

○ 2017 Skills Active Annual Report

Stronger Together





Fuel the fire within!



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Who we are

Our Purpose

To build a highly-qualified workforce in the sport, exercise, recreation, performing arts and snowsport industries, leading to productive and sustainable organisations that provide quality services to New Zealand.

Ki te whakakaha ake i te hunga mahi i te ahumahi ā-rēhia kia puta ai he whakahaere whai hua, whakauka hoki e tuku ratonga kounga ai ki Aotearoa.

Our Vision

Our industries' first choice as a partner for workforce development.

Our Approach

We will be leaders and role models of:

BICULTURALISM

SERVICE EXCELLENCE

CONTINUOUS IMPROVEMENT

Our Values

Our actions will be driven by our core values:

TIKA

We do what is right

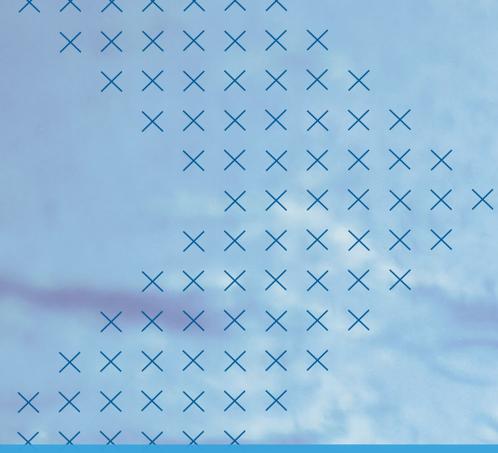
PONO

We are true to ourselves

AROHA

We demonstrate respect and care





Our strategic outcomes

SKILLS ACTIVE:

Leads and innovates workforce development in our industries.

Continues to grow as a strong organisation; relevant and valued by our industries and supported by all our stakeholders.

Workforce solutions are developed that are led and endorsed by industry.

Is seen as the one-stop-shop for planning, developing and supporting careers in our industries.

Our strategic themes

Our strategic outcomes will be achieved through our actions targeting the following themes:





Sam Napia Chair's report

Ka mimiti te puna i Hokianga Ka totō te puna i Taumarere Ka mimiti te puna i Taumarere Ka totō te puna i Hokianga Engari, ehara i te puna wai, he puna tāngata!

E tuhihi nei hau i tēnei ripoata i te wiki muri tata nei i te wā e kīa nei ko Te Aranga, ā, ko te aranga mai anō o tō tātou Kaihakaora a Ihu Karaiti. Nā reira, ko te mea tuatahi, ka tuku atu te reo hakawhetai me te reo hakamoemiti ki a ia. Tika tonu, e mea ana te karaipiture: “Kōia anō te aroha o te Atua ki te ao, homai ana e ia tōna tama kotahi, kia kore ai e ngaro te tangata e whakapono ana ki a ia, engari kia whiwhi ai te ora tonu”

Tuarua, ka mihi atu ki ō tātou tini mate maha. Hoki atu koutou ki te Pūtahitanga o Rēhua, ki te kainga i hangaia e tō tātou Kaihanga mō tātou mō tēnei mea te tangata. Haere, haere, haere atu rā.

Ko te tīmatanga kōrero i runga nei, he kōrero tawhito i ahu mai i Ngāpuhi e pā ana ki ōna hapū me te tata o ngā hononga o ngā uri o Rahiri, tētahi ki tētahi. Ka hakarite ai tēnei mea te puna ki te huihuinga-tahi o ngā tāngata kōtahi te take. Pēra tonū ko te hakaaro hakataki mō tēnei ripoata e mea ana: ko tātou toa, he toa takitini.

Ka nui aku mihi e tūwhera ake nei i tēnei ripoata i tēnei wā. Tēna koutou, tēna koutou, tēna anō hoki tātou katoa.

The Skills Active 2017 Annual Report has been given the theme of **Stronger Together**. In recent months, we as an organisation have been reflecting on the achievements and the changes of the year past, and how these were made possible through our working relationships, both within the team and externally.

The phrase ‘working relationships’ can perhaps have two meanings. These are relationships *that work*, because the parties come together in good faith and share certain values and goals. And they are relationships that *get work done*. And both meanings rang true for us in 2017. Through the efforts of the staff, the board, our workplaces and trainees, our industry partners and stakeholders, and our partners in government, we achieved great things. We were indeed stronger together.

Our programme roll-out schedule was ambitious. We kicked off by introducing our new flagship qualification, the New Zealand Certificate in Sport, Exercise and Leisure Operations. We also rolled out the NZ Certificate in Aquatics (Pool Lifeguard), and the NZ Certificate in Business (Administration and Technology). And we rolled out almost an entire suite of new snowsport qualifications, covering everything from Snow School Instruction and Facility Operations through to Snowgrooming, Snowmaking and Equipment.

The organisation has returned healthy surpluses for the past few years. The board considers now is the right time to invest back into our industries by committing increased time, resource and staff to accelerate the roll-out of the new, post-TROQ qualifications. We will also be investing in improved information technology so that our clients are more easily able to sign up and complete our qualifications online. Through this, the board is signalling that we are budgeting for a deficit in 2018, as we deliver this important work.

Performing arts scope

In April, we gained scope to become the industry training organisation for the performing arts. This was the culmination of years of engagement with our performing arts stakeholders, to develop a plan for nationally-recognised on-job training in this lively and dynamic industry.

This consultation period revealed strong support for the scope extension, with industry and government partners describing the introduction of ITO coverage as a positive development for the industry that would lead to more integrated and relevant training, and clearer career progression for staff. They also saw the potential for an ITO to contribute to better advocacy, influence and leadership in the industry.

Value of the service industries

Under the banner of our service ITO group, At Your Service Aotearoa, we jointly released a research document in May that quantified the enormous contribution made by our combined industries to New Zealand gross domestic product, and to employment in this country.

The report, produced by BERL, showed that 200,000 new workers will be needed in the service industries by 2020 to fill new and vacant roles. Launched at Parliament by then Minister of Tertiary Education, Skills and Employment Paul Goldsmith, and with the election fast approaching, it served as a timely expression of the huge value of our industries and their hunger for skilled people.

External Evaluation and Review process

In September, Skills Active received the highest rating possible for its 2017 external evaluation and review (EER), conducted by NZQA.

The four-yearly process reviews the educational performance and capability of all non-university tertiary education organisations. NZQA reported their judgement of Skills Active to be Highly Confident in both ITO performance and capability of self-assessment.

NZQA noted in particular that Skills Active demonstrated:

- Effective engagement and collaboration with its industries
- Research-led strategy and planning
- A strong commitment to continuous improvement
- A strong commitment to biculturalism
- An active and engaged board, and clear leadership.

Two Highly Confident judgements is the best possible result for an EER process, and stands as an endorsement of the work put in by the entire team to develop high-quality, industry-led qualifications and training pathways.

Governance and strategy

An outcome of the board’s strategic planning meeting in August was the formation of a new committee of the Board known as Titiro Anga Whakamua – “To know from whence we’ve come; to look forward to where we may go.” This committee will assist and guide the board’s strategic direction; importantly too, the committee is to provide advice to the board on both the Māori and Pasifika strategies and assist the board in further developing its high-level relationships in government and industry.

The board also came out of the strategic retreat with a heightened awareness of the need to reconnect and strengthen the narrative of why Skills Active is here, and to celebrate the work and build the mana of our industries. To this end, Titiro Anga Whakamua is leading work on a narrative strategy that will put the focus on our industries – telling their success stories and reinforcing the link between

the work they do and the wellbeing of New Zealanders. A further project for the board in 2017 was work towards an historic pan-ITO kawenata (covenant) with Waikato-Tainui, which will see the industry training sector gain first access to the on-job training opportunities presented by the highly anticipated inland port – the iwi’s major land development now underway in Hamilton. This agreement was awaiting completion at year-end, with the signing ceremony scheduled for February 2018.

Part and parcel of this work was the establishment of Te Rautaki Whakarōpū Māori (the ITO Māori collective), in which Skills Active played a key role.

The review of the constitutional criteria of shareholders, which I touched on in last year’s annual report, is continuing.

Overall performance

In summary, we can be proud of some very strong results for 2017, and this includes exceeding our targeted completion rates. We achieved 84% credit completion, against a TEC target of 75%, and Māori trainees outperformed the overall average, achieving 86% credit completion, against a target of 75%. Pasifika trainees achieved 77% credit completion, against a target of 75%.

It should be noted that in 2017, industry training organisations stopped measuring overall programme completion, as this metric has been superseded by TEC’s shift to a cohort system of recording individual completions.

Heoi anō rā, me mutu mai i kōnei āku kōrero ki a koutou. Kia ora huihui mai anō tātou.

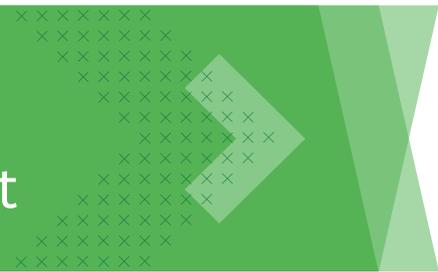
Mauri ora

Sam Napia
Chair



Grant Davidson

Chief Executive's Report



Kia ora tatou.

It gives me great pleasure to report on another successful year, working together with our industries to grow the skilled and qualified workforce delivering for the wellbeing of our communities.

In his Chair's report, Sam Napia has already highlighted a number of high-level achievements made by our team. These included achieving a Category One result – the highest possible – in our External Evaluation and Review, carried out by NZQA. This is a ringing endorsement of the systems and processes we have worked hard to build and implement over the last five years. It confirms that our industries and graduates can be assured of the skills and competence of their qualified staff.

I would also like to reiterate the importance of the work we have carried out with our service sector ITO colleagues. The STEM occupations (science, technology, engineering and maths), which are strongly linked to the traditional construction trades, get a disproportionate amount of airtime in the media and with government. This is understandable during an era of housing shortages and major infrastructure upgrades. However, New Zealand has not won its reputation as a great place to live solely by the quality of its infrastructure.

We are known for, and proud of, our quality of life. And this springs in part from the passion and hard work of the people who make up our service industries – those working in exercise, sport, recreation and the performing arts; those in hairdressing and beauty; those doing skilled care work in mental and physical health, social and youth work; and those who staff our tourism and hospitality sectors. Collectively, they deliver services that lift the overall wellbeing of all New Zealanders, and those who visit us.

The service sector adds \$48 billion to the New Zealand economy every year, and comprises 30% of all jobs. Our people do not always make the front page of the newspaper but their shared contribution is enormous. Just reflect on some of the typical activities in your week – what a different experience life would be without visits to the gym, coffee on

the way to work, or a caring pair of hands when your health is at a low. What have you got when you take away the café lunches with friends, the school camps and music lessons, haircuts and makeovers, and the trips to the stadium, the rec centre, to a concert, a play?

