



Skills Active
Annual Report 2020



To rise by lifting others



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Our purpose

Fuel the fire within

We get to know the specific training and assessment needs of our workplaces, and create customised strategies to help them qualify their people. We equip people and businesses to thrive.

Our promise

We are stronger together

When we partner with employers, together we have a real impact on what they can deliver - highly-skilled, high-quality, high-value recreation, exercise, sport, performing arts and snowsport that improve the health and wellbeing of Kiwi communities.

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Our ambition

Mauri oho, mauri tū, mauri ora

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

Chair's report

He hekenga tai timu, he hekenga tai pari

Ehara te toka ki Ākiha he toka nohinohi,
he toka whitianga rā

Pātaua, ko te toka ki Māpuna, ko tēnā
tāu e titro ai kō te ripo kau

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Tuatahi, ka tuku atu i te reo hakamoemiti ki tō tātou Matua-Nui-i-te-Rangī me tana Tama ko Ihu Karaiti. E mea ana te karaipiture: “me kōrerorero tātou mō te Karaiti, me kauwhau tātou mō te Karaiti, kia mōhio ai a tātou tamariki e titiro ai rātou ki hea he murunga i ō rātou hara”.

Tuarua, e mihi kau ake ana ki wā tātou aitua. Ko ngā mate o te tāu; tae mai ki tēnei wā tonu nei, ka huri ngā hakaaro ki ngā mate ō tēna, ō tēna ō tātou. E tika ana me mihia, e tika ana me tangihia; kia ea ai te kōrero ki tō tātou tangi-tahi mo rātou te hunga mate, ahatia nō wai, ahatia nō hea. E te hunga mate, haere mai, haere. Haere atu rā ki te kāinga tūturu mō tātou mō tēnei mea te tangata; haere, haere, haere atu rā.

Kō rātou te hunga mate ki a rātou; kō tātou te hunga ora ki a tātou. Nā, ka puta atu nei i te mate ki te ora; tēnā anō hoki tātou.

The recreation, exercise, sport, performing arts and snowsport workforce faced huge challenges in 2020, as did we all, and they met them with courage, creativity and resilience.

At Skills Active, we were proud to support our industries in their transformational response.

It is hard to overstate the significance of the Covid-19 pandemic and its reverberations across society; even here in New Zealand, where we counted ourselves lucky, there will still be lasting ramifications.

Our industries, all of which depend heavily on face-to-face contact, were some of the hardest hit by the pandemic restrictions. However, mirroring the experience of New Zealand as a whole, they pulled together to face a common problem, and it was that unity that carried us all through, despite the undoubted hardship and losses that many endured.

The exercise sector adapted with stunning agility to offer its services via video. National gym chains provided free virtual exercise to help people stay active at home. The snowsport industry dug deep and hosted big domestic crowds despite losing access to its international workforce. Entertainment venues pivoted to become temporary logistics centres for emergency food parcels.

Financial support for Covid-hit industries

In late March, Skills Active acted quickly and waived enrolment fees on most of our certificate-level qualifications. This rapid response to the shock of the first lockdown was intended to empower our clients to continue to prioritise training and developing their staff.

We weren't alone in providing financial support. Our partners at Entertainment Technology New Zealand launched a generous scholarship scheme, supporting technical staff to complete Skills Active qualifications while theatres and venues were forced to close.

Also, we were happy to see a strong central government support plan for vocational training, in the form of the Targeted Training and Apprenticeship Fund, and the Apprenticeship Boost.

The changing face of Skills Active apprenticeships

Traditionally we have seen fairly low uptake of these longer programmes of learning in recreation, sport and performing arts. But 2020 created an opportunity to pause and reassess the way things were done. Employers had the time and capacity to invest in supporting apprentices, and they took this up in great numbers.

Skills Active grew its apprenticeship offerings – more on that shortly – and promoted the new financial aid schemes. And we were excited to witness a shift over the year, in our industries' perceptions of the value of apprenticeships.

In 2020 we enrolled 662 new apprentices, a seven-fold annual increase. These new enrolments will support stronger skills, a greater depth of knowledge and experience in our industries, and the continued development of a strong culture of workplace learning.

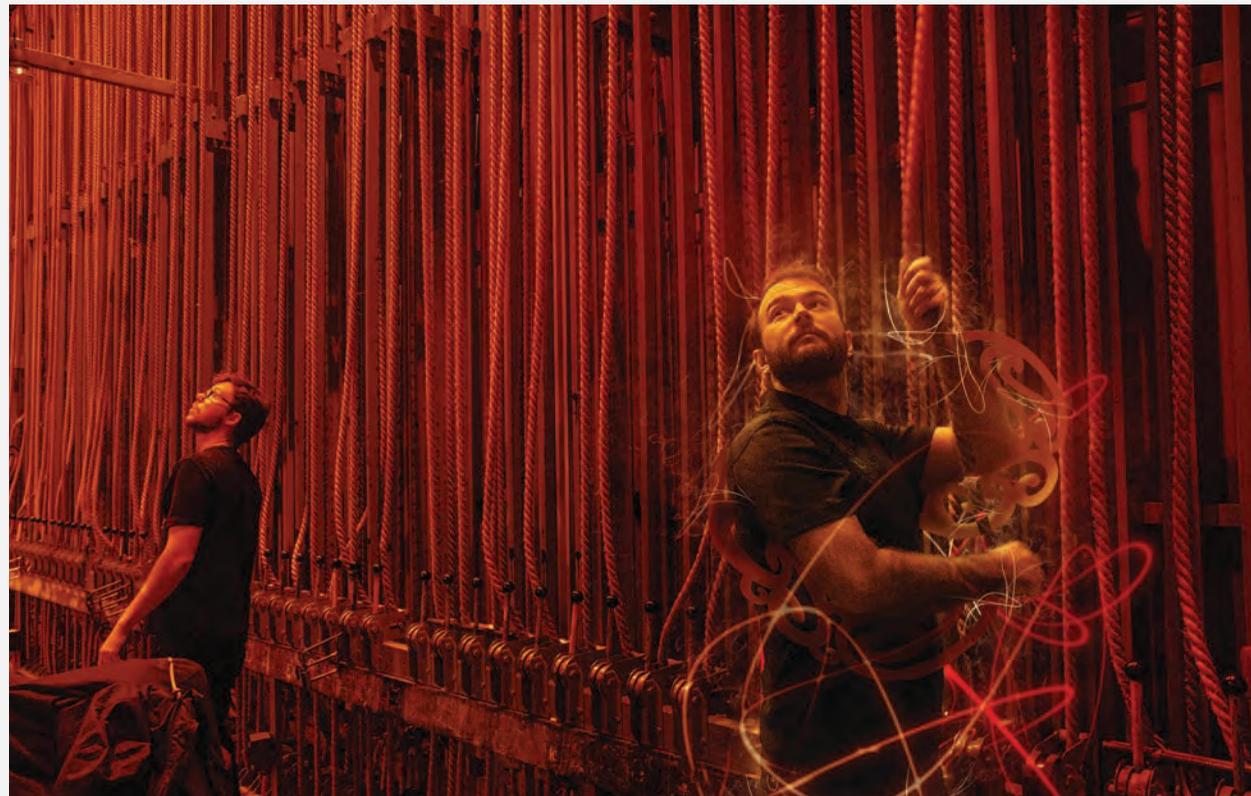
As these promising new apprentices pursue their on-job qualifications, they will lay the foundations for long-lasting, meaningful careers that will continue, long after the end of the Covid-19 pandemic.

New qualifications

We added four new apprenticeships to our stable in 2020 – Exercise Professional; Multi-Skilled Exercise Instructor; Outdoor Leadership; and Facility Operations.

Also, we launched nine new certificate programmes, including an entirely new suite of Māori qualifications – Tikanga (Mātauranga Māori); Manaaki Marae; and Māori Business and Management.

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This collection of te ao Māori programmes has gone from strength to strength and is continually in high demand across all of our industries.

We also launched new certificates in coaching, officiating, pre-designed exercise instruction, cycle skills instruction, programme delivery, and sea kayaking. We launched a tailored player development programme for the rugby sector, and we launched a range of small stand-alone parcels of learning in the outdoor recreation space.

Many of our new programmes last year were developed with the ability to be assessed online, making them more accessible to people working from home, based in remote areas or within small businesses. We now have an online component to more than half of all our qualifications, and this proportion will continue to rise.

Our standard-setting work also continued at pace over the course of the year. We revised and listed two qualifications on the New Zealand Qualifications Framework; listed 66 unit standards; and saw approved four programmes of industry training, and one new domain (an area of learning at unit standard level).

2020 performance indicators

There's no doubt, however, that our industry training results were disrupted in 2020. Skills Active delivered 1,144 standard training measures for the year, and saw the completion of 1576 national qualifications by our trainees. Our overall credit achievement rate was 61% across all trainees. For our Māori and Pasifika trainees the credit completion rates were 59% and 53% respectively.

All of these figures were down from 2019; however, we were heartened to see our industries continuing to achieve respectable results at a time when businesses and staff were struggling with a raft of external pressures.

Skills Active management and board

We were thrilled to appoint a chief operating officer during the year, long-time team member Maren Frerichs. We added a new general manager, and others among our senior leadership team stepped up into new roles. You'll find all the details on these changes further on in this report.

We were very fortunate to draw on the skills of board member Butch Bradley, who added to his responsibilities by stepping into the role of executive director, supporting Ms Frerichs. And Graham Hill joined the business as CEO of our Qualworx business.

We also welcomed new board member Hinemaui Rikirangi, who has brought us her extensive background in corporate, government, iwi and Māori development work.

Vocational education reform

In 2020 the government opted to accelerate the Reform of Vocational Education in response to the pandemic. This meant an increasing workload for our team, as we continued to prepare for the transition to the new system and the handover of some of our ITO functions.

However, it also provided opportunities to adapt and respond at a strategic level, so that the twin pressures of the vocational changes and the post-Covid recovery are taken into account as we navigate the reform. To keep stakeholders informed of progress, we launched a monthly reform newsletter during the year and will continue to send regular updates as we travel along.

Heoi anō mo tēnei wā tonu nei.

Mauri tū, mauri oho, mauri ora ki a tātou katoa.

Sam Napia
Chair

Facing up to Covid-19

Skills Active's industries were at the epicentre of the Covid-19 impact. As a group of professions that rely on bringing people together and working face-to-face, they were hit hard by the initial lockdown and the alert level changes that followed.

Travel restrictions meant a decline in tourism and a lack of available staff, particularly for our snowsport and outdoor operators. Recreation centres, gyms, pools and other facilities were forced to close. Sport matches and tournaments were cancelled, and schools were closed, putting an end to outdoor education activities. In the arts sector, audiences stayed at home, theatres and venues were shuttered, and concerts, shows and gigs were all cancelled.

Early on in the pandemic, we surveyed our stakeholders and found that the majority had entirely lost access to their customer market. About half reported suffering a significant impact on their financial resources. Besides the threat of business closure for operators, the sizeable cohort of casual, part-time and contract roles meant that many staff felt particularly vulnerable to the uncertainty created by Covid.

