Te Mahi Ako set on the mix of provision of learners as agreed between TEC and Te Mahi Ako.

## Financial statements

	2022	2021
	\$	\$
<b>Industry Training Fund (ITF)</b>		
ITF Funding - Core	3,479,287	4,826,864
Apprenticeship Funding	2,866,606	1,105,316
ITF Funding - Targeted Training and Apprentices Fund	1,040,480	1,286,377
TEC Equity Funding	236,474	-
TITO WDC Project Funding	-	298,733
TEC Bureau Funding	-	100,000
Other TEC Funding	20,000	-
<b>Net TEC Revenue</b>	<b>7,642,847</b>	<b>7,617,290</b>

### 6. Cost of sales

	2022	2021
	\$	\$
Apprentice subsidy	18,749	99,061
Assessment fee	87,773	98,528
Bureau costs	-	51,516
CCRT WDC project costs	-	265,029
NZQA credit reporting	163,674	195,394
NZQA managing consistency	22,896	41,047
NZQA programme consultation	4,891	5,535
NZRA PLPC fees	16,930	11,760
Other administration costs	-	2,016
Resource courier costs	6,344	27,611
Resource printing	72,147	94,404
SAMs	6,794	20,141
TTAF costs	214,713	221,703
	<b>614,911</b>	<b>1,133,745</b>
<b>QualWorx</b>		
Auditor fees	103,537	125,673
Disbursements	19,272	24,836
Auditor insurance	13,004	11,994
JASANZ fees	19,158	19,658
Worksafe fees	7,800	7,500
	<b>162,771</b>	<b>189,661</b>
<b>Total Cost of Sales</b>	<b>777,682</b>	<b>1,323,406</b>

## Financial statements

### 7. Employee benefit expense

	2022	2021
	\$	\$
Wages and salaries	5,222,130	4,314,405
Contract Staff	114,105	69,051
<b>Employee Entitlements</b>	<b>5,336,235</b>	<b>4,383,456</b>
Training	47,934	16,596
Other costs	187,884	172,756
	<b>5,572,053</b>	<b>4,572,808</b>

### 8. Other operating costs

	2022	2021
	\$	\$
Depreciation and amortisation	95,690	103,199
Net loss on disposal of assets	-	-1,848
Impairment of trade receivables	-3,243	-5,671
Rental expenses	203,328	203,328
ACC levies	9,419	9,476
Audit fees	43,683	24,675
Directors' fees	342,629	267,740
Legal fees	79,922	63,098
IT expenses	263,066	192,596
Insurance	51,372	28,815
Travel expenses	31,219	28,428
Postage, printing and stationary expenses	20,313	21,933
Phone and internet expenses	44,602	43,032
Professional fees	211,680	112,882
Office expenses	42,011	43,722
Repairs and maintenance expenses	11,439	11,604
Subscriptions and membership expenses	14,428	13,717
Staff expenses	87,288	59,834
Taxation expense	82	-8
Other	42,804	20,333
	<b>1,591,732</b>	<b>1,240,887</b>

## Financial statements

### 9. Client servicing and training resources

	2022	2021
	\$	\$
Client servicing	226,954	174,637
Conferences and events	15,557	1,765
Partnership agreements	15,000	26,855
	<b>257,511</b>	<b>203,257</b>

### 10. Equity and reserves

The Company has a policy of maintaining equity reserves (retained earnings) between a minimum of \$2.7 million and a maximum of \$6.3 million based on the current Strategic and Operational Risk Analysis. Equity reserves as at 31 December 2022 were \$6.5 million.

Equity reserves will be retained to allow for such items as future capital expenditure, economic downturn, failure to meet TEC contract requirements.

At 31 December 2022, share capital comprised 1,200 ordinary shares (2021: 1,200) all of which were uncalled and unpaid at the balance date. The holders of ordinary shares are entitled to one vote per share at meetings of the Company. They have no right to the Company's residual assets. Ordinary shares have no par value.

