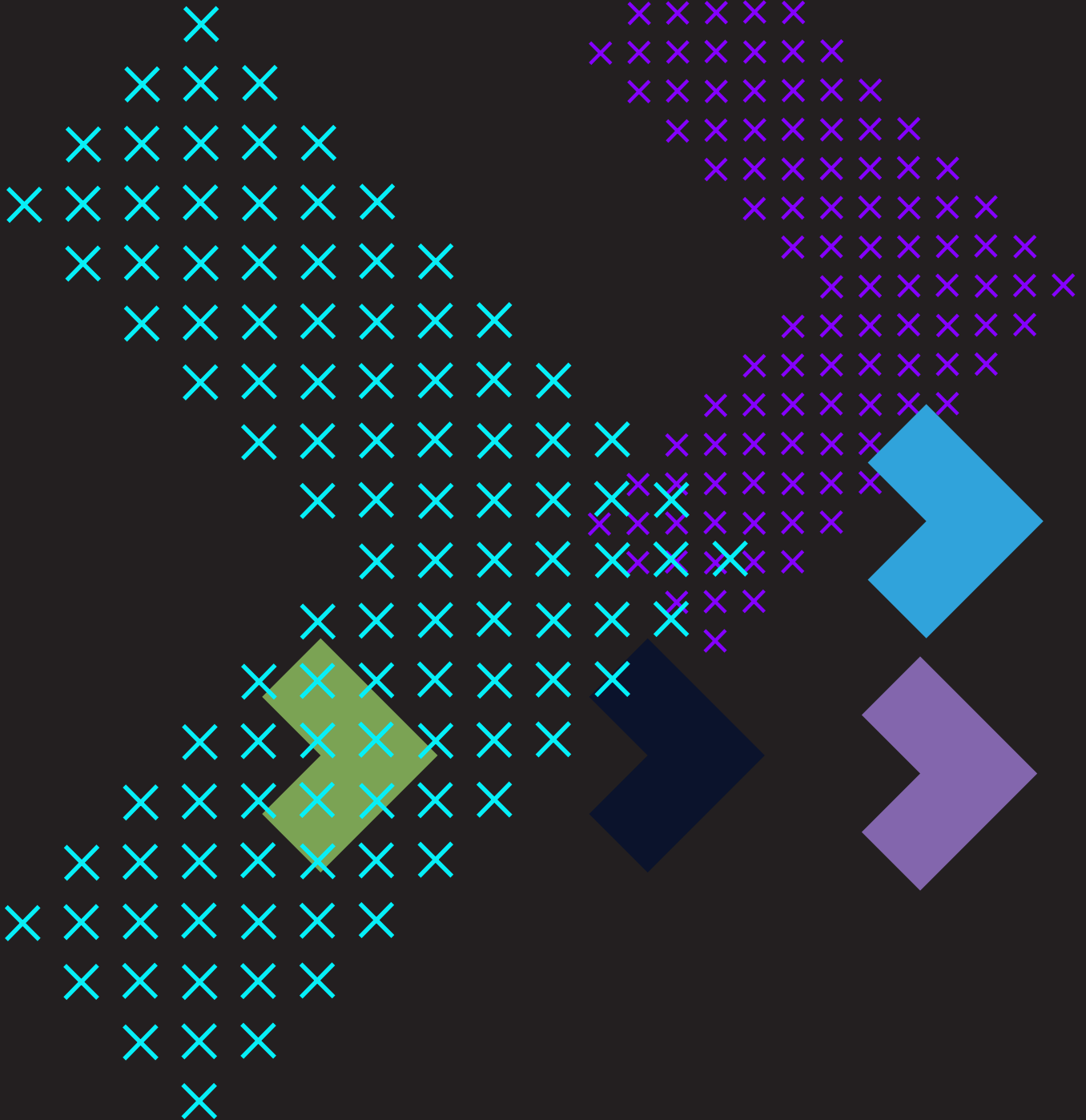




# 2023 Annual Report



# Contents

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

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

Chair's report	2
Our partners	4
Directors' disclosure	6
Shareholder share allocation	8
Auditor's report	10
Financial statements	12
Directory	36

