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Our values



Tika, Pono, Aroha

We do what is right, we are true to ourselves and we demonstrate care and respect.

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.

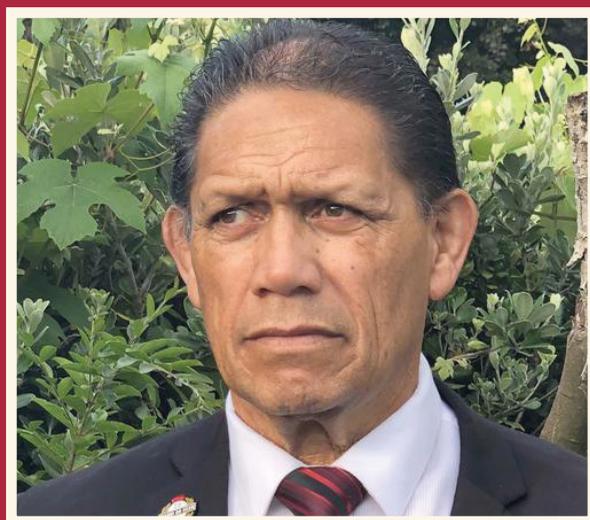
Our ambition

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.

Desma Kemp Ratima

28 July 1952 – 22 August 2021



Skills Active was saddened by the loss of our board member Des Ratima in August 2021 after an illness. Des was a Skills Active board member for nine years and a shareholder for 20 years. He was a highly esteemed community leader and a true rangatira of Ngāti Kahungunu.

Des uplifted his people, including through his work in education, sport and recreation. He blessed the lives of whānau and children through selfless service and aroha.

Des served his country for 27 years in the New Zealand Army rising to the rank of Warrant Officer First Class. At Te Rau Aroha, which stands on the sacred grounds where Te Tiriti o Waitangi was signed, Des Ratima is memorialised as the founding father of Ngāti Tūmataenga.

Des also served Skills Active with diligence and care. He was the epitome of both understanding and forgiveness and continually typified Skills Active's guiding values of tika, pono and aroha. Des lived by all three – we will miss him.

Chair's report

Tēnei au, tēnei au
Tēnei au te hōkai nei o taku tapuwae
Ko te hōkai nuku ko te hōkai rangi
Ko te hōkai a tō tupuna a Tānenui-a-rangi
Ka pikitia ai ki te rangi tūhāhā ki te Tihi-o-Manono
Ka rokohina atu rā ko Te Matua-kore nahenahe
Ka tikina mai ngā kete o te wānanga
Ko te kete-tuauri
Ko te kete-tuatea
Ko te kete-aronui
Ka tiritiria ka poupoua
Ka puta mai iho ko te ira tangata
Ka hakaputaina i te wheiao ki te ao mārama
Tihei mauri ora!

Tuatahi, ka tuku atu te reo hakawhetai, hakamoemiti ki tō tātou Matua Ora Tonu. Kei ā Ia te korōria me te hā o ngā rangi mai i te orokohanga rānō o tenei ao, mo ake tonu atu.

Tuarua, ka mihi te hunga ko hoki kē ki tua o te arai i ngā rā i ngā wiki me te tau ko pāhure ake nei. Ko koe tēnā e te rangatira a Desma, e kore, e kore rawa a mātou koe e wareware. Ko hoki atu koe ki te kāinga i hangaia e te Atua mo tātou mo tēnei mea te tangata. Koutou katoa te hunga mate ki a koutou. Haere, haere, haere atu rā.

E mihi kau ana ki a tātou ngā manawa ora, tēnā koutou me ngā kaupapa hakahirahira i oti nei te mahi i te tau ko pāhure. Ānei tōna ripoata, ānei tōna pūrongo kōrero.

2021 was indeed a busy year for Skills Active, continuing our journey through the reform of vocational education, while our regular mahi supporting clients and learners and advocating for our industries never stopped. And in that we took inspiration from the organisations and partners in our sectors, who offered up countless examples of innovation and resilience, while keeping calm and carrying on.

Entertainment Technology NZ continued its staunch support for sector professionals through upskilling, workshops, Covid advisory services, and celebrating the success of the many learners who completed Skills Active qualifications and apprenticeships during the year.

Recreation Aotearoa hosted regional hui across the country for outdoor recreation operators to kōrero with like-minded industry professionals, and share successes, challenges and opportunities. It also provided access to the Outdoor Education Support Fund, delivering financial help to those operators experiencing hardship due to Covid-19.

Exercise New Zealand advocated tirelessly for its members during the year. Gyms and studios were on the front lines of the second wave of Covid restrictions that put a great deal of pressure on many businesses. The peak body was a voice calling for fairness and clarity for these operators, while also supporting them with regular webinars, Q&As and other resources to help get through some very tough times.

Meanwhile, Sport NZ amped up its fantastic Balance is Better campaign in 2021, aimed at boosting youth participation in physical activity, and supporting quality sport experiences, regardless of ability, needs and motivations. It was heartening to see the strides Sport NZ is making in promoting inclusion and keeping us all active for life.

It was great to see so many people across our sectors working in concert to achieve positive progress. Here at Skills Active, against the backdrop of a pandemic and a reform, we too have got plenty of positive news to report.

More one-to-one support for learners and clients

2021 saw the establishment of new roles and an entire new team dedicated to supporting our industries.

We created a new team within our Delivery business unit, which is the engine room for the pastoral care that our learners and clients receive.

This team of three training support administrators, based at our head office, complements our field-based learning support advisors, and specialises in helping our growing apprentice pool as they navigate the industry training process.

They are working in conjunction with our dedicated apprenticeship specialist – another new role that will focus on supporting and improving apprentice achievement, and working with key apprenticeship clients.

We also appointed a new assessor specialist, who will work closely with our existing assessor liaison, to look after the network of registered Skills Active assessors who ensure our trainees and apprentices meet national standards.

Handing over the taonga of standard-setting responsibility

Minister Hipkins' reform of vocational education started to come to fruition in 2021. The 4th October 2021 was an historic day for Skills Active, as it ceased to be the standard-setting body for sport, recreation and performing arts, and handed over this function to the newly established workforce development council, Toi Mai.

While Skills Active will continue to support the delivery of qualifications in the workplace, and build resources to complement delivery, it will no longer be the lead on setting those standards and qualifications.

Over 26 years we have introduced and grown industry training in our sectors, and witnessed the ongoing professionalisation of this workforce; this has only been possible with the support and dedication of our industry and iwi partners who have been on the journey since day one. The cooperation between our Māori and non-Māori shareholders, staff and board has been a model for the tertiary sector.

Toi Mai takes over the important responsibility for setting qualifications and skills standards, and facilitating the work involved, in partnership with the creative, cultural, recreation and technology industries. So in passing on the torch to Toi Mai, we have put forward

a challenge to them – to receive this work with a full understanding of the significance of the transition. We look to Toi Mai to ensure the continued advocacy of our recreation, sport and performing arts sectors, and the fulfilment of their workforce needs and aspirations.

Programmes and quality assurance

In 2021, we were proud to launch our long-awaited New Zealand Certificate in Ngā Taonga Tākaro (Level 3).

Designed for people working on taonga tākaro initiatives for whānau, hapū, iwi and communities – whether in paid or volunteer roles – this qualification recognises the learner's understanding of the tikanga, whakapapa and tūrangawaewae connected with ngā taonga tākaro.

We also launched a new Yoga strand for our NZ Certificate in Freestyle Group Exercise (Level 4), which allows fitness professionals to take the foundational steps towards gaining their Yoga Instructor registration.

We introduced new National Raft and Riverboard Awards, replacing expiring qualifications and helping to maintain the high levels of training and expertise in the Kiwi river guiding workforce.

Finally, with support from our industry experts, we went to market with new Cross-Country Ski strands in both our Snowschool Instruction Level 4 and Level 5 qualifications. More on those later in this report.

Meanwhile, before handing over our standard-setting role, we pre-moderated 170 unit standards at 86 organisations, post-moderated 224 school and provider assessments, and processed 40 consent to assess applications.

Our quality assurance team also oversaw consistency reviews for six of our qualifications, all of which were deemed sufficient – the highest possible rating for a consistency review.

2021 performance indicators

Skills Active delivered 1,632 standard training measures for the year and our learners completed 2,291 national qualifications. Our overall credit achievement rate was 70% across all trainees. For Māori learners the credit completion rate was 67% and for Pacific Peoples it was 36%.

Overall, almost all of our 2021 metrics saw a strong rebound after a difficult year in 2020. You can see more on this further on in the report.

It was also great to see that we received 4,266 enrolments in our online learning modules during the year – more than a threefold increase from previous years, as we continue to grow our online learning platform.

Advocacy and strategy work

In March 2021, Skills Active was contracted by the Tertiary Education Commission to lead the co-creation of a workforce strategy for the creative, cultural, recreation and technology sectors (CCRT) – the aim being to develop a collective plan that will create thriving sectors.