Industry training was not at the forefront of people's minds when the pandemic hit. Workplaces had shut down; staff were at home and receiving the wage subsidy; practical training activities ceased; forums and workshops were shelved. After assessing the effects on our industries, we drastically reduced our enrolment forecasts for the year, and prepared for a worst-case scenario decline of up to 70% in trainee numbers.

How to help?

We saw Skills Active's role as being to step in where we could and modify our approach as needed. We sought to play a supporting role for our industries and their workforce, in whatever

way we could, as they faced the shockwaves of the pandemic head-on.

In late March we acted quickly and waived enrolment fees on most of our certificates and provided scholarships for our apprenticeships. And we were thrilled when shortly afterwards the government stepped in to financially support apprenticeships through targeted funding.

These measures helped our clients to continue training and developing their staff. This was particularly apt for those whose normal workload had ceased, and could redirect their time and effort. More than 600 new apprentices enrolled with Skills Active during the year which was a huge boost for work-based learning in our sectors.

We switched rapidly to digital ways of working and collaborating with each other and our clients. We sent out three Covid impact surveys, to understand what our workplaces needed, and how their needs were changing as the year progressed. We developed advice for our assessors on how to continue supporting their trainees in a Covid environment, and we took our assessor training workshops online – training 81 new assessors over the course of the year.

We published 97 new online or part-online resources, and we converted many of our existing resources to electronic or online versions as well – in order to smooth the way for our industry professionals to learn remotely. We created some one-off guidance documents to help trainees find practical ways to further their training, while staying at or near home.

Industry supporting industry

It was heartening to see peak bodies in our industries stepping up to support their members in myriad ways – including through on-job training.



Our partners at Entertainment Technology New Zealand sponsored 100 Skills Active certificate programmes, and (once restrictions lifted) hosted assessment workshops around the country.

At Exercise New Zealand and Recreation Aotearoa, regular webinars provided members with health and safety guidance, clarity on new rules and processes, a chance to share information and experiences, and a sense of camaraderie through the laptop screen. Many of our partners also pivoted to running online conferences and events, which we were fortunate to take part in.

Positive signs

As we neared the end of 2020 we were stoked to get a real sense of confidence rebuilding in our industries.

The snowsport industry had managed to pull off a successful season despite big supply challenges on both the staffing and customer sides. With the return to Alert Level 1, and the approach of the warmer weather, entertainment

and outdoor education sectors were seeing a bounce, and recreation, sport and aquatics were getting into full swing. Increased domestic tourism was also helping to somewhat offset the loss of international visitors.

Our worst fears of a steep decline in on-job training did not come to pass. We managed to achieve 1144 STMs which was 93% of our revised internal target for 2020. We were incredibly proud of our trainees' overall credit achievement rate of 61%. This was in a year when they grappled with job loss, insecurity, hardship, and the very real danger posed by Covid itself.

It has been our privilege to work towards a recovery alongside our workplaces and trainees. We've seen them supporting one another through the challenges of 2020, and continuing to excel and progress with their learning, their careers, and their businesses.

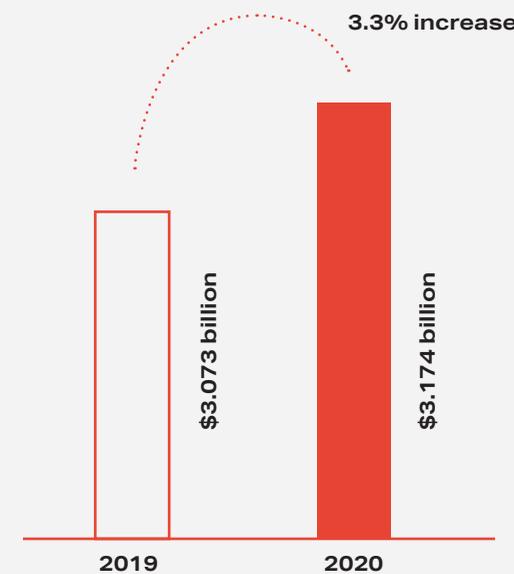
We are therefore proud to highlight our industries' 2020 achievements in this report, along with the hard mahi that our own staff put in, as we all worked towards the shared goals of recovery, growth and success.

Snapshot of our industries

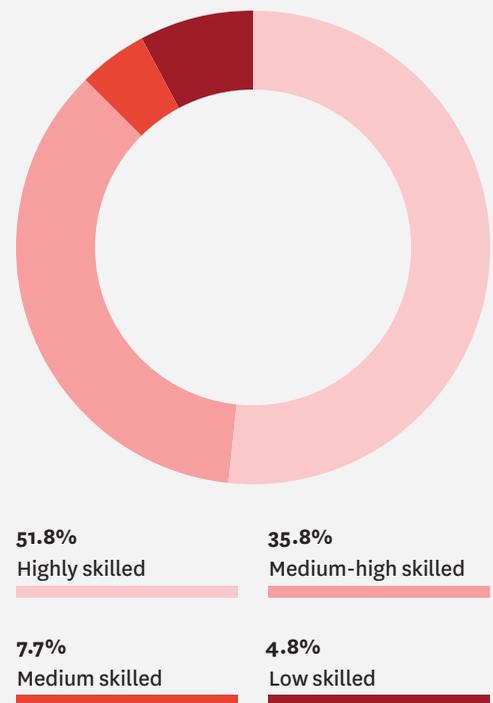
Performing arts¹

Top job
Conference and event organiser

Contribution to GDP



Workforce skill level²



Total employment

31,173

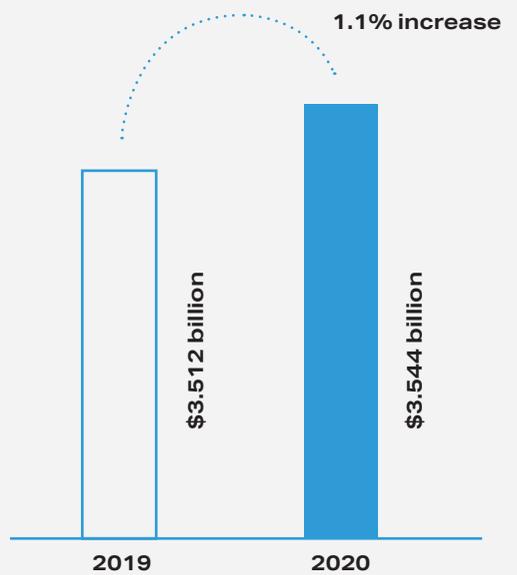
1.8% increase →

¹ Data for all industries other than Snowsport is provided by Infometrics

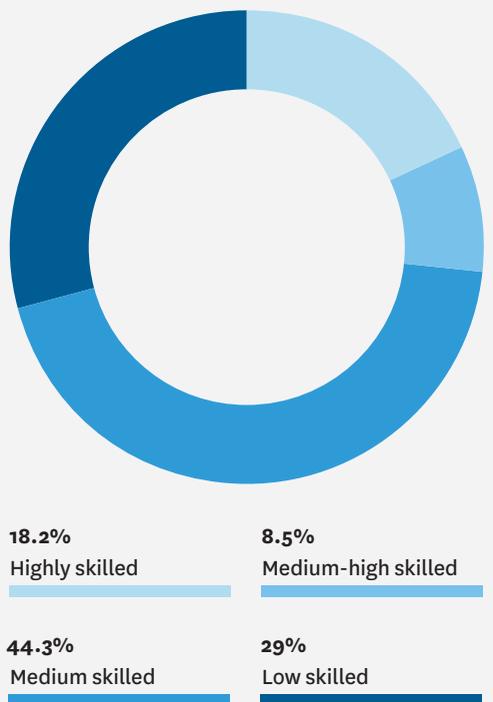
Community recreation, sport and aquatics

Top job
Sport coach or instructor

Contribution to GDP



Workforce skill level



Total employment

39,369

2.2% increase →

² Highly skilled occupations typically require a bachelor degree or higher qualification and include professionals such as accountants, teachers, and engineers, as well as most managers such as chief executives.

Medium-high skilled occupations typically require an NZ Register Diploma, an Associate Degree or Advanced Diploma. The category includes some managers and technicians.

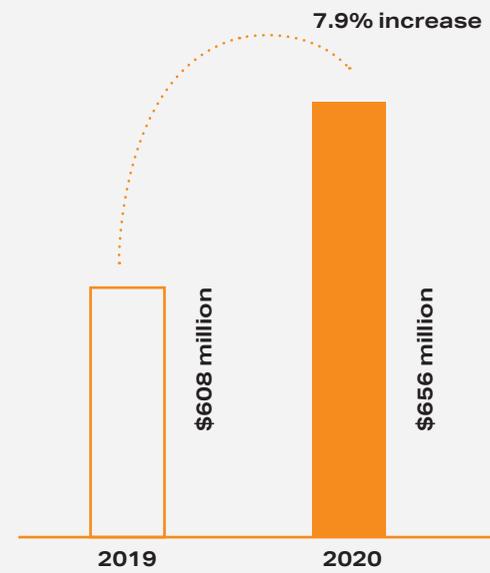
Medium skilled occupations typically require an NZ Register Level 4 qualification. The category includes tradespersons, skilled service workers, as well as skilled clerical and sales workers.

Low skilled occupations typically require an NZ Register Level 3 qualification or lower. They include a range of lower skilled occupations from general clerks, caregivers, and sales assistants, through to cleaners and labourers.