#### Equity

	2022	2021
	\$	\$
<b>Issued and Paid Up Capital</b>		
Total issued and paid up capital	-	-
<b>Retained Earnings</b>		
Balance at beginning of year	6,155,820	4,645,762
Net Surplus/(Deficit) after financing income	341,014	1,510,058
<b>Retained Earnings at end of year</b>	<b>6,496,834</b>	<b>6,155,820</b>
<b>Total Equity</b>	<b>6,496,834</b>	<b>6,155,820</b>

### 11. Cash and cash equivalents

	2022	2021
	\$	\$
ANZ Bank	32,513	20,002
ASB	203	202
Kiwibank	440	440
Westpac	3,234,075	923,394
	<b>3,267,231</b>	<b>944,038</b>



## Financial statements

### 12. Short term deposits

	2022	2021
	\$	\$
Kiwibank	2,117,889	2,084,896
Westpac	2,954,402	4,650,000
	<b>5,072,291</b>	<b>6,734,896</b>

### 13. Receivables

	2022	2021
	\$	\$
Accrued revenue	159,551	30,738
Trade receivables	215,322	123,150
Allowance for doubtful debts	-	-
	<b>374,873</b>	<b>153,888</b>

### 14. Property, plant and equipment

Cost	Computer Equipment	Leasehold Improvements	Motor Vehicles	Office Equipment	Office Furniture	Total
Opening	228,440	338,066	382,303	87,306	70,439	1,106,554
Additions	53,699	-	-	-	-	53,699
Disposals	(5,561)	-	-	-	-	(5,561)
Closing	276,578	338,066	382,303	87,306	70,439	1,154,692
Accumulated depreciation						
Opening	178,413	265,278	308,191	72,990	50,042	874,914
Depreciation	28,616	10,982	21,485	7,202	3,413	71,698
Disposals depreciation write-back	(5,561)	-	-	-	-	(5,561)
Closing	201,468	276,260	329,676	80,192	53,455	941,051
<b>Net Book Value 2022</b>	<b>75,110</b>	<b>61,806</b>	<b>52,627</b>	<b>7,114</b>	<b>16,984</b>	<b>213,641</b>
<b>Net Book Value 2021</b>	<b>50,027</b>	<b>72,788</b>	<b>74,112</b>	<b>14,316</b>	<b>20,397</b>	<b>231,640</b>

## Financial statements

### 15. Intangible assets

Cost	Computer Software	Goodwill	Total
Opening	130,022	50,000	180,022
Additions	-	-	-
Disposals	-	-	-
Closing	130,022	50,000	180,022
Accumulated amortisation			
Opening	99,141	-	99,141
Depreciation	23,990	-	23,990
Disposals depreciation write-back	-	-	-
Closing	123,131	-	123,131
<b>Net Book Value 2022</b>	<b>6,891</b>	<b>50,000</b>	<b>56,891</b>
<b>Net Book Value 2021</b>	<b>30,881</b>	<b>50,000</b>	<b>80,881</b>

### 16. Provision for TEC payback

The wash up for 2022 is a two stage process. The first wash up is for the 9 months ended 30 September 2022 when Skills Active Aotearoa ceased to operate as an industry training organisation, and its functions were transferred to Te Mahi Ako in its capacity as a private training establishment. In their letter dated 15 March 2023, TEC confirmed that for the core industry training funding, there is additional funding owed to Skills Active Aotearoa of \$115,332 plus GST for additional delivery in excess of funding received. For Targeted Training and Apprenticeship funding a payback is required of \$479,488 plus GST which has resulted from an overestimation of the number of apprentices enrolled and the average course cost of enrolled apprentices. The second wash up is for the period 1 October 2022 to 31 December 2022 for Te Mahi Ako. As per the letter from TEC dated 11 April 2023, there was an under-delivery of 16 STMs against the target for core industry training resulting in a required return of funding of \$76,707 plus GST. For Targeted Training and Apprenticeship funding the TEC advised on 25 May 2023, that there is a claw-back of \$139,416 plus GST required due to lower than expected enrolments partially offset by higher average course costs for enrolled apprentices. These amounts have been fully accrued for in the financial statements.

### 17. Operating lease commitments

Non-cancellable operating lease rentals are payable as follows:

	2022	2021
	\$	\$
Less than one year	139,133	139,133
	<b>139,133</b>	<b>139,133</b>

## Financial statements

Skills Active has two leases for offices in Wellington and Christchurch. The Wellington office lease is for \$189,000 per annum. Skills Active Aotearoa exercised its 1 year right of renewal for the year ended 31 August 2023. This is the final expiry of the current deed of lease. The Christchurch office lease is for \$14,323 per annum and was extended for a further period of 12 months until 30 November 2023.

### 18. Related parties

The company has two subsidiary companies in which it holds 100% of the shares of which are issued and fully paid up. These companies both have their principle place of business in New Zealand.