Over a six-month research phase the CCRT strategy group, which spanned industry, the education sector, government and community stakeholders, pulled together hundreds of documents and datasets to form a picture of the current environment. This produced an environment scan, data dashboard, and accompanying insight documents to provide a snapshot of the current workforce and industry makeup as well as Covid-19 impacts and skills supply and demand.

From October, Toi Mai took over this vital mahi as the new standard setter for the CCRT sectors. Skills Active looks forward to engaging with the strategy work in future as a stakeholder.

Reform transition plans

As well as handing over standard-setting to Toi Mai, in 2021 Skills Active engaged widely with stakeholders on the best options for transitioning its arranging training services. We received overwhelming support for the option of establishing a dedicated provider. Subsequently we carried out independent analysis and testing of this option before it was endorsed by our board and shareholders.

Our plans to establish a provider are continuing, and we'll provide an update in our 2022 annual report. In the meantime I can say that in the vision behind our plan, we're looking to a future where every person and organisation in our sectors can unlock their potential and gain the skills and knowledge they need, and we can continue to play a supporting role.

Ka nui tēnei māku i tēnei wā tonu

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



Sam Napia,
Chair

Snapshot of te ahumahi ā rēhia

The active recreation and leisure sectors



Contributing over \$9.8 billion, or more than 3% of NZ's gross domestic product, te ahumahi ā rēhia workforce is vital to Aotearoa.

Long operating hours, high staff churn within a relatively mobile workforce, and the need to fill roles in regional and remote areas, all pose recruitment challenges for sector employers.



Overall, between 2021 and 2026, around 4,600 new jobs are expected to be created in the recreation sector. Infometrics estimates that around 6,900 people will need replacing over the same period – almost 1,400 per year and a ratio of 1.5 replacement jobs for every new job.



Recreation is a low-earning sector in comparison to some of the other areas of the economy with which it competes for talent. Infometrics estimates that average annual earnings in the recreation sector were \$48,400 in 2019 compared with \$59,100 across the whole economy.

Characterised by a prevalence of small businesses and non-profits, te ahumahi ā rēhia has a high proportion of casual, part-time and seasonal roles, such as winter snowsport employment, and summer jobs in outdoor recreation and aquatics.



Pictured: Skills Active graduates, learners, workplaces and assessors
Source: Infometrics research, commissioned for the CCRT workforce strategy project



There are a number of gaps in the te ahumahi ā rēhia workforce data, which make it difficult to fully capture current issues and identify future needs. This leads to an “invisible workforce” not seen in the data, which may include volunteers, youth, freelancers and the self-employed, seasonal workers, Māori and Pacific peoples, and those who have taken non-traditional pathways into the sectors.

Te ahumahi ā rēhia has historically had a heavy reliance on volunteers to supplement the paid staff delivering recreation, sport, exercise and performing arts.



While the Covid-19 pandemic amplified some of the sectors’ existing workforce issues, it has also added new pressures including the loss of revenue, staff and customers, cancelled events and projects, and strict new compliance requirements.



According to Sport NZ research, a monocultural view of play, active recreation and sport in mainstream society can lead to Māori activities being deprived of recognition and support.

Among recreation professionals, 24% are younger than 25 years, compared with just 15% of the national workforce.



Pictured: Skills Active graduates, learners, workplaces and assessors
Source: Infometrics research, commissioned for the CCRT workforce strategy project

Our outcomes

Customer satisfaction survey summary

2020

2021

Trainees

Communication and service



Resources



Value



Assessors

Communication and service



Resources



Training



Workplaces

Communication and service



Resources



Value



Stakeholders

Communication and service



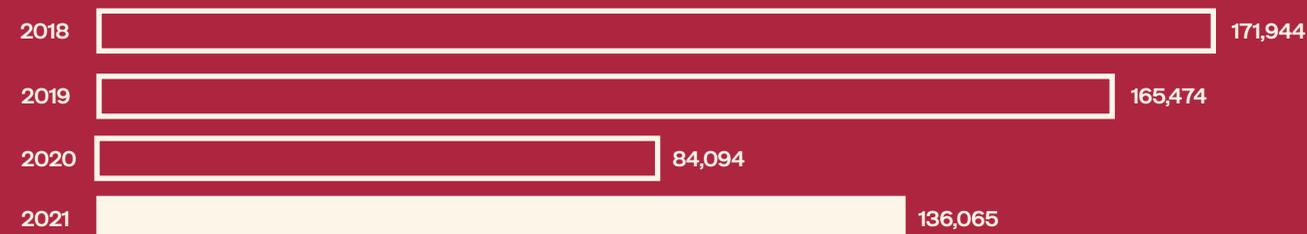
Our outcomes

Summary of key performance indicators

Standard training measures (STMs) before offsets



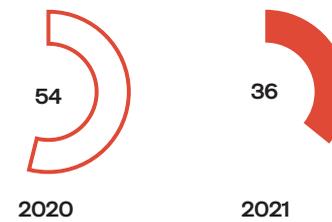
Credits reported



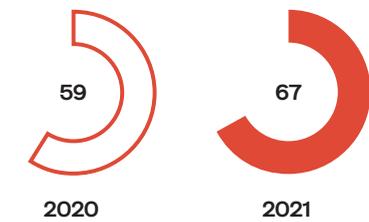
Overall credit achievement rate (%)



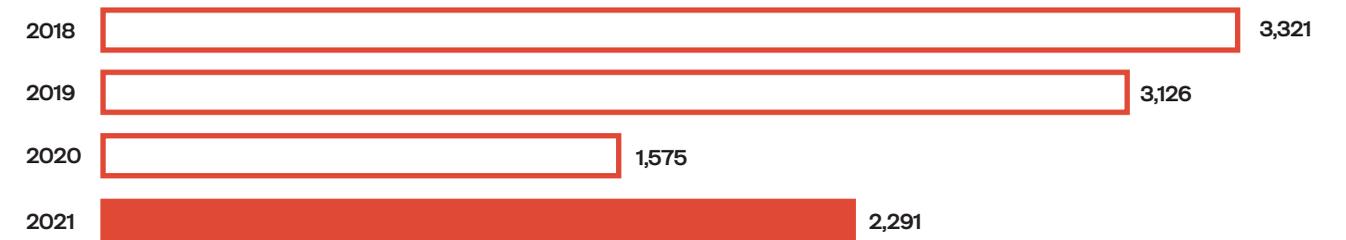
Pasifika credit achievement rate (%)



Māori credit achievement rate (%)



National qualifications achieved



Trainee ethnicity (%)



Organisational achievements

12 assessor training workshops held for 68 trainee assessors

Hosted 9 pool lifeguard assessor moderation meetings

224 school and provider assessments post-moderated up to August 2021

3 workshops for 6 new senior assessor mentors

Launched 1 new Evidence Verifier online course

6 NZQA qualification consistency reviews completed, results all "sufficient" – the highest possible rating

18 newsletters sent to industry, assessors, shareholders and schools

10 newsletters and communications sent to reform stakeholders

Increase of 289 Facebook fans to 4400

1 interactive workforce dashboard developed for the creative, cultural, recreation and technology sectors

85 unit standards internally pre-moderated

86 external organisations pre-moderated

3 benchmarking reviews for clients: New Zealand Defence Force, CityFitness and New Zealand Cadet Force

Reviewed, upgraded and re-launched 1 flagship exercise qualification

867 assessments post-moderated, submitted by 289 assessors

Engaged with 18 regional sports trusts to introduce the NZC in Ngā Taonga Tākaro (Level 3)

47 outdoor recreation unit standard resources developed and passed through pre-moderation by Toi Mai

Nearly 1000 enrolments in the NZC in Alpine Resort Operations (Level 3) at the South Island ski fields

2 new cross-country ski electives for the Introductory and Intermediate Snowschool Instruction qualifications

10 new resources developed

40 consent to assess applications processed up to August 2021, when standard setting transitioned to Toi Mai

Reviewed or updated 18 existing resources

Published 18 industry success stories

More than 250 research documents pulled together to produce 1 environment scan for the creative, cultural, recreation and technology workforce development strategy project

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. It also 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 across the 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.

Skills Active celebrates the award winners and scholars of 2021



Ali Gills – Apprentice of the Year

The winners of Skills Active's 2021 crop of awards and scholarships come from across the spectrum of sport and recreation, but they have one thing in common – a keen interest in improving the lives of others through te ahumahi ā rēhia – the active recreation and leisure sectors.

Swim teacher Ali Gills was named the Skills Active 2021 Apprentice of the Year. 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 sport, recreation or performing arts.

After teaching swimming for more than a decade, Ali still gets inspired by seeing learners of all ages progress in the water.

After completing her apprenticeship, she has already moved onto the next step in her career progression, by becoming a registered Skills Active assessor. In this role, she will support other trainee swim teachers to expand their knowledge through formal qualifications.

“Being named the Apprentice of the Year makes me so proud. My goal is to continue to grow as an instructor and an assessor. What drives me is that I think we can always keep doing better,” Ali says.