# Chair's report



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

“Ko te kore, ko te pō, ko te pō, ko te ao ka awatea te ao mārama  
Ko Ranginui e tū iho nei, ko Papatuanuku e takoto nei  
Ko ahau ki raro, e rapu ana e hāhau ana i te ara o Io Matua  
He ara tauwhāiti te ara, he ara namunamu te ara, he ara i  
kauorohia.

Kauorohia e Io-te-Hā-o-Ngā-Rangī, i a Io-te-Toi-Ururangi Toi  
Ururoa, Toi Urutapu, Toi Uruora, Toi Uru-Ariki Whakaheke i  
runga, whakaheke i raro, whakaheke i roto, whakaheke i waho,  
whakaheke i tua i tēnei kaupapa Nāu rā e Io, e Rangī, eee!

Ka riro mā tēnei karakia tawhito nō Te Hokianga, e tuwhera kau  
ake nei aku kōrero. Ko te ara e kōrerohia nei, kōia ko te ara o Io  
Matua, ārā, ko ara kawenata e hokoi nei tātou kia hoki rawa atu,  
kia tae rawa atu ki te wāhi e kīa nei ko te hononga-o-ngā-Wairua.  
Me te maumahara hoki ki wā tātou tini mate maha.

Nā reira, tuatahi kia tuku atu te reo hakamoemiti Matua-nui-i-te-  
Rangī; tuarua iho, ka mihi ki te hunga kua riro ki tua. Rātou ki a  
rātou, tātou te hunga ora ki a tātou. Mauri ora ki a tātou katoa”

As we reflect on 2023, our first full year of operation for Te Mahi Ako, we take satisfaction in our achievements, despite the challenges faced in our operating environment. This year has marked significant milestones for Skills Active Aotearoa and its subsidiary, Te Mahi Ako, and it is a pleasure to share the progress and successes with you.

Te Mahi Ako's commitment to quality was reflected in its first full year by being acknowledged for best practice during the Toi Mai Workforce Development Council's Quality Assurance Visit and receiving favourable validation from NZQA. The inaugural face-to-face delivery of the Whakamana pilot in Hawke's Bay was a success, and a comprehensive engagement system tailored to individual learner needs was introduced. Te Mahi Ako also launched its first pastoral care framework and services, secured approval from the TEC for its Investment Plan, and obtained strategic project funding for 2024. Additionally, the partnership in the rollout of a Pasifika Learn to Swim programme in Nelson is an achievement of particular pride.

Educational performance indicators (EPis) for Te Mahi Ako have shown significant improvements on the base set from late 2022, such as a credit completion EPI of 70%. Personalised support systems, implemented as part of Te Mahi Ako's Learner Success Plan, are making a positive difference in ākongā achievement outcomes; the Māori and disabled learner groups, which hit 75% of target for credit reporting performance, outperformed the general population of learners in this EPI. Moving forward, the focus for Te Mahi Ako will continue to be on reducing disparities and providing holistic support to ensure every learner can reach their full potential.

Like many in the work-based sector, Te Mahi Ako experienced lower enrolments than forecasted during the year. Drivers for the reduced enrolment levels include changing market conditions and changed funding rules related to international learners, which is a particular issue for ski industry partners.

Looking ahead, further major shifts in the tertiary education landscape are anticipated as the new Coalition Government finalises changes to the tertiary and work-based learning sector, including funding methods. These intended changes, while yet to be formalised, may have a significant effect on the business and the services delivered, particularly with regard to changes to funding methods. Skills Active Aotearoa and Te Mahi Ako are closely monitoring developments and see positive opportunities in some of the changes being discussed. As the Government's

policy development and subsequent implementation process progresses, Skills Active Aotearoa and Te Mahi Ako will look to proactively engage in advocacy for changes that meet the needs of te ahumahi ā-rēhia: the active recreation, leisure, and entertainment sectors.