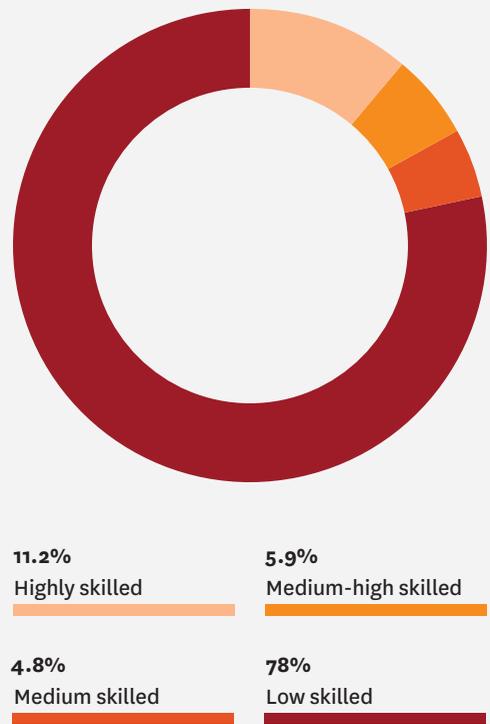
Exercise

Top job
Exercise instructor

Contribution to GDP



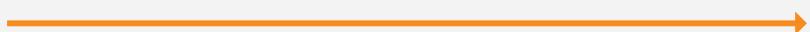
Workforce skill level



7,886

Total employment

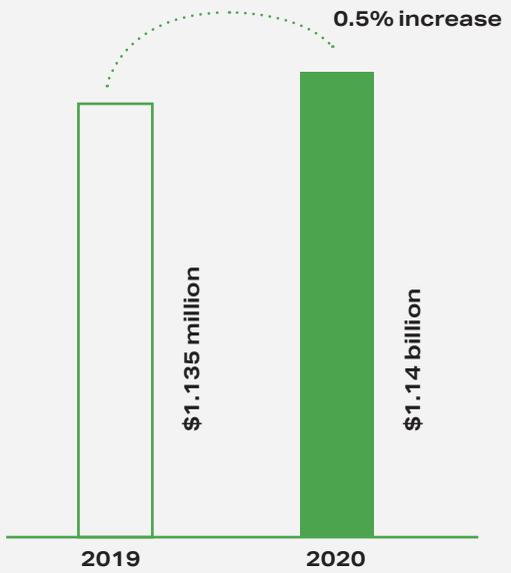
9.1% increase



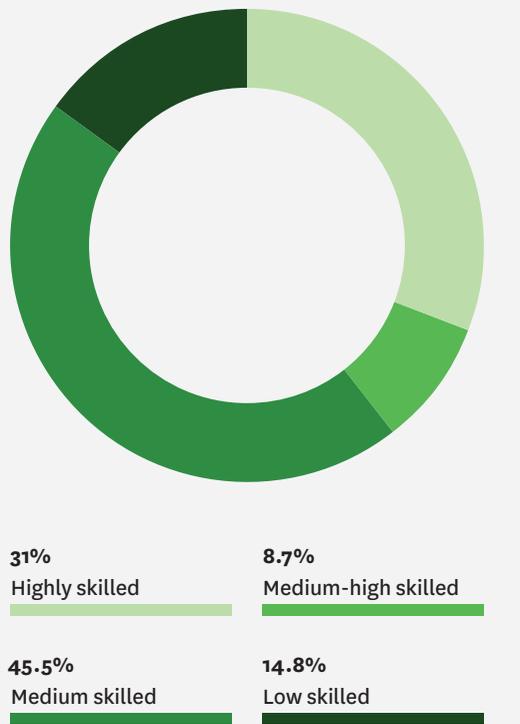
Outdoor recreation

Top job
Guide

Contribution to GDP



Workforce skill level



12,903

Total employment

2% increase



Snowsport

The 2020 ski season generated \$169 million in visitor spending³



The percentage of foreign visitors skiing on kiwi slopes went from 36% in 2019 to virtually zero in 2020⁵

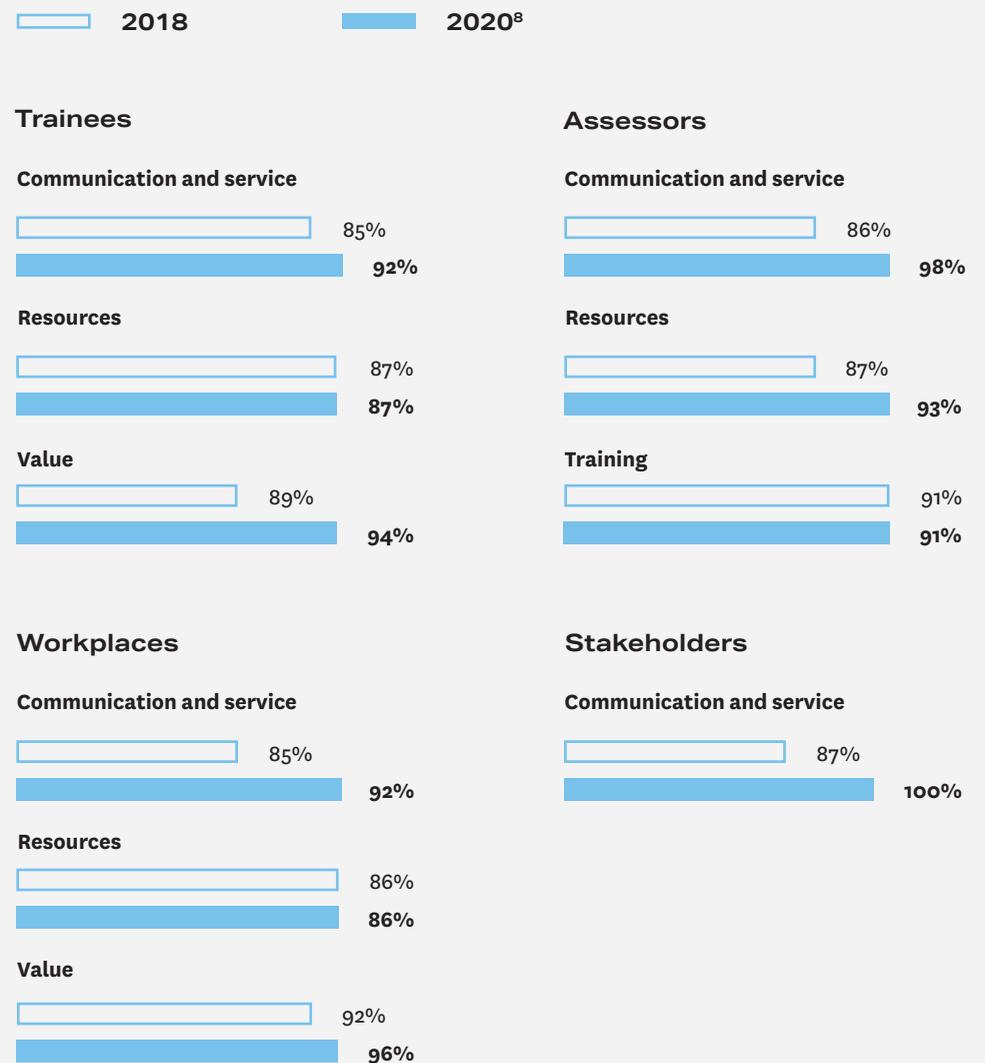
3,000

workers were employed across New Zealand ski areas in 2020⁶

3. Stuff.co.nz 4. Vanat 2020 International Report on Snow & Mountain Tourism 5. Ibid 6. Stuff.co.nz

Our outcomes

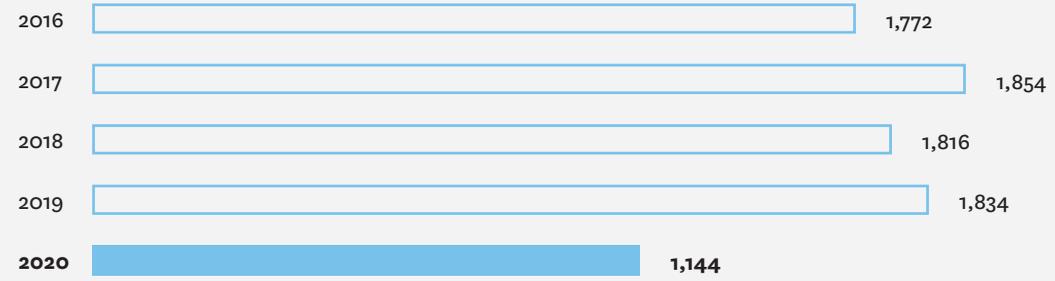
Customer satisfaction survey summary⁷



7. Data from Skills Active customer satisfaction survey results 8. Skills Active's customer satisfaction survey for 2019 would normally have been carried out in early 2020. This survey was delayed due to Covid, resulting in an 18-month gap until we surveyed customers about 2020, late in that same year.

Summary of key performance indicators

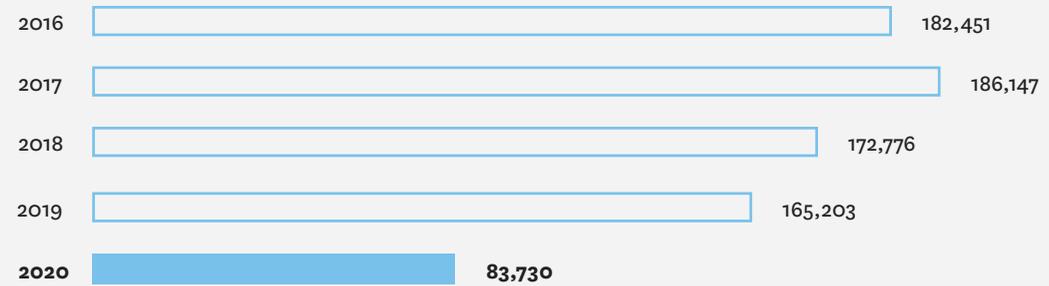
Standard training measures (STMs) before offsets



Industry cash contribution (%)



Credits reported



Overall credit achievement rate (%)



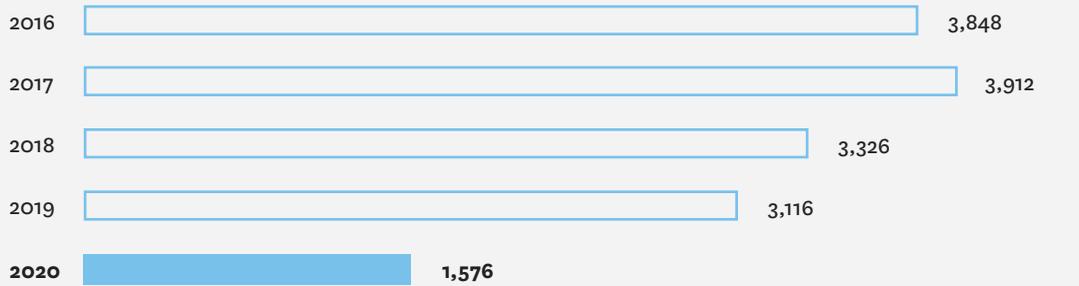
2020 Pasifika credit achievement rate



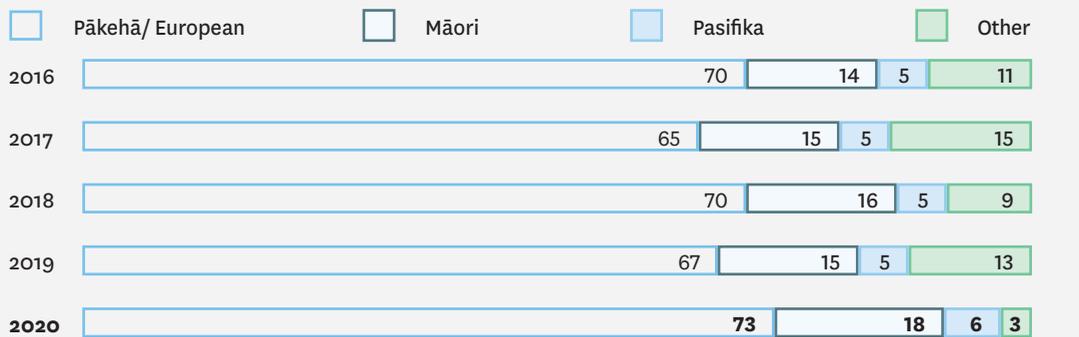
2020 Māori credit achievement rate



National qualifications achieved



Trainee ethnicity (%)



Organisational achievements

Represented at 9 conferences, either virtually or in person

66 unit standards listed
189 resources developed
1 new domain approved

Achieved 1 NZQA 'Excellent' national external moderation rating

81 assessor scope extentions
21 industry success stories published

Signed up 662 new apprentices

4 apprenticeships launched
81 new assessors trained

Ran 10 consultations on unit standards and qualifications

4 benchmarking processes completed
21 provider programme support applications processed

Moderated 837 external post moderation assessments

45 FTE weeks of staff time engaging on the reform of vocational education
63 consent to assess applications processed

Sent 5 newsletters to schools and providers

2 qualifications revised and listed
9 certificate programmes launched
7 hui for shareholders on the reform

Hosted 9 assessor training workshops

6 industry videos produced
15 industry newsletters sent

Our partners



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. And it identifies industry training needs and supports interested parties with targeted professional development.