Skills Active Te Mahi Ako Limited	1,000,000 ordinary shares
Qualworx Limited	450,000 ordinary shares

The Company has related party relationships with two of its Directors. The transactions between those Directors and organisations in which they hold an interest are:

Directors	Organisation	Paid to Skills Active	Paid by Skills Active
		\$	\$
<b>2022</b>			
Stephen Gacsal	Exercise Association of NZ	-	15,404
Kirsty Knowles	Community Leisure Management Ltd	20,975	-
<b>2021</b>			
Stephen Gacsal	Exercise Association of NZ	-	17,538

Stephen Gacsal is the Registrar of the NZ Register of Exercise Professionals (REPs), a wholly owned subsidiary of Exercise New Zealand. Monies paid to Exercise Association of New Zealand represents sponsorship as detailed in the partnership agreement between the two parties.

Kirsty Knowles is the General Manager of Operations at Community Leisure Management Ltd. Payments received represent learner enrolment fees paid by CLM.

### 19. Remuneration paid to employees

	2022	2021
\$100,000 - \$110,000	4	1
\$110,000 - \$120,000	2	-
\$120,000 - \$130,000	-	1
\$130,000 - \$140,000	-	3
\$140,000 - \$150,000	3	-
\$150,000 - \$160,000	1	-
\$160,000 - \$170,000	1	2
\$180,000 - \$190,000	-	1
\$200,000 - \$210,000	1	-

## Financial statements

### 20. Directors remuneration paid

	Skills Active Board Fees	Skills Active Board Advisory Fees	Te Mahi Ako Board Fees	QualWorx Board Fees	Audit & Risk Committee	Total
	\$	\$	\$		\$	\$
<b>2022</b>						
Sam Napia	39,000	-	-	-	-	39,000
Butch Bradley	159,000	-	-	-	-	159,000
Stephen Gacsal	15,000	-	-	-	980	15,980
Andrew Gunn	15,000	-	-	33,320	980	49,300
Stephanie Hadley	7,500	-	-	-	-	7,500
Hinemaui Rikirangi	15,000	-	-	-	-	15,000
Kirsty Knowles	7,912	-	-	-	-	7,912
Jordan Pomana	7,912	-	-	-	-	7,912
Steve Ruru	-	15,000	13,013	-	-	28,013
Robyn Cockburn	-	-	13,012	-	-	13,012
	<b>266,324</b>	<b>15,000</b>	<b>26,025</b>	<b>33,320</b>	<b>1,960</b>	<b>342,629</b>
<b>2021</b>						
Sam Napia	39,000	-	-	-	-	39,000
Butch Bradley	153,000	-	-	-	-	153,000
Stephen Gacsal	15,000	-	-	-	980	15,980
Andrew Gunn	15,000	-	-	-	1,960	16,960
Des Ratima	9,660	-	-	-	-	9,660
Stephanie Hadley	12,500	-	-	-	-	12,500
Hinemaui Rikirangi	7,500	-	-	-	-	7,500
	<b>251,660</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,940</b>	<b>254,600</b>

Additional duties were undertaken by Butch Bradley during the 2022 year in the role of Executive Director of Skills Active for which he received remuneration of \$159,000 (2021: \$153,000). During the 2022 year, Andrew Gunn was installed as Acting Chief Executive of Qualworx following the resignation of the incumbent Chief Executive for which he was remunerated \$33,320 (2021: \$nil). Steve Ruru was appointed as an advisor to the Skills Active board for which he received remuneration of \$15,000 during 2022 (2021: \$nil). Steve was also appointed to the interim establishment board of Te Mahi Ako for which he received remuneration of \$13,013 for the 2022 year (2021: \$nil).



## Financial statements

### 21. Financial assets and liabilities

All financial assets are classified at amortised cost for financial measurement purposes.

These are:

#### Financial assets at amortised cost

	2022	2021
	\$	\$
Cash and cash equivalents	3,267,231	944,038
Short term deposits	5,072,291	6,734,896
Receivables	374,873	153,888
	<b>8,714,395</b>	<b>7,832,822</b>

Financial liabilities are reported at amortised cost and comprise trade payables of \$987,210 (2021: \$576,215). There are no financial liabilities at fair value through profit and loss.

### 22. Commitments and contingencies

There are no commitments or contingent liabilities as at 31 December 2022 (2021: Nil).

### 23. Subsequent events

There are no events subsequent to balance date that require disclosure in these financial statements.