Eric Schusser – Volunteer Scholarship winner

Eric Schusser was the recipient of the 2021 Volunteer Scholarship. Eric is an assessor of both paid and volunteer cross-country ski instructors at the Snow Farm alpine ski area in Queenstown Lakes.

Not only is he helping the Snow Farm team through a qualification pathway, but he also worked jointly with Skills Active on developing the pathway itself.

Te ahumahi ā rēhia sectors have historically relied heavily on volunteers to supplement the paid staff delivering recreation, sport and exercise. Thus there exists a significant need for hardworking and community-minded people like Eric who support the upskilling of volunteers and their teams, clubs and organisations.



Flyers Swim School – Small Business Scholarship winner

The Small Business Scholarship was awarded to Flyers Swim School in Stratford and owner Aimee Woodhead. The scholarship recognises the wraparound support Aimee provides to her apprentices, growing the pool of highly qualified swim teachers and strengthening the swim education sector.

Aimee's hands-on approach to supporting her apprentices includes lots of one-on-one help, coordinating courses, tasks and paperwork, and even creating online forms to help them fill out their written assessments.

You can read more about both Eric and Aimee further on in this report.



Dave Letele – Te Iti Kahurangi Award winner



Cody Lokotui – Māori Sports Scholar



Nikki Williams – Manukura Award winner

Skills Active's Māori Sports Scholar for 2021 was talented high school athlete Cody Lokotui. Rugby is Cody's main sporting passion and he has a long list of achievements, including selection for the 2021 Under-18 Crusaders team.

Alongside his rugby commitments, Cody was a chapel prefect, and a cultural and haka leader at Wellington's Scots College in 2021. This year he is attending Canterbury University where he's studying engineering.

"My career aspirations are to own my own business and work with local iwi to find innovative ways to help others. My priority is to help our people, to give back to our communities, to employ people who are creative and who can add a cultural lens to our industry and thinking," Cody says.

Dave Letele and his organisation Brown Buttabea Motivation (BBM) were the recipients of the Skills Active 2021 Te Iti Kahurangi Award, presented at the NZ Exercise Awards.

This prize recognises organisations supporting their workforce and striving for excellence through the medium of work-based learning. BBM is committed to providing training and development for its talented and capable bootcamp trainers.

Through the positive work Dave is doing with his staff, he's growing the qualified exercise workforce, and ultimately helping more people to experience the huge benefits of fitness, physical activity and improved health.

Finally the very special Skills Active Manukura Award – also part of the NZ Exercise Awards – went to Nikki Williams in 2021.

A 'manukura' holds a position of mana, reflecting the work they do and the high regard in which they are held by those around them. Nikki, who has roles with Exercise New Zealand and the Personal Training Council, takes a proactive role in promoting professionalism and credibility among her peers.

The award commends her work in supporting learning and development through assessment, mentoring, study sessions and much more.

"Having a qualified workforce in te ahumahi ā rēhia is so important in these times. We can all benefit from staying healthy, learning skills and being active in our communities," says Skills Active chief operating officer Maren Frerichs.

"Our award winners serve as leading lights in our sectors, showing the way to build up individuals and organisations, strengthen the workforce, and change individuals' lives through learning, development and career progress," Ms Frerichs says.

"We are thrilled to be able to celebrate their achievements, and highlight the example they set for others in their fields.

"All of these awards and scholarships come with our heartfelt congratulations, and huge appreciation for all the work our winners are doing in Kiwi communities," Ms Frerichs says.

Building a career in events from the ground up

At some of those music festivals, I would be at the top of a structure 90 feet in the air, and I'm the only woman up there at the top with 20 or 30 guys. And not only did I have to keep up, but I needed to be better than average, in order to prove myself.

Perched 90 feet in the air, looking down at a race track that she was helping to transform into the biggest music festival in North America, Genevieve Poppe was soaring to new heights in her career – one she had only stumbled into by chance.

Halfway through a language degree in her native United States, Gen had been having a hard time finding a part-time job. But the university theatre was keen to hire her and it was the only position that worked with her hectic timetable.

Before she knew it, she was having so much fun that she switched lanes from her original plan to become a French teacher. Instead, she spent several years travelling around the States building music festival stages, climbing and rigging, and constructing arena shows for top artists.

"You walk into an arena, and it's this blank slate, and you turn it into something completely different. I think it's that transformation that I really enjoy – creating something amazing out of nothing."

Gen notes that the events industry in America was very male-dominated.

"For instance, at some of those music festivals, I would be at the top of a structure 90 feet in the air, and I'm the only woman up there at the top with 20 or 30 guys. And not only did I have to keep up, but I needed to be better than average, in order to prove myself.

"As women, there were so few us in the industry that we really bonded together. When I got the chance, it was great to show other women what the industry was really like, and that girls could do it."



Gen loved her work in the US, but says that when she arrived in New Zealand seven years ago, it was a pleasant surprise to find an industry that had a lot more women in it, working and being treated as equals.

Since then she has immersed herself in the industry here. Despite her many years of practical experience in the field, she decided to enrol in the Level 4 apprenticeship in Entertainment and Event Technology through Skills Active Aotearoa.

"This was a qualification, something physical on paper, to show what I've done in my career."

Bouncing ideas with friends and colleagues, and getting support and advice from her assessor, all helped her get across the line and complete the apprenticeship in 2021, Gen says.

Now she is moving on to the next chapter in her career, having taken on a part-time role as a production manager with Footnote New Zealand Dance.

"I'm really excited to do that, and learn more about what a production manager does – putting all the pieces together before the event. I am looking forward to expanding into a little bit more of the responsibility, without being the person behind the operating desk in the show."



It's a professional approach to creating a really good ski instructor with some experience, over a period of time... At the end you get a consistent lesson delivered, but with room for each individual instructor's personal approach.

Building up the Kiwi cross-country ski instructor workforce at Snow Farm

Eric Schusser and his fellow cross-country ski instructors at Wanaka's Snow Farm work with everyone from first-timers to those who come multiple times a week to get their snow fix.

"People tend to like [cross-country skiing] because it's totally different to being at an alpine ski area where it's very busy," Eric says.

"This is more about the social side – being able to ski along as fast or slow as you like, and having a chat to people in the tracks beside you. Or just getting some peace and quiet amid the spectacular scenery."

Over the years, like most ski fields, Snow Farm has employed a large proportion of overseas instructors, Eric says. However, this workforce has a naturally high turnover, which makes it hard to get consistency from year to year.

"And then with Covid, everybody was caught out without the instructors they needed."

So this year a team from Snow Farm worked with Skills Active to launch the Level 4 Introductory Snowschool Instruction cross-country ski strand, and the Level 5 Intermediate strand.

Eric is the assessor for the newly launched programmes, and helped to develop the technical requirements, which he learned and refined over 10 years working with expert Russian coach Alexei Sotskov.

The new qualifications are suited to the New Zealand environment and designed to mentor and coach instructors through a sequential process, Eric says.

"It's a professional approach to creating a really good ski instructor with some experience, over a period of time... At the end you get a consistent lesson delivered, but with room for each individual instructor's personal approach."

"[Snow Farm founders] Mary Lee and her husband John were farmers in the Cardrona Valley 30 years ago, but they had the most amazing, entrepreneurial, visionary dreams," Eric says.

"They also started up the Cardrona ski field with rope tows and a tractor. They started up winter vehicle testing in the Pisa Range, and they started up the Snow Park, which was one of the original terrain park and pipe areas in New Zealand."

In Covid-free times, multiple Olympic teams come from all over the world every year to train on Snow Farm's 50 kilometres of trails, Eric notes.

"So I think it's a pretty fantastic story of people who had a vision to create a facility that's now world-class. And at the same time they have provided this fantastic opportunity for the community to get up here and try a new sport."

People-watching with a purpose at the Rotorua Aquatic Centre

You spend so many hours at work, it helps if you enjoy it. That's how Rotorua Aquatic Centre facility manager Leah Burgess sees it, and that philosophy is what drives the award-winning training and mentoring that her staff receive.

Leah describes how she "fell into" working in the aquatics industry nearly 20 years ago, as she had just moved, and was looking for any sort of work between Tauranga and Rotorua, when a lifeguard role came up at the Aquatic Centre.

"When I started the job, I was put on the side of a pool and was told: 'You watch people,' and was given limited training. I thought, 'Oh my goodness how boring! I'm not even going to last two months in this job.'"

But before long, Leah was given more training opportunities, and she started to see that the role of a lifeguard was much bigger and more interesting than she had first realised. Within three years she moved up to a supervisor role, and she also started adding responsibilities in health and safety, and training and assessing new lifeguards.

These days, Leah is the facility manager, and in 2019, she and her team were recognised in the national Community Leisure Management awards for the fantastic training and learning culture at their facility.

Leah is more passionate than ever about what the centre offers to both the community and staff.

"I like that we have a diverse range of people who come in. Swimming is not just for high income people or lower income people – it's a skill that everyone needs," Leah says.

"And people with disabilities too, or those using the pool for rehab. The freedom those people feel in the water that they don't get on land is really cool.

