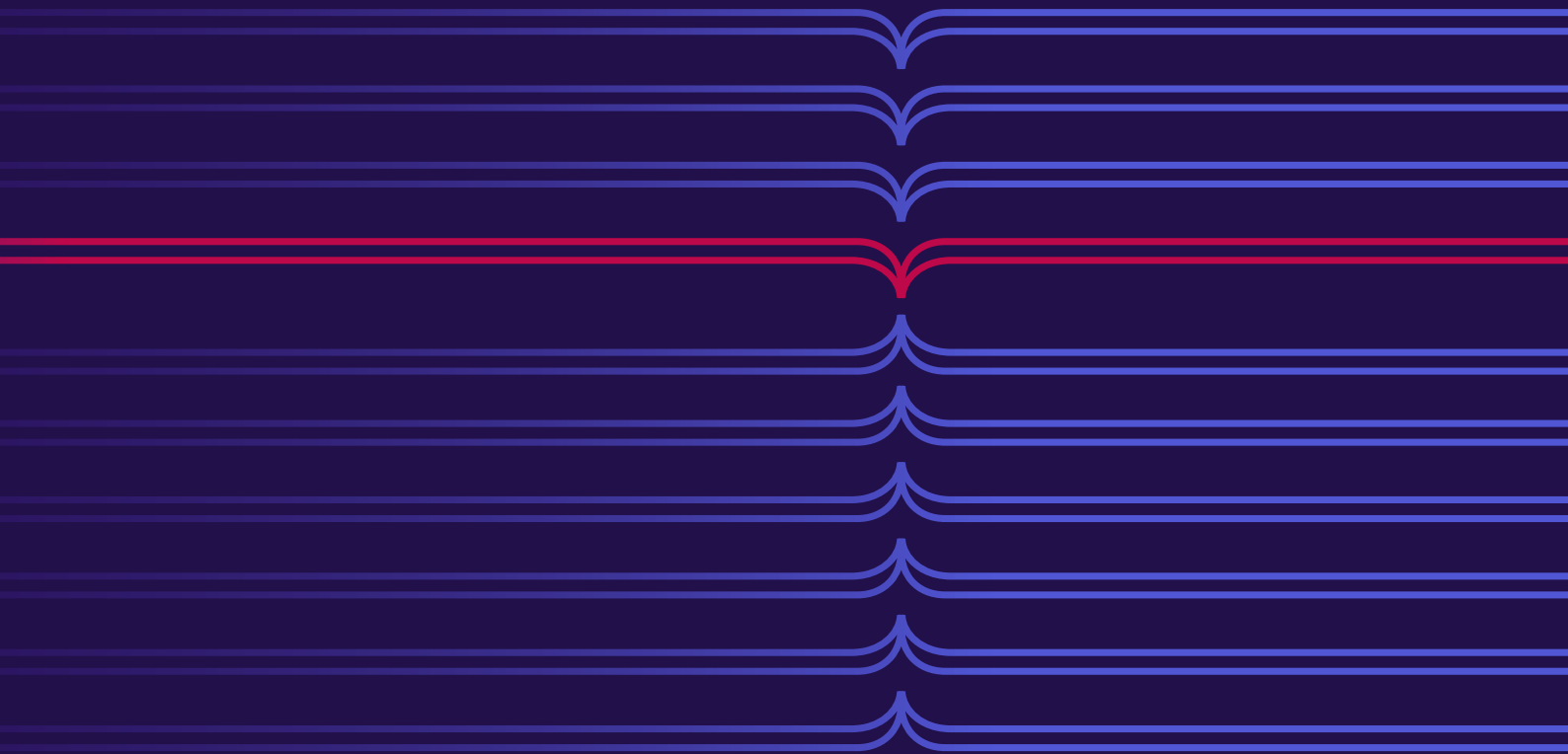




# TE MAHI AKO

2023  
ANNUAL  
REPORT

30 YEARS  
FORWARD





# CONTENTS

Te Mahi Ako provides work-based learning in te ahumahi ā-rēhia: the active recreation, leisure, and entertainment sectors. We are a not-for-profit organisation supporting individuals to develop themselves through real-life learning within businesses, iwi, and communities.

30 years forward	2
Our kaupapa	4
Chair's report	6
Our outcomes	8
Our partners	10
Feature stories	12
Directors' disclosure	22
Financial snapshot	24
Independent auditor's report	26
Financial statements	28
Directory	48

# 30 years forward



1995

Sport, Fitness, and Recreation Industry Training Organisation



2009

Skills Active Aotearoa



2022

Te Mahi Ako

In the 30-year journey from its inception as SFRITO to its evolution into Skills Active Aotearoa, and now Te Mahi Ako, our organisation has continuously evolved to meet the dynamic needs of New Zealand's recreation, sport, fitness, snowsport, and performing arts industries. Initially established in response to a call for systematic training improvements, we embarked on a mission to elevate workforce skills, drive economic growth, and enhance industry standards.

Throughout our transformation, we have remained steadfast in our commitment to excellence and innovation, guided by our core values of Tika, Pono, and Aroha. As we reflect on the past three decades and look forward to the future, our vision remains clear: to be the industries' premier partner for workforce development.

In alignment with the Tertiary Education Strategy, our focus has been on delivering skills tailored to industry needs, fostering inclusivity, and strengthening research-based initiatives. We have championed biculturalism, service excellence, and continuous improvement, positioning ourselves as leaders in the field.

Formerly known as SFRITO and then Skills Active Aotearoa, our journey has been marked by collaboration, adaptability, and a relentless pursuit of excellence. Today, as Te Mahi Ako, we continue to empower businesses, support career pathways, and uphold the highest standards of quality and professionalism.

Looking ahead, we remain committed to driving innovation, supporting sustainable growth, and ensuring a skilled workforce that can meet the evolving demands of New Zealand's dynamic industries. Together, we forge ahead into the next 30 years, guided by our shared vision of a vibrant, prosperous future for all.



# OUR KAUPAPA

WHO WE ARE

Our purpose is to empower individuals to grow and develop themselves to be change makers in their industries.

#### Mission

With creativity and inclusivity, our mission is to break down barriers and make education accessible by empowering people to further their careers in the recreation, exercise, sport and performing arts industries.

#### Vision

Our vision is to be an adaptable and transformative organisation that recognises the potential of incorporating indigenous knowledge systems, creating a healthy environment for all people to prosper and thrive within.

#### Values

**Tika:** Integrity, dependability, reliability and trustworthiness.

**Manaakitanga:** Helpfulness, responsiveness, courtesy, flexibility for people.

**Kotahitanga:** To work collaboratively with others. Unity. Whānau.

**Kaitiakitanga:** Wellbeing. To be holistically well.

**Aroha:** To have passion about education, activities, or people.

**Rangatiratanga:** To grow, learn and contribute valuable knowledge, adaptable leadership, achievement, innovation.

**Pono:** Tolerance. To promote equal and fair treatment.

# CHAIR'S REPORT

## Kia ora koutou

As we look back at 2023 and reflect on our first full year of operation, we can have a good level of satisfaction with what has been achieved in what at times has been a challenging operating environment.