Outside of Te Mahi Ako's operations, one of the most notable changes for the group in 2023 was the successful divestment of Qualworx. It was a strategic move that has reflected a distinct focus on strengthening our financial position and streamlining our operations. The successful transition to new ownership ensured uninterrupted service for clients, upheld our standards and values, and saw Skills Active supporting Qualworx through a formal service arrangement to maintain high standards in the sector. This divestment represented a milestone in our journey, enabling a sharper focus on our core missions and future growth opportunities.

The backbone of Skills Active's strategic direction remains its connection to New Zealand's Te Tiriti identity through Ngā Mahi ā te Rēhia, with a strong emphasis on its pillars of leadership, education, training, advice, and connections. Skills Active is committed to exploring growth opportunities for these pillars, an approach which seeks to enhance Aotearoa's wellbeing by promoting spiritual and physical engagement and connection. In 2024, we will further refine our strategic direction and its implications for stakeholders. Our dedication to fostering a vibrant, equitable future for Aotearoa through transformative change remains unwavering.

Heartfelt gratitude is extended to the staff of Skills Active Aotearoa and Te Mahi Ako. Their hard work, dedication, and unwavering commitment have been the cornerstone of this year's successes. Without their efforts, none of the achievements would have been possible.

Thank you for your continued support and partnership. Further updates will be shared, and navigating the ever-changing landscape ahead together is eagerly anticipated.

Nāku nā,

**Sam Napia**  
Board Chair

Kaiwhakahaere Poari - Board Chairperson - Skills Active Aotearoa

# Our partners

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**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** — 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** — EONZ 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 across in all schools, across all areas and demographics, and fostering quality EOTC that educates for a sustainable future.

# Directors' disclosure

Board member	Interest	Meetings attended
<b>Andrew Gunn</b> 	Director — Skills Active Aotearoa Director — Snake Point Lodge Limited Director — Bertney #5 Limited Director — Trafalgar Nominees Director — Kokoroa Farms CEO from December 2021 — Qualworx — Removed 1 September 2023	5/6 board meetings 1/1 strategic planning meeting 1/1 AGM
<b>Butch Bradley</b> 	Director — Skills Active Aotearoa Chair — Te Ara a Maui Inc. (Maori Regional Tourism Board) - Removed 1 September 2023 Director — Te Ara a Maui Inc (Maori Regional Tourism Board) - Removed 21 January 2023 Director — Qualworx Limited - Removed 1 October 2018 Director — Radio A Limited - Removed 31 December 2022 Director — Whakatu Enterprises Limited - Removed 30 August 2023 Executive Director — SAA Governance Lead — ESR Crown Research Institute Member — Regional Skills Leadership Group HR and A&R Komiti Member — Te Huinga Tākaro o Aotearoa Member — EPA Māori Advisory Komiti	5/6 board meetings 1/1 strategic planning meeting 1/1 AGM
<b>Hinemaui Rikirangi</b> 	Director — Skills Active Aotearoa Ministry of Health Director — Qualworx Limited - Removed 1 September 2023	6/6 board meetings 1/1 strategic planning meeting 1/1 AGM