"Not to mention the enjoyment all people get from the water – I understand that, because when I'm in the water it's my happy place too, it's my time away. This is a place where people want to be – they are here to have fun or learn, so it's a positive environment to work in."

The Aquatic Centre uses the Skills Active lifeguarding and swim teaching qualifications, and all new customer service and aquatics staff enrol in the Sport, Exercise and Leisure Operations (SELO) certificate, Leah says.

SELO helps staff develop baseline knowledge for their roles and gives them context and perspective around the important work that they are doing, she adds.

"When I first started I thought, 'What am I doing here?' With SELO, it relates it back to the learner, it asks them: What recreation activities do you enjoy? Why do you do them? Then it brings it back to our facility – this is what the community wants, this is why we're here, and here's how it relates to you. So, it's helping staff to understand their purpose."

The Aquatic Centre provides a supportive environment where staff get the time and support they need to complete formal on-job training, Leah says. This is a win-win, because competent, knowledgeable staff can deliver safe, fun experiences for customers.

She adds that she loves to see her team members growing and developing as people.

"It's very rewarding to see them growing professionally, understanding and getting passionate about the role. To see them smile and enjoy being at work – that's definitely a positive to me. You spend so many hours at work, you want to enjoy being there!"



[The qualification] helps staff develop baseline knowledge for their roles and gives them context and perspective around the important work that they are doing.



I would like to bring more people on as senior assessor mentors in the Māori qualifications. I'm not a lone expert; it takes the work of many. When we're working together as a group, sharing ideas, iwi perspectives, and knowledge on mātauranga Māori – then that will be a robust space to inform the assessments and qualifications.

Meet the senior assessor mentor: Kat Reweti-Russell

Kat Reweti-Russell spent 18 months working at Skills Active Aotearoa, but her career as a Skills Active assessor has been much longer than that and now she is helping others to become great assessors as well.

Kat (Te Atihananui-a-Pāpārangi, Ngāti Raukawa, Ngāti Pākehā) has worked in health and education for more than 15 years, and has a particular passion for Māori health and public health. She first came across Skills Active when she became an in-house assessor while working at Capital and Coast District Health Board (CCDHB).

"We wanted to develop the CCDHB cultural competency programme as a way to improve Māori health outcomes, by increasing staff awareness of mātauranga Māori," Kat says.

The very successful programme has now been running for more than six years. When an industry advisory role came up at Skills Active, Kat was excited to join the team and take a break from the sometimes demanding world of public health.

She developed new programmes and recruited a number of assessors while at Skills Active. To nurture this growing pool of specialists, she stepped up and became a senior assessor mentor (SAM) – a really important position that underpins the quality and consistency of the entire Skills Active assessor workforce.

"I wanted to support the development of all the new junior assessors that were coming through," Kat says.

"I would also like to bring more people on as SAMs in the Māori qualifications. I'm not a lone expert; it takes the work of many. When we're working together as a group, sharing ideas, iwi perspectives, and knowledge on mātauranga Māori – then that will be a robust space to inform the assessments and qualifications."

As a SAM, Kat's job is to support new assessors through their provisional period.

"A good assessor gives high-quality feedback to the learner, they connect with them regularly, making sure the support is there, and providing openings for conversations to happen.

"So as SAMs, we are walking alongside the junior assessor in their first year, and monitoring that they are picking up those things."

After her time at Skills Active, Kat decided to return to her main passion, and subsequently worked on critical public health objectives at the Ministry of Health. But the Skills Active mahi continues in her ongoing role as a SAM.

"It doesn't matter if you're in health or education or any other area of work – being able to communicate and engage effectively with Māori, having knowledge of tikanga Māori and mātauranga Māori, these are essential skills for being a well-rounded person in Aotearoa," Kat says.

These skills help to break down barriers, dismantle racism, and encourage people to conquer their fear of the unknown, she adds.

"For me, this knowledge is the first step in bridging gaps between people and communities. And I am proud to be following in the footsteps of my grandparents, who were native speakers and practised tikanga every single day. This work is honouring my ancestors, but it's also teaching the next generation that te ao Māori can and will be a part of their lives."

Yogi apprentices helping to heal hurting bodies through the power of movement and breath

There are so many broken people that need exercise and wellbeing, and there is just not a huge amount of support for them out there. I got frustrated with that and I wanted to do more to help people.

In 2021, Rebecca Harford was supporting a number of her yoga teaching staff through the Skills Active Exercise Professional apprenticeship. But teaching and learning have always been passions for her.

Rebecca and her husband Jeremy are the co-owners of Adapted Yoga and Pilates, a unique Christchurch-based studio. Rebecca first came to yoga during her university years, and when she finished her degree in physical education, she left for a stint working on cruise ships, teaching as many as 28 yoga and Pilates classes a week.

After returning to New Zealand, she ended up in a role with ACC, and it was there, working with ACC clients, that the ideas behind Adapted Yoga and Pilates started to form in her mind. The studio welcomes everyone through its doors, including those with disabilities or conditions, so that they can get the life-changing benefits of breath and body work.

“There are so many broken people that need exercise and wellbeing, and there is just not a huge amount of support for them out there. I got frustrated with that and I wanted to do more to help people.”

Rebecca says yoga and Pilates can help everyone, no matter their limitations, and it's inspiring to see it happen.



“I just love seeing people get their ‘aha’ moment. Even the really simple stuff like how to breathe deeply. Or how to activate their core. Those really basic things that they can take into everyday life, and which will make life better.”

Rebecca also enjoys supporting her teaching staff as they complete their Skills Active apprenticeships. She gets together with the apprentices for regular practical and theory sessions, and is always available for questions, advice and encouragement.

“There is a lot of work involved but it’s worth it. It’s been a really interesting experience and I’ve learned quite a lot as a mentor to my team. You need to have an environment where people are okay to make mistakes and ask questions.”

She notes that many yoga and Pilates teachers haven’t gone through what others in the wider exercise industry would see as the foundations of being a fitness professional.

“The training that they’ve done doesn’t usually come with the same level of focus on anatomy and physiology, or the cultural awareness side of things. So it’s great to be able to give them that foundational base, and to fill in any gaps that might have happened between their teacher training and going forward.”

It also helps to broaden their horizons as exercise professionals, Rebecca adds.

“They can start to have conversations with allied health professionals and personal trainers about their shared clients. And it gives them an opportunity to work more broadly in the various roles that the industry can offer.”

“It’s just awesome to see people who were already good teachers, gaining more confidence in their knowledge and abilities. And it helps them to give even more to their students.”



In 2021, Flyers Swim School had 11 staff members enrolled in the New Zealand Apprenticeship in Aquatics: Specialist Swim Teacher (Level 4). Lots of people are involved in helping the apprentices to succeed, Aimee says.

Stratford swim school setting up apprentices to pass with flying colours

Flyers Swim School owner Aimee Woodhead is driven by helping her community to thrive. It's that same love of seeing people succeed that prompted Aimee to support her staff to enrol in swim education apprenticeships with Skills Active.

Aimee was a competitive swimmer and branched out into teaching at just 15 years old. Since then, she's been working in swim schools for 25 years, and Flyers was the recipient of the 2021 Skills Active Business Scholarship.

Like many swim educators, Aimee says she was motivated to give something back to the sporting code that had given her so much.

"Swimming is an amazing sport. It is a life skill, and it's a super fun activity to do in rivers, beaches, lakes and swimming pools. A pool is also a community hub, with everyone coming together along with their whānau. With our tamariki, it builds up their skill sets, and squad swimming is a great learning platform for many life values for our youth."

In 2021, Flyers had 11 staff members enrolled in the New Zealand Apprenticeship in Aquatics: Specialist Swim Teacher (Level 4). Lots of people are involved in helping the apprentices to succeed, Aimee says.

Skills Active learning support advisor Angie Gooch meets with trainees and makes sure they are on track. Swimming New Zealand's Karen Dalldorf runs the external teaching courses that the apprentices need to complete. Cecile Elliot, also from Swimming NZ, assesses their work and determines when they have met the required standards.

Aimee does the lion's share of supporting and mentoring her staff, as they make their way through the long and sometimes challenging process of completing their apprenticeships.

This involves setting out a timeline and ensuring people understand what's required of them, and coordinating to make sure they can access the appropriate courses in their region. Then there's allocating time for them to attend, and time in the pool so they can get the experience they need. Aimee has also created online forms to make it easier for her apprentices to fill in their written work, and she organises group sessions where they work on their qualifications together.

"On an individual level, there is a lot of paperwork, all of which has to arrive at the right place at the right time. So I will be making sure it's all been handed in, and when they are missing things, tracking them down."

Aimee says she really enjoys this side of her job, because to her, the instructors are the heart of the organisation. She notes that many of them are part-time, with busy lives outside of swimming.

She is grateful for the government's Apprenticeship Boost subsidy that some of the instructors were able to apply for; it means Flyers is able to pay its apprentices for the extra time they spend on their qualifications.