During the year we were acknowledged for best practice during the Toi Mai Workforce Development Council's Quality Assurance Visit and received favourable validation from NZQA, affirming our commitment to quality. Our inaugural face-to-face delivery of the Whakamana pilot in Hawke's Bay was a success, and we introduced a comprehensive engagement system tailored to individual learner needs.

We launched our first pastoral care framework and services, secured approval from the TEC for our

Investment Plan, and strategic project funding for 2024. Additionally, our partnership in the rollout of a Pasifika Learn to Swim programme in Nelson are achievements of which we are particularly proud.

Our successes were only possible because of the hard work and dedication of our team, partners, and stakeholders.

## Educational performance indicators and earner enrolments

This year, our educational performance indicators have shown a significant lift from the base set in late 2022. A credit completion educational performance indicator of 70% is a significant improvement on where we have been in the past. Particularly pleasing is the credit reporting performance of ākongā (learners) from the Māori and

disabled learner groups. These two groups hit 75% of target, outperforming the general population of learners in terms of that educational performance indicator. The lift in the credit completion indicator is a sign of the increased engagement and benefits coming from the implementation of our Learner Success Plan and the framework that supports that. The personalised support systems we have implemented are making a difference. Moving forward we will continue with a focus on reducing disparities and providing holistic support to ensure every learner can reach their full potential.

As with many in the work-based sector, we have experienced lower ākongā enrolments than we had forecast during the year. There are a variety of drivers for the lower enrolment levels including changing market conditions and changed funding rules related to international learners, which is a particular issue for our ski industry partners.

## Impact of Government changes on our business

Looking ahead, we anticipate further significant change in the tertiary education landscape as the new Coalition Government finalises change to the tertiary and work-based learning sector including the way in which it is funded.

While Government is still to formalise the changes they intend making there is the potential for these, particularly in the funding area, to have a significant

effect on our business and the services we deliver. We are closely monitoring developments and do see positive opportunities in some of the changes being discussed. As Government move through the policy development and subsequent implementation process we will look to actively advocate for changes that will enable the needs of te ahumahi ā-rehia: the active recreation, leisure and entertainment sectors to be met.

## Strategic direction and future outlook

Our strategic direction remains anchored in celebrating New Zealand's Te Tiriti identity through Ngā mahi ā te rēhia, focusing on leadership, education, training, advice, and connections. This approach aims to contribute to Aotearoa's well-being by fostering spiritual and physical engagement and connection. We are committed to exploring growth opportunities within our pillars of leadership, training, advice, and connection. 2024 will be a time when we will further refine our strategic direction and its implications for our stakeholders. Our commitment to fostering a vibrant, equitable future for Aotearoa through transformative change remains steadfast.

Thank you for your continued support and partnership. We look forward to sharing further updates and navigating the dynamic landscape ahead together.



**Steve Ruru**  
Kaiwhakahaere Poari  
Chairperson

Whakarongo ake au ki te tangi a te manu nei  
A te mā tui, tui, tui, tuia! Tuia i runga, tuia i raro  
Tuia i roto, tuia i waho, tuia i te here tangata  
Ka rongo te pō, ka rongo te ao  
Tuia i te muka tangata i takea mai i Hawaiki nui,  
I Hawaiki roa, i Hawaiki pāmāmao.  
Te hono i wairua ki te whai ao, ki te ao Mārama

Tihei, mauri ora!

Ko te wehi ki a Ihoa, te timatanga o te whakaaro nui, te timatanga o ngā mea katoa, te timatanga o te aroha!  
Tirohia ake ngā whetu, me ko Matariki e ārau ana. He tiki mai tahau i ngā mahara e kohi nei. Whakarerea ake e nā

te roimata koua riringi, he puna wai kai aku kamo. Ki te hunga kua wehe atu ki te pō, haere, haere, haere atu rā. Ka rere ngā whakaaro aroha ki ngā whānau e tangi ana mō ā rātau mate. Ki a rātau te hunga mate, ki a rātau, ki a tātau te hunga ora, ki a tātau.

Whakahōnoretia te Kīngi Māori e noho ake nei i runga i te ahurewa tapu o ōna mātua tīpuna, te Kīngi Māori o te motu. Pai mārire!

"Ko te pae tawhiti whāia kia tata, ko te pae tata, whakamaua kia tina. Ko tēnei ngā kupu a ngā mātua tūpuna hei ārahi i a tātau i tēnei ao hurihuri. Mā te whakakotahi, mā te kotahitanga, ka eke ki ngā taumata tiketike.

Kei aku rangatira o te motu, tēnā koutou, tēnā tātau. Ko

tēnei te taumata o tātau mahi ako. "Te Mahi Ako" kei mua i a tātau nāiane, e tū ana! Kia mau ki te whakaaro nui o te kōrero nei aku rangatira, "Ka kaha ake mā te tū ngātahi" Kia kaha tātau ki te whai i ngā moemoeā, ki te whai i ngā wawata.

No reira rau rangatira mā, e mihi kau ana ki a koutou, ki a tātau. Huri noa, huri noa, tēnā koutou, tēnā koutou, tēnā tātau katoa.

**Steve Ruru**  
Heamana Te Mahi Ako

# OUR OUTCOMES

## Assessors



## Learners — total enrolments 6,438



## Learners — number of completions



# OUR PARTNERS



**Exercise New Zealand** — Exercise New Zealand is the national peak body for exercise, and works closely with its partner organisation, the Register of Exercise professionals. Its mission is to proactively support a sustainable exercise and fitness industry in New Zealand by growing participation in structured exercise through advocacy, information, and industry standards.



**ETNZ** — Entertainment Technology New Zealand is the national body representing technicians, craftspeople and designers in the entertainment, theatre and event industry, across both professional and amateur communities. ETNZ serves as a central point where members can access information and resources on entertainment technology, health and safety issues, service providers and personnel. It also identifies industry training needs and supports interested parties with targeted professional development.



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



**EVANZ** — The Event Venues Association New Zealand is the professional industry association representing venues throughout New Zealand. Its mission is to add value to the entertainment venues industry through sustainability, development and engagement. The main objective of EVANZ is to facilitate information sharing, upskilling, and best practices across the industry.



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



**Swimming New Zealand** — Swimming New Zealand is the national sports organisation for competitive pool and open water swimming in New Zealand. Its mission is to grow and strengthen swimming by providing services to the members of Swimming New Zealand, supporters and the general public. As well as its role in high-performance sport, Swimming New Zealand plays an active role in the promotion of water safety, learn to swim education, and the certification of swimming instructors and swim schools.