<b>Jordan Pomana</b> 	Chair — HB Lead Kahungunu Poitūkohu inc. Director — Skills Active Aotearoa	5/6 board meetings 1/1 strategic planning meeting 1/1 AGM
<b>Kirsty Knowles</b> 	Director — Skills Active Aotearoa Director/shareholder - Community Leisure Management Board member -VCommunity Leisure Charitable Trust General Manager of Operations — Community Leisure Management Board member — ecreation Aotearoa	5/6 board meetings 1/1 strategic planning meeting 1/1 AGM
<b>Sam Napia</b> 	Director — Skills Active Aotearoa Director — Qualworx Limited — Released 1 September 2023 Director — Freedom Excel Limited Whānau Development Manager — Hauraki Māori Trust Board Chief Executive of Te Rūnanga Ā Iwi O Ngāpuhi	4/6 board meetings 1/1 strategic planning meeting 1/1 AGM
<b>Stephen Gacsal</b> 	Director — Skills Active Aotearoa Registrar for Register of Exercise Professionals (REPs), Exercise Association of New Zealand — Released March 2023 Board member of ICREPs Board Member — Allied Health Aotearoa New Zealand (AHANZ) Chair — Qualworx Limited — Released 1 September 2023	6/6 board meetings 1/1 strategic planning meeting 1/1 AGM

# Shareholder share allocation

As at 29 June 2023

## COMMUNITY RECREATION

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

## EXERCISE

New Zealand Recreation Association Incorporated	100
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## NGĀ MAHI A TE RĒHIA

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

## OUTDOOR RECREATION

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

## SNOWSPORT

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

## SPORT

Sport and Exercise Science New Zealand Incorporated	100
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## PERFORMING ARTS

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

## TOTAL SHARES

**1,200**

# Auditor's report



BDO Wellington Audit Limited

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

### Opinion

We have audited the consolidated financial statements of Skills Active Aotearoa Limited ("the Company) and its subsidiary (together, "the Group"), which comprise the consolidated financial statements and the consolidated service performance information. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31<sup>st</sup> December 2023 the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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

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

### Basis for Opinion

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

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

### Directors' Responsibilities for the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

### Who we Report to

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

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED

Wellington  
New Zealand  
30 May 2024

# Financial statements

## SKILLS ACTIVE AOTEAROA

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

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

##### Our Vision

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

##### Our Purpose

##### Together creating tomorrow

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

##### Ambition

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

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

#### What are our strategic focus areas?

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

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

Identifying areas of growth to provide value added learning outcomes to rēhia which may fall outside of the scope of a PTE. To explore the opportunities to offer our shared corporate services to parties external to the Group.

#### Key judgements

The operations of Te Mahi Ako as a PTE commenced on 1 October 2022. The 2023 year was a 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 programs 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?

There were positive signs in terms of bedding in the new functions of Te Mahi Ako as a Private Training Establishment (PTE). In addition to the measures below, we received positive reviews during the year from TEC, Toi Mai Workforce Development Council and NZQA. Other areas of focus during the year were the divestment of former subsidiary Qualworx Limited and the development of a pilot programme for inducting people who were involved in the recovery efforts in Hawke's Bay following damage caused by Cyclone Gabrielle.

We experienced a significant impact on our enrolments resulting from the government reset in not providing funded education for non-NZ citizens or residents. This has impacted the funding attributable to our sectors, particularly snowfields and community recreation facilities, where there is a higher proportion of non-domestic learners for which we have historically provided programmes to support their continued operations.

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

Measure	TMA Actual 2023 (12 months)	Target 2023	Group Actual 2022 (12 months) <sup>2</sup>
<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	-



# Financial statements

- 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.

## 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-19 and apprenticeship boost funding

As reported last year, apprenticeship enrolments were very high resulting from Government support through the Boost and TAF funding. Now that restrictions related to Covid-19 have been removed, we have seen enrolled apprentices progress through their programs 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 completion targets it is 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.

### New growth opportunities

The group has continued with its programme of seeking out new growth opportunities.

During the period, we partnered with Whakamana Hawke's Bay to implement a pilot programme focused on reconnection, revitalisation and restoration of te ao Māori with ākonga/learners and to grow their own cultural identity. The pilot was introduced to staff employed in the clean up efforts following the aftermath of Cyclone Gabrielle in the Hawke's Bay. A total of eight ākonga participated in the pilot, one left to relocate with the remaining seven all passing their assessments. This pilot is being used to inform how we might offer this programme more widely.