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.



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 in the entertainment venues industry.



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.



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.



New Skills Active leadership team ready to get stuck in

A mix of new faces and longstanding staff stepped up in 2020, as part of changes to the Skills Active leadership team.

Long-time staffer Maren Frerichs took on the mantle of chief operating officer in June, and subsequently the organisation announced further promotions and new hires in the senior management team.

Resource Development team leader Jenni Pethig, who has been with Skills Active for eight years, was promoted to the position of Learning Solutions general manager.

Senior staffer Todd Maddock became general manager of Delivery, having had the scope of his role expanded to oversee both the technical and field staff involved in arranging training.

Skills Active was also joined by two new leaders, People and Finance general manager Anthony Cox, and CEO for sister company Qualworx, Graham Hill. And completing the team was longstanding Kaihautū Ron Taukamo.

Ms Frerichs said she was thrilled to see highly experienced staffers Ms Pethig and Mr Maddock championing their important roles – while also having two new faces onboard, both of whom will bring fresh ideas and energy.

“It’s been such a tough time for our industries during the Covid-19 pandemic. Our main goal is to support them through whatever challenges are ahead,” Ms Frerichs said.

“As well as an ongoing pandemic, we’ve got a vocational education reform underway. We’re working with our industries right now to make sure this reform process works for each of them, and that we come out with a system that’s better than ever.

“With the new team in place and settled in, we are busy applying ourselves to these priorities, as well as our core business of working with industry to develop qualifications and get staff trained up and qualified.”



Skills Active 2020 leadership team. Clockwise from top left: Todd Maddock, Anthony Cox, Ron Taukamo, Maren Frerichs, Jenni Pethig, Graham Hill

2020 a pivotal year for Qualworx

In April of last year New Zealand changed in an instant. Covid-19 had arrived, and the country was placed into complete lockdown. This had significant implications for Skills Active's sister organisation Qualworx, safety and quality assurance specialists.

The sectors served by Qualworx were decimated. Almost overnight tourism ceased, clients began grappling with the many challenges facing their businesses and contemplating what the future may hold for them, with no visitor market in Aotearoa.

Qualworx' first responsibility was to reach out to clients, offer support and seek to understand whether its clients could continue to be certified for Outdoor Adventure Activities or whether they would close their businesses, either temporarily or permanently.

It was heartening that 78% of clients committed to a recertification, and committed to apply a 'watching brief' to the sector and to the world, as Covid-19 continued its spread.

2020 saw Qualworx alter its business model slightly, to allow customers more time to complete their audits and to support them with varied payment terms, and alternative ways to complete their audits. The organisation took this unusual business year as an opportunity to reset systems and processes, and strategise on what it would look like in the future.

Qualworx will continue to continue work with the Outdoor Adventure tourism sector, but it has also broadened its business offering to new sectors such as government departments and corporate businesses.

It is working with more customers who are looking to strengthen their risk frameworks and are auditing to support their visibility and contestability.

This will bring more enduring and stronger partnerships, and in turn continue to move Qualworx to the next stage.



Qualworx team. From left: Audit administrator Angela Dorrington, audit coordinator Dave Watkinson and chief executive Graham Hill



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Lighting technician wins Skills Active Apprenticeship of the Year

Lucas Tofani Souza loves to make people smile through the magic of entertainment and events.

Lucas, who works as a lighting technician for ETS/Hang-Up Entertainment in Christchurch, was named Skills Active Aotearoa Apprenticeship of the Year for 2020.

Every year this title goes to an exceptional apprenticeship graduate who has demonstrated talent, hard work and a commitment to increasing the health and wellbeing of New Zealand communities through recreation, sport or performing arts.

Lucas completed the New Zealand Certificate in Entertainment and Event Technology (Level 4). Originally from Brazil, he came to New Zealand with the goal of building on his experience and boosting his CV.

Despite English not being his first language, he loved completing his apprenticeship and especially the opportunities it provided to learn and exchange ideas with his peers, managers, and his Skills Active assessor.

“Lighting has always been my passion,” says Lucas. “I love working with intensities and colours. In any job that I do, when I’m designing a show, I put my feelings onto that show. I try to express myself through my work.”

“I think that’s awesome, and it’s a privilege to pursue something that you love. To stamp your heart on your work.”

Each apprentice selects two strands in which to specialise. Lucas opted for lighting, his main job role, and rigging, another area of interest.

“Lighting was something that I was already confident doing. With rigging, I like the certainty and facts of it. There is no guessing about a good rigging system. Now I have a qualification that shows I have knowledge in that area. But to be honest, I don’t call myself a rigger just yet. It’s early days.”

Lucas enjoyed the hands-on nature of the training, and being able to work through the process with the support of his mentors.

“I really enjoyed talking to my assessor and my evidence verifier. I had good relationships with them; we had coffees and beers and talked about what I was doing. That was a great experience and I learned a lot through that. For me, meeting people and having those discussions were some of my highlights.”

“Having a qualification, as a technician in the entertainment industry - it’s professional and personal development. If you’re passionate about it, if you want to take a next step, everyone should do it.”

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Skills Active recognises organisations digging deep to grow skills in their industry

Aside from the Apprentice of the Year award, Skills Active gave a number of other awards during the year to highlight the achievements of some of the fantastic people in our industries.

These individuals and organisations dug deep in a tough year and strengthened the skill base across sport, recreation and performing arts.

The Makahika Outdoor Pursuits Centre in Levin was awarded the 2020 Skills Active Aotearoa Small Business scholarship, which recognises small employers that demonstrate a commitment to enriching the knowledge and skills of their staff. The scholarship comes with a trophy and a \$1,500 grant towards future Skills Active enrolments for the organisation.

Changing Covid-19 Alert Level restrictions significantly impacted the market for outdoor recreation in 2020. Nonetheless, Makahika Outdoor Pursuits Centre is planning for a brighter future, and supported four staff members to complete the New Zealand Certificate in Outdoor Leadership Level 4 (High Ropes).

The Volunteer Development Scholarship went to the Richmond Scout Group and its leader Daryl Newton.

This group put 12 of its scout leaders through the New Zealand Certificate in Outdoor Leadership Level 4 (Abseiling). These leaders will be able to safely and confidently get more Richmond kids involved in the outdoors, through Scouts.

The scholarship comes with a trophy and a \$500 grant towards future enrolments.

Meanwhile, the annual Māori Sport Scholarship went to talented young athlete Violette Perry, who completed her final school year in 2020. With whakapapa in Ngāti Kahungunu (Wairarapa), Ngāi Tāmanuhiri and Rangitāne, Violette has excelled in both water polo and athletics throughout her schooling.

She was a member of the New Zealand water polo under-18 championship squad in 2020. She is also a world-ranked discus thrower and competes at shot put at a national level.

Violette fielded enrolment offers from a number of prestigious universities and has been accepted to Yale, where she will be studying engineering and competing in their top athletics team. The \$5,000 Skills Active Māori Sport Scholarship will support her academic and sporting objectives.

In exercise, Skills Active presented two awards to outstanding contributors in the field. Queenstown-based gym Industrial Fitness received the Te iti kahurangi Award, recognising their dedication to training and upskilling staff, and their strong community focus. Their work served to continue enhancing the overall professionalism and quality of the exercise sector, even through the turbulent times of 2020.

Sport and exercise coach and personal development specialist Chris McIvor, who is also a registered Skills Active assessor, was presented with the Manukura Award. This award goes to a person of mana, held in high esteem in their field, who has the support of those around them.



Richmond Scout group, with Daryl centre left, holding a white helmet

“We are so thrilled to celebrate the achievements of all our 2020 award winners,” said Skills Active chief operating officer Maren Frerichs.

“It was more important than ever to have a qualified workforce in recreation, sport and performing arts. They kept the channels open to physical recreation, helping us stay active and healthy, and keeping our spirits up despite the shocks and the pressures of Covid.,” Ms Frerichs said.

“Our winners reflect just some of the fantastic mahi from our industries during the year, and they embody the kind of passion, inspiration and commitment that you will see all across the sectors we work with.

“We send them our warmest congratulations and our thanks for a job well done. Our people don’t do what they do for the recognition; nonetheless we were thrilled to recognise some of them through our 2020 awards.

“But when the going gets tough, the tough just keep on going, and we are honoured to be able to recognise the amazing work that they continue to do – creating fun, safe and life-enhancing experiences.”



Top: Water polo champion and Skills Active Māori scholar Violette Perry
Bottom: Chris McIvor, pictured with his wife Jessica



Makahika director Sally Duxfield, at left, receiving her scholarship from her Skills Active learning support advisor Angie Gooch



Industrial Fitness co-owners Gary Gregory, left, and Braden Lee, right



Skills Active assessor growing his business and supporting professional exercise careers

At Peak Fitness gym in Hawke's Bay, Neil Wagstaff has carefully built a team that reflects the philosophy and the principles behind his business.

Neil, who is a registered Skills Active assessor, has supported his staff to upskill and progress their exercise careers, through on-job qualifications.

Peak Fitness trainers Carlos Kumeroa and Rachael Burt got to where they are now by first discovering a passion for exercise as gym members themselves.

With the support of Neil, Carlos and Rachael have both since completed a number of on-job qualifications.

This has helped them develop their professional practice and expand their skills.

"The qualifications that we've been very fortunate to work with, through Skills Active, have really allowed us to develop a great team here," says Neil.

"Being a Skills Active assessor is a fun and exciting role. It allows me to work with some very cool people – people who want to help others make a change in their lives.

"We're very lucky here in the environment we work in, we've got a lot of great staff. A lot of our team here serve as evidence verifiers [for the assessment process]. So they observe and collect the information, and then I can sit down with trainees like Carlos and Rachel, to complete the assessments.

"The qualifications are a mix of practical and written, which allows us to assess them in lots of different environments. Carlos and Rachel learn very differently, and we can use different techniques and different pathways to help them get to the level they need to be. It's been a very fun journey," Neil says.

Without the Skills Active on-job training process, Peak Fitness "would have struggled to recruit" the right candidates, he adds.

"It has allowed us to hire people from within our community, and people who have got similar beliefs and philosophies to us.

"And it's allowed us to get them up to speed qualification-wise, and we get a massive amount of reward from seeing them do jobs they enjoy and do them well."