"It is a big commitment to do an apprenticeship and I wouldn't expect people to do this workload without being paid for their time. I would never want my staff to feel like they were floundering, or not enjoying [the apprenticeship programme]."

"I always want them to feel that they are learning and getting something out of it. Especially because teaching takes up so much energy when you're in the pool with the kids!"

"It needs to be recognised as a really important job, and the apprenticeship is one way to do that."

Personal and professional growth through the medium of martial arts

Jesse Puata was “a bit of a mongrel of a kid” when Brazilian Jiu-Jitsu (BJJ) planted a seed that changed the shape of his life and allowed him to harness his abilities on and off the mat.

Jesse and his father started training in BJJ when he was 14, and his natural talent at the sport would see him earn a raft of national and international titles.

These days, Jesse’s company Ronin Coalition offers classes, competition training and workshops, and he is passionate about building professionalism and entrepreneurship in the New Zealand martial arts community.

Ronin Coalition has a number of Skills Active learners, completing the New Zealand Certificate in Sport Coaching (Level 3) and the New Zealand Apprenticeship in Facility Operations (Level 4). Jesse is in the process of becoming a registered Skills Active assessor so that he can support his trainees.

“We also have a collective of experienced coaches, coaching developers and mentors throughout the industry that we can call upon for guidance and support,” he adds.

Jesse’s complete belief shines through when he talks about the power of martial arts to change everything.

“To be fair, I was a bit challenging for my teachers. I was expelled from kindy and primary school; I was fighting lots. Then I got into Jiu-Jitsu, which gave me a positive outlet and taught me how to learn. From there, my whole life pivoted.

“But without that unique opportunity, I would have ended up in jail or going nowhere very quickly, because I hadn’t figured out who I was.”

Now Jesse is promoting what he calls a sector succession strategy, by encouraging his own team and others across the sport to complete industry qualifications, so they can grow and enhance the coaching, management and operational skills they apply every day running gyms and teaching martial arts.

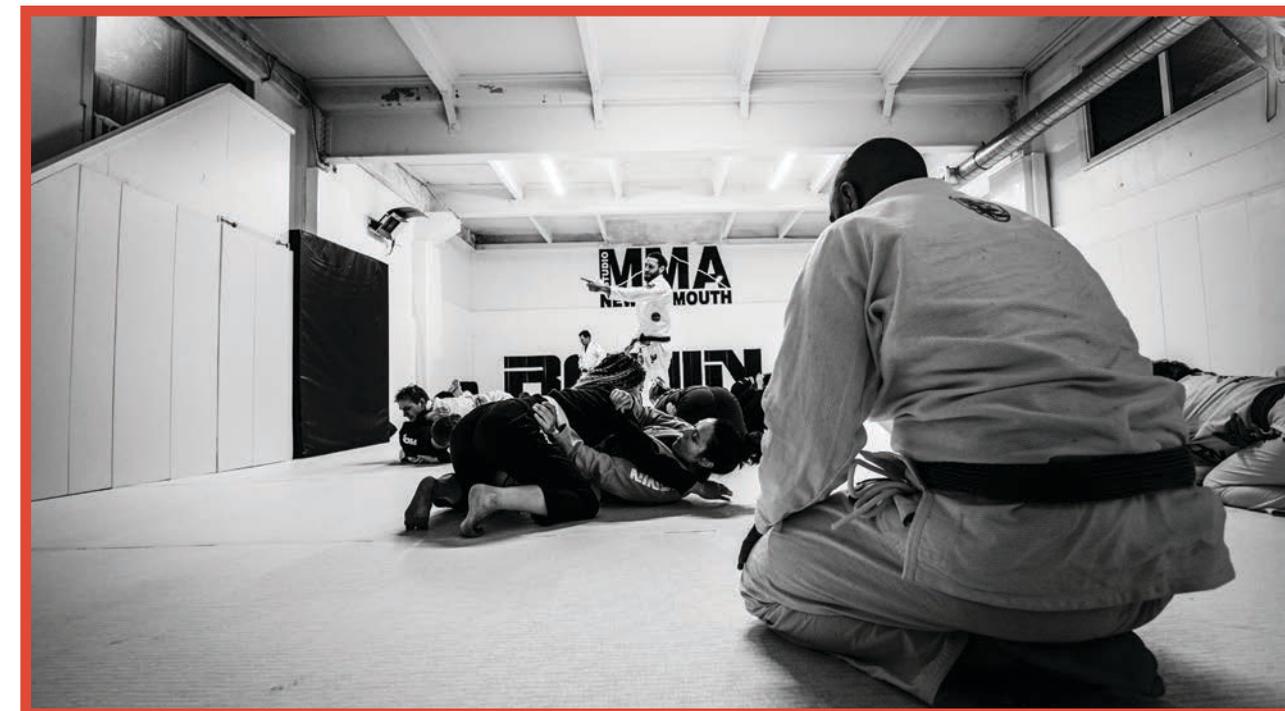
Not only that, he says, but these programmes formally recognise the graduates and their knowledge through the NZQA framework. They can use this on-paper validation to expand their careers in martial arts, or take it into other jobs and industries.

“There are lots of talented people in our sector. So if we can build a strong industry around what we do well, and organise and grow together, then who knows what we can achieve,” Jesse says.

“The apprenticeship is all about how good organisations work, right down to the fine details. So wherever you might end up – in a gym, a pool, a studio, as a coach – it means you have got the transferable skills to operate at that level, and you’ve got a piece of paper to verify that.”

Industry training ‘futureproofs’ what Jesse and his team are doing by ensuring their methods, attitudes and practices are current, he adds. It also helps the trainees and apprentices to contextualise their learning and make it relevant to their work.

“If I can help to make people see the value of using industry training, then they will be proactively looking to level themselves up. That is how the martial arts industry pump gets primed. You need more than just one catalyst – it takes many,” Jesse says.



I was a bit challenging for my teachers. I was expelled from kindy and primary school; I was fighting lots. Then I got into Jiu-Jitsu, which gave me a positive outlet and taught me how to learn. From there, my whole life pivoted.



Children's lives are more 'scheduled' now than they used to be, and outdoor education is a good way to encourage them to get out and have unstructured time in nature.

Skills Active trainee growing budding nature explorers through a bush curriculum

Nature empowers children to learn with all their senses, says early childhood teacher Jen Turconi, who completed her outdoor education qualification through Skills Active in 2021.

Jen has been involved in early childhood education (ECE) for over 20 years, and is the head teacher at the Te Puna centre, which is part of the Otago University Childcare Association. She also coordinates the centre's 'bush curriculum'.

Jen loves working with young children because they are open to new ideas and "everything is a wonder to them" – especially in the outdoors.

"There are many benefits to having an early childhood curriculum based in the outdoors. It is an incredibly rich space for play and learning, and fosters creativity and curiosity about the world," Jen says.

"It is also a space where children learn through all their senses, and that's a really important thing these days with the uptake of digital platforms. Being outdoors is a way for children and young people to be in their bodies, and have some time off devices."

Jen notes that children's lives are more 'scheduled' now than they used to be, and outdoor education is a good way to encourage them to get out and have unstructured time in nature.

Since Te Puna's bush curriculum started eight years ago, it has grown and flourished. Jen enrolled in the New Zealand Certificate in Outdoor Leadership (Education Outside the Classroom) (Level 4) as a way to level up her outdoor education practice, grow her confidence and fill in some gaps.

"I wanted to gain outdoor education skills that would sit alongside my early childhood qualifications, and complement what we were doing. And I wanted to have confidence that the health and safety side of things was covered," she says.

"It was a bit of a challenge to start with. Coming from an ECE background, rather than outdoor education, I was being introduced to quite a lot of new things.

"There was quite a bit of back and forth with my assessor and learning support advisor, and they helped me find the resources I needed to upskill."

As part of her assessments, Jen created new processes to sit alongside Te Puna's outdoor education activities.

"We were already doing the right things, but it wasn't well-documented, and the programme supported me to create those systems. That was quite a bit of work, but really worthwhile."

Jen plans to encourage her fellow early childhood educators to take up the Skills Active programme.

"I think one of the major barriers for ECE teachers in getting children out of their centres and outdoors, is having all the paperwork in place and feeling confident that they've assessed and managed all the risks.

"This programme will give teachers that confidence to remove the barriers and allow children to experience all the amazing things a nature curriculum can offer."

Trainers get their fitness skills recognised through hands-on education

Thousands of people have regained their health and fitness with the help of the Brown Butterbean Motivation bootcamp and its founder, Dave Letele. In 2021, the organisation was also supporting its staff to broaden their horizons with on-job exercise qualifications through Skills Active.

Dave's story is well-known in the sport and fitness world and among his many thousands of participants. A former professional boxer and league player, he started the online BBM community six years ago, as part of his own efforts to get his life and health back on track.

It exploded into a thriving fitness bootcamp operation, delivering classes across south, west and central Auckland.

The aim of BBM is to get people healthy rather than to turn a profit, and the classes are free to attend. They include advice on healthy living and nutrition, along with a workout.