**EONZ** — Education Outdoors New Zealand is the national professional organisation supporting education outside the classroom (EOTC) and education outdoors. EONZ believes all young people in Aotearoa New Zealand should have quality EOTC and outdoor learning experiences, facilitated by competent and capable educators. It's committed to advocating, promoting and supporting EOTC in all schools, across all areas and demographics, and fostering quality EOTC that educates for a sustainable future.

# FEATURE STORIES

**In an impressive tale of determination and perseverance, Khiry Hewitt has emerged as a shining example of what can be achieved through passion and hard work. Khiry recently completed his New Zealand apprenticeship in entertainment and technology, specialising in audio and vision.**

Khiry's journey began during the onset of the COVID-19 pandemic, a time where uncertainty cast a shadow over many career paths. Although faced with challenges, Khiry successfully completed his Level 3 Event and Entertainment Operations certificate – a significant moment that sparked his undoubted passion for the world of entertainment technology. His journey didn't stop there as he embarked on his level 4 programme during industry downtime.

What sets Khiry's story apart is not just his sheer dedication but his impressive resourcefulness. During an age of digital dominance, Khiry fully embraced his paper-based learning approach, successfully navigating the tedious process of scanning and couriering coursework to his assessors.

Now, he is giving back to his industry and Te Mahi Ako by mentoring other apprentices. His transition from apprentice to mentor is a real testament to his character; dedicated to encouraging and guiding others to attain work-based qualifications.

Aside from mentoring, Khiry has also been appointed as the senior audio-visual technician for VIDCOM, Wellington. In this elevated role, Khiry continues to exhibit an appetite for growth and a passion for excelling in his field.

Khiry's story serves as a reminder that with dedication and hard work, the pursuit of excellence knows no bounds.

An impressive tale of determination and perseverance!



Khiry receiving his Apprenticeship of the Year award from Te Mahi Ako chief executive Maren Frerichs.





# FEATURE STORIES

**Te Mahi Ako has a commitment to being inclusive of disabled people and creating equitable outcomes for people in achieving their goals. Meet Helen Vann, Te Mahi Ako's newly appointed voice of Te Mahi Ako's amazing workplaces under the Disability Action Plan Reference Group (DAPRG).**

Te Mahi Ako is committed to supporting disabled learners through its Disability Action Plan. The group reviews and enhances Te Mahi Ako's Disability Action Plan, providing ongoing feedback and implementing initiatives such as external appointments, disability support courses, and collaborations with agencies like the Ministry of Social Development and Workbridge to assist disabled ākonga (learners) in gaining employment.

Helen is the swim school manager and workplace mentor at YMCA Auckland. Helen's impressive academic background in neurodiversity and inclusion informs her mahi significantly. "I trained as a nurse, then went off and did some nannying, decided to go back and do some more study – at the same time fell into swim school management and decided to use my degree and background to make this space more inclusive and give more people more opportunities. If one way doesn't work you've got to find another way. Now, for some people, the apprenticeship is a little tricky to pass".

Helen's mahi is vital in the education sector, because "there needs to be different options for people to complete their qualification – completing it online is not always going to work. My point is, there needs to be a real focus on accessibility."

Helen recounts a story of a young man she took on board a few years back who had cerebral palsy: "One of his barriers was actually getting to the YMCA – no other swim school would take him on board, but he was just super interested in swimming. He lacked a lot of confidence, and his main barrier was access and getting around – more places need to give people a chance. He really wanted a job but by the time he got here he would've already spent his wage – I really felt for him."

In terms of accessibility, Helen wants to focus on expanding the options that can be provided for different ākonga to complete their qualifications. "Online is not always going to be the way to go – we need more clarity and more options to make qualifications accessible – I mean, I can't speak for all sectors, but I can definitely speak for aquatics."

"Sometimes people need more additional support, and we don't know how to support them because of funding and resources – we need to create solutions for this."

## Disability Action Plan Reference Group: Helen Vann – the voice of Te Mahi Ako's workplaces



Helen – "Sometimes people need more additional support..."



# FEATURE STORIES

**Lily Green grew up being lovingly “forced” into rock-climbing by her dad, a rock-climbing instructor. Now, Lily is etching her name into the annals of history as a vital member of an 8-person team, aiming to achieve a momentous feat: becoming the world’s second group to conquer Mt. Worsley.**

**This majestic peak bears the prestigious name of one of New Zealand’s most illustrious explorers, Frank Worsley. The mountain received its name as a tribute to Worsley, the revered New Zealand captain who played a pivotal role in Sir Ernest Shackleton’s illustrious Imperial Trans-Antarctic Expedition, a daring endeavor to cross the Antarctic continent.**

Being outdoors and climbing is second nature to Lily. Having grown up with a rock-climbing family, she says, “I found a love for it in my teenage years, and it just stuck.” Currently, Lily has a couple of jobs that she feels has prepared her for the expedition. One of them being a rock-climbing instructor with her dad and the other working at a climbing gym in Dunedin. In terms of education, Lily said that her qualifications in rock-climbing and abseiling through Te Mahi Ako is what prepared her significantly, especially with safety knowledge. “I’ve been doing my qualification for a year and a half, coming to a closing date now. It’s totally helped me build my experience in rock climbing instruction. I’ve been learning lots of new things that I never thought I’d have to learn but it’s good / lots of stuff about the weather, thinking about risks and hazards, it’s important, good stuff to know.”

Part of Lily’s abseiling and rock-climbing apprenticeship involves “basically having to do a couple of assessments where you’re setting up anchors and teaching a session. It’s really cool, creating your own adventure with lots of people and learning to assess the risks and the weather so that the people you are teaching remain safe.”

When asked about how she felt after being selected for this history-making expedition, Lily said that she was

“actually working that day, and knew I was going to be getting a phone call, I was so nervous the entire day. I was beyond happy when I got the call. I can’t even explain it to be honest – I’ve never had that feeling before.”

At present, Lily is preparing for her expedition departure at the end of September. She stated, “I’ll need to get really fit, an hour of exercise a day, as well as going out on mountain trips which is hard because there’s not enough snow.” When asked if Lily was having to prepare for acclimatising to the mountain, she replied that the elevation is pretty standard and that “the main thing we need to worry about are the conditions. We need to prepare for anything that’s thrown at us.” Having almost completed her abseiling and rock-climbing qualification, Lily feels more prepared when assessing those risks.

“The climb is going to be pretty epic; first, we fly to Chile, then the Falkland Islands, and finally, it’s a 2–3-day journey on the boat to South Georgia. The whole expedition itself is a 3–week endeavor, with 10 days dedicated to activities around and on South Georgia.”