I am incredibly proud of the impact on New Zealand society made by all of those we partner with - workplaces, employees, volunteers and industry associations. Our role is to support their work through the services we offer, so that together we are stronger, and together we can deliver more and higher quality experiences that lead to an exceptional life in this country.

To this end, I just want to mention a few of the things that stand out as achievements this year at an operational level:

- We exceeded our TEC targets for enrolments into our programmes
- Customer satisfaction levels were greater than 90%
- Māori achievement exceeded non-Māori for the first time
- We developed an online tool to explore career pathways in our industries
- We put together a Workforce Scan, highlighting the current workforce in our industries as well as future trends
- We developed workforce planning tools for our industries, piloting them with three workplaces
- We developed and listed 43 new qualifications, 175 unit standards, 18 programmes and 172 assessment resources
- Approximately 1500 learners used our online assessment system
- We developed and launched online portals where our workplaces, assessors and trainees can access real-time information about their qualifications
- We launched the Qualworx (Te Ara Kounga) brand to promote our range of quality assurance and audit products, as well as a platform for our international business

- We engaged Designworks to drill down into our brand proposition and better tell the collective stories of our industries and their impact.

2017 has been a highly productive year and I am excited about the base we've built to springboard into even more productive outcomes in 2018.



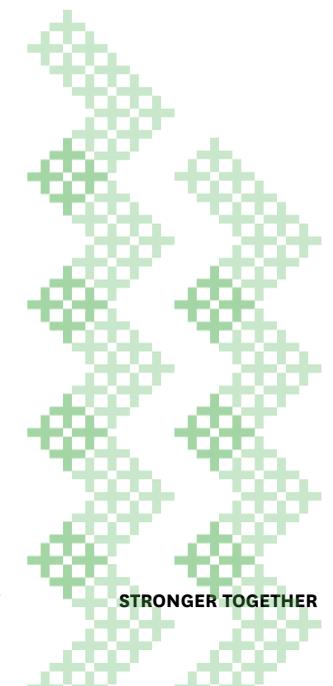
Most importantly, we have a capable and dedicated group of staff committed to working with our industry partners to drive those industries forward.

I am pleased to report that despite a demanding workload, our organisational culture has stayed in line with our stated goal of improving the wellbeing of New Zealanders. We are proud to have been a finalist in the IBM Best Workplace competition. Skills Active is an organisation producing great work, with great people, who enjoy working together.

Thanks to our workplaces, our trainees, our industry associations and partners, our staff and board members who all believe in the important part we play for all New Zealanders.



Grant Davidson
Chief Executive



Snapshot of our industries



EMPLOYMENT BY GENDER

All Skills Active industries

Male

51%



Female

49%

Total economy

Male

53%



Female

47%

FILLED JOBS IN INDUSTRY

2016

101,134

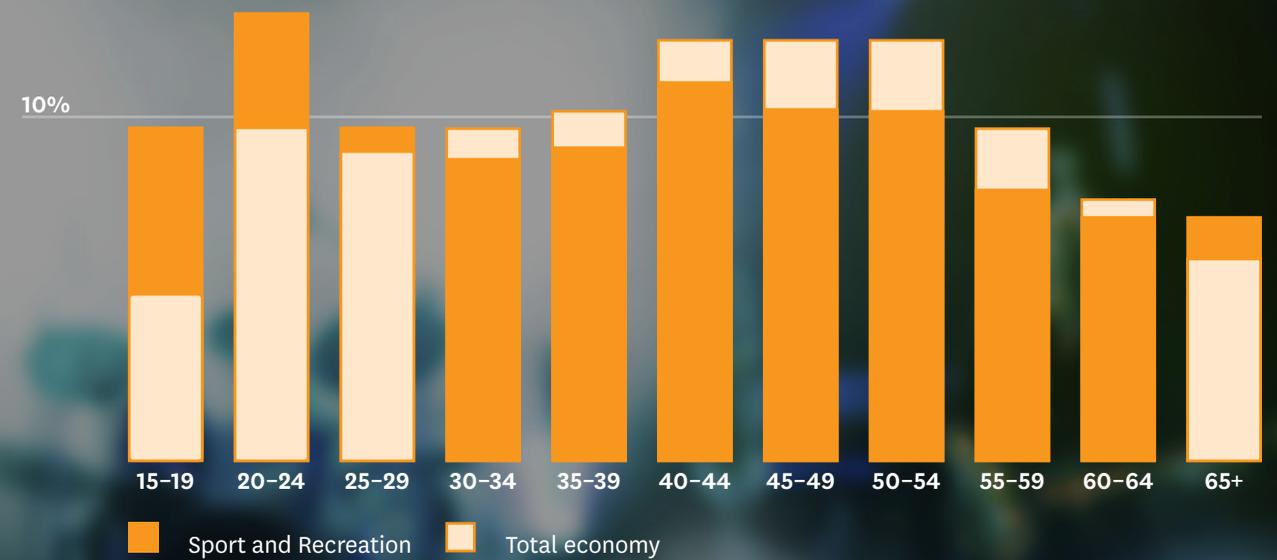
4.3% of jobs

ECONOMIC CONTRIBUTION

\$6.69b
GDP

3% of New Zealand's GDP in 2016

EMPLOYMENT BY AGE



82.5%
Pakeha participation

11.3%
Māori participation

4.2%
Pasifika participation

Some of our partners



NZRA's vision is that in 2020 New Zealand has a strong recreation industry that meets the needs of current and future participants, so that through recreation, New Zealanders are active, healthy, and connected.

"From your front door to the great outdoors, we are championing high quality recreation in New Zealand," says NZRA CEO Andrew Leslie.

In 2017, NZRA worked closely with Skills Active on a number of workforce projects, including developing and launching the new lifeguard qualifications and accompanying resources, so that lifeguards have a pathway to add credits to their NZQA record of achievement.



EONZ creates lifelong opportunity for New Zealanders to have meaningful experiences in the outdoors. EONZ and Skills Active have been partners for almost a decade, working together to increase participation in quality outdoor learning experiences, through building capability and improving the practice of educators. In 2017, work continued between the two organisations to promote Education Outside the Classroom qualifications to schools, and progress the review and development of new New Zealand qualifications.



Outdoor recreation is a central part of the fabric of Kiwi life. With nearly 11,000 people employed across the industry, NZOIA plays a key role in promoting excellence in outdoor instruction and guiding through qualifications for professionals.

"The New Zealand Outdoor Instructors Association (NZOIA) provide training, qualifications and revalidation for professional outdoor instructors and guides. Our vision is to create positive change through excellence in outdoor leadership. We are working in partnership with Skills Active towards providing a pathway to the New Zealand Certificate in Outdoor Leadership," says NZOIA operations manager Penny Holland.

In 2017, Skills Active and NZOIA sought industry input to develop the qualifications and unit standards that were listed with NZQA during the year. We continue to work in partnership to ensure we can train, assess and qualify leaders, guides and instructors who provide safe and enjoyable outdoor experiences.



Swimming is New Zealand's second most popular recreational activity, with over a million people jumping in the water for their preferred activity. Swimming NZ strives to ensure every New Zealander has the chance to access quality learn to swim opportunities.

The organisation had over 19,000 members in the last year, and trained more than 600 swim teachers and 5000 school teachers. Through the partnership between Swimming NZ and Skills Active, over half of the swim teachers achieved an NZQF – recognised qualification.



Sport NZ's mission is to create a world-class sports system at all levels, so we have "more kids playing and enjoying sport; more adults participating and getting involved; and more Kiwi winners on the world stage". Sport NZ and Skills Active have worked over a number of years towards the shared goal of developing skilled and qualified staff and volunteers, leading to strong commercial and volunteer organisations, and more benefits to New Zealanders through quality sport and recreation opportunities. In 2017, the organisations worked together developing career pathway tools for the industry, supporting a workforce planning approach, developing a new leadership framework, and spearheading a project to ensure the quality delivery of sport in schools.



"At Exercise New Zealand, our mission is ultimately to see more Kiwis actively using structured exercise. To support this, we offer a range of membership-based services to providers of exercise whether big or small and across a range of disciplines. More recently we have been supporting the increasing diversity of providers in New Zealand, including yoga, which is growly strongly," says Exercise NZ chief executive Richard Beddie.

"While much of our work is behind the scenes, such as engaging with government on behalf of the exercise industry, the most exciting work we do is when we get to make a direct positive impact to Kiwis and their desire to exercise," Beddie adds.

In 2017, Exercise NZ worked with Qualworx to jointly launch the Fitsafe safety audit product. They continued to collaborate closely with Skills Active during the year on our shared goal of listing the new suite of exercise qualifications.



The performing arts industry enriches and energises the cultural and social life of New Zealanders.

The Event Venues Association New Zealand (EVANZ) represents some 750 members and over 120 venues throughout New Zealand, and Entertainment Technology New Zealand (ETNZ) has over 250 individual and organisation members.

"As an organisation, we understand the value of education within our sector. We are excited to be associated with Skills Active, after working with them over a period of time to be able to deliver an education opportunity for our members, that will be recognised throughout New Zealand as an industry qualification," says EVANZ president Keith Parker.

ETNZ is the national body representing technicians in the entertainment, theatre and event industry across both the professional and amateur communities.

"Having been key partners in the development of the new Entertainment and Event Qualifications, we are excited to see these move into the delivery stage. Without the partnership with Skills Active our dream of qualifications would still be just that, a dream. We look forward to having a suite of qualifications that will be proudly recognised through the industry," says ETNZ president Vicki Cooksley.

In 2017, Skills Active gained scope to become the industry training organisation for the performing arts. Both EVANZ and ETNZ continued to work in partnership with us during the year to develop a qualification pathway for the industry.