"People come to us for a whole host of reasons really. Health, weight loss, mental health, wanting to be around good people."

He says the BBM motto is 'No excuses' but there is also no judgement at the classes.

"You've got people from all walks of life, and all shape and sizes. These people have been through the same struggle. It's not just about the exercise, it's the culture that we've created."

BBM enrolled its team leaders, who lead the bootcamp classes, into the Skills Active Exercise Foundations (Level 3) programme.

To support the zero-cost bootcamps, Dave notes that these team leaders give their time for free.

Gaining the new qualification will help them build on the significant knowledge, skills and professionalism they bring to their classes, he says.

"If you can teach one of our bootcamps, you can teach anything. You might have someone who's 300kg, training with someone who's really fit, and you've got to structure it in a way that ensures everyone is safe and gets a workout."

Dave wants to see BBM scale up and start working within the health system to reach even more people.

"As we're looking to work with the government and with district health boards, we need to make sure that our team leaders are certified. It's about having that piece of paper that shows we are qualified, it just legitimises everything we do, and opens doors," Dave says.

He adds that for some of his team leaders, the Skills Active programme will be their first formal qualification.

"It's all about creating pathways to employment for my people. We're educating them; they are getting skills and a qualification, and as we grow and get contracts within the health system, they will be able to get paid for the work they do."

Dave says BBM recently commissioned a study by local research firm Impact Lab, which found that for every \$1 the NZ government invests in mental and physical health, the return on investment is \$13.50.

"I always say that what we do works, but now we've got the research to back it up," he says.



BBM recently commissioned a study by local research firm Impact Lab, which found that for every \$1 the NZ government invests in mental and physical health, the return on investment is \$13.50.

Directors' disclosure

Skills Active board member	2021 interests	Meetings attended
Sam Napia, chair	<ul style="list-style-type: none"> • Director, Qualworx Ltd • Chief Executive, Te Rūnanga Ā Iwi O Ngāpuhi • Director, Freedom Excel Ltd • Whānau Development Manager, Hauraki Māori Trust Board 	<p>6/6 board meetings</p> <p>3/6 Qualworx board meetings</p> <p>3/6 Audit and Risk committee meetings</p> <p>1 kaupapa Māori working group meeting</p>
Butch Bradley	<ul style="list-style-type: none"> • Executive Director, Skills Active Aotearoa • Director, Qualworx Ltd • Chair, Te Ara a Maui Inc (Māori Regional Tourism Board) • Director, Radio A Ltd • Director, Whakatu Enterprises Ltd 	<p>6/6 board meetings</p> <p>6/6 Qualworx board meetings</p> <p>5/6 Audit and Risk committee meetings</p> <p>1 kaupapa Māori working group meeting</p>
Hinemaui Rikirangi	<ul style="list-style-type: none"> • Chief Advisor Māori, System Strategy & Policy, Ministry of Health 	<p>6/6 board meetings</p> <p>4/6 Qualworx board meetings</p> <p>1 kaupapa Māori working group meeting</p>
Stephanie Hadley	<ul style="list-style-type: none"> • Director, Qualworx • Chair, Exercise Association NZ (until April 2021) • Associate, James & Wells Intellectual Property • Director, En Forme Ltd 	<p>5/6 board meetings</p> <p>5/6 Qualworx board meetings</p>

Skills Active board member	2021 interests	Meetings attended
Stephen Gacsal	<ul style="list-style-type: none"> • Director, Qualworx Ltd • Registrar, Register of Exercise Professionals for Exercise Association NZ • Director, International Confederation of Registers for Exercise Professionals • Director, Allied Health Aotearoa New Zealand 	<p>6/6 board meetings</p> <p>6/6 Qualworx board meetings</p> <p>6/6 Audit and Risk committee meetings</p>
Andrew Gunn	<ul style="list-style-type: none"> • Director, Snake Point Lodge Ltd • Director, Bertney #35 Limited • Director, Trafalga Nominees • Director, Kokoroa Farms • Chair, Qualworx • Director, Professional IQ College 	<p>6/6 board meetings</p> <p>6/6 Qualworx board meetings</p> <p>6/6 Audit and Risk committee meetings</p>
Des Ratima (Deceased August 2021)	<ul style="list-style-type: none"> • Director, Qualworx Ltd • Chair, Whakatu Kohanga Reo • Chair, Te Whanautahi Charitable Trust • Company Manager, Te Rōpu Kaitiaki O Te Wai Māori • Chair, Board of Trustees, Mangateretere School 	<p>3/6 board meetings</p> <p>2/6 Qualworx board meetings</p> <p>3/6 Audit and Risk committee meetings</p> <p>1 kaupapa Māori working group meeting</p>

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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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

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

NGĀ MAHI A TE RĒHIA

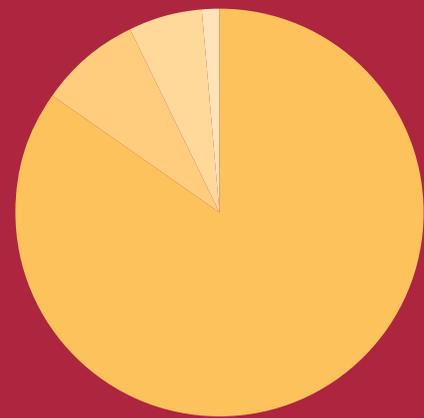
Aotearoa Māori Providers of Training Education and Employment (AMPTEE)	67
Aotearoa Māori Tennis Association Incorporated	67
Handball New Zealand	67
Hauraki Māori Trust Board	67
Te Tohu Taakaro o Aotearoa Charitable Trust – National Māori Sports Awards	67
New Zealand Māori Rugby Board	67
Te Arawa Lakes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

TOTAL SHARES

1,200

Financial snapshot

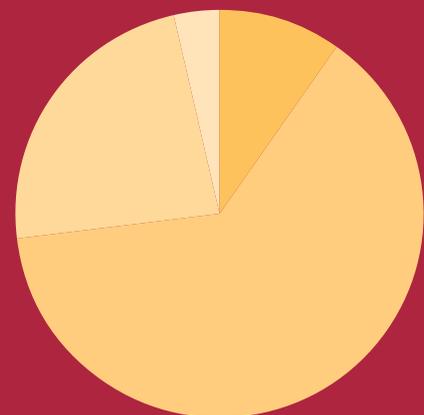
Money in



	Government grants	\$7,737,290
	Subscriptions and fees	\$687,270
	Qualworx	\$364,044
	Interest	\$61,812

Total **\$8,850,416**

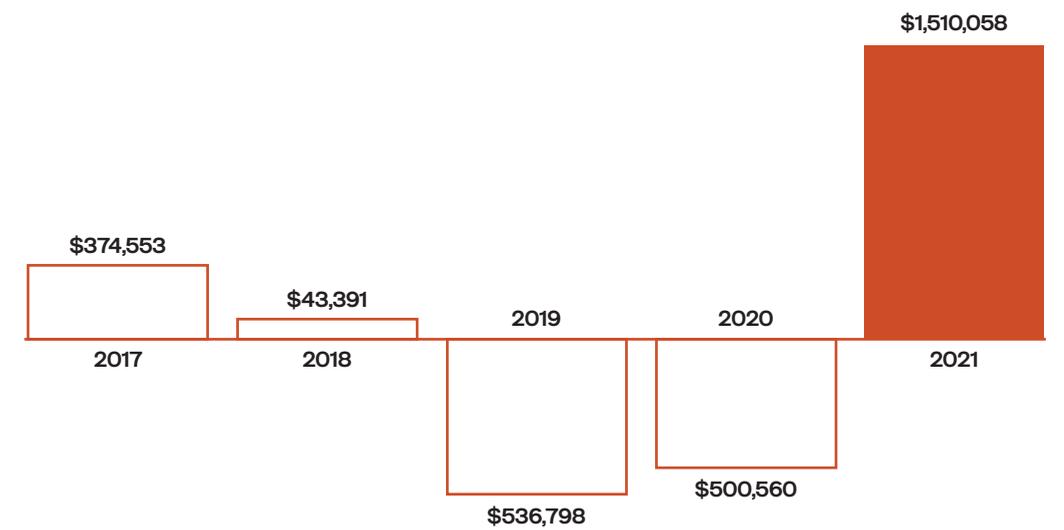
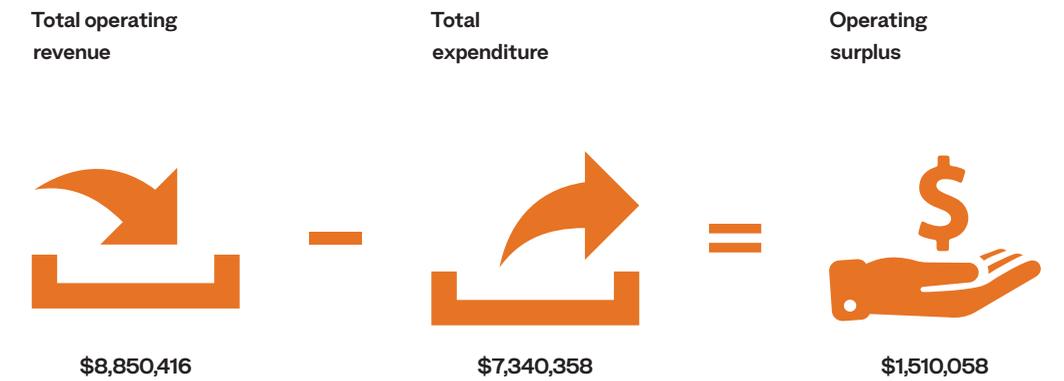
Money out