## Lily Green to conquer Mt. Worsley



Lily sets her sights on Mt. Worsley

# FEATURE STORIES

**E ngā mana, e ngā reo, e ngā karangatanga maha  
Huri noa e te motu o ngā hau e whā  
Tēnā koutou, tēnā koutou, tēnā tātau katoa.**

**Specialising in work-based learning within the realms of active recreation, leisure, and entertainment, the Skills Active Group administers scholarships dedicated to Māori Sports.**

In a celebration of excellence within te ahumahi ā-rēhia, Skills Active proudly announces Reece Cobb, a gymnastics prodigy, as the recipient of the Māori Sports Scholarship for 2023. This esteemed recognition is bestowed upon individuals who exemplify dedication and achievement.

Reece Cobb embarked on her journey towards the Olympics at the tender age of six, igniting a passion for gymnastics during those formative years. Guided by a devoted coach and propelled by an unwavering pursuit of excellence, Reece invested countless hours training with the unwavering goal of making it to the 2024 Olympics and proudly representing her country.

Reece has achieved much in her career so far, notably placing first as New Zealand's senior international gymnast for the second year in a row and securing the second overall position in the 2023 Oceania Championships, ranking her as the top New Zealand athlete. These hard-earned accomplishments placed her in the position to compete in the 2024 Olympic games.

Reece's future sees her competing in four major World Cup events that will also act as the qualification events to the 2024 Paris Olympic Games.

Although Reece's focus is currently on gymnastics, she looks forward to training as a midwife when she finishes her high school years.

Skills Active chief executive Maren Frerichs says, "Skills Active is so lucky to support exceptional people and athletes through their professional and educational journey. Reece has come such a long way to unlock her potential and realise her aspirations. It's an honour to award her this scholarship and contribute to her future professional pathways"

No reira, kia kaha e Reece, kia māia, kia manawanui!

## Skills Active and Te Mahi Ako honours outstanding achievers in Māori Sports Scholarship



Reece Cobb – gymnastics prodigy

# FEATURE STORIES

**Meet Rachael, the dedicated snow sports school manager at Cardrona. Rachael has embarked on a remarkable journey in the realm of work-based learning through Te Mahi Ako. Her story is one of passion, dedication, and the transformative power of education within the workplace.**

Rachael's connection with TMA began during her tenure as part of the instructor training department at Cardrona. Their collaboration with a polytechnic institution introduced her to the concept of "learning while you're working," a philosophy she holds dear to her heart. She firmly believes in the immense value of this approach, one that takes individuals from the classroom to the snow and eventually transforms them into experts.

When Rachael transitioned into a managerial role, her journey with TMA expanded as Cardrona began working closely with (TMA). She fondly recalls the early years, characterised by challenges and clunky learning materials. However, the TMA team proved to

be invaluable partners "the team at TMA are amazing, they worked really closely with us and helped us develop material to suit us, it was so easy and seamless".

Rachael is a passionate advocate for work-based learning, emphasising the benefits it brings to both learners and the workplace. The goal was clear: empower staff with the knowledge and freedom to work anywhere, recognising the value it brings to everyone involved. "We really saw the value for them and us, we were fully engaged and worked collaboratively."

Accountability and the importance of values are central to Rachael's leadership philosophy. She underscores the

value of their induction qualification, ensuring that every member of the team is aligned in their understanding "so that everyone was on the same page / so that there was consistency." TMA played a pivotal role in integrating Cardrona's core values into the qualification itself, infusing these values into every aspect of the learning experience. This interconnected approach has strengthened the values, making them an integral part of the qualification rather than a separate entity. "TMA were amazing in weaving our values into the qualification – that gave the values real value."

In terms of accountability, Rachael highlights how integrating Cardrona's values into their qualification process keeps the organisation relevant and continuously evolving. Each year, they engage in debriefing and updates to ensure that their values remain pertinent and aligned with their evolving needs. "As a leadership team, we would say ok, how did the delivery of the qualification go? What was the feedback like? So, in that way, over the years we have tweaked all these values as how we see fit." This ongoing process has proven to be a "powerful tool, fostering accountability and providing space for reflection and growth."

Rachael does admit though that "along the way there were definitely some challenges in delivering the training – whilst you're operating, I think it makes you stop and think – what's really important and how do you make this a part of the learners experience with the company?"

When asked what another favourite part of the industry was, Rachael said it was the "national part – being able to have that point of reference as an industry so that when all of the NZ ski industry gets together then work-based learning is part of that information that is referenced / it kind of crosses over the commercial aspect of it – it's information we can share together. All of us want to get the knowledge and the value – it's a real shared belief. That's another aspect of it that's been amazing."

Rachael's role as a manager has placed her at the forefront of delivering safe and enjoyable experiences. Leading a diverse team from around the world, she recognises the privilege of working with such dedicated professionals. Rachael's journey with TMA has not only enriched her career but has also prepared her for a new role at Park City Mountain Resort in Utah, one of the largest ski companies in the United States. She plans to carry the invaluable lessons learned from her TMA experience into this new chapter, a testament to the enduring impact of work-based learning. "I don't think my journey with work-based learning has finished – I'm always going to continue wanting to do stuff with that... maybe I'll cycle back to it – I don't feel like it's the end for me!" Rachael's story serves as an inspiration and a testament to the value of partnership, education, and continuous growth in the snow sports and education industry.



## Rachel: A pioneer of work-based learning in snow sports


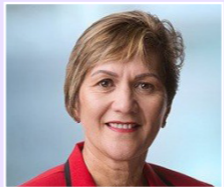


Rachael – snow sports school manager at Cardrona



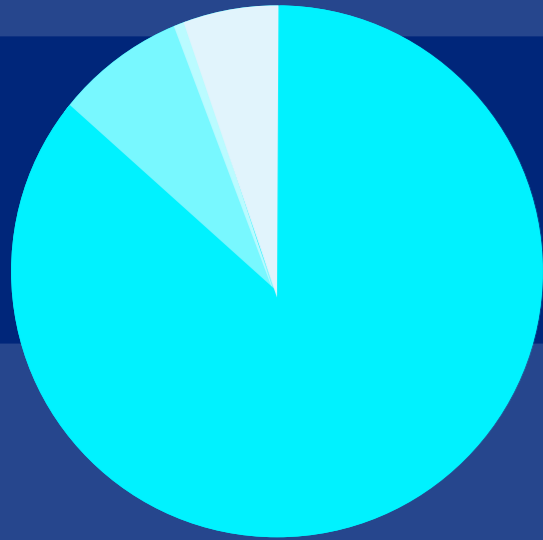
# DIRECTORS' DISCLOSURE

Board member	Interest	Meetings attended
<b>Robyn Cockburn</b> Director 	Senior advisor – Te Herenga Waka Victoria University of Wellington  Director – Sport New Zealand Board  Contractor – Recreation Aotearoa	6/6 board meetings 1/1 strategic planning meeting
<b>Steve Ruru</b> Chair 	Council member – Te Wānanga o Aotearoa  Chair Audit and Risk Committee – Te Wānanga o Aotearoa  Chief executive – Taranaki Regional Council  Vice-president – Taituarā – Local Government Professionals Aotearoa	6/6 board meetings 1/1 strategic planning meeting