Top: Peak Fitness trainers Carlos Kumeroa, front, and Rachael Burt
Bottom: Owner Neil Wagstaff with Carlos Kumeroa

Lifeguards levelling up with a Skills Active apprenticeship

The Skills Active Senior Pool Lifeguard apprenticeship is designed not just for people in the early stages of their aquatics careers, but also poolside veterans who wish to be recognised for their skills and knowledge.

Michelle Teztlaff has been lifeguarding for well over 20 years. Based at the Wanaka Recreation Centre, she is also a swim teacher, and loves getting to know the community through her work.

“I love learning things about the customers that come in. I would pride myself on saying I know at least 85% of the locals who come in by name, their jobs, and so forth.

“I like seeing how happy people are when they have a good experience being here.”

Michelle was in fact named Lifeguard of the Year at the 2019 Waves Conference. That prize came with a scholarship to pursue the Skills Active Senior Pool Lifeguard Apprenticeship (Level 4).

While juggling her apprenticeship, work, family and friends, Michelle has also been building a house – herself – so she has plenty to keep her busy.

“It is hard, to be honest, to find the time for everything. But I am lucky at the pool; they have allocated me time on one of my night shifts to come off poolside and work on my apprenticeship.”

She adds that she has great support from her supervisors, and she is also in regular contact with her Skills Active assessor, Yvonne Hughey, who’s based at Hanmer Springs.

“She just keeps me on the right path, so that I know that I am getting there and doing the right thing.”

Michelle says that because she had already completed all of her Level 3 aquatics qualifications in lifeguarding and swim education, the apprenticeship was a natural next step.

“I think this qualification is a great for stepping up in your role. It can be quite hard sometimes to become supervisor, and this allows you to upskill, to help get you where you want to go.”

Meanwhile, further north, another lifeguard who knows his stuff is working away on his Skills Active apprenticeship.

Ryan Stark is based at the Napier Aquatic Centre, where he is on the lifeguard team, monitors the water quality, and trains new lifeguards.

Ryan is also a registered Skills Active assessor, meaning he determines the competence of others in the team who are on their way to becoming qualified lifeguards.



Left: Michelle receiving her Lifeguard of the Year award at the 2019 Waves Conference.



Right: As a Skills Active assessor, Ryan has also completed the New Zealand Certificate in Assessment Practice (Level 4)

Ryan says lifeguarding is a flexible career, which allows him to work around his time with his young son. He also enjoys the responsibility that comes with looking after swimmers and keeping them safe.

He says one of the tricky parts of the job at present is that, with changing Covid alert levels, the Aquatic Centre can’t always offer people the use of the changing rooms. Instead they recommend that everyone arrives with their togs on, and leaves with their togs on. But people can get confused or frustrated at times.

Managing the public and smoothing over the issues that crop up is all part of a lifeguard’s job, says Ryan. He adds that having a great team helps, and makes the pool a good place to be.

Ryan says he is keen on furthering his education as an adult, and has his sights set on a management certificate to complement his lifeguard qualification.

He found it a little bit daunting when he first got started on his apprenticeship, but after handing in his first assignment, things started to flow.

“I thought, ‘Uh-oh. I don’t know if this is going to work out.’ But I submitted the work and surprisingly enough I passed - and that motivated me to carry on.”

Future star coach growing her skills and knowledge

Dunedin's Jessica Gill is a Skills Active graduate, and an award-winning netball coach – and a recent high school graduate.

Jessica pursued her National Certificate in Developing Coach (Level 3) through Skills Active, while also going through her final year at Queens High School in 2019. She received her certificate at the beginning of 2020.

On top of her busy schedule, she also loves to coach netball, and has been coaching teams since she was 13 years old. In 2019, she was coaching a Year 3-4 team, and a Year 5-6 team.

“There is just something special about coaching,” Jessica says.

“You start with all these kids and sometimes they have no experience of netball, and limited skills. Throughout the season you work hard together, and you watch them progress to having all these great skills, and see their passion and love for the game grow.”

Jessica's passion for coaching was recognised when she was named Youth Volunteer of the Year at the New Zealand Netball Awards.

“I was in the supermarket and got a phone call from Hayley from Netball NZ to tell me I won the award. I was really excited, but being in the supermarket, I didn't want to make a big deal so I was quite quiet about it!”

Jessica had to keep her award a secret for a month, until she was flown to Auckland to attend the national awards ceremony.

“I got to meet Laura Langman and had a nice talk with her. As well as Katrina Rore, Maria Folau and also Noeline Taurua. I really enjoyed that! I met pretty much all of the national players and it was a great experience.

“When I started out coaching, I never thought I'd receive this amazing award. It's really special and I'm very grateful.”

Jessica said the Skills Active coaching certificate appealed to her, because it was a way to expand her skills, and apply the coaching work that she was already doing.

“I learnt a lot through the training. For instance with any group of kids, they're not all the same and don't learn the same way. So you have to coach and teach them in multiple ways.

“Also you have to realise that each kid has stuff going on – maybe they have come straight from another sport practice. There are all those outside factors you might not otherwise think about.”

It was a stretch at times to juggle everything that was going on in her life.



Jessica, far left, with her fellow award winners. Photo supplied by Jessica Gill

“I was preparing for going to university, there was NCEA and keeping up my grades, school life, coaching and umpiring, and attending other courses. It was about finding a balance. Often it would be on a Sunday afternoon, or I would stay up late one night to work on a few pages,” Jessica says.

“Definitely it was a challenge, but I'm glad I pushed myself.”

Jessica's hard work paid off on several fronts in 2020. As well as earning her Skills Active qualification, and her coaching award, she was accepted to Otago University to do a BSc in sport development and management.

Jessica also plans to keep up her coaching activities.

“Discovering that I love coaching has kind of set me on this path. I really love it and don't want to ever give it up – so I hope to continue it as long as I can, and turn it into a career.”

Unpacking a lifetime of knowledge and understanding

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Larnee Wallace works for Sport Taranaki, supporting Māori whānau to get involved in physical activity and recreation. She was one of the first Skills Active trainees to complete the New Zealand Certificate in Tikanga, in 2020.

At Sport Taranaki, Larnee's work is part of the He Oranga Poutama strategy, which aims to increase participation and leadership for Māori, and get Māori into physical activity and recreation.

"So I am working alongside people and finding out what it is they like to do, and how we can make that work for them," Larnee says.

"Working with our Māori people, that's my highlight. The people you meet, the opportunities to make a difference with the people you work with, and all the learning that comes with it. There is always something going on and it's never the same working day, which I like!"

Larnee also considers applications for funding Māori sport and recreation projects through the

Tū Manawa fund. "All funding applications need to fit the Te Whetu Rehua principles, so those applications come across my desk."

[Te Whetua Rehua is a Sport NZ framework for making sure that sport and recreation activities are culturally responsive to the needs of Māori.]

Tikanga has always been part of Larnee's life. On the marae growing up, her grandmother taught her their tikanga from a young age, and her schooling featured te reo, tikanga, and time on the marae. So she decided to sign up for the New Zealand Certificate in Tikanga as a way to test her own knowledge and understanding, and also solidify her skills.

"When tikanga is part of your way of life, you don't really see it, you just do it! This was an opportunity to reflect back on things.

"The online learning platform was easy to navigate, and I really enjoyed unpacking that prior knowledge and putting it into context.



Larnee, at left, with her Skills Active learning support advisor Angie Gooch

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"The big challenge was time. Once I start something I like to get finished. In this programme you've got 10 months to complete it, but you can go faster than that if you want. I got through it quite fast; I was trying to spread it out, but once I got started it was just natural to get it finished."

Larnee says she would urge anybody to enrol in the tikanga programme.

"Go for it! I believe that everyone should have knowledge around tikanga, especially when working alongside Māori. It's better to know and have an understanding. Understanding others is more than just sensing their feelings and emotions. It also means taking a genuine interest in them and who they are."

A whakataukī chosen by Larnee:

Ehara taku toa i te toa takitahi engari he toa takitini.

I come not with my own strengths but bring with me the gifts, talents and strengths of my family, tribe and ancestors.

Staying fit and having fun through the lockdown

Group fitness instructor Shannon Glennie was beaming into the homes of her senior fitness participants through the lockdown, and bringing a bit of extra community and laughter into their days.

Shannon retrained in fitness after a career in teaching, and she works with a range of personal training clients at her local gym in Mosgiel.

She also takes group fitness classes, and during the height of the Covid-19 pandemic, she made good use of her time, working towards her New Zealand Certificate in Freestyle Group Exercise (Level 4), with the help of the Skills Active 2020 scholarships.

As well as pump, spin and circuit classes, Shannon also leads 'Fit and Fun' classes for senior participants. These sessions – blending movement and music with chair-based strength training – draw in the crowds, with up to 50 people coming to class at times.

“With my seniors, they may have shoulder injuries, sometimes there are medical problems, knee issues – but we all just do what we can and have some fun doing it.

“I’ll try to make the exercise functional. So we work with stretchy bands, for instance, bringing your arms up wide and over your head. You are mimicking that movement of putting on a coat. We do a lot of exercises bringing our legs up and over, such as stepping into a bath or shower.

“A lot of the participants live on their own. Or they are caring for a partner who is not

as able. So it’s also a social thing. I always arrive and there’s a great buzz of conversation, groups laughing and chatting, and many go out afterwards for coffee – I know friendships have developed through the group.”

When the lockdown started, Shannon wished to keep her senior crew connected to their exercise. Like many other fitness professionals, she took up the option of holding classes via Zoom, and these have proved as popular as her in-person classes. Three days a week she took a class, live from her living room – and with a mix of her usual crew and some newbies, she had as many as 60 people zooming in.

Shannon served as instructor, producer and tech support. If anybody had an issue with the Zoom platform, they emailed her and she would take them through steps to troubleshoot the problem. She also used her time at the end of the class to put out an offer of assistance, such as help with groceries.

When she was not taking her Zoom classes, Shannon also fitted in her own exercise, and worked on her Skills Active qualification, which will formally recognise all of the knowledge and experience she has developed in her years of taking group fitness classes.

One of the challenges of taking any session, says Shannon, is mixed ability. This is especially the case when she has new participants trying out the class.

“With the seniors, I’m always telling them: No matter what we’re doing you should always be able to talk to your neighbour.



Shannon teaching her class from home

“With the online classes, it worried me a little that I wasn’t able to look out there and see how everyone is doing. So instead I keep reiterating the talk test and going at your own pace.”

She has also adapted the Fit and Fun class so that the participants can make use of what they have at home, and she does the same herself.

“Not everybody has resistance bands, so I’ve taken the bands out of the routine. A lot of them have their own weights at home, but otherwise I’ve told them to grab a couple of tins out of the cupboard. I have been using two bottles of wine, which everyone seems to find funny. I keep telling them, I promise the bottles are still full!”

The cycle coach who stepped up her social media game through the lockdown

During the original Level 4 restrictions, cycle coach and Skills Active assessor Janet Stark used social media to stay engaged with her followers, and keep them informed, entertained and inspired. In the midst of lockdown, Skills Active caught up with Janet to get her social media tips and tricks.

How are you and your household going, during the lockdown?