Our outcomes

Workplace Survey Summary

General Communication



Qualification Service



Qualification Support



Learning and Assessment Resources



Value of the Qualification



Recommendation to Others



Assessor Survey Summary

General Communication



Assessor Support



Learning and Assessment Resources



Assessor Training



Recommendation to Others



Trainee Survey Summary

General Communication



Qualification Service



Qualification Support



Learning and Assessment Resources



Your Assessor



Value of the Qualification



Recommendation to Others



Stakeholder Survey Summary

Interaction with Skills Active



Skills Active as an Organisation



2017 2016

Summary of Key Performance Indicators

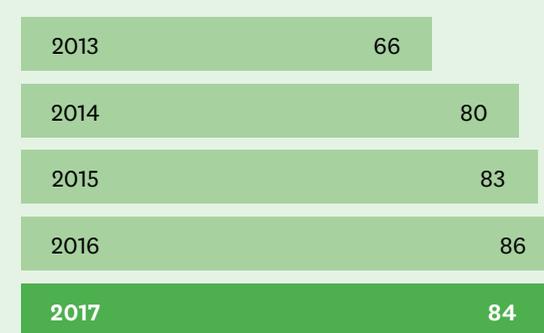
INDUSTRY CASH CONTRIBUTION (%)



STANDARD TRAINING MEASURES (STMS) BEFORE OFFSETS



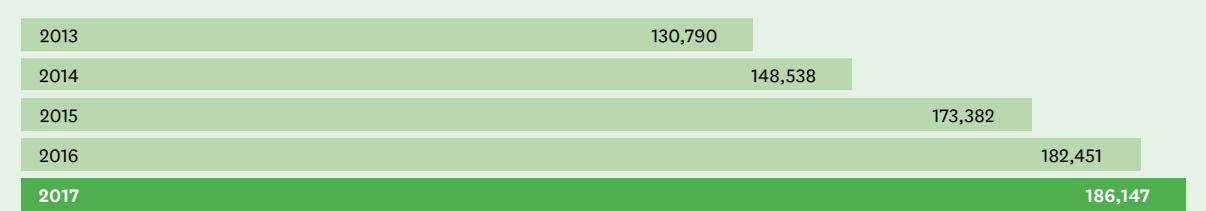
CREDIT ACHIEVEMENT RATES (%)



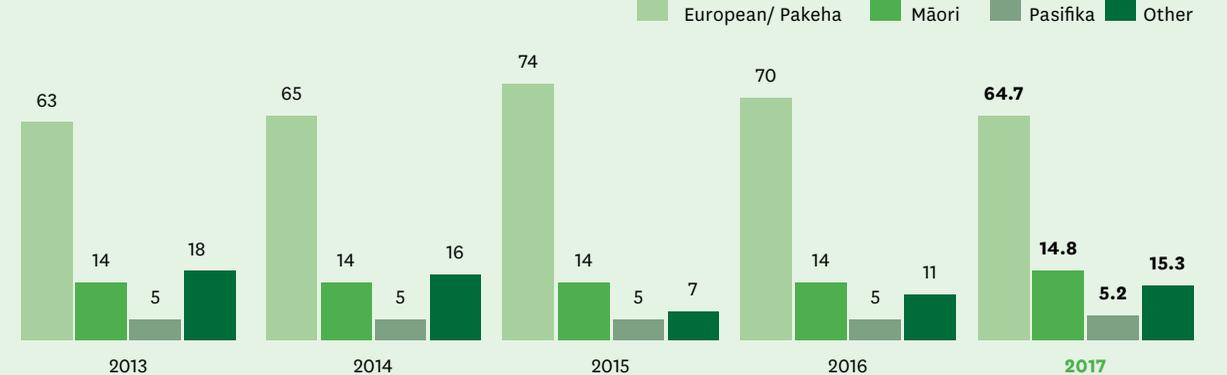
NATIONAL QUALIFICATIONS ACHIEVED

2013	2796
2014	2737
2015	3355
2016	3848
2017	3912

CREDITS REPORTED



TRAINEE ETHNICITY (%)



OUR HEROES





Mark Chapman

Realising a vision for outdoor education

Mark Chapman is a passionate teacher who believes the best lessons are learned outdoors, and he shares this philosophy in his role as a PE teacher at John Paul College in Rotorua.

Mark has a long-term vision for bringing outdoor education to the students at John Paul. He has big goals for developing and growing the outdoor programme, and he's passionate about what he's trying to achieve with his students.

"For me, life experiences are the best teachers; I have gained the most growth through being in the outdoors and being challenged, taking other people out, and sharing that love for the outdoors." Mark says.

He inherited his love of the outdoors from his Dad. Growing up in the UK, he spent his holidays walking all over the Yorkshire Dales with his family. He sees learning as a lifelong process, and in 2017, his energy and enthusiasm saw him named Apprentice of the Year, after completing an outdoor recreation apprenticeship with Skills Active.

Mountain biking and tramping are two of his most loved outdoor pursuits, so he made these the focus of his New Zealand Apprenticeship – Multi-Activity Instructor.

He says he is always striving to "plant the seed" with his students so that they will see the value of all the physical, mental and social benefits of outdoor recreation.

"For kids and their future participation, it's huge. We only have them for a certain amount of time, but if we can plant a seed and get them in the outdoors and they can enjoy that experience, it's going to be really good for future generations."

John Paul College has large outdoor recreation and Duke of Edinburgh programmes, and Mark has now also qualified as an outdoor recreation assessor, so that he can support other college staff who wish to go through on-job qualifications, and support kids taking programmes as well.

He says he is always looking for ways to make the programme better, and when overseeing big outdoor trips with many students, it's vital to have confidence in the staff members leading those trips.

"So, as a school, we are trying to upskill our staff, and being an assessor, I can assess the qualification as well. That is going to be massive for the school in regards to building capacity."



Sara Bird

Paying it forward

Sara Bird has given thousands of hours of her time to building and nurturing sports and recreation in her town of Wairoa.

In her paid job at the Wairoa Community Centre, she manages more than 20 staff who work at the wet and dry facility, which has a swimming pool, fitness centre, function rooms and gymnasium.

But it's in her spare time that she has been lending a hand with a wide range of clubs and sports.

Her involvement with Wairoa schools over the years has included everything from helping people apply for sports funding for their kids, to coaching sports teams, right down to washing the rugby jerseys on Saturdays.

Along with schools, she has volunteered her time and skills with Wairoa Swimming, Wairoa Celtic Sports, Wairoa Athletics and Wairoa Basketball Association.

In 2017, she organised a charity boxing event, did financial and secretarial work for the Celtic Sports club, was president and swimming instructor at the Swimming club – oh, and she was also a volunteer firefighter!

Sara has been a volunteer for more than two decades. “The reason I started volunteering was because there are a lot

of swimming coaches and instructors that had given time to me, and I had achieved a lot in my swimming career, so I just wanted to give back,” Sara says.

She was the 2017 recipient of the Skills Active Volunteer Development Award, and received a \$500 grant to be put towards her learning and development. The award recognises not just volunteering, but also developing and growing skills in the sport and recreation industry – and this is something Sara has been doing plenty of.

The Community Centre has put 75 people through on-job training with Skills Active, from lifeguard training to exercise qualifications, event management and more. Sara promotes on-job qualifications with her team, and she herself is an assessor, which smoothes the path for staff to complete their qualifications.

Sara says the Centre has a high proportion of Māori staff – reflecting the demographics of the Wairoa community – and the 2017 cohort of five lifeguards in training were all young Māori. On top of Sara's award, a further \$1,000 was granted to continue the Centre's commitment to learning and development for its team.



**I HAD ACHIEVED A LOT IN MY SWIMMING CAREER,
SO I JUST WANTED TO GIVE BACK**



**IT'S ABOUT MENTAL WELLBEING, TEACHING OUR VALUES,
AND HAVING FITNESS IN YOUR LIFESTYLE**



Paul Hampton right

Victory Boxing

Teaching values through the medium of sport

Victory Boxing is a community organisation based in Nelson that gets kids into the gym, where they learn skills in life as well as in boxing.

Former teacher Paul Hampton is at the heart of the organisation, having started it out of the local YMCA with a handful of kids back in 2011. It now operates six days a week from its own site, and caters to hundreds of members of all ages – but the ethos has always remained the same.

“The big focus about the gym is not just around fitness. It’s about mental wellbeing, teaching our values, and about having fitness in your lifestyle,” Paul says.

“We just use the boxing skills and training methods to invigorate these guys, pull out some challenges, and plug away at knocking them over.”

Paul says volunteers are the “backbone” of Victory, and the ones who have made it possible for the gym to have such a big impact in just a few years.

This is why the organisation enrolled five volunteer coaches at the gym in the Skills Active National Certificate in Recreation and Sport (Developing Coach) in 2017. Not only did this help the coaches to further improve their coaching, Paul says, but it showed them that they were valued.

This dedication to skills and training for volunteer staff saw Victory Boxing win the 2017 Skills Active Transforming Tomorrow’s Workforce Award.

The prize included a \$1,500 learning and development grant, which went towards additional support for the trainees as they completed their qualifications.

Upskilling the volunteers is all part of Victory’s vision for ongoing growth, Paul says.

“As our group becomes more diverse, we have got these wonderful, committed volunteers, so we are always looking to do things a little bit better, and to be as professional as we can.”



From left: Erena Calder-Hawkins, Sam Napia

Erena Calder-Hawkins

Gearing up for the world stage

New Zealand's top badminton players may never be as famous as Silver Ferns or All Blacks, but they too know the satisfaction of excelling in their chosen arena.

Despite being just 20 years old, Erena Calder-Hawkins has been excelling in the world of badminton for quite some time. But playing a minority sport has its challenges, she says.

In 2016, Erena won the Australian Junior International tournament. She is a member of the New Zealand National Senior Training Squad, a former Under-19 NZ representative competing at two World Junior Championships, and was also a finalist for the Badminton NZ Junior Player of the Year. In 2017, Erena was a quarterfinalist in the mixed doubles at the Tui Medical Waikato International, Casa del Sole Noumea International, and NZ Senior Nationals. She was also a women's doubles quarterfinalist at the Oceania Championships, Tui Medical Waikato International and NZ Senior Nationals.

Of Tainui descent, Erena is studying biotechnology and biochemistry at the University of Waikato. She plans to go to Denmark in August 2018, to clock up as much court time as she can get in Europe – which will help her tackle her twin goals of competing in the Olympics and Commonwealth Games.

“[2018] and the year after that is all about gaining experience. Being a young athlete, it's a sport where you need quite a lot of experience.”

Erena was the winner of the 2017 Skills Active Māori Sports Scholarship, and the \$5,000 prize will help fund the move, as well as cover tournament fees and training costs.

Skills Active, in partnership with Te Tohu Taakaro o Aotearoa Charitable Trust, has been awarding the annual scholarship since 1999, to outstanding young Māori athletes in support of their sporting and academic achievements.

Erena says she was over the moon about winning the scholarship.

“Being in a minority sport, we have to pay for a lot of stuff out of our own pockets. So scholarships such as this one are critical to helping Māori youth support their dreams of being sporting stars,” she says.

“The sport is not as developed in Oceania, so going somewhere like Europe provides a really good opportunity to compete in more tournaments, and train with people at a higher level.”



From left: Dyanina Lukitau, Velonika Luka, Latu To'omaga

Velonika Luka

A journey from illness to strength

Velonika Luka was midway through a Bachelor of Nursing a few years back, when her husband had a heart attack, and then an aneurysm, and her mother developed cervical cancer.

Velonika's top priority was looking after her husband, whose health issues were ongoing, and making sure her mum was well cared for in her final months, so she withdrew from her studies – but her sadness at not being able to complete her degree lingered.

In 2016, she decided to return to the world of learning and signed up for a National Certificate in Group Fitness with Skills Active. But shortly after she started, a routine mammogram picked up the early stages of breast cancer.