<b>Stephanie Hadley</b> Director 	Chairperson – Pilates Aotearoa – subsidiary of Exercise Association of New Zealand  Trustee – New Zealand Youth Ballet Company	6/6 board meetings 1/1 strategic planning meeting
<b>Brandi Hudson</b> Director 		6/6 board meetings 1/1 strategic planning meeting

# FINANCIAL SNAPSHOT

## Money in



	Government funding	7,135,126
	Grant	600,000
	Subscription and fees	504,323
	Interest revenue	65,608
	<b>Total</b>	<b>8,305,057</b>

## Total operating income



8,305,057

## Total expenditure



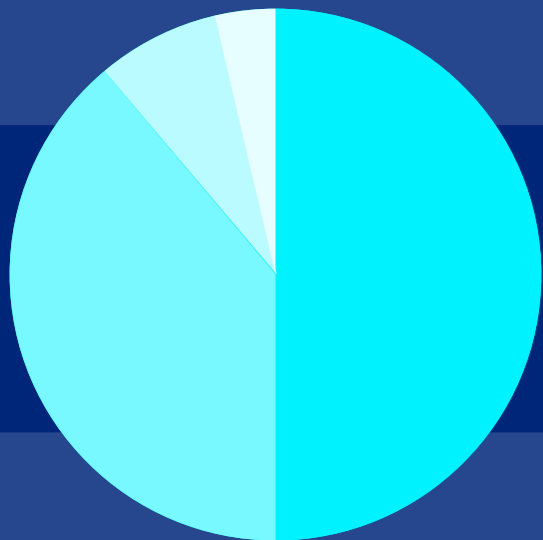
7,143,559

## Operating surplus



1,161,498

## Money out



	Cost of sales	518,288
	Employee expense	3,564,121
	Operating costs	2,905,480
	Client servicing	155,670
	<b>Total</b>	<b>7,143,559</b>

## Operating surplus

\$341,115

2022

\$1,161,498

2023



# AUDITOR'S REPORT

## INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF SKILLS ACTIVE TE MAHI AKO LIMITED

### Opinion

We have audited the financial statements of Skills Active Te Mahi Ako Limited ("company"), which comprise the financial statements and the service performance information. The complete set of financial statements comprise the statement of financial position as at 31<sup>st</sup> December 2023 the statement of comprehensive revenue and expense, statement of changes in net assets/equity, statement of cash flows 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 presents fairly, in all material respects:

- the financial position of the Company as at 31<sup>st</sup> December 2023 and (of) its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 31<sup>st</sup> December 2023 in accordance with the entity's service performance criteria,

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

### Basis for Opinion

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

Other than in our capacity as auditor we have no relationship with, or interests in, the company.

### Directors' Responsibilities for the Financial Statements

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

(a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;

(b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements those charged with governance are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the company 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, and the service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

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

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

### Who we Report to

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

**BDO WELLINGTON AUDIT LIMITED**  
Wellington  
New Zealand  
30 May 2024

# FINANCIAL STATEMENTS

## SKILLS ACTIVE TE MAHI AKO LIMITED

### Statement of Service Performance FOR THE YEAR ENDED 31 DECEMBER 2023

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

##### Our Vision

Everyone in our sectors is empowered with the skills to thrive.

We are working towards a future where every person and organisation in te ahumahi ā-rēhia has the opportunity to unlock their potential and gain the skills and knowledge they need to realise the ambitions they have for themselves, their whānau, their customers and communities.

##### Our Purpose

Weaving together work, learning and skills to support learner and workforce success.

Our goal is to provide work-based learning to grow confident, capable, connected people and organisations across our sectors. We will deliver vocational education that upholds the mana of Te Tiriti o Waitangi, fuels a passion for lifelong learning, and supports ākonga and workforce success through flexible and tailored provision – where, when and how they need it.

##### Ambition

Be the preferred partner and provider of high-quality work-based learning.

We will be the preferred provider of quality, personalised work-based learning to ākonga and organisations across the motu, increasing skills and employability for those working in or aspiring to our sectors. We will deliver access and equity for those who have previously been underserved or hard to reach. With decades of experience and powerful partnerships throughout industry, iwi and education, we will work kanohi-ki-te-kanohi to ensure ākonga and clients get the skills, knowledge and support they need to flourish.

#### What are our strategic focus areas?

The key outcomes for the Group are centred around learner outcomes, therefore the measures that demonstrate our progress in helping our learners to achieve are considered to be the following:

- Maintain and grow the number of enrolments in our programmes in order to grow the skill and knowledge base in te ahumahi ā-rēhia
- To provide accessible education and contribute to equitable outcomes for previously underserved or hard to reach learners
- Ensuring that our learners are successful in completing their courses of study.

#### Key judgements

The operations of Te Mahi Ako as a PTE commenced on 1 October 2022. The 2023 year was the first full year of operations for which TEC provided funding for the delivery against agreed targets. Learner enrolment and course

progress is recorded in our internal learner management system with data transferred to the TEC system. There is a matching process in place to ensure that the data in the two systems is aligned. As reported last year, the values for the 2022 year are a combination of the learners enrolled both by Skills Active Aotearoa (as an ITO – 9 months) and by Te Mahi Ako (3 months).

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

#### How did we perform?

The following measures reflect the performance during the 12 months to 31 December 2023 for Te Mahi Ako. The 2022 comparison is the combined performance of Te Mahi Ako and Skills Active Aotearoa.

Measure	TMA Actual 2023 (12 months)	Target 2023	Group Actual 2022 (12 months)
<b>Participation (out of total learners enrolled)<sup>1</sup></b>			
- Māori learners	17%	15%	16%
- Pasifica learners	6%	5%	5%
- Disabled learners <sup>2</sup>	2%	10%	3%
<b>Number of EFTS</b>			
- Total EFTS	1,215	1,673	1,483
<b>Number of completions</b>			
- Total credit completion EPI	70%	75%	52%
- Māori learner completion EPI	76%	75%	51%
- Pasifica learner completion EPI	66%	75%	40%
- Disabled learner completion EPI <sup>2</sup>	76%	75%	46%
<b>Number of credits reported</b>			
- Total learner credits reported	101,942	148,038	92,335
- Māori learner credits reported	17,796	26,174	13,349
- Pasifica learner credits reported	5,925	9,946	3,709
- Disabled learner credits reported	2,504	3,525	-

#### Notes:

1. Participation is the number of learners who identify under each category, divided by the number of learners with a minimum of one funded month
2. For definition of this category, refer to the Office for Disability Issues.