At the moment, we are going quite well. My daughter is studying at university today via Zoom meetings. My husband is an essential worker, and is able to work from home, but has the option of going to work onsite. My son finished university at the end of last year, and has been working as an assistant instructor for Outdoor Experiences. Without that to do, he's been pursuing a hobby of blacksmithing, and that's been entertaining.

My business has gone from being flat tack in March, which is our busy season, to zero contact. Initially it was quite hard, but I do have extra time now to do a little bit of study. I'm an outdoors girl, not a person who sits in front of the computer for hours. I am trying my hardest to be focussed - but that could be a problem!

Your business has been providing lots of inspiring and useful content that has been cheering people up. What prompted you to increase your social media posting?

I had a chat to other business owners prior to the lockdown, and we agreed that an online presence was going to be really important to survive this journey that we're all on. We've never had to live life like this before, and I feel like people need help with this journey. Certainly, I struggle internally with it as well.

What sorts of things are you posting and why?

Every day at 4pm on my Facebook page, I post a link to some form of movie, short film or short clip, all cycling-related. Another thing that has been quite successful is posting my creations in the kitchen. I made these chequerboard biscuits that I've been making for years. And I've had people send me photos of their creations of the same recipe. I'm not a very good cook, but I've got time, so why not! We've made kumara bread, homemade dip, and banana pancakes.

I've also been putting up my views. How to stay local. How to ride your bike. Should we be going a long way out? What can we do, to do our bit? I try to be thought-provoking, rather than: "You must do this."

I'm putting up photos of our walks, at our local beach and surrounds. And I'm into balance work, so I've put a couple of ideas out there for improving your balance, like kerb walking.

How do you figure out who your audience is?

I've learned to use Facebook Insights, which is a tool that tells me who my followers are. I've looked at the age group that follow me. I'm 50, and a lot of my followers are in that same demographic, women in that middle age group, about 40 and up. Facebook also tells me a lot of my fans live in Auckland - the Insights page is really handy. And then I also look at who responds to my posts and what discussions we have.



Do you think about your audience demographics when you are composing a post?

Generally when I'm writing a thought-provoking post, it just comes from the soul; me putting down my thoughts. But I do try to think about different age groups sometimes. Yesterday I shared an idea that came up on our community group, for people with younger children - going for a walk with some chalk and drawing pictures on the footpath.

Do you keep track of how your posts perform?

Even though I have more time now, I don't want to spend hours in front of the computer, so I probably don't analyse the data as much as I could. I sometimes think: Oh wow, that got more reach than I expected. But I don't spend hours thinking about how to get more reach.



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Janet has perfected the art of the bike selfie



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How has the engagement been from your followers?

I advertised my movie posts on a few different cycling groups, and that led to an increase in new followers on my page. With more followers, I'm getting different people making comments on my page. It's nice to have some new interactions. I suspect people are feeling a little stressed, and looking for those social connections - so I'm hoping to provide a little bit of that.

What have you enjoyed most?

The ladies who made my chequerboard biscuits - they sent me pictures of their version. I really enjoyed having that interaction. It's a Sophie Gray recipe that I've had for years.

I also have a Facebook group that I run for clients only. We've been having quite a bit of chatter within that group as well. I'm enjoying those discussions, and it's almost like having a conversation in person.

Budding lighting designer getting some industry training under his belt

As the Covid-19 restrictions began to ease up in mid-2020, Jonty Robinson was eager to get back into the theatre to pursue his love of lighting design.

Jonty enrolled in a Skills Active qualification thanks to one of 100 scholarships for industry trainees, provided by Entertainment Technology New Zealand (ETNZ). He completed the New Zealand Certificate in Entertainment and Event Operations (Level 3).

Jonty wants to make his career in the technical side of the theatre world. He spent the lockdown getting through all of the theory in the programme, so that he could whiz through the practical tasks once shows started back up at the Globe Theatre in Palmerston North.

People only notice lighting when it's done badly, Jonty says – but when done well it adds an indefinable magic.

“I am creating special little moments for an audience; that's the part I love, as a lighting designer. For instance, hearing kids go, ‘Wow!’ as a disco ball lights up an entire auditorium – it gives people that experience they will remember.”

Jonty was part of a team that was about to launch a production of Sister Act when everything ground to a halt in March.

“We all got together as a crew and as a company; had a few drinks, a few laughs, shed some tears. We had just done all this work and we had to put it on hold, essentially.

“But it's that camaraderie in the hard times that makes things a little bit easier. Yes, right now we don't have our show, but give it a few months and we'll be back in the theatre doing what we love.”

Manawatu Theatre Society (MTS) president Graham Johnston is supporting Jonty through his qualification. Graham wanted to help Jonty get stuck into his formal qualification, to give him a building block for his theatre career.

“I know that this is what Jonty wants to do. I met him when he was 17, and he programmed the entire lights for one of my shows when he was 18. He is creative and technical, which is a unique mix in a lighting designer.”

Graham knows what it's like to follow your passion – he got his start in theatre aged seven, and at 14 was given his first set of keys to the Globe. Now, as well as being MTS president, he runs a youth theatre company, lectures in music at UCOL, and is a working musician.

He says the theatre tends to be a place where young people are welcomed in, given a lot of trust, and supported to learn new skills.

“It's very inclusive and open for all people to be involved, in whatever shape or form. It sees past skin colour and all those things; gender orientation. If you're in a show, it creates expectations, but they are supportive expectations. If you're struggling with a task there is always someone to help you.”

Graham says prospective theatre employers increasingly need to see that candidates understand what the industry is all about, and have the right skills and the right attitude to health and safety.

“That's why it's great that this qualification is aligned with the guidance materials that ETNZ is putting out. We are all literally reading from the same page – rules that we can abide by and are enforceable.”



Jonty behind the scenes at the Globe Theatre

Offering formal qualifications for team members also helps when applying for funding, which is a big part of running theatre groups, Graham says. “It shows that you are doing the right things, and making sure you have a safe and inclusive workplace.”

Jonty's Level 3 qualification, and the Level 4 apprenticeship, sit on a pathway of qualifications that Skills Active is developing jointly with ETNZ and other partners. Graham says it's great for theatre professionals to have these higher qualifications on the horizon.

“As they build and add on the Level 5 and Level 6 programmes down the line, it becomes a staircase of qualifications that can take you around the world.”

Jonty says he likes to be busy. So as well as being a good first step for his career, the Level 3 programme helped to keep him occupied during the lockdown.

“I would like to thank ETNZ for the opportunity,” he says. “Being selected for the scholarship was fantastic – I'm really grateful.”

Directors' disclosure

Skills Active board member	2020 interests	Meetings attended
Butch Bradley	<ul style="list-style-type: none"> Chair, Te Ara a Māui Inc (Māori Regional Tourism Board) Director, Radio A Ltd Director, Whakatū Enterprises Ltd Executive Director, Skills Active (from April 2020) Director, Qualworx Limited (from December 2020) 	6/7 board meetings, 8/8 Audit & Risk committee meetings, 1 SGM, 1 AGM
Andrew Gunn	<ul style="list-style-type: none"> Director, Snake Point Lodge Limited Director, Bertney #35 Limited Director, Trafalga Nominees Director, Kokoroa Farms Director, Qualworx Limited Director, Professional IQ College Board (from December 2020) 	7/7 board meetings, 6/8 Audit & Risk committee meetings, 1 SGM, 1 AGM
Sam Napia, chair	<ul style="list-style-type: none"> Director, Freedom Excel Limited Whānau Development Manager, Hauraki Māori Trust Board Executive Director, Qualworx Limited Chief Executive, Te Rūnanga Ā Iwi O Ngāpuhi (from November 2020) Director, Qualworx Limited (from December 2020) 	6/7 board meetings, 1 SGM
Stephen Gacsal	<ul style="list-style-type: none"> Registrar for Register of Exercise Professionals, Exercise Association of New Zealand Director, ICREPs Director, Allied Health Aotearoa New Zealand (from March 2020) Director, Qualworx Limited (from December 2020) 	7/7 board meetings, 8/8 Audit & Risk committee meetings, 1 SGM, 1 AGM

Skills Active board member	2020 interests	Meetings attended
Des Ratima	<ul style="list-style-type: none"> Chair, Whakatū Kōhanga Reo Chair, Te Whanautahi Charitable Trust Company Manager, Te Roopu Kaitiaki O Te Wai Māori Board of Trustees Chair, Mangateretere School Director, Qualworx Limited 	5/7 board meetings, 4/8 Audit & Risk committee meetings, 1 SGM, 1 AGM
Stephanie Hadley	<ul style="list-style-type: none"> Chair, Exercise NZ Association Associate, James & Wells Intellectual Property Director, En Forme Limited 	6/7 board meetings, 1 SGM
Hinemaui Rikirangi (elected August 2020)	<ul style="list-style-type: none"> Chief Advisor Māori, System Strategy & Policy, Ministry of Health Director, Qualworx Limited (from December 2020) 	3/3 board meetings

Skills Active shareholder allocations

COMMUNITY RECREATION

New Zealand Recreation Association Incorporated	33
Water Safety New Zealand Incorporated	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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OUTDOOR RECREATION

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

SNOWSPORT

New Zealand Snowsport Instructors Alliance Incorporated	25
NZ Snow Industries Federation Incorporated	25
NZ Snowsports Council Incorporated	25
Ski Areas Association (New Zealand) Incorporated	25

NGĀ MAHI A TE RĒHIA

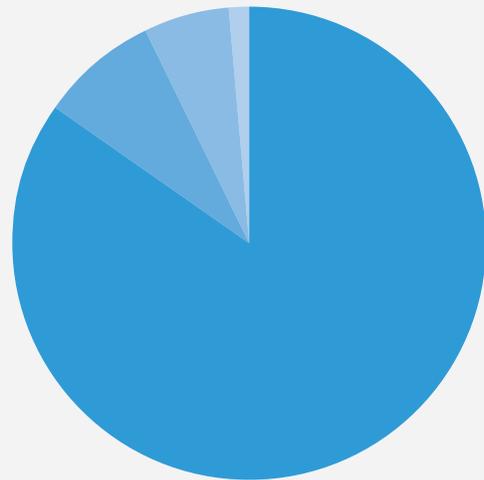
Aotearoa Māori Providers of Training Education and Employment (AMPTEE)	67
Aotearoa Māori Tennis Association Incorporated	67
Handball New Zealand	67
Hauraki Māori Trust Board	67
Te Tohu Taakaro o Aotearoa Charitable Trust - National Māori Sports Awards	67
New Zealand Māori Rugby Board	67
Te Arawa Lakes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