Velonika was soon finding herself exhausted from her chemotherapy appointments, and she still had to juggle her job, family and social life, as well as her Skills Active qualification. For a while, she put off telling her assessor, Latu To'omaga, about the diagnosis.

“When I told him about it, I said, ‘It's the story of my life. I start something and then I don't finish it.’” But Latu encouraged Velonika not to give up, and arranged for her qualification to be paused so she could take time to focus on her treatment.

When she returned to the training, it was still frustrating not having much energy or time to prepare group routines. Three

more times, Velonika texted Latu, saying she was thinking of giving up.

“Each time, he reassured me. ‘Just breathe. You've come so far.’”

It helped that Velonika felt the regular exercise was keeping her strong and resilient, and she had another driver too - her wish to inspire her fellow Tokelauans to get active.

“The Samoan community has always been really into exercise. But over the last four years, I've never come across another Tokelauan at a community exercise class. I would like to be an instructor so that I can get other Tokelauans coming in.

“In fact, someone from the Tokelauan community approached me about starting up a class. I said, ‘Wait until I'm qualified!’”

Velonika pushed through and completed her qualification, graduating in early 2017. With her background supporting patients in the community, she's hoping that through her work as a fitness instructor, she will be able to offer extra help and support to those exercisers who are recovering from illness and injury.

Waikato-Tainui

Growing jobs, skills and enterprise on a sweeping scale

When it comes to skills and employment, Waikato-Tainui has a vision for its people, and it is taking direct action to make sure the opportunities are there for iwi members to succeed.

Tainui wants to see 75% of all working-age, registered iwi members in part- or full-time employment, and 46% earning at least the median income, by 2050. The iwi is behind Ruakura, a massive inland freight hub development in Hamilton, which will be accompanied by housing, retail, education, commercial and recreation spaces.

This 50-year “project of national significance” is expected to support up to 12,000 jobs by the time it’s completed.

To this end, one of the steps the iwi took in 2017 was to set about creating an historic partnership that would bring the iwi together with the industry training sector, to make direct connections for on-job training to support the Ruakura precinct.

Over the course of 2017, the iwi worked closely with the ITO Māori collective, Te Rautaki Whakarōpū Māori, to develop a plan for the relationship – what it would look like, the roles of the parties, and the shared goals.

Some of the ideals that Tainui are looking to realise through the partnership include building a whānau-centric approach to training, delivering skills to trainees based on industry need, and providing pastoral care for trainees.

Te Rautaki Whakarōpū Māori’s proposals, which resonated with Tainui, included the ITOs playing the role of opportunity brokers between the iwi and employers, having a mentor system to support trainees, and custom programme design led by Tainui.

At year-end, a kawenata (covenant) had been drafted, with signing ceremony scheduled for February 2018. As the Ruakura development continues full steam ahead, Tainui is doing the mahi to build career pathways for its people through industry training.



Nikki Williams

Getting the seal of approval for client safety

Self-employed personal trainer and group fitness instructor Nikki Williams has been guiding exercise clients for 30 years, and the safety of her clients is paramount for her.

Nikki is Fitsafe certified, which means she has completed an audit process with Qualworx that ensures that her business has a client safety focus, and meets not only its legislative requirements but also the good practice principles of its industry.

No-one in the fitness industry is so experienced that they don’t need to worry about safety, Nikki says. Staying safe and effective means refreshing your knowledge as needed.

“That means qualifying and re-qualifying, because when you’ve been in the industry for 30 years, things have changed, and I just knew that I needed to be qualified enough to be confident in what I was delivering.”

Like many exercise industry professionals, Nikki’s job has a lot of variety built into it.

“I work across five venues; I have one site where I work as a group fitness instructor and a personal trainer, so I needed to do an [audit] document for both of my streams in that facility.

I also teach near a pool, so that’s different. I also work in a 24-hour gym, so I am on my own quite a lot.”

Nikki works in a semi-rural area, and many of her clients are small business owners themselves.

“They understand the level of health and safety that is required in their business. So to know that their personal trainer is doing their due diligence is important to them.

“I have received a better response to gaining the certification than I thought I would.”

Nikki worked with Jason Hare from Qualworx to complete her certification. She says she looked at the process as being “not as a way of telling me that I wasn’t doing what I needed to do, but just to tell me what I wasn’t doing”.

“There is so much grey out there and really, health and safety is quite black and white, and I knew I would have gaps.”

Jason was able to make her aware of what was missing from what she was currently doing. “Then it was really clear to me what I needed to do, and the rest just fell into place.”

Hanmer Springs

Getting staff off to the right start

At Hanmer Springs Thermal Pool and Spa, staff get the opportunity to develop and grow their skills right from day one – even if (especially if!) they are brand new to the sport and recreation industry.

Training manager Yvonne Hughey is charged with growing and nourishing the talent pool within the organisation, and this includes making sure all 120 employees are fully inducted and trained, and have ongoing professional development.

In 2017, Hanmer Springs took up the New Zealand Certificate in Sport, Exercise and Leisure Operations (SELO) as its base qualification for getting all new staff up to speed. They use this qualification to teach staff Hanmer Springs' values and culture and how these are applied in the workplace every day.

Having Yvonne onboard is an indication of Hanmer's genuine commitment to giving staff opportunities to learn. Yvonne completed SELO herself so that she could become an assessor for the qualification and ease the process of getting others qualified.

She supports team members as they complete their on-job training, and she likes the fact that SELO focuses on culture and values, so it's relevant across all the teams in the business – whether at the pools, the spa, the artisan spa, information centre, kiosk or the café and grill.

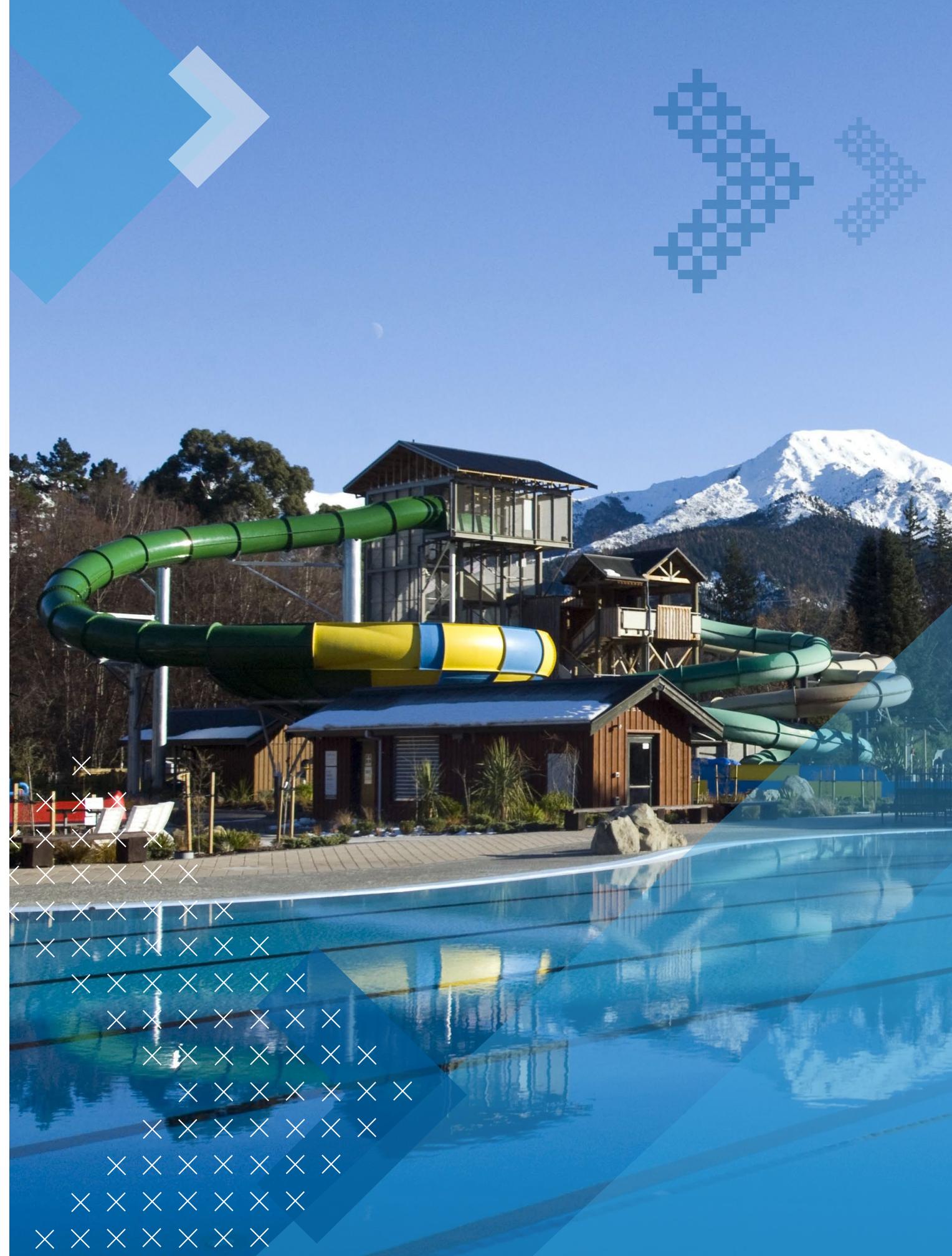
“Staff can apply what they've learned to their part of the business,” Yvonne says.

“I also love the health and safety component because it does a great job of helping people to understand what their responsibilities are,” she adds.

In the end, having great talent in your business is about hiring for attitude, Yvonne says. Then, you help staff develop the skills they need. As new staff master this entry-level qualification, it's rewarding to watch them grow in self-assurance and ease in the role, she says.



Yvonne Hughey



Peter Cammell

Keeping eyes and ears open to keep adventure activities safe

Peter Cammell is a mountaineer and alpine instructor, and he's also a safety auditor and technical expert with Qualworx.

Over a 43-year career climbing mountains on every continent, Peter has developed a keen interest in safety.

"I know I'm very lucky to still be alive, because I have had a lot of near misses... And I know a lot of people who aren't here."

But what really sparked his commitment and passion for preventing accidents was a tragic accident that occurred on a climbing course in 2010. He was president of the NZ Alpine Club at the time, and he set about researching every aspect of the incident to understand why it happened and how to stop it happening again.

Peter has been auditing with Qualworx for four years. He says a typical adventure operator didn't get into the industry because of their love of paperwork.

"They went into the outdoors because they like that tactile engagement with the environment and people."