### 25. Going concern

These financial statements have been prepared based on management's and the Board's assessment that Skills Active is a going concern. It is noted that there are currently no plans to liquidate or cease the business. Following the transfer of its arranging training functions to Te Mahi Ako, the organisation structure of the remainder of Skills Active has been reorganised to deliver corporate services shared services across the group and is actively seeking other opportunities to provide these services outside the group. Additionally, Skills Active are seeking further opportunities to serve the New Zealand community to improve educational outcomes for all New Zealanders associated with rēhia - active recreation, leisure and entertainment. Skills Active has sufficient reserves to draw upon whilst it operationalises these opportunities. It is therefore expected that Skills Active will continue to operate as a going concern for the foreseeable future.

Skills Active has continued to operate successfully through the ongoing and lingering impacts of the COVID-19 pandemic and successfully managed the transition of its arranging training function to Te Mahi Ako, and ensured that Te Mahi Ako successfully operationalised as a PTE. Skills Active learner success rates have been maintained in a challenging landscape. Qualworx has continued to deliver on its audit assignments with only minimal disruption, but the sector it serves has been under stress. As highlighted in Note 4 to these accounts, Qualworx had an operating loss in the 2022 financial year. Skills Active continues to provide cash flow support, and Qualworx is expected to be in a near break even situation in the 2023 year.

## Notes

## Skills Active Board (Current directors)

Sam Napia  
Andrew Gunn  
Butch Bradley  
Stephen Gacsal  
Kirsty Knowles  
Jordan Pomana  
Hinemaui Rikirangi

## Registered Office

14 Sages Lane  
Te Aro  
Wellington 6011

## Solicitor

Dentons Kensington Swan

## Bankers

ANZ  
Westpac  
ASB  
Kiwibank

## Auditors

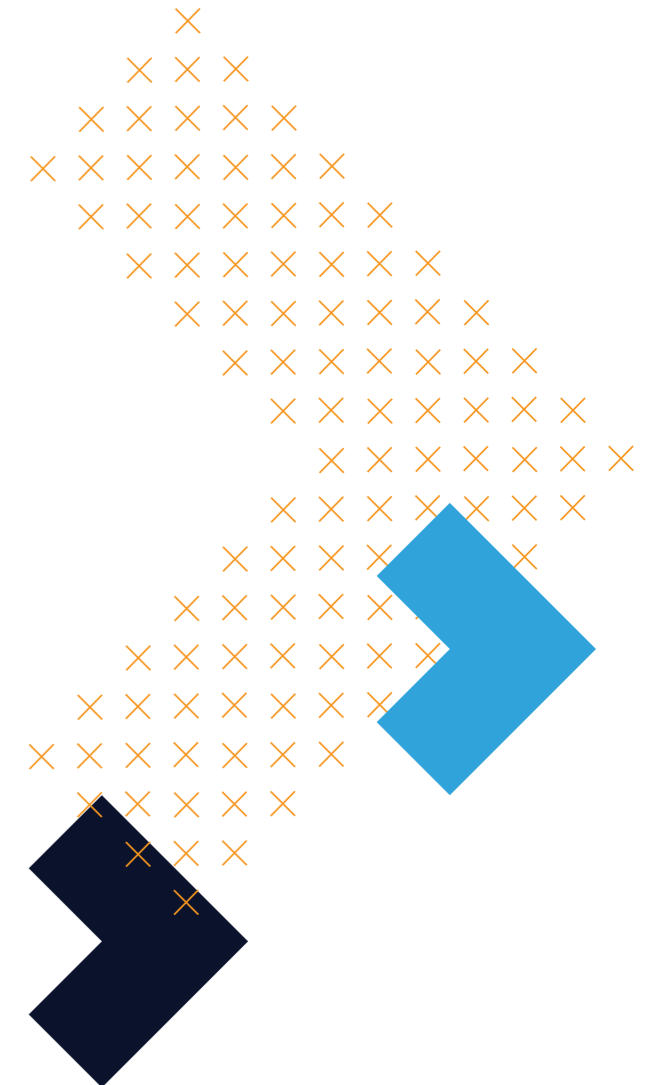
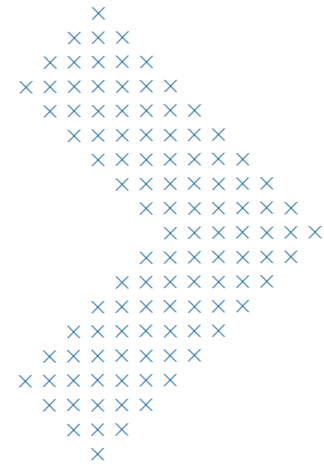
BDO New Zealand

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