# FINANCIAL STATEMENTS

## What do these metrics tell us?

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

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

As reported last year, apprenticeship enrolments were very high resulting from Government support through the Boost and TTAF funding. Now that restrictions related to Covid have been removed, we have seen enrolled apprentices progress through their programmes with resultant completion rates and credit reporting. We have seen a reduction in new apprenticeship enrollments since the removal of the support funding.

### 2. Number of completions

Whilst we did not achieve our total completion targets, we did exceed the targets for Māori learners and disabled learners. It is also encouraging to note that we have seen significant improvements in completions as compared to last year. In particular, we experienced a significant increase in completions for our priority learners: Māori, Pacific and disabled learners.

### 3. Credit reporting

Although we didn't achieve our credit reporting targets, the total credits reported across all categories increased compared with 2022. It is worth noting the increased achievements for our priority learners.

## SKILLS ACTIVE TE MAHI AKO LIMITED

### Statement of Comprehensive Revenue and Expenses FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$ (12 months)	2022 \$ (3 months)
<b>Revenue</b>			
<b>Revenue from non-Exchange Transactions</b>			
Industry Training Fund (ITF)	4	7,135,126	1,844,220
Grant		600,00	-
Workplace fees and registration fees		504,323	99,735
<b>Total Revenue from Non-exchange Transactions</b>		<b>8,239,449</b>	<b>1,943,955</b>
<b>Total revenue</b>		<b>8,239,449</b>	<b>1,943,955</b>
<b>Less Cost of Sales</b>	5	518,288	142,908
<b>Gross Surplus</b>		<b>7,721,161</b>	<b>1,801,047</b>
<b>Expenses</b>			
Employee benefits expense	6	3,564,121	766,103
Other operating costs	7	2,905,481	659,208
Client servicing and training resources	8	155,670	34,778
<b>Total expenses</b>		<b>6,625,272</b>	<b>1,460,089</b>
<b>Surplus before financing revenue</b>		<b>1,095,890</b>	<b>340,958</b>
<b>Interest revenue</b>		<b>65,608</b>	<b>157</b>
<b>Surplus for the year</b>		<b>1,161,498</b>	<b>341,115</b>
<b>Total Comprehensive Revenue</b>		<b>1,161,498</b>	<b>341,115</b>



# FINANCIAL STATEMENTS

## SKILLS ACTIVE TE MAHI AKO LIMITED

### Statement of Changes in Equity FOR THE YEAR ENDED 31 DECEMBER 2023

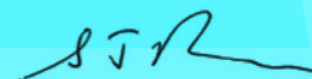
	Note	2023 \$ (12 months)	2022 \$ (3 months)
<b>Contributed Capital</b>			
Share capital issued		1,000,000	1,000,000
<b>Retained Earnings at the beginning of the year</b>		341,115	-
Surplus for the year		1,161,498	341,115
<b>Retained Earnings at the end of the year</b>		1,502,613	341,115
<b>Equity at the end of the year</b>	9	2,502,613	1,341,115

## SKILLS ACTIVE TE MAHI AKO LIMITED

### Statement of Financial Position As at 31 DECEMBER 2023

	Note	2023 \$	2022 \$
<b>Current Assets</b>			
Cash and cash equivalents	10	3,012,477	1,830,498
Short term deposits		1,500,000	-
Receivables – Exchange	11	117,671	365,054
Receivables – Non-Exchange	11	80,958	763,643
Repayments		19,070	-
<b>Total Current Assets</b>		4,730,175	2,959,195
<b>Non-Current Assets</b>			
Property, plant and equipment	14	41,363	52,627
<b>Total Non-Current Assets</b>		41,363	52,627
<b>Total Assets</b>		4,771,538	3,011,822
<b>Current Liabilities</b>			
Trade payables	12	1,818,004	440,150
Employee benefits payable		262,027	456,507
Goods and services tax payable		188,894	194,782
Revenue in Advance		-	579,268
<b>Total Current Liabilities</b>		2,268,925	1,670,707
<b>Net Assets</b>		2,502,613	1,341,115
<b>Equity</b>			
Share capital		1,000,000	1,000,000
Retained earnings	9	1,502,613	341,115
<b>Total Equity</b>		2,502,613	1,341,115

For and on behalf of the Board



Steve Ruru  
Chair – Board  
Date: 30 May 2024



Robyn Cockburn  
Chair – Finance & Risk Komiti  
Date: 30 May 2024

# FINANCIAL STATEMENTS

## SKILLS ACTIVE TE MAHI AKO LIMITED

### Statement of Cash Flow FOR THE YEAR ENDED 31 DECEMBER 2023

Note	2023 \$ (12 months)	2022 \$ (3 months)
<b>Cash Flows from Operating Activities</b>		
Receipts from TEC funding	8,850,657	1,727,483
Receipts from charges for goods and services	535,281	12,043
Grant received from Skills Active Aotearoa	600,000	-
Payments to suppliers and employees	(7,380,104)	(752,867)
Proceeds from Interest received	26,144	157
	<b>2,631,978</b>	<b>986,816</b>
<b>Cash Flows from Investing Activities</b>		
Payment for property, plant and equipment	-	(56,318)
	<b>-</b>	<b>(56,318)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issue of shares	-	1,000,000
Movement in investments	(1,450,000)	(100,000)
Total Cash Flows from Financing Activities	<b>(1,450,000)</b>	<b>900,000</b>
<b>Net Cash Flows</b>	<b>1,181,978</b>	<b>1,830,498</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	1,830,498	-
Cash and cash equivalents at end of period	3,012,477	1,830,498
<b>Net change in cash for period</b>	<b>1,181,978</b>	<b>1,830,498</b>

## SKILLS ACTIVE TE MAHI AKO LIMITED

### Notes to and forming part of the financial statements For the year ended 31 December 2023

#### 1. Reporting entity

These financial statements comprise the financial statements of Skills Active Te Mahi Ako Limited ("Te Mahi Ako") for the period beginning 1 January 2023 and ending on 31 December 2023. Te Mahi Ako is a company incorporated in New Zealand, registered under the Companies Act 1993. The Company is a private training establishment supporting te ahumahi ā-rēhia, the Sport, Exercise, Recreation and Performing Arts sectors 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 2023. The financial statements were authorised for issue by the Directors on 30 May 2024.

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

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

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, and disclosure concessions have been applied. The company qualifies as a Tier 2 reporting entity as for its first reporting period, they are not publicly accountable and not large (operating expenditure has been between \$2 million and \$30 million in the current year for Te Mahi Ako).

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

The financial statements are prepared on the historical cost basis.

The Directors have approved these financial statements on a going concern basis. The Directors have concluded the going concern basis is appropriate, as Te Mahi Ako obtained funding from the Tertiary Education Commission (TEC) for the 2023 calendar year and confirmed funding for the 2024 calendar year.