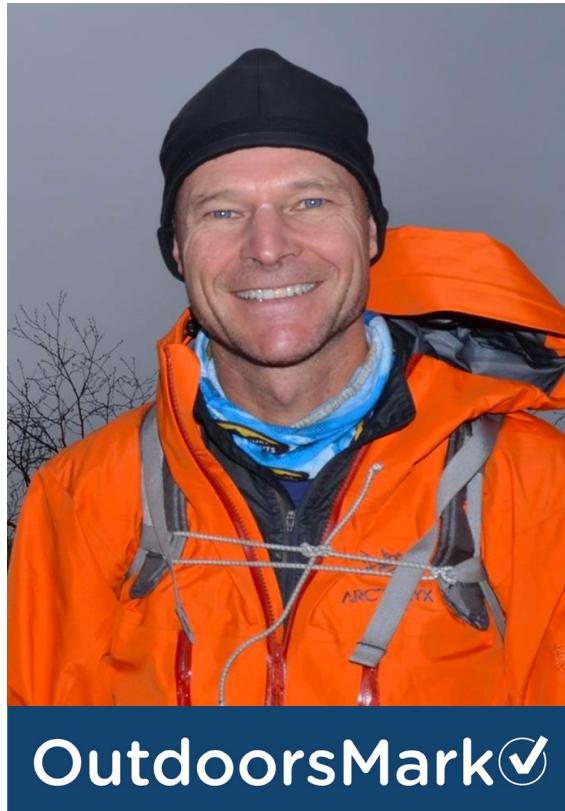
Nevertheless, under the new health and safety legislation, there is no getting around the requirement for solid documentation.

"You actually need those processes to support what you do in the field. So, that's been the biggest learning for people, so I really just try to be supportive for them as I provide feedback on their documents so that they can get them into shape to satisfy the audit standards."

He is committed to supporting outdoor recreation operators to have the best possible safety systems in place to make sure staff and customers go home safe at the end of the day.

No matter the operation, an accident can happen if the person leading the activity makes a mistake.

"Accidents don't happen without people. People are the problem in the natural environment, but they are also the opportunity. If you have the right attitude, and you keep your eyes and ears open, you will give yourself the best chance."





Skills Active

Walking the talk

Skills Active is walking the talk when it comes to making on-job learning available to staff.

Six Skills Active team members have enrolled in the newly launched New Zealand Certificate in Business (Administration and Technology) Level 3, which teaches the key skills needed for a wide range of office and administrative roles.

The programme is delivered online and includes assessment, making it Skills Active's first full service model qualification. It covers everything from using Microsoft Excel and writing business documents through to records management and mail processing.

Trainee support northern team leader Toni Clough went through the qualification herself. Toni says it's always good for Skills Active staff to enrol in the organisation's own qualifications where they are relevant. Not only do they gain

new knowledge and skills, but they better understand where trainees and workplaces are coming from.

Toni said the fact that the qualification was entirely online made it more practical and convenient for a working trainee. She loved the progress bar which gradually turned green as she gained her unit standards, and she appreciated the regular online meetings with her assessor.

"This was really motivating and it also made sure you were on the right track and in line with [the assessor's] expectations."

Toni also had feedback about some small, functional ways that the qualification could be improved. (Hey, no qualification is 100% perfect.) Because the NZC Business (Administration and Technology) is fully online, Skills Active is able to receive and act on learner feedback quickly, and changes can be made if issues crop up.



Taitokerau Rugby League

Getting recognised at the grassroots

Taitokerau Rugby League (TRL) is a local sporting organisation that is making a big difference in the Far North.

It was born out of community action and the hard work of Northlanders who wanted to grow the game of league locally and make the competition more accessible.

Covering the iwi rohe of Muriwhenua and Ngāpuhi, TRL is uniquely and proudly Māori and the organisation sees rugby league not just as a sport but a vehicle for improving the hauora of whānau, hapū and iwi.

In late 2016, TRL leadership attended a wananga where they arrived at five key values for the league: Manaakitanga, Whanaungatanga, Ūkaipōtanga, Orangatanga and Rangatiratanga. From this was born the 2017 'Zero Tolerance' campaign, aimed at upholding a high standard of behaviour and a whānau atmosphere at games, with zero tolerance of abuse or inappropriate behaviours.

Because the organisation is not currently affiliated with the National Rugby League, it doesn't have access to the same resources as other provincial clubs. So in 2017, TRL saw an opportunity to work with Skills Active to standardise the skill base of its coaching staff, by putting them through national

qualifications – a project that got underway in early 2017. TRL had skilled staff who were able to become Skills Active assessors through a Recognition of Current Competency process. The league recruited 15 of its coaches to go through training to achieve the National Certificate in Developing Coach. And with its in-house assessor pool, TRL was equipped to take the trainees through their qualifications.

Former Kiwis international Lyndsay Proctor is one of the instructors. He says the discussions generated through the learning process went beyond just league.

“They were taking some of the strategies we were teaching, and saying how they could use them in their own life at home, or use them at work. Just by implanting ideas on how to prepare for things – they could see how they could use it with their own families. That was the biggest buzz for me.”

By the end of 2017, the trainees were well on their way to completing their qualifications, having finished all of the theory work and attending two intensive workshops. A weekend practicum was planned for February 2018 where participants would be assessed to complete the qualification, ahead of a graduation ceremony in May.



JUST BY IMPLANTING IDEAS ON HOW TO PREPARE FOR THINGS...THEY COULD SEE HOW THEY COULD USE IT WITH THEIR OWN FAMILIES



IT OPENS UP A WHOLE NEW WORLD OF CHALLENGES
THAT IT'S JUST REALLY FUN TO GET YOUR TEETH INTO

Liz Nelson

Streamlining the learning process on the slopes

Liz Nelson is a ski instructor and coordinator for the ski kindy at Cardrona Alpine Resort. As a young student, she thought she was destined for a career in politics, but fate had other plans.

After finishing her degree in the UK, she decided to take time off for a gap year in Canada, where she trained as a ski instructor at Big White, British Columbia. After that season, she joined a friend going to New Zealand for the southern winter, and loved it so much that suddenly politics paled in comparison.

“The variety that you get in terms of both the weather and the people mean that every day is different.”

The alpine weather, she adds, “opens up a whole new world of challenges that it’s just really fun to get your teeth into”.

A day at work looking after the ski kindy involves overseeing the morning enrolments, and making sure all the kids get out onto the slopes for their lessons.

“I then follow those lessons out onto snow, and just watch and make sure the lessons are happening the way we want them to happen, and the instructors are all doing the great job that we hired them for.”

Liz completed her Advanced Snowschool Instruction qualification in 2017, and she’s now an evidence verifier for this and the Introductory Snowschool qualification. She is also on her way to becoming a Skills Active assessor. For Cardrona, having in-house assessors streamlines the process of getting staff trained up.

Liz says the organisation’s dedicated People and Performance team is great at supporting people through their training, and encouraging them to keep moving up through the qualification pathways that are available.

“When you first arrive, and you do your onboarding, you’re immediately told about the next qualification you could do, and it’s been really good to see so many people take that up.”



Liz Nelson



The Lido Aquatic Centre

Watching new lifeguards spread their wings

The Lido Aquatic Centre is a haven of fun, fitness and relaxation for the people of Palmerston North.

Lynden Noakes has been manager of the centre for the past 10 years. Over that time he has watched many thousands of people come through and enjoy the pools, the hydroslides, the spa, sauna, steam room and gym, and the aquaplay area – and leave feeling a little bit healthier and happier as a result.

About 70% of Lynden’s poolside crew have now gone through the New Zealand Certificate in Aquatics (Pool Lifeguard) Level 3, which was launched in August 2017. Lynden himself is an assessor for this qualification.

He says the new Pool Lifeguard Manual – developed jointly by NZRA and Skills Active – is a big improvement on the previous one, with more in-depth information and clearer explanations of lifeguarding techniques.

One thing that took a bit of getting used to, he says, was the new protocol for managing spinal injuries. This was updated in the new qualification, following a change to guidance from the New Zealand Resuscitation Council.

“Those [procedures] are a bit different to the way we used to do them, but that’s okay – we are getting our heads around that, and putting it in place.”

Lynden says lifeguard training at The Lido is a gradual process that allows the trainee to grow their confidence.

“We start off by doing orientation to the facility, and then breaking down the manual and going through each aspect. We are watching these new lifeguards on poolside, giving them time with a qualified lifeguard, observing how they react in certain situations, and fine tuning them as they go along.”

Even after the assessments are complete, he says, the process of training and reviewing skills is always ongoing. This ensures the lifeguards are always comfortable in any situation that arises and ready to “act quickly, get stuck in, and do everything correctly”.

Gaining skills gives newbies the confidence they need to be great lifeguards, Lynden says.

“I know one or two staff who have been here a little while; they were really shy when they started. You’d say boo and they’d jump. Now, they are a lot more confident, they communicate well with the other staff and with the public, they get stuck into the programmes, and they’re just really awesome people. It has been great to see them grow.”





New Zealand Defence Force

Beating a path for outdoor recreation training for troops

The people of the New Zealand Defence Force are armed with the skills they need to succeed, thanks to the organisation's strong commitment to training. This includes the use of civilian training programmes that are aligned to industry standards.

NZDF was honoured in 2017 with a special award for its on-job learning programme for Physical Training Instructors (PTIs). PTIs play a key role in developing and sustaining the health, fitness and wellbeing of Kiwi troops.

Representatives of NZDF were invited to the glitz and glamour of the New Zealand Exercise Industry Awards in Auckland in November, where they accepted the Te Iti Kahurangi award, which recognises organisations pursuing quality training and systematic upskilling of their staff, thereby driving professionalism in their industry.

The award is inspired by the famous whakataurangi (proverb): "Whāia te iti kahurangi ki te tūohu koe, me he maunga teitei." "Pursue excellence – should you stumble, let it be to a lofty mountain."

NZDF was recognised as investing significant resources into producing the highest quality PTIs. This was achieved with a carefully programmed course of study that combined formal learning with structured on-the-job training, aligned to the Skills Active National Certificates in Fitness (Exercise Consultant) and (Group Fitness Instruction).

"Not only does this strong partnership assist serving PTIs to continue vocational training; more importantly for NZDF it ensures recognition of the world class training, strength and conditioning practices that continue to be developed and delivered for all NZDF personnel, enhancing health, resilience and ultimately operational effectiveness," says Defence.

NZDF also works with Skills Active to deliver the NZ Certificate in Outdoor Experiences Level 3 to all new recruits, as well as providing the Level 3 and 4 Outdoor Recreation National Certificates to other units.

As part of an overall strategy to develop outdoor recreation training pathways for NZDF personnel, Skills Active recently worked with the New Zealand Defence College, to align training conducted by the School of Artillery to the NZ Certificate in Outdoor Experiences Level 4.

Through its External Qualifications team, NZDF engages regularly with the industry training sector at large, to deliver on-job training opportunities to its people across a wide range of disciplines. The Te Iti Kahurangi award is just one reflection of its strong commitment to helping its people step up and gain national qualifications that recognise the training and skills they develop through their work.