	Cost of sales	\$1,323,406
	Employee expenses	\$4,572,808
	Operating costs	\$1,240,887
	Client servicing	\$203,257

Total **\$7,340,358**

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 2021, 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 2021, 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
06 May 2022

Financial statements

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2021

Revenue	Note	2021(\$)	2020(\$)
Revenue from exchange transactions			
NZQA moderation rebate		41,258	126,030
Qualworx	4	364,044	414,977
Total revenue from exchange transactions		405,302	541,007
Revenue from non-exchange transactions			
Industry Training Fund (ITF)	5	7,617,290	5,975,078
Workplace fees and registration fees		646,012	444,739
Qualification development fund		120,000	40,000
Total revenue from non-exchange transactions		8,383,302	6,459,817
Total revenue		8,788,604	7,000,824
Less cost of sales	6	1,323,406	742,342
Gross surplus		7,465,198	6,258,482
Expenses			
Employee benefits expense	7	4,572,808	4,805,192
Other operating costs	8	1,240,887	1,777,512
Client servicing and training resources	9	203,257	267,813
Total expenses		6,016,952	6,850,517
Surplus/(deficit) before financing revenue		1,448,246	(592,035)
Interest revenue		61,812	91,475
Surplus/(deficit) for the year		1,510,058	(500,560)
Total comprehensive revenue/(loss)		1,510,058	(500,560)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021(\$)	2020(\$)
Equity at the beginning of the year		4,645,762	5,146,322
Surplus/(Deficit) for the year		1,510,058	(500,560)
Total comprehensive revenue/(loss) for the year		1,510,058	(500,560)
Equity at the end of the year	10	6,155,820	4,645,762

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021(\$)	2020(\$)
Current assets			
Cash and cash equivalents	11	944,038	775,230
Short term deposits	12	6,734,896	4,453,948
Receivables	13	153,888	284,227
Prepayments		67,865	73,244
		7,900,687	5,586,649
Non-current assets			
Property, plant and equipment	14	231,640	242,104
Intangible assets	15	80,881	94,881
		312,521	336,985
Total assets		8,213,208	5,923,634
Current liabilities			
Trade payables		576,215	357,542
Employee benefits payable		323,601	376,269
Goods and services tax payable		111,004	112,806
Revenue in advance		1,046,568	431,255
		2,057,388	1,277,872
Net assets		6,155,820	4,645,762
Equity			
Shared capital			
Retained earnings	10	6,155,820	4,645,762
TOTAL EQUITY		6,155,820	4,645,762

For and on behalf of the Board


Sam Napia
Chair
06 May 2022


Andrew Gunn
Chair - Audit & Risk Committee
06 May 2022

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021(\$)	2020(\$)
Cash flows from operating activities			
Receipts from TEC funding		8,226,157	6,379,064
Receipts from quality development fund		120,000	40,000
Receipts from charges for goods and services		1,180,784	1,344,010
Payments to suppliers and employees		(7,052,413)	(7,427,293)
Proceeds from interest received		53,950	136,925
Income tax refunded		14	-
		2,528,492	472,706
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	1,722
Payment for property, plant and equipment		(78,735)	(49,328)
Movement in investments		(2,280,949)	(416,902)
		(2,359,684)	(464,508)
Cash flows from financing activities			
Other cash items from financing activities		-	-
Total cash flows from financing activities		-	-
Net cash flows		168,808	8,198
Cash balances			
Cash and cash equivalents at beginning of period		775,230	767,032
Cash and cash equivalents at end of period		944,038	775,230
Net change in cash for period		168,808	8,198

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**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 2021 to 31 December 2021. 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 2021. The financial statements were authorised for issue by the Directors on 6 May 2022.

2. Statement of compliance and basis of presentation

The Company is a reporting entity for the purposes of the Companies Act 1993, the Financial Reporting Act 1993 and the Charities Act 2005. These consolidated financial statements have been prepared in accordance with NZ GAAP.

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 consolidated financial statements have been prepared in accordance with International Public Sector Accounting Standards adopting the New Zealand Framework for Public Benefit Entities Not-For-Profit Reduced Disclosure Regime. Skills Active Aotearoa Limited qualifies as a tier 2 reporting entity as for the two most recent reporting periods they are not publicly accountable and not large (operating expenditure was between \$2 million and \$30 million in the current and prior year for Skills Active Aotearoa Limited).

The 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 2021 calendar year and confirmed funding for the 2022 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).

Revenue is recognised when received in accordance with contracted delivery and when conditions of the agreement are met. Any potential repayment of funding is an end-of-year clawback adjustment due to over-funding by TEC and is recognised as a liability in the Balance Sheet. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding. During 2021, for the second year, funding was provided by TEC to support learners who undertake qualifying apprenticeships as a direct response to the impacts of Covid-19 and the need for people to retrain. TEC advanced funding based on an assumed 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 Revenue in Advance and recognised as revenue on a straight line basis over the expected course duration. In instances where the trainee withdraws, Skills Active may be required to return the proportion of unearned revenue to TEC. This scheme is in place until December 2022.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



ii. Workplace and registration fees

Workplace and registration fees are recognised in the year in 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. Qualification Development Fund

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

iv. Other TEC Funding

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

ii. Revenue from exchange transactions

i. NZQA Moderation Rebate

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

ii. Qualworx

The majority of Qualworx revenue is received in exchange for the provision of audit services. Revenue is recognised at the point that the audit is completed and an audit certificate has been issued. This is consistent with PBE IPSAS 9, which requires that revenue is only recognised when the significant act is completed, that being the issuance of the audit certification. Qualworx revenue is considered exchange on the basis that the audits are of direct benefit to those audited, and that the fees reflect an approximately equal exchange in value. Qualworx cost of sales is recognised when work is performed and the invoice from the third party is received. During the year, Qualworx also received revenue for providing written advice on setting up an auditing framework for a new customer, which led on to conducting a series of pilot audits for this customer.

iii. Interest revenue

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

b) Property, plant and equipment

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

Asset	Expected Useful Life	Residual Value
Motor Vehicles	3-5 years	20%
Computer Equipment	2-5 years	-
Office Equipment	4-5 years	-
Office Furniture	3-10 years	-
Telecommunications Equipment	2 years	-
Leasehold Improvements	Length of the Lease	-

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

c) Leases

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

d) Intangible assets

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

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

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

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

The residual value of intangible assets is reassessed annually.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



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 2021

4. Qualworx

	2021(\$)	2020(\$)
Qualworx revenue		
Annual JASANZ Fee	16,934	15,012
Audit fees	321,323	349,499
Disbursements recovery	18,587	26,466
WorkSafe	7,200	24,000
Total Qualworx revenue	364,044	414,977

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.

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 \$48,194 (2020: \$170,477 net deficit). During the 2021 financial year, Skills Active did not invest in share capital in Qualworx (2020: nil). 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 2022 financial year and beyond.

5. Tertiary Education Commission revenue

Skills Active became a Transitional 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 no later than 31 December 2022. Standard-setting

functions were transferred to the workforce development councils on 4 October. Skills Active Aotearoa has applied to become a private training establishment (PTE) with the intention of transferring its existing functions to this new PTE.