#### 3. Significant accounting policies

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

##### a) Revenue

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

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

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

##### i. Industry Training Fund (ITF) Fund.

Te Mahi Ako received funding from the Tertiary Education Commission (TEC) based on Equivalent Full-time students (EFTS). From 2023, TEC's new Unified Funding System (UFS) is the basis for providing funding on a per EFTS basis. Revenue is recognised when received in accordance with contracted delivery and when conditions of the agreement are met. Any potential repayment of funding is an end-of-year clawback adjustment due to over-funding by TEC and is recognised as a liability in the Balance Sheet. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding. Funding provided by TEC to support learners who undertake qualifying apprenticeships as a direct response to the impacts of Covid-19 and the need for people to retrain was discontinued on 31 December 2022. TEC advanced funding based on an assumed take-up of apprenticeships within our industries. As of 1 October 2022, Te Mahi Ako assumed the obligations related to the apprentices who were enrolled by Skills Active Aotearoa plus apprentices who enrolled directly with Te Mahi Ako after transition. Apprenticeships offered by Skills Active and Te Mahi Ako have a duration of 2 years and the funds received from TEC are treated as Revenue in Advance and recognised as revenue on a straight line basis over the expected course duration.



# FINANCIAL STATEMENTS

In instances where the trainee withdraws, Te Mahi Ako may be required to return the proportion of unearned revenue to TEC. As at 31 December 2023, there is no remaining risk of clawback of funds advanced by TEC and therefore the remaining balance of Revenue in Advance has been released to Revenue in the Statement of Comprehensive Revenue and Expenses.

## 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. 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.

## iv. Grants revenue

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and then recognised as revenue when the conditions of the grant are satisfied.

### ii. Revenue from exchange transactions

#### i. Interest Revenue

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

## b) Property, plant and equipment

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

Asset	Expected Useful Life	Residual Value
Motor Vehicles	3 – 5 years	20%

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 Revenue and Expenses when incurred. The residual value of assets is reassessed annually.

## c) Trade and other receivables

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

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

## d) 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.

## e) Income tax

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

## f) Goods and services tax

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

## g) Cash and cash equivalents

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

## h) 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.

## i) 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.

## j) 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.

## k) Financial instruments

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

### (a) Recognition and initial measurement

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

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

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

### (b) Classification and subsequent measurement

#### Financial assets

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

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

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

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

# FINANCIAL STATEMENTS

## Financial liabilities

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

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

### (c) Impairment of financial assets

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

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

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

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the financial asset is more than 90 days past due.

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

### l) Controlled entities

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

### m) Changes in accounting policy

The accounting policies adopted are consistent with those of Skills Active Aotearoa Limited, the parent company.

## 4. Tertiary Education Commission Revenue

Te Mahi Ako is an NZQA accredited private training establishment (PTE) and receives funding from TEC which is provided to deliver against the targets set out in the investment plan as agreed between the TEC and Te Mahi Ako. In the 2023 year, the first full year of Te Mahi Ako operating as a PTE, a full year of funding was provided by TEC to Te Mahi Ako. In the 2022 year, the amount received by Te Mahi Ako was a prorata amount of the funding that was allocated by TEC to Skills Active Aotearoa to recognise the proportion of the year that Te Mahi Ako was operating as a PTE.

	2023 \$ (12 months)	2022 \$ (3 months)
<b>Industry Training Fund (ITF)</b>		
ITF Funding – Core	6,555,658	890,828
Apprenticeship Funding	-	609,282
ITF Funding– Targeted Training and Apprentices Fund	579,468	264,991
TEC Equity Funding	-	59,119
Other TEC Funding	-	20,000
<b>Net TEC Revenue</b>	<b>7,135,126</b>	<b>1,844,220</b>

## 5. Cost of Sales

	2023 \$ (12 months)	2022 \$ (3 months)
Assessment Fee	180,456	16,159
NZQA Credit Reporting	152,209	57,085
NZQA Managing Consistency	20,430	9,000
NZQA Programme Consultation	3,158	-
NZRA Pool Lifeguard Practising Certificate Fees	14,145	-
Resource Printing	87,782	16,447
Senior Assessor Mentor fees	-	1,700
Workshop Costs	800	-
Targeted Training Apprentice Fund costs	59,309	42,517
<b>Total Cost of Sales</b>	<b>518,288</b>	<b>142,908</b>

## 6. Employee Benefit Expense

	2023 \$ (12 months)	2022 \$ (3 months)
Wages and Salaries	3,399,940	745,019
Contract Staff	6,645	-
<b>Employee Entitlements</b>	<b>3,406,585</b>	<b>745,019</b>
Training	30,322	2,110
Other Costs	127,213	18,974
	<b>3,564,121</b>	<b>766,103</b>

# FINANCIAL STATEMENTS

## 7. Other Operating Costs

	2023 \$ (12 months)	2022 \$ (3 months)
Depreciation and Amortisation	11,264	3,691
Rental Expenses	14,418	1,194
ACC Levies	6,063	-
Audit Fees	10,300	15,000
Directors' Fees	72,500	7,500
Legal Fees	14,278	-
IT Expenses	76,836	1,665
Travel Expenses	40,455	8,120
Postage, Printing and Stationary Expenses	13,067	-
Phone and Internet Expenses	9,610	890
Professional Fees	1,140	-
Shared Services Charges	2,599,764	606,810
Subscriptions and Membership Expenses	7,477	5,329
Staff Expenses	12,273	3,004
Other	16,037	6,005
	<b>2,905,481</b>	<b>659,208</b>

## 8. Client Servicing and Training Resources

	2023 \$ (12 months)	2022 \$ (3 months)
Client Servicing	155,670	34,778
	<b>155,670</b>	<b>34,778</b>

## 9. Equity and Reserves

The Company has a policy of maintaining equity reserves between a minimum of \$1.5 million and a maximum of \$4.7 million based on the current Strategic and Operational Risk Analysis. Equity reserves as at 31 December 2023 were \$2.5 million.

Equity reserves will be retained to allow for such items as future capital expenditure, economic downturn, political uncertainty and investing in future growth.

At 31 December 2023, share capital comprised 1,000,000 ordinary shares (2022: 1,000,000 called and fully paid) all of which were called and fully paid at the balance date. Skills Active Aotearoa is the sole holder of the ordinary shares and therefore has sole voting rights.