OUR ORGANISATION

Organisational Achievements

1,456

Enrolled online learners on Skills Activator

21,787

People on the New Zealand Register of Recreation Professionals

9

Programmes launched with online learning

175

Unit Standards listed

12

Programmes launched

172

Resources published

43

Qualifications listed

1,004

Workplaces engaged with Skills Active

18

Programmes approved

11

Qualworx auditors

818

Total Skills Active assessors registered in 2017

168

AA certifications completed

Finalist in the Small Workplaces category of the 2017 Best Workplaces Awards

100% of moderation compliance requirements met with NZQA

Continued compliance with JAS-ANZ

Workforce planning toolkit launched online

Launched and piloted of Fitsafe auditing programme

Achieved Highly Confident/ Highly Confident in NZQA External Evaluation and Review

Over 85% of providers and schools met compliance requirements

Two new industry achievement awards presented

Five new trainee and workplace videos produced

Exercise and Outdoor Recreation Industry Advisory groups formed

A full service assessment model was put in place for the New Zealand Certificate Business (Admin and Technology) Level 3

Achieved gazetted scope for Performing Arts

Online career mapping tool developed - Tōu Aratika

An MoU was signed with the Open Polytechnic to collaborate and delivery of the New Zealand Certificate in Exercise (Level 4)

Learning fit launched to support trainee with literacy and numeracy

Developed and implemented new workplace, assessor and trainee online portals

Directors' disclosure

Board member	Interest	Meetings attended
Des Ratima (re-elected 24 June 2016)	Whakatū Kōhanga Reo – Chair Ahuriri District Health Trust – Chair Te Whanautahi Charitable Trust – Chair Te Roopu Kaitiaki O Te Wai Māori – Company Manager Board of Trustees, Mangateretere School - Chair	4/5 Board meetings, AGM, strategic planning meeting
Butch Bradley	Ngāti Apa ki te Rā Tō – CEO (until 7 July 2017) Challenger Scallop Enhancement Company – Director (until 7 July 2017) PauaMac 7 – Committee Member (until 7 July 2017) Te Ara a Māui Inc (Māori Regional Tourism Board) – Chair, Director Te Tau Iwi Forum – Member (until 7 July 2017) Te Waka a Māui Iwi Forum – Member (until 7 July 2017)	5/5 Board meetings, CE Performance Appraisal Committee meeting, AGM, strategic planning meeting
Andrew Gunn	Snake Point Lodge Limited – Director Professional IQ College – Director Bertney #35 Limited – Director Trafalga Nominees – Director Kokoroa Farms – Director	5/5 Board meetings, 4/5 Audit and Risk Committee meetings, CE Performance Appraisal Committee meeting, AGM, strategic planning meeting

Board member	Interest	Meetings attended
Sam Napia	Thames-Coromandel District Council – Director, Strategic Relationships and Projects	5/5 Board meetings, 4/5 Audit and Risk Committee meetings, AGM, strategic planning meeting, CE Performance Appraisal Committee meeting
Alexander Brunt	Royal Australia and New Zealand College of Radiologists – General Manager New Zealand Radiology Education Trust – Executive Director	4/5 Board meetings, 4/5 Audit and Risk Committee meetings, AGM, strategic planning meeting
Stephen Gacsal	Register of Exercise Professionals – Registrar ICREPs – Board Member TROQ working group – Fitness/Exercise Representative	5/5 Board meetings, 5/5 Audit and Risk Committee meetings, CE Performance Appraisal Committee meeting, AGM, strategic planning meeting
Wendy Sweet	Personal Training Company - Director Skills Active – Senior Assessor Mentor (until 23 February 2017)	5/5 Board meetings, 4.5/5 Audit and Risk Committee meetings, AGM, strategic planning meeting, CE Performance Appraisal Committee meeting

Skills Active shareholder allocations

COMMUNITY RECREATION

Dance Aotearoa New Zealand Limited	20
Entertainment Technology New Zealand	20
New Zealand Recreation Association Incorporated	20
Water Safety New Zealand Incorporated	20
National Council of YMCAs of New Zealand Incorporated	20

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
Hillary Outdoors Education Centres	20

EXERCISE

Exercise Association of New Zealand	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

NGĀ MAHI A TE RĒHIA

Aotearoa Māori Providers of Training Education and Employment (AMPTEE)	60
Aotearoa Māori Tennis Association Incorporated	60
Handball New Zealand	60
Hauraki Māori Trust Board	60
Te Tohu Taakaro o Aotearoa Charitable Trust – National Māori Sports Awards	60
New Zealand Māori Rugby Board	60
Te Arawa Lakes Trust	60
Te Kaunihera Haupoi Māori o Aotearoa	60
Te Roopu o te Pātaka	60
Whakaruruhau Ngā Mahi ā Te Rēhia	60

SPORT

Sport and Exercise Science New Zealand Incorporated	100
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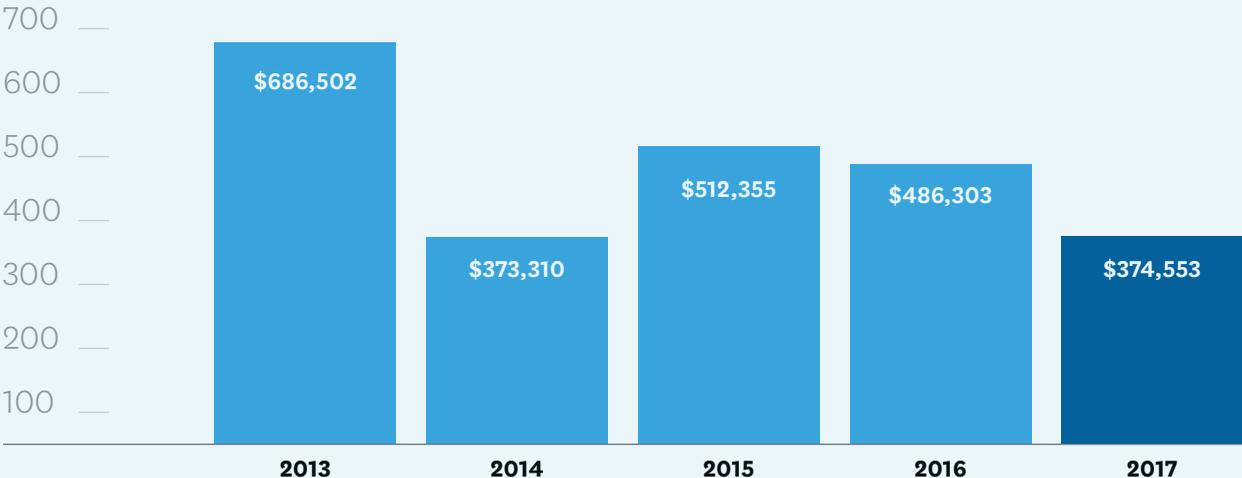
PERFORMING ARTS

Entertainment Venues Association of New Zealand (EVANZ)	100
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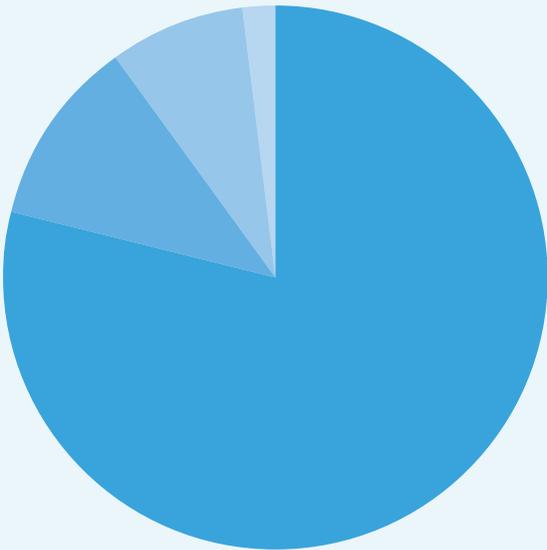
TOTAL SHARES 1200

Financial snapshot

Operating Surplus



Money In



	Government Grants	\$5,900,229
	Subscriptions and Fees	\$857,521
	OutdoorsMark	\$569,879
	Interest	\$100,333
	Total	\$7,427,962

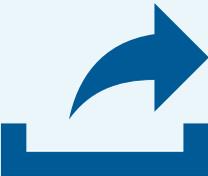
Total Operating Income



\$7,427,962

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Total Expenditure



\$7,053,409

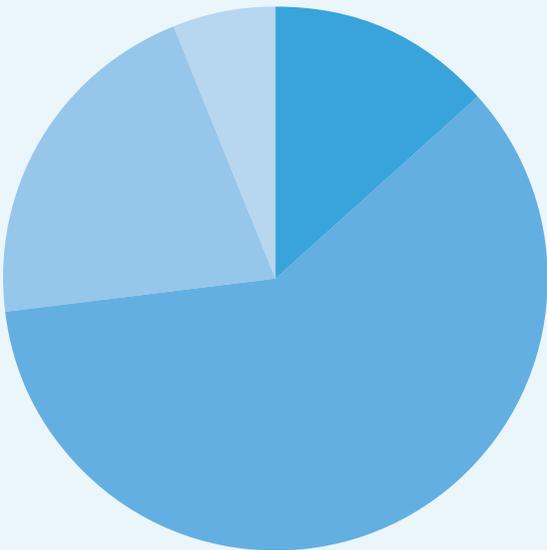
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Operating Surplus



\$374,553

Money Out



	Cost of Sales	– \$966,063
	Employee Expenses	– \$4,339,311
	Operating Costs	– \$1,277,230
	Client Servicing	– \$470,805
	Total	– \$7,053,409



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SKILLS ACTIVE AOTEAROA LIMITED**

Opinion

We have audited the financial statements of Skills Active Aotearoa Limited ("Skills Active"), which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Skills Active as at 31 December 2017, and its financial performance and its 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 Financial Statements section of our report. We are independent of Skills Active 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, Skills Active.

Directors' Responsibilities for the Financial Statements

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

In preparing the financial statements, the directors are responsible on behalf of Skills Active for assessing the Skills Active'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 Skills Active or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Skills Active'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 Skills Active'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 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 Skills Active to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 shareholders, 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 Skills Active and Skills Active's directors, as a body, for our audit work, for this report or for the opinions we have formed.