	2021(\$)	2020(\$)
Industry Training Fund (ITF)		
ITF Funding – Core	4,826,864	5,319,986
Apprenticeship Funding	1,105,316	531,982
ITF Funding – Targeted Training and Apprentices Fund	1,286,377	97,903
Technology Access Fund for Learners	–	3,707
TITO WDC Project Funding	298,733	21,500
TEC Bureau Funding	100,000	–
Net TEC Income	7,617,290	5,975,078

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Cost of sales

	2021(\$)	2020(\$)
Apprentice Subsidy	99,061	74,671
Assessment Fee	98,528	62,070
Bureau costs	51,516	–
CCRT WDC project costs	265,029	–
Certificate and Card Printing	–	847
NZQA Administration Fee	3,425	10,307
NZQA Credit Reporting	195,394	125,945
NZQA Managing Consistency	41,047	25,215
NZQA Programme Consultation	5,535	15,509
NZRA PLPC Fees	11,760	–
Resource Courier Costs	27,611	15,626
Resource Printing	94,404	85,585
SAMs	20,141	13,607
Technology Access Payments	-1,779	57
TTAF costs	221,703	32,227
Workshop costs	370	–
	1,133,745	461,666

Qualworx

Auditor Fees	123,107	170,952
Auditor Moderation	2,566	1,271
Disbursements	24,836	51,378
Auditor Insurance	11,994	9,857
JASANZ Fees	19,658	23,264
Specialist Advice and Consultation	–	-146
WorkSafe Fees	7,500	24,100
	189,661	280,676

Total Cost of Sales

1,323,406 **742,342**

7. Employee benefit expense

	2021(\$)	2020(\$)
Wages and Salaries	4,314,405	4,486,127
Contract Staff	69,051	121,410
Employee entitlements	4,383,456	4,607,537
Training	16,596	29,161
Other Costs	172,756	168,494
	4,572,808	4,805,192

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**8. Other operating costs**

	2021(\$)	2020(\$)
Depreciation and Amortisation	103,199	133,732
Net Loss on Disposal of Assets	-1,848	51,925
Impairment of Trade Receivables	-5,671	-60,489
Rental Expenses	203,328	256,204
Advertising	6,587	11,298
ACC Levies	9,476	8,230
Audit Fees	24,675	106,288
Directors' Fees	267,740	312,924
Legal Fees	63,098	332,982
IT Expenses	192,596	204,436
Insurance	28,815	26,213
Interest expense	-	994
Travel Expenses	28,428	29,847
Postage, Printing and Stationery Expenses	23,452	49,566
Phone and Internet Expenses	43,032	65,488
Professional Fees	112,882	89,714
Office Expenses	56,939	58,680
Repairs and Maintenance Expenses	11,604	12,525
Subscriptions and Membership Expenses	13,717	20,526
Staff Expenses	59,834	49,648
Transfer charge – scope extension	-5,353	12,900
Taxation expense	-8	5,248
Other	4,365	-1,367
	1,240,887	1,777,512

9. Client servicing and training resources

	2021(\$)	2020(\$)
Client Servicing	174,637	230,747
Conferences and Events	1,765	2,066
Partnership Agreements	26,855	35,000
	203,257	267,813

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**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 2021 were \$6.2 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. The Company has committed to funding of up to \$1.35 million to set up a new private training establishment, which will take on the functions of a training provider, including arranging training.

At 31 December 2021, share capital comprised 1,200 ordinary shares (2020: 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.

	2021(\$)	2020(\$)
Retained earnings		
Total Issued and Paid Up Capital	-	-
Balance at Beginning of Year	4,645,762	5,146,322
Net Surplus/(Deficit) after Financing Income	1,510,058	(500,560)
Retained earnings at end of year	6,155,820	4,645,762
Total equity	6,155,820	4,645,762

11. Cash and cash equivalents

	2021(\$)	2020(\$)
ANZ Bank	20,002	84,924
ASB	202	228
Kiwibank	440	440
Westpac	923,394	689,638
	944,038	775,230

12. Short term deposits

	2021(\$)	2020(\$)
ANZ Bank	-	145,129
ASB	-	500,000
Kiwibank	2,084,896	2,058,819
Westpac	4,650,000	1,750,000
	6,734,896	4,453,948



13. Receivables

	2021(\$)	2020(\$)
Accrued Revenue	30,738	137,111
Trade Receivables	123,150	163,078
Allowance for Doubtful Debts	-	(15,962)
	153,888	284,227

14. Property, plant and equipment

Cost	Computer equipment	Leasehold improvements	Motor vehicles	Office equipment	Office furniture	Total
Opening	233,381	338,066	342,312	87,306	70,439	1,071,504
Additions	24,494	-	39,991	-	-	64,485
Disposals	(29,435)	-	-	-	-	(29,435)
Closing	228,440	338,066	382,303	87,306	70,439	1,106,554
Accumulated depreciation						
Opening	179,468	252,600	286,259	65,137	45,936	829,400
Depreciation	28,380	12,678	21,932	7,853	4,106	74,949
Disposals Depreciation write-back	(29,435)	-	-	-	-	(29,435)
Closing	178,413	265,278	308,191	72,990	50,042	874,914
Net Book Value 2021	50,027	72,788	74,112	14,316	20,397	231,640
Net Book Value 2020	53,913	85,466	56,053	22,169	24,503	242,104



15. Intangible assets

Cost	Computer software	OutdoorsMark	Total
Opening	115,772	50,000	165,772
Additions	14,250	-	14,250
Disposals	-	-	-
Closing	130,022	50,000	180,022
Accumulated amortisation			
Opening	70,891	-	70,891
Depreciation	28,250	-	28,250
Disposals Depreciation write-back	-	-	-
Closing	99,141	-	99,141
Net Book Value 2021	30,881	50,000	80,881
Net Book Value 2020	44,881	50,000	94,881

16. Provision for TEC payback

The TEC letter dated 11 April 2022 confirms the wash up position for the 2021 funding. For the core industry training funding, there is no pay back required. For Targeted Training and Apprenticeship funding a payback is required of \$391,172, which has resulted from

an overestimation of the number of apprentices enrolled and the average course cost of enrolled apprentices. This amount has been fully accrued for in the financial statements.

17. Operating lease commitments

Non-cancellable operating lease rentals are payable as follows:

	2021(\$)	2020(\$)
Less than one year	139,133	139,133
	139,133	139,133

Skills Active has two leases for offices in Wellington and Christchurch. The Wellington office lease is for \$189,000 per annum. Skills Active Aotearoa exercised its 1 year right of renewal for the year ended 31 August 2022. It has a further 1-year

right of renewal option for the year ended 31 August 2023. The Christchurch office lease is for \$14,323 per annum and was extended for a further period of 12 months until 30 November 2022.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



18. Related parties

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

Directors	Organisation	Paid to Skills Active (\$)	Paid by Skills Active (\$)
2021			
Stephen Gacsal	Exercise Association of NZ	-	17,538
2020			
Stephen Gacsal	Exercise Association of NZ	-	18,690

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.

19. Remuneration paid to key management personnel

	2021(\$)	2020(\$)
\$100,000-\$110,000	1	1
\$120,000-\$130,000	1	-
\$130,000-\$140,000	3	1
\$140,000-\$150,000	-	1
\$150,000-\$160,000	-	2
\$160,000-\$170,000	2	-
\$180,000-\$190,000	1	-
\$200,000-\$210,000	-	1

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



20. Directors' remuneration paid

	Skills Active board fees(\$)	Audit & Risk committee (\$)	Qualworx board fees (\$)	Total (\$)
2021				
Sam Napia	39,000	-	-	39,000
Butch Bradley	153,000	-	-	153,000
Stephen Gacsal	15,000	980	-	15,980
Andrew Gunn	15,000	1,960	-	16,960
Des Ratima	9,660	-	-	9,660
Stephanie Hadley	12,500	-	-	12,500
Hinemaui Rikirangi	7,500	-	-	7,500
	251,660	2,940	-	254,600
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
	243,606	1,960	67,358	312,924



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

	2021(\$)	2020(\$)
Cash and cash equivalents	944,038	775,230
Short term deposits	6,734,896	4,453,948
Receivables	153,888	284,227
	7,832,822	5,513,405

Financial liabilities are reported at amortised cost and comprise trade payables of \$576,215 (2020: \$357,542). There are no financial liabilities at fair value through profit and loss.

22. Commitments and contingencies

There are no commitments or contingent liabilities as at 31 December 2021 (2020: Nil).

23. Subsequent events

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



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, even though there may be adjustments to its operating model after its arranging training functions have been transferred. Skills Active has sufficient reserves to draw upon whilst it goes through this organisational change. It is therefore expected that Skills Active will continue to operate as a going concern for the foreseeable future.

Skills Active has continued to operate successfully through the ongoing impacts of the COVID-19 pandemic despite times of restricted access to workplaces and limitations on staff travel. Skills Active learner success rates have been maintained and Qualworx audit assignments have continued with only minimal disruption. The process to transition Skills Active's transitional industry training organisation (TITO) functions are well advanced with standard

setting successfully transferred to workforce development councils. Arranging Training functions are planned to be transferred in quarter 4 of 2022 to a newly formed private training establishment (PTE) to be wholly owned by Skills Active. The application to become an accredited PTE was lodged with NZQA at the end of February 2022 and we have been fully engaged with TEC and NZQA throughout the application process. The outcome of the application is expected to be known by June/July 2022 and the new PTE functions to commence operating from the beginning of October 2022. Once NZQA have confirmed accreditation, TEC will then confirm funding of the PTE for the 2023 year and beyond.

In preparation for and in anticipation of the PTE application being successful, a new company was registered on 2 November 2021 named Skills Active Te Mahi Ako Limited, with Skills Active Aotearoa Limited as the ultimate holding company.

Directory

Skills Active Board

Sam Napia
Andrew Gunn
Butch Bradley
Stephen Gacsal
Stephanie Hadley
Hinemaui Rikirangi

Registered Office

14 Sages Lane
Te Aro
Wellington 6011

Solicitor

Dentons Kensington Swan

Bankers

ANZ
Westpac
ASB
Kiwibank

Auditors

BDO New Zealand

Contact

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