TOTAL SHARES

1,200

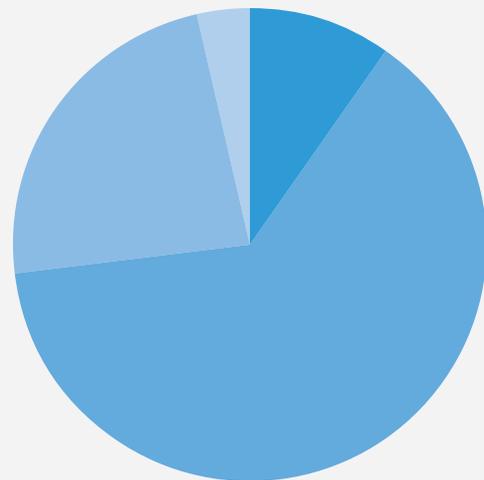
Financial snapshot

Money in



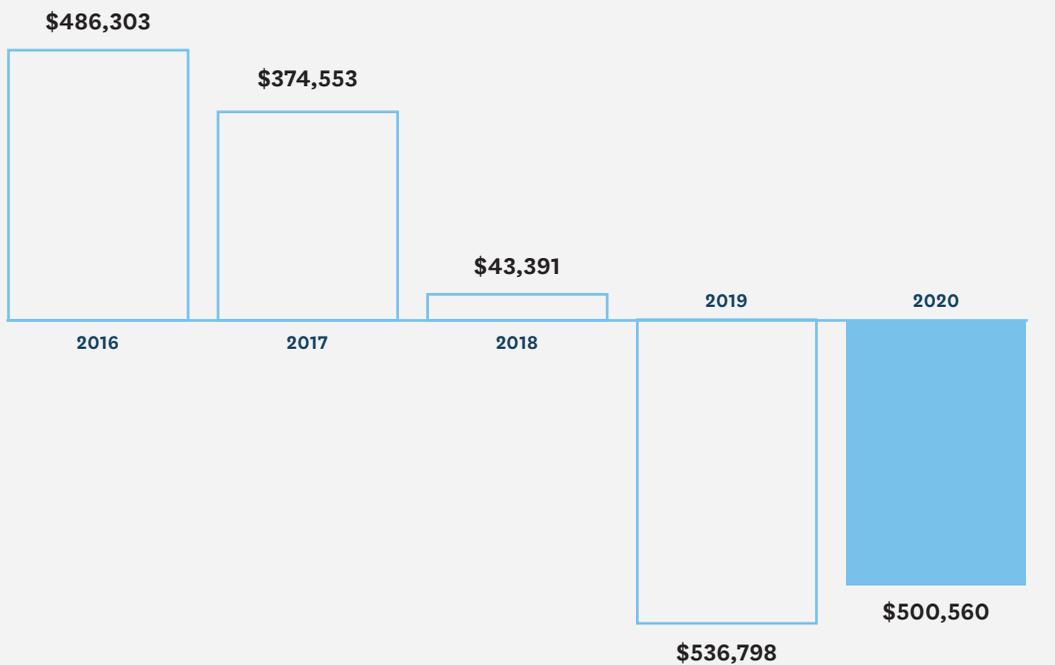
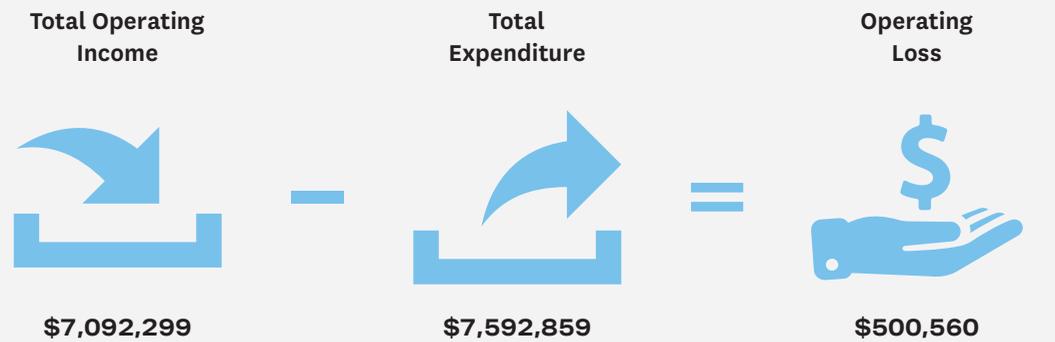
	Government grants	\$6,015,078
	Subscriptions and fees	\$570,769
	Qualworx	\$414,977
	Interest	\$91,475
	Total	\$7,092,299

Money out



	Cost of sales	\$742,342
	Employee expenses	\$4,805,192
	Operating costs	\$1,777,512
	Client servicing	\$267,813
	Total	\$7,592,859

Operating Surplus/ loss





**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 statement of financial position as at 31 December 2020, and the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in equity and consolidated cash flow statement 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 present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended 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 in accordance with International Standards on Auditing (New Zealand) (“ISAs (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 (Revised) Code of Ethics for Assurance Practitioners 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.

Directors’ Responsibilities for the Consolidated Financial Statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with PBE Standards RDR, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group 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 the directors 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 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) 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, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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
05 May 2020

Financial statements

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2020

Revenue	Note	2020(\$)	2019(\$)
Revenue from exchange transactions			
Industry contributions			
NZQA moderation rebate		126,030	175,727
Workplace fees and registration fees		444,739	697,222
		570,769	872,949
Qualworx	4	414,977	242,418
Other income		-	2,357
Total revenue from exchange transactions		985,746	1,117,724
Tertiary Education Commission			
Industry Training Fund (ITF)	5	5,975,078	5,737,020
Qualification Development Fund		40,000	40,000
Total revenue from non-exchange transactions		6,015,078	5,777,020
Total revenue		7,000,824	6,894,745
Less cost of sales	6	742,342	682,554
Gross surplus		6,258,482	6,212,190
Expenses			
Employee benefits expense	7	4,805,192	4,541,723
Other operating costs	8	1,777,512	1,924,789
Client servicing and training resources	9	267,813	431,792
Total expenses		6,850,517	6,898,304
Surplus/(deficit) before financing income		(592,035)	(686,114)
Interest income		91,475	149,316
Surplus/(deficit) for the year		(500,560)	(536,798)
Total comprehensive Income/(loss)		(500,560)	(536,798)

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020(\$)	2019(\$)
Equity at the beginning of the year		5,146,322	5,683,120
Deficit for the year		(500,560)	(536,798)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(500,560)	(536,798)
Equity at the end of the year	10	4,645,762	5,146,322

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	2020(\$)	2019(\$)
Current assets			
Cash and cash equivalents	11	775,230	767,032
Short term deposits	12	4,453,948	4,037,046
Receivables	13	284,227	569,978
Prepayments		73,244	73,873
		5,586,649	5,447,929
Non-current assets			
Property, plant and equipment	14	242,104	351,026
Intangible assets	15	94,881	124,403
		336,985	475,429
Total assets		5,923,634	5,923,358
Current liabilities			
Trade payables		357,542	256,878
Employee benefits payable		376,269	375,699
Goods and services tax payable		112,806	124,295
Income in advance		431,255	20,164
		1,277,872	777,036
Net assets		4,645,762	5,146,322
Equity			
Shared capital		-	-
Retained earnings	10	4,645,762	5,146,322
TOTAL EQUITY		4,645,762	5,146,322

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For and on behalf of the Board



Sam Napia
Chair
5 May 2021



Andrew Gunn
Chair - Audit & Risk Committee
5 May 2021

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020(\$)	2019(\$)
Cash flows from operating activities			
Receipts from customers		7,763,074	6,948,818
Payments to suppliers and employees		(7,427,293)	(7,185,776)
Proceeds from Interest Income		136,925	129,815
		472,706	(107,143)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		1,722	-
Payment for property, plant and equipment		(49,328)	(70,547)
Movement in investments		(416,902)	171,039
		(464,508)	100,492
Cash flows from financing activities			
Other cash items from financing activities		-	-
Total cash flows from financing activities		-	-
Net cash flows		8,198	(6,651)
Cash balances			
64 Cash and cash equivalents at beginning of period		767,032	773,683
Cash and cash equivalents at end of period		775,230	767,032
Net change in cash for period		8,198	(6,651)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**
1. Reporting entity

These financial statements comprise the financial statements of Skills Active Aotearoa Limited ("Skills Active") and its subsidiary QualWorx Limited for the period beginning 1 January 2020 to 31 December 2020. Skills Active is a Company Incorporated in New Zealand, registered under the Companies Act 1993. The Company is the Transitional Industry

Training Organisation for the Sport, Exercise, Recreation and Performing Arts industries of New Zealand. 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 2020. The financial statements were authorised for issue by the Directors on 5 May 2021.

2. Statement of compliance and basis of presentation

These consolidated financial statements have been prepared in accordance with International Public Sector Accounting Standards adopting the New Zealand Framework for Public Benefits Entities Not-For-Profit Reduced Disclosure Regime. The Company is a reporting entity for the purposes of the Companies Act 1993, the Financial Reporting Act 1993 and the Charities Act 2005,

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.

These financial statements have been prepared in accordance with PBE IPSAS (NFP) RDR. The Company qualifies for PBE IPSAS (NFP) RDR status as it has no public accountability and total expenses of less than \$30m.

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 2020 calendar year and confirmed funding for the 2021 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
Skills Active receives funding from the Tertiary Education Commission based on Standard Training Measures (STMs).

The income 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 2020 new 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 take-up 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 Income in Advance and recognised as income on a straight line basis over the 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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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. Sector Leadership Training and Qualifications Development Fund

Revenue is provided from TEC as a contribution towards the cost of Skills Active's part of the Targeted Review of Qualifications Programme. 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 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 holds ultimate responsibility for moderation of tertiary level qualifications.

ii. QualWorx

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.

iii. Interest Income

Interest income 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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**


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.

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.

Liabilities at amortised cost, and loans and receivables are initially recorded at cost and subsequently carried at amortised cost using the effective interest method. Due allowance is made for impairment of non-financial assets.

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.

o) Changes in accounting policy

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Qualworx

	2020(\$)	2019(\$)
Qualworx revenue		
Annual JASANZ Fee	15,012	13,719
Audit Fees	349,499	211,533
Disbursements	26,466	12,022
Worksafe	24,000	5,144
Total Qualworx revenue	414,977	242,418

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.

68 Prior to incorporation, Qualworx was a separate business unit of Skills Active, after purchase in 2013. Skills Active made the decision to resource Qualworx as a separate company, with

the goal of injecting capital, capacity and capability to create the company into a standalone venture, while staying true to the vision and mission of the company. Qualworx reported a net deficit from operations of \$170,477 (2019: \$188,519 net deficit). During the 2020 financial year, Skills Active did not invest in share capital in Qualworx (2019: \$450,000). As Qualworx continues to expand its operations, it may require additional working capital support. The board and management closely monitor its performance against its business plan and its cash flows. Skills Active is committed to supporting Qualworx during the 2021 financial year and beyond.

5. Tertiary Education Commission revenue

Skills Active became a Transition Industry Training Organisation (TITO) on 1 April 2020 to enable the company to continue to facilitate workforce development and support workplace trainees into 2021 and provide a contractual basis for an extension of such functions beyond 2021.