**BDO Wellington Audit Limited
Wellington
New Zealand
27 April 2018**

Financial statements

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2017

Revenue	Note	2017(\$)	2016(\$)
Industry Contributions			
NZQA moderation rebate		203,453	204,648
Workplace fees and registration fees		654,068	584,267
		857,521	788,915
OutdoorsMark	4	569,879	550,625
Tertiary Education Commission			
Industry Training Fund (ITF)	5	5,850,229	5,462,400
Sector Leadership Fund	5	50,000	50,000
Total revenue		7,327,629	6,851,940
Less cost of sales	6	966,063	883,395
Gross Surplus		6,361,566	5,968,545
Expenses -			
Employee benefits expense	7	4,339,311	3,869,205
Other operating costs	8	1,277,230	1,346,650
Client servicing and training resources	9	470,805	394,773
Total expenses -		6,087,346	5,610,628
Surplus/(Deficit) before financing income		274,220	357,917
Interest income		100,333	128,386
Surplus/(Deficit) for the year		374,553	486,303
Total Comprehensive Income		374,553	486,303

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017(\$)	2016(\$)
Equity at the beginning of the year		5,265,177	4,778,874
Surplus/(Deficit) for the year		374,553	486,303
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		374,553	486,303
Equity at the end of the year	10	5,639,730	5,265,177

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017(\$)	2016(\$)
Cash Flows from Operating Activities			
Receipts from customers		7,236,648	6,546,343
Payments to suppliers and employees		(7,089,933)	(6,281,399)
Proceeds from Interest Income		100,332	128,386
		247,047	393,330
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(77,518)	(85,455)
Other cash items from investing activities		(97,144)	(102,396)
		(174,662)	(187,851)
Cash Flows from Financing Activities			
Other cash items from financing activities		-	-
Total Cash Flows from Financing Activities		-	-
Net Cash Flows		72,385	205,479
Cash Balances			
Cash and cash equivalents at beginning of period		1,712,539	1,507,060
Cash and cash equivalents at end of period		1,784,924	1,712,539
Net change in cash for period		72,385	205,479

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2017



	Note	2017(\$)	2016(\$)
Current Assets			
Cash and cash equivalents	11	1,784,924	1,712,539
Short term deposits	12	3,098,038	3,000,894
Receivables	13	593,424	585,518
Prepayments		191,660	50,246
		5,668,046	5,349,197
Non-Current Assets			
Property, plant and equipment	14	430,371	499,965
Intangible assets	15	50,000	51,116
		480,371	551,081
Total Assets		6,148,417	5,900,278
Current Liabilities			
Trade payables		176,670	302,889
Employee benefits payable		183,654	150,843
Goods & services tax payable		148,363	133,842
Income in Advance		-	47,525
		508,687	635,100
Net Assets		5,639,730	5,265,177
Equity			
Shared capital		-	-
Retained earnings	10	5,639,730	5,265,177
TOTAL EQUITY		5,639,730	5,265,177

For and on behalf of the Board

Sam Napia
Chair
27 April 2018

Alexander Brunt
Chair Audit & Risk
27 April 2018

NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017



1. Reporting entity

Skills Active Aotearoa Limited is a Company incorporated in New Zealand, registered under the Companies Act 1993. The Company is the 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 2017. The financial statements were authorised for issue by the Directors on 27 April 2018.

2. Statement of compliance and basis of presentation

The financial statements have been prepared in accordance with International Public Accounting Standards adopting the New Zealand Framework for Public Benefits Entities Not-For-Profit Reduced Disclosure Regime which came into effect for all balance dates after 31 March 2016. The Company is a reporting entity for the purposes of the Companies Act 1993, the Financial Reporting Act 1993 and the Charities Act 2005.

calculated for all assets in line with the PBE IPSAS (NFP) RDR reporting standards.

The financial statements are presented in New Zealand Dollars (NZD) which is the Company's functional and presentation currency. The financial statements are prepared on the historical cost basis.

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

The Directors have approved these financial statements on a going concern basis. The Directors have concluded the going concern basis is appropriate, as Skills Active Aotearoa Limited has obtained funding from the Tertiary Education Commission (TEC) for the 2018 calendar year and indicative funding for the 2019 calendar year.

The basis of determining depreciation is the straight line method with the residual value and estimated useful life being

3. Significant accounting policies

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

a) Revenue

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

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

i) Revenue from non-exchange transactions

i. ITF and Apprenticeship Funding
Skills Active receives funding from the Tertiary Education Commission based on Standard Training Measures (STMs). The income is recognised when received in accordance with contracted delivery and when conditions of the agreement are met. Any potential repayment of funding is an end of year clawback adjustment due to over-funding by TEC, and is recognised as a liability in the Balance Sheet. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding.



ii. Workplace and registration fees

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

iii. Sector Leadership Funding

Revenue is provided from TEC as a contribution towards the cost of Skills Active's part of the Targeted Review of Qualifications Programme. There is no use-or- return requirement on this revenue and no liability is recognised for amounts not yet spent at balance date. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding.

iv. Other TEC Funding

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

ii) Revenue from exchange transactions

i. NZQA Moderation Rebate

NZQA moderation rebate is recognised when received, in the year which the related moderation occurs. This revenue is considered exchange on the basis that this is essentially a full-cost recovery subcontracting arrangement with NZQA, who holds ultimate responsibility for moderation of tertiary level qualifications.

ii. OutdoorsMark

OutdoorsMark 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. OutdoorsMark 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. OutdoorsMark cost of sales is recognised as work is performed and the invoice from the third party is received.

iii) Interest income

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

b) Property, plant and equipment

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

Asset Life	Expected Useful Life	Residual Value
Motor Vehicles	4 years	20%
Computer Equipment	3-4 years	-
Office Equipment	4-5 years	-
Office Furniture	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 as an expense as incurred. The residual value of assets is reassessed annually.

c) Leases

The Company leases certain office equipment, vehicles and 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 2 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. The OutdoorsMark goodwill intangible has an indefinite life and is annually assessed for signs of impairment.

On 1 May 2014 the Intellectual Property and Trademarks of OutdoorsMark were purchased from Outdoors New Zealand. A separate division has been established to deliver this functionality and the financial result of this operation is included in the overall financial statements as well as being separately identified.

The residual value of intangible assets is reassessed annually.

e) Trade and other receivables

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

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. 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.

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

Cash and cash equivalents includes 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) Rounding

All amounts detailed in these financial statements are rounded to the nearest dollar.

o) Changes in Accounting Policy

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



Income	2017(\$)	2016(\$)
4. OutdoorsMark Revenue		
Annual JASANZ Fee	17,449	18,910
Audit Fees	463,172	482,620
Disbursements	58,298	41,924
Worksafe	30,960	7,172
	569,879	550,625

5. Tertiary Education Commission Revenue

Approximately 80% of total income is derived from the contract with the Tertiary Education Commission (TEC). The Company has received a gazetted five-year re-recognition by TEC as the Industry Training Organisation for the Sport, Fitness, Recreation and Performing Arts sectors (expiring 26 June 2019).

An investment plan has been established with the TEC resulting in a contract for the 2018 calendar year and an indicative investment level for the 2019 calendar year. The terms of the contract to provide services does not guarantee any further contracts with the TEC.

	2017(\$)	2016(\$)
Industry Training Fund (ITF)		
TEC Contract		
ITF Funding	5,349,833	5,046,400
Apprenticeship Funding	500,396	416,000
Less TEC Offset Provision		-
Net TEC Income	5,850,229	5,462,400
Sector Leadership Fund		
TRoQ	50,000	50,000
	50,000	50,000



6. Cost of Sales	Note	2017(\$)	2016(\$)
Apprentice Subsidy		18,714	11,780
Assessment Fee		30,367	48,853
Certificate and Card Printing		10,271	28,842
Mentoring/Full Service Model		8,000	
NZQA Administration Fee		2,425	775
NZQA Credit Reporting		279,104	318,566
NZQA Managing Consistency		30,727	9,934
NZQA Programme Consultation		12,357	6,171
NZRA PLPC Fees		30,130	19,980
Resource Courier Costs		43,708	31,189
Resource Printing		176,465	145,122
SAMs		14,032	24,558
Workshop Costs		-	588
		656,300	646,359
OutdoorsMark			
Auditor Fees		210,372	179,297
Auditor Moderation		430	10,033
Auditor Training		12,267	4,215
Certificate Printing		3,040	281
Disbursements		33,948	28,706
Auditor Insurance		6,600	4,538
JASANZ Fees		18,407	5,262
Specialist Advice and Consultation		-	813
Worksafe Fees		24,700	3,892
		309,764	237,036
Total Cost of Sales		966,064	883,395



7. Employee Benefit Expense

	2017(\$)	2016(\$)
Wages and Salaries	3,976,962	3,493,056
Contract Staff	94,637	86,053
Employee Entitlements	4,071,599	3,579,110
Training	43,612	68,849
Other Costs	224,100	221,247
	4,399,311	3,869,205

8. Other Operating Costs

	2017(\$)	2016(\$)
Depreciation and Amortisation	141,672	171,674
Net Loss on Disposal of Assets	6,557	-9
Impairment of Trade Receivables	21,386	61,233
Rental and Operating Expenses	830,276	906,328
Auditor Fees	24,926	24,745
Directors Fees	112,535	95,220
Other	139,878	87,459
	1,277,230	1,346,650

9. Client Servicing and Training Resources

	2017(\$)	2016(\$)
Client Servicing	417,588	344,076
Conferences and Events	11,713	6,761
Partnership Agreements	41,504	43,935
	470,805	394,773



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. This policy represents approximately 8 to 17 months of the Company's current total expenses for the year. Equity reserves as at 31 December 2017 stand at approximately 11 months of current total expenses. Equity reserves will be retained to allow for such items as future capital expenditure, economic downturn, failure to meet TEC contract requirements, contingency in the case that the Company ceases operations and the resulting costs and

liabilities associated with that event with particular attention to transition trainee agreements to another entity and non cancellable lease commitments.

At 31 December 2017, share capital comprised 1,200 ordinary shares (2016: 1,000) 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.