	2023 \$	2022 \$
<b>Equity</b>		
<b>Total Issued and Paid Up Capital</b>		
Total Issued and Paid Up Capital	1,000,000	1,000,000
<b>Retained Earnings</b>		
Balance at the beginning of the year	341,115	-
Net Surplus/(Deficit) after Financing Income	1,161,498	341,115
<b>Retained Earnings at the end of the year</b>	<b>1,502,613</b>	<b>341,115</b>
<b>Total Equity</b>	<b>2,502,613</b>	<b>1,341,115</b>

## 10. Cash and Cash Equivalents

	2023 \$	2022 \$
Westpac	3,012,477	1,830,498
	<b>3,012,477</b>	<b>1,830,498</b>

## 11. Receivables

	2023			2022		
	Exchange \$	Non- Exchange \$	Total \$	Exchange \$	Non- Exchange \$	Total \$
Accrued Revenue – Exchange	39,464	-	39,464	18,780	-	18,780
Accrued Revenue – Non-Exchange	-	-	-	-	677,225	677,225
Trade Receivables – Exchange	78,207	-	78,207	346,274	-	346,274
Trade Receivables – Non-Exchange	-	80,958	80,958	-	86,418	86,418
	<b>117,671</b>	<b>80,958</b>	<b>198,629</b>	<b>365,054</b>	<b>763,643</b>	<b>1,128,697</b>

# FINANCIAL STATEMENTS

12. Trade Payables	2023	2022
	\$	\$
Trade payables	176,141	224,027
TEC funding repayment	1,641,863	216,123
	<b>1,818,004</b>	<b>440,150</b>

The TEC letter dated 29 May 2024 confirms the wash up position for 2023 funding. There is a claw-back required as a result of delivery of 1,215 EFTS compared to the target of 1,673 EFTS.

### 13. Operating Lease Commitments

Non-cancellable operating lease rentals are payable as follows:

	2023	2022
	\$	\$
Less than one year	14,174	-
	<b>14,174</b>	<b>-</b>

Te Mahi Ako leases an office in Christchurch. The lease is for \$15,462 per annum and was extended for a further period of 12 months until 30 November 2024.

### 14. Property, Plant and Equipment 2023

Cost	Motor Vehicles	Total
Opening	56,318	56,318
Additions	-	-
Disposals	-	-
Closing	56,318	56,318
<b>Accumulated Depreciation</b>		
Opening	3,691	3,691
Depreciation	11,264	11,264
Disposals Depreciation write-back	-	-
Closing	14,955	14,955
<b>Net Book Value 2023</b>	<b>41,363</b>	<b>41,363</b>

### 2022

Cost	Motor Vehicles	Total
Opening	-	-
Additions	56,318	56,318
Disposals	-	-
Closing	56,318	56,318
<b>Accumulated Depreciation</b>		
Opening	-	-
Depreciation	3,691	3,691
Disposals Depreciation write-back	-	-
Closing	3,691	3,691
<b>Net Book Value 2022</b>	<b>52,627</b>	<b>52,627</b>

# FINANCIAL STATEMENTS

## 15. Related Parties

The Company has related party relationships through the connection of its Directors with associated industry organisations with whom it transacts in the normal course of its business. The transactions between Directors and the organisation in which they hold an interest are:

Directors	Organisation	Paid to Te Mahi Ako \$	Paid by Te Mahi Ako \$
<b>2023</b>			
Kirsty Knowles	Community Leisure Management Limited	32,034	-
Robyn Cockburn	Recreation Aotearoa	225	37,871
Stephanie Hadley	Exercise Association of New Zealand	-	10,000
<b>2022</b>			
Kirsty Knowles	Community Leisure Management Limited	20,975	-
Robyn Cockburn	Recreation Aotearoa	120	3,950
Stephanie Hadley	Exercise Association of New Zealand	-	-

Kirsty Knowles is the General Manager of Operations at Community Leisure Management Ltd (CLM) who own and operate community facilities such as swimming pools. Te Mahi Ako learner fees will be invoiced to CLM, either directly, or to entities owned by CLM that operate the pools.

Robyn Cockburn is a contractor to Recreation Aotearoa.

Stephanie Hadley is the Chairperson of Pilates Aotearoa which is a subsidiary of Exercise Association of New Zealand.

## 16. Remuneration paid to employees

	2023 (12 months)	2022 (3 months)
\$100,000 - \$110,000	2	-
\$110,000 - \$120,000	6	-
\$120,000 - \$130,000	1	-
\$150,000 - \$160,000	1	-
\$160,000 - \$170,000	1	-

Te Mahi Ako commenced activities from 1 October 2022 and was not an employer prior to that date. No employees were remunerated in excess of \$100,000 by Te Mahi Ako during the 2022 financial year.

## 17. Directors remuneration paid

	Te Mahi Ako Board Fees	Skills Active Board Advisory Fees	Total
<b>2023</b>			
	\$	\$	\$
Steve Ruru	30,000	3,750	33,750
Robyn Cockburn	15,000	-	15,000
Brandi Hudson	13,750	-	13,750
Stephanie Hadley	13,750	-	13,750
	<b>72,500</b>	<b>3,750</b>	<b>76,250</b>
<b>2022</b>			
	\$	\$	\$
Steve Ruru	13,013	15,000	28,013
Robyn Cockburn	13,012	-	13,012
	<b>26,025</b>	<b>15,000</b>	<b>41,025</b>

Steve Ruru was appointed as an advisor to the board of Skills Active Aotearoa Limited for which he was remunerated \$15,000 per annum in addition to the fees he received as a director of Skills Active Te Mahi Ako Limited. Steve stood down from the role of advisor to the Skills Active Aotearoa board as of 31 March 2023.



## 18. Financial Assets and Liabilities

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

### Financial Assets at amortised costs

	2023 \$	2022 \$
Cash and cash equivalents	3,012,477	1,830,498
Short term deposits	1,500,000	-
Receivables	198,629	1,128,697
	<b>4,711,105</b>	<b>2,959,195</b>

Financial liabilities are reported at amortised cost and comprise trade payables of \$1,818,004 (2022: \$440,150). There are no financial liabilities at fair value through profit and loss.

## 19. Commitments and Contingencies

There are no commitments or contingent liabilities as at 31 December 2023 (2022: Nil)

## 20. Subsequent Events

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

## 21. Going Concern

These financial statements have been prepared based on management's and the Board's assessment that Te Mahi Ako is a going concern. Te Mahi Ako successfully applied in 2022 for status as a private training establishment (PTE) by NZQA, and TEC approved funding of Te Mahi Ako as a PTE. It is therefore expected that Te Mahi Ako will continue to operate as a going concern for the foreseeable future.

Te Mahi Ako received TEC funding for 2023. TEC have confirmed funding of Te Mahi Ako for the 2024 calendar year.



# DIRECTORY

## Te Mahi Ako Board

Steve Ruru – Chair  
Robyn Cockburn  
Brandi Hudson  
Stephanie Hadley

## Registered Office

14 Sages Lane  
Te Aro  
Wellington 6011

## Solicitor

Dentons Kensington Swan

## Bankers

Westpac

## Auditors

BDO New Zealand

## Contact

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14 Sages Lane  
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