	2020(\$)	2019(\$)
Industry Training Fund (ITF)		
ITF Funding – Core	5,319,986	5,227,420
Apprenticeship Funding	531,982	509,600
ITF Funding – Targeted Training and Apprentices Fund	97,903	–
Technology Access Fund for Learners	3,707	–
TITO WDC Project Funding	21,500	–
Net TEC Income	5,975,078	5,737,020

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Cost of sales

	2020(\$)	2019(\$)
Apprentice Subsidy	74,671	30,368
Assessment Fee	62,070	42,007
Certificate and Card Printing	847	9,217
NZQA Administration Fee	10,307	2,380
NZQA Credit Reporting	125,945	253,824
NZQA Managing Consistency	25,215	30,372
NZQA Programme Consultation	15,509	6,813
NZRA PLPC Fees	–	6,560
Resource Courier Costs	15,626	36,415
Resource Printing	85,585	111,428
SAMs	13,607	8,208
Technology Access Payments	57	–
TTAF costs	32,227	–
	461,666	537,593
Qualworx		
Auditor Fees	170,952	97,504
Auditor Moderation	1,271	1,329
Auditor Training	–	1,782
Disbursements	51,378	12,232
Auditor Insurance	9,857	1,238
JASANZ Fees	23,264	22,471
Specialist Advice and Consultation	–146	521
Worksafe Fees	24,100	7,884
	280,676	144,961
Total Cost of Sales	742,342	682,554

7. Employee benefit expense

	2020(\$)	2019(\$)
Wages and Salaries	4,486,127	4,219,502
Contract Staff	121,410	117,993
Employee Entitlements	4,607,537	4,337,495
Training	29,161	45,651
Other Costs	168,494	158,577
	4,805,192	4,541,723

Minor amendments have been made to the 2019 comparatives to a more appropriate classification and are consistent with the 2020 classifications.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Other operating costs

	2020(\$)	2019(\$)
Depreciation and Amortisation	133,732	155,495
Net Loss on Disposal of Assets	51,925	-8,437
Impairment of Trade Receivables	-60,489	11,518
Rental Expenses	256,204	271,468
Advertising	11,298	14,035
ACC Levies	8,230	8,461
Audit Fees	106,288	22,527
Directors' Fees	312,924	204,348
Legal Fees	332,982	379,484
IT Expenses	204,436	227,948
Insurance	26,213	30,600
Interest expense	994	-
Travel Expenses	29,847	35,202
Postage, Printing and Stationery Expenses	49,566	58,477
Phone and Internet Expenses	65,488	84,520
Professional Fees	89,714	166,138
Office Expenses	58,680	84,268
Repairs and Maintenance Expenses	12,525	15,947
Subscriptions and Membership Expenses	20,526	57,503
Staff Expenses	49,648	86,910
Transfer charge – scope extension	12,900	-
Taxation expense	5,248	-
Other	-1,367	18,377
	1,777,512	1,924,789

Minor amendments have been made to the 2019 comparatives to a more appropriate classification and are consistent with the 2020 classifications.

9. Client servicing and training resources

	2020(\$)	2019(\$)
Client Servicing	230,747	381,993
Conferences and Events	2,066	11,899
Partnership Agreements	35,000	37,900
	267,813	431,792

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Equity and reserves

The Company has a policy of maintaining equity reserves (retained earnings) between a minimum of \$3 million and a maximum of \$6 million based on the current Strategic and Operational Risk Analysis. Equity reserves as at 31 December 2020 were \$4.6 million.

Equity reserves will be retained to allow for such items as future capital expenditure, economic downturn, failure to meet TEC contract requirements, a contingency in the event that the Company ceases or restructures its operations. This contingency recognises the potential costs and liabilities associated with transitioning trainee agreements to another

entity, costs of restructuring to a new operating model and non-cancellable lease commitments. Any such changes may impact on the current policy minimum and maximum levels of equity reserves.

At 31 December 2020, share capital comprised 1,200 ordinary shares (2019: 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.

	2020(\$)	2019(\$)
Retained Earnings		
Total Issued and Paid Up Capital		
Balance at Beginning of Year	5,146,322	5,683,120
Net Surplus/(Deficit) after Financing Income	(500,560)	(536,798)
Retained Earnings at end of year	4,645,762	5,146,322
Total Equity	4,645,762	5,146,322

11. Cash and cash equivalents

	2020(\$)	2019(\$)
ANZ Bank	84,924	31,641
ASB	228	267,594
Kiwibank	440	440
Westpac	689,638	467,114
Petty Cash	-	243
	775,230	767,032

12. Short term deposits

	2020(\$)	2019(\$)
ANZ Bank	145,129	141,834
ASB	500,000	500,000
Kiwibank	2,058,819	1,145,212
Westpac	1,750,000	2,250,000
	4,453,948	4,037,046

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**
13. Receivables

	2020(\$)	2019(\$)
Accrued Revenue	137,111	179,637
Accrued Revenue - from non-exchange transactions	-	44,448
Trade Receivables	163,078	445,893
Allowance for Doubtful Debts	(15,962)	(100,000)
	284,227	569,978

14. Property, plant and equipment

Cost	Computer Equipment	Leasehold Improvements	Motor Vehicles	Office Equipment	Office Furniture	Total
Opening	232,722	394,580	342,312	84,515	80,525	1,134,654
Additions	34,990	-	-	4,250	1,404	40,644
Disposals	34,331	56,514	-	1,459	11,490	103,794
Closing	233,381	338,066	342,312	87,306	70,439	1,071,504
Accumulated Depreciation						
Opening	171,284	248,624	258,566	57,544	47,611	783,629
Depreciation	35,186	18,444	27,693	8,799	5,405	95,527
Disposals Depreciation write-back	27,002	14,468	-	1,206	7,080	49,756
Closing	179,468	252,600	286,259	65,137	45,936	829,400
Net Book Value 2020	53,913	85,466	56,053	22,169	24,503	242,104
Net Book Value 2019	59,691	145,955	83,746	31,552	30,082	351,026

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**
15. Intangible assets

Cost	Computer Software	OutdoorsMark	Total
Opening	107,088	50,000	157,088
Additions	8,684	-	8,684
Disposals	-	-	-
Closing	115,772	50,000	165,772
Accumulated Amortisation			
Opening	32,686	-	32,686
Depreciation	38,205	-	38,205
Disposals Depreciation write-back	-	-	-
Closing	70,891	-	70,891
Net Book Value 2020	44,881	50,000	94,881
Net Book Value 2019	74,403	50,000	124,403

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16. Provision for TEC payback

Due to the COVID-19 pandemic, the TEC determined that it would not impose any claw-back of core ITF funding provided for the 2020 year. Additional funding provided by the TEC during 2020 as an initiative for enabling trainees to have access to technological support during periods of lock-down are subject to claw-back on any unapplied funds and have been provided for accordingly.

17. Operating lease commitments

Non-cancellable operating lease rentals are payable as follows:

	2020(\$)	2019(\$)
Less than one year	139,133	177,051
	139,133	177,051

Skills Active has two leases for offices in Wellington and Christchurch. The Wellington office lease is for \$189,000 per annum which expires in August 2021 with a further two 1-year renewal options. The Christchurch office lease is for \$14,323 per annum and expires in November 2021 with an option to renew for 1 additional year.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**
18. Related parties

The Company has related party relationships with a Director and Chief Executive. The transactions between Directors, the Chief Executive Officer and organisations in which they hold an interest are:

Board Member	Organisation	Paid to Skills Active	Paid by Skills Active
2020			
Stephen Gacsal	Exercise Association of NZ	-	18,690
2019			
Stephen Gacsal	Exercise Association of NZ	-	20,010
Grant Davidson	Industry Training Federation	-	28,184

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.

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19. Remuneration paid to key management personnel

	2020(\$)	2019(\$)
\$0-\$100,000	2	1
\$100,000-\$110,000	1	-
\$110,000-\$120,000	-	1
\$120,000-\$130,000	-	1
\$130,000-\$140,000	1	1
\$140,000-\$150,000	1	-
\$150,000-\$160,000	2	-
\$200,000-\$210,000	1	-
\$220,000-\$230,000	-	1

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**
20. Directors' remuneration received

Name of Director	Skills Active Board Fees(\$)	Audit & Risk Committee (\$)	Additional Days (\$)	ROVE Project	Qualworx Board Fees	Total
2020						
Sam Napia	39,000	-	-	-	27,991	66,991
Butch Bradley	138,150	-	-	-	960	139,110
Alexander Brunt	-	-	-	-	35,590	35,590
Stephen Gacsal	15,000	1,960	-	-	-	16,960
Andrew Gunn	15,000	-	-	-	2,817	17,817
Des Ratima	15,000	-	-	-	-	15,000
Stephanie Hadley	13,750	-	-	-	-	13,750
Hinemaui Rikirangi	7,706	-	-	-	-	7,706
Total	243,606	1,960	-	-	67,358	312,924
2019						
Sam Napia	39,000	-	-	10,045	35,833	84,878
Butch Bradley	15,000	-	-	-	960	15,960
Alexander Brunt	7,500	980	-	-	19,825	28,305
Stephen Gacsal	15,000	980	-	-	-	15,980
Andrew Gunn	15,000	980	-	-	1,960	17,940
Des Ratima	15,000	-	-	13,230	-	28,230
Wendy Sweet	7,500	980	-	-	-	8,480
Stephanie Hadley	7,500	-	-	-	-	7,500
Total	121,500	3,920	-	23,275	58,578	207,273

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

21. Financial assets and liabilities

All financial assets are classified as loans or receivables for financial measurement purposes. These are:

	Loans and Receivables at amortised cost	
	2020(\$)	2019(\$)
Cash and cash equivalents	775,230	767,032
Short term deposits	4,453,948	4,037,046
Receivables	284,227	569,978
	5,513,405	5,374,056

Financial liabilities are reported at amortised cost and comprise trade payables of \$357,542 (2019: \$256,878). There are no financial liabilities at fair value through profit and loss.

22. Commitments and contingencies

76 There are no commitments or contingent liabilities as at 31 December 2020 (2019: Nil)

23. Subsequent events

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24. 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, and there are no material uncertainties which cast doubt upon the ability of Skills Active to continue to operate as a going concern for the foreseeable future.

There are significant changes being planned to the operating environment for Transitional Industry Training Organisations (TITOs) like Skills Active. The latest information from government agencies indicates that the transfer of standard setting from TITOs to Workforce Development Councils should occur towards the end of the 2021 year. Skills Active is negotiating a partnership agreement with the NZ Institute of Skills and Technology (Te Pukenga) in relation to the arranging training function. Skills Active is also exploring and assessing various options for evolving its current operating

model, but at this stage there are no known financial impacts of the changes.

The financial impacts to Skills Active resulting from COVID-19 were shown to be minimal with the business demonstrating that it can continue to operate and serve the needs of its stakeholders, workplaces and trainees during periods of lockdown and travel restrictions with staff able to work at home and adopting a digital first approach to meetings. Whilst some of Skills Active and Qualworx industry sectors have been impacted particularly by the closure of international borders, this has not had a significant financial impact on Skills Active.

Based on the dates for changes to Skills Active's operating model, these financial statements have been prepared on a going concern basis.

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Directory

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