11. Cash and Cash Equivalents

	2017(\$)	2016(\$)
ANZ Bank - Call Account	1,134,292	1,130,340
ANZ Bank - Current Account	578,130	509,458
ASB - Current Account	396	435
Kiwibank Current Account	440	470
Westpac - Call Account	71,467	71,395
Westpac Current Account	199	440
	1,784,924	1,712,539

12. Short Term Deposits

	2017(\$)	2016(\$)
ANZ Bank - Short term deposit	132,596	128,112
ASB - Short term deposit	1,002,894	969,286
Kiwibank - Short term deposit	1,078,462	1,042,445
Westpac - Short term deposit	884,086	861,051
	3,098,038	3,000,894



13. Receivables

	2017(\$)	2016(\$)
Accrued Revenue	159,967	154,486
Trade Receivables	495,457	492,265
Allowance for Doubtful Debts	(62,000)	(61,233)
	593,424	585,518

14. Property, Plant and Equipment

Cost	Computer Equipment	Leasehold Improvements	Motor Vehicles	Office Equipment	Office Furniture	Sages Lane Development	Total
Opening	\$319,433	\$21,595	\$325,340	\$157,809	\$92,777	\$321,750	\$1,238,705
Additions	\$51,267	-	\$7,050	\$15,604	\$3,597	-	\$77,518
Disposals	\$183,486	\$951	-	\$20,457	\$20,890	-	\$225,784
Closing	\$187,214	\$20,644	\$332,389	\$152,956	\$75,485	\$321,750	\$1,090,439

Accumulated Depreciation

Opening	\$224,623	\$12,328	\$114,837	\$115,334	\$62,752	\$178,865	\$738,739
Depreciation	\$36,126	\$1,462	\$64,854	\$11,667	\$5,602	\$21,521	\$141,232
Disposals		\$771				-	
Depreciation write-back	\$180,986			\$19,927	\$18,229		\$219,913
Closing	\$109,763	\$13,018	\$179,692	\$107,075	\$50,125	\$200,386	\$660,058
Net Book Value 2017	\$77,451	\$7,626	\$152,698	\$45,882	\$25,360	\$121,364	\$430,381
Net Book Value 2015	\$64,811	\$9,268	\$210,502	\$42,475	\$30,025	\$142,885	\$499,965



15. Intangible Assets

Cost	Computer Software (Purchased)	OutdoorsMark	Total
Opening	\$6,938	\$50,000	\$56,938
Additions	-	-	-
Disposals	\$6,938	-	\$6,938
Closing		\$50,000	\$50,000

Accumulated Depreciation

Opening	\$5,823	-	\$5,823
Depreciation	\$1,115	-	\$1,115
Disposals Depreciation write-back	\$6,938	-	\$6,938
Closing	-	-	-
Net Book Value 2017	-	\$50,000	\$50,000
Net Book Value 2015	\$1,116	\$50,000	\$51,116

16. Provision for TEC Payback

The TEC provision is calculated with the information available at the time of production of Financial Statements and is subject to final confirmation from

the TEC. Confirmation was received from TEC by letter dated 11 April 2018 that there would be no recoveries based on the 2017 data.

17. Operating Lease Commitments

Non-cancellable operating lease rentals are payable as follows:

	2017(\$)	2016(\$)
Less than one year	232,970	107,001
Between one and five years	360,866	16,450
	593,835	123,451

Operating leases undertaken by the Company relate to motor vehicles, office equipment, and property.



18. Related Parties

The Company has related party relationships with its Directors and Chief Executive Officer. The transactions

between Directors, the Chief Executive Officer and organisations in which they hold an interest are:

Board Member	Organisation	Paid to the Company (Skills Active)	Paid by the Company (Skills Active)
2017			
Stephen Gacsal	Exercise Association of NZ		15,000
Grant Davidson	Sausage Roll Ltd		1,400
	Industry Training Federation		35,119
2015			
Stephen Gacsal	Exercise Association of NZ		15,000
Grant Davidson	Sausage Roll Ltd		345
	Industry Training Federation		30,011

Stephen Gacsal is currently the Registrar of the NZ Register of Exercise Professionals (REPs), a wholly owned subsidiary of Exercise New Zealand; Director of the International Confederation of Registers for Exercise Professionals (ICREPs). Monies paid to Exercise Association of New Zealand represent sponsorship as detailed in the partnership agreement between the two parties.

Training Federation represent membership fees and other projects fronted by the Federation. Monies paid to Sausage Roll represent payment for audits carried out on behalf of OutdoorsMark.

Des Ratima is a shareholder of Te Roopu o te Pataka which holds 60 Skills Active Shares. These shares were acquired as a part of the original shareholders' agreement dated 2001 and no consideration was paid for these shares.

Grant Davidson is a director of Sausage Roll Limited and a member of the Industry Training Federation Executive Committee. Monies paid to the Industry



19. Remuneration Paid to Key Management Personnel

	2017(\$)	2016(\$)
\$100,000-\$110,000	2	2
\$110,000-\$120,000	2	2
\$120,000-\$130,000	2	-
\$200,000-\$210,000	1	1

20. Directors Remuneration Received

Name of Director	Board Fees(\$)	Audit & Risk Committee (\$)	Additional Days (\$)	Total Remuneration
2017				
Sam Napia (Chair)	32,000			32,000
Alexander Brunt	11,790	980	3,920	16,690
Andrew Gunn	11,790	980	2,450	15,220
Wendy Sweet	11,790	980	1,470	14,240
Butch Bradley	11,790			11,790
Stephen Gacsal	11,790	980	980	13,750
Des Ratima	11,790		983	12,773
Total	102,740	3,920	9,803	107,640
2016				
Sam Napia (Chair)	32,000			32,000
Andrew Gunn	11,790	980		12,770
Alexander Brunt	11,790	980	1,960	14,730
Wendy Sweet	11,790			11,790
Butch Bradley	10,808		983	11,791
Stephen Gacsal	11,790	980		12,770
Des Ratima	11,790			11,790
Total	102,740	2,940	2,943	108,623



21. Industry Contribution

The contract with TEC requires the amount of industry contribution calculated according to TEC guidelines to be disclosed in the notes to the Financial Statements. This can include both monies received by the Company and payments by industry to third parties in pursuit of the achievement of the Company's qualifications.

For the year ended 31 December 2017, the amount of industry contribution was \$3,411,135 (2016: \$3,411,983). This is an achievement of 37% (2016: 38%) of total funding and contribution received against a TEC target of 30%.

	2017(\$)	2016(\$)
Industry contribution received by Skills Active and recorded in the audited accounts	857,522	788,915
Payments by industry to third parties in pursuit of achieving Skills Active qualifications	2,553,613	2,623,068
	3,411,135	3,411,983

22. 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

	2017(\$)	2016(\$)
Cash and cash equivalents	1,784,923	1,712,539
Short term deposits	3,098,038	3,000,894
Receivables	593,424	585,518
	5,476,385	5,298,951

Trade payables of \$176,670 (2016: \$320,889) are the only financial liabilities at amortised cost. There are no financial liabilities at fair value through profit and loss.



23. Non-Financial Performance Indicators

	2017(\$)	2016(\$)
ITF STMs delivered (after offsets)	1687.00	1,615.61
Apprentice STMs delivered (after offsets)	97.98	83.05
Percentage of eligible trainees with 10 credits Credit Completion (achieved versus expected credits)	84.15%	85.54%
Programme Completion - no longer measured (nominal weighted)	83.66%	85.82%
Programme Completion - new metric 2017 (Cohort-Based)	-	80.49%
Programme Completions (total qualifications awarded)	75%	-
Trainees (total TEC-funded trainees enrolled)	3,912	3,848
	6,526	6,169

24. Commitments and Contingencies

There are no commitments or contingent liabilities as at 31 December 2017 (2016 nil)

25. Subsequent Events

There are no events subsequent to balance date that require disclosure in these financial statements. (2016 nil)

26. Establishment of Qualworx Limited

In October 2017 the Skills Active Board resolved to transfer in 2018 OutdoorsMark and its related products into a wholly-owned subsidiary Qualworx Ltd which was formed for this purpose. As part of this separation it

was also resolved that all related Intellectual Property would also be transferred to the new entity and a loan approved to Qualworx Ltd from Skills Active of \$150,000.

Directory

Skills Active Board

Sam Napia
Alexander Brunt
Andrew Gunn
Butch Bradley
Des Ratima
Stephen Gacsal
Wendy Sweet

Registered Office

14 Sages Lane
Te Aro
Wellington 6011

Solicitor

Kensington Swan

Bankers

ANZ
Westpac
ASB
Kiwibank

Auditors

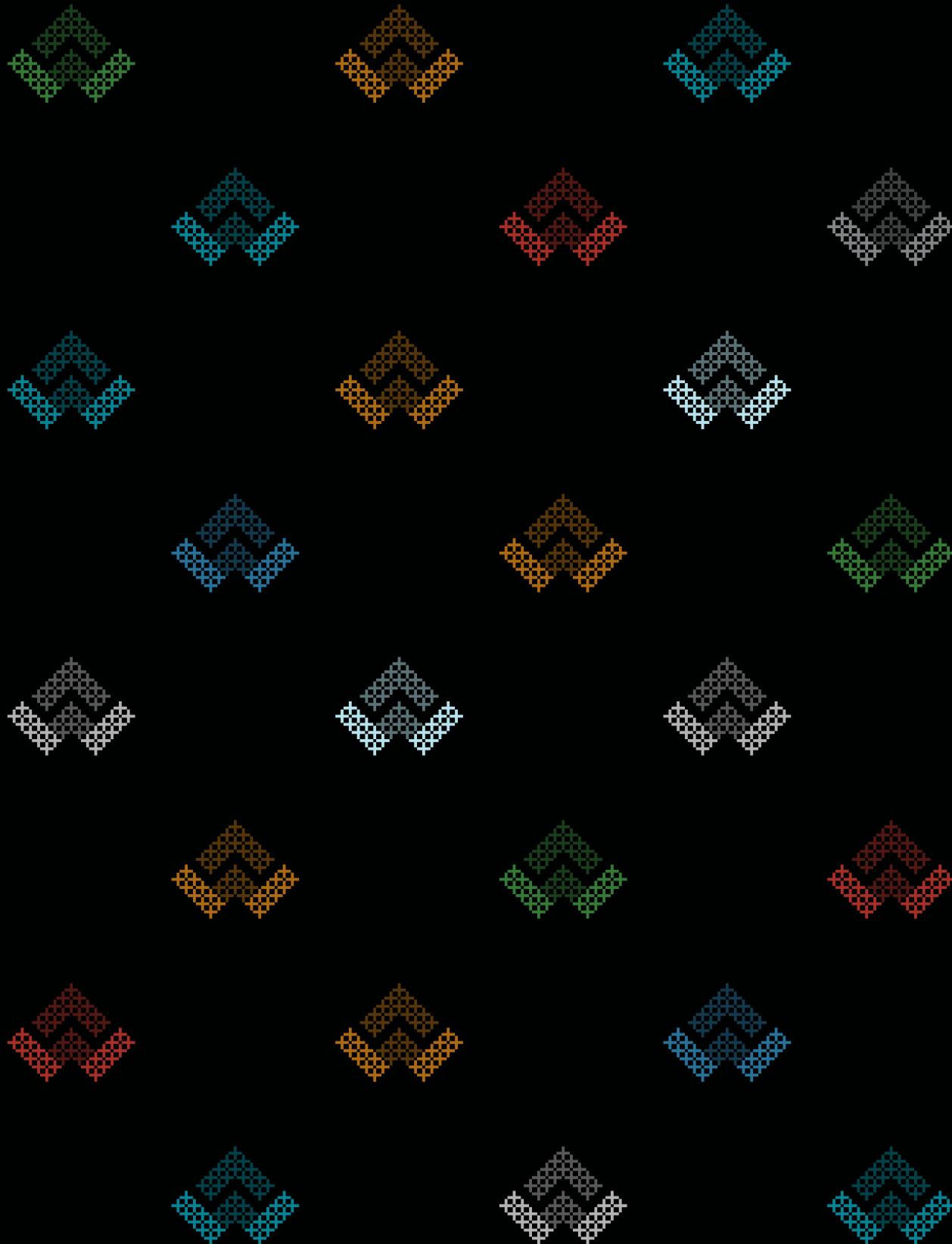
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