## SKILLS ACTIVE AOTEAROA

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

	Note	2023 \$	2022 \$
<b>CONTINUING OPERATIONS</b>			
Revenue			
Revenue from Exchange Transactions			
NZQA moderation rebate		-	(40)
Other revenue		5,1634	5,915
<b>Total Revenue from Exchange Transactions</b>		<b>51,634</b>	<b>5,875</b>
<b>Revenue from Non-Exchange Transactions</b>			
Industry Training Fund (ITF)	4	7,135,126	7,642,847
Workplace fees and registration fees		544,974	480,885
Total Revenue from Non-Exchange Transactions		7,680,100	8,123,732
<b>Total Revenue</b>		<b>7,731,734</b>	<b>8,129,607</b>
Less Cost of Sales	5	518,288	614,911
<b>Gross Surplus</b>		<b>7,213,446</b>	<b>7,514,697</b>
Expenses			
Employee benefits expense	6	5,623,839	5,318,142
Other operating costs	7	1,361,439	1,585,396
Client servicing and training resources	8	275,621	245,588
<b>Total expenses</b>		<b>7,260,899</b>	<b>7,149,126</b>
Surplus/(Deficit) before financing revenue		(47,453)	365,572
Interest revenue		254,817	136,236
Surplus/(Deficit) for the year from continuing operations		207,364	501,808
<b>DISCONTINUED OPERATION</b>			
Surplus/(Deficit) for the year from discontinuing operations	9	(87,701)	(160,793)
Surplus/(Deficit) for the year		119,662	341,015
<b>Total Comprehensive Revenue/(Loss)</b>		<b>119,662</b>	<b>341,015</b>

# Financial statements

## SKILLS ACTIVE AOTEAROA

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

	Note	2023 \$	2022 \$
Equity at the beginning of the year		6,496,836	6,155,822
Surplus/(deficit) for the year		119,662	341,014
Other comprehensive income for the year		-	-
<b>Total Comprehensive Revenue/(Loss) for the year</b>		<b>119,662</b>	<b>341,014</b>
<b>Equity at the end of the year</b>	<b>10</b>	<b>6,616,498</b>	<b>6,496,836</b>

## SKILLS ACTIVE AOTEAROA

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

	Note	2023 \$	2022 \$
<b>Current Assets</b>			
Cash and cash equivalents	11	5,548,727	3,267,231
Short term deposits	12	3,053,284	5,072,291
Receivables	13	155,970	374,873
Prepayments		157,836	134,026
		<b>8,915,817</b>	<b>8,848,421</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	17	198,473	213,641
Intangible assets	18	2,102	56,891
		<b>200,575</b>	<b>270,532</b>
<b>Total Assets</b>		<b>9,116,391</b>	<b>9,118,953</b>
<b>Current Liabilities</b>			
Trade payables		1,829,255	987,210
Employee benefits payable		432,024	797,400
Goods & services tax payable		238,615	219,455
Revenue in advance		-	618,053
		<b>2,499,893</b>	<b>2,622,118</b>
<b>Net Assets</b>		<b>6,616,498</b>	<b>6,496,835</b>
<b>Equity</b>			
Share capital		-	-
Retained earnings	10	6,616,498	6,496,836
<b>TOTAL EQUITY</b>		<b>6,616,498</b>	<b>6,496,836</b>

For and on behalf of the Board



**Sam Napia**  
Chairman  
Date: 30 May 2024



**Stephen Gacsal**  
Chair - Audit & Risk Committee  
Date: 30 May 2024

# Financial statements

## SKILLS ACTIVE AOTEAROA

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

	Note	2023 \$	2022 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from TEC funding		8,173,431	7,209,263
Receipts from charges for goods and services		903,663	695,866
Payments to suppliers and employees		(9,056,655)	(7,213,904)
Proceeds from interest received		234,425	123,061
		<b>254,864</b>	<b>814,286</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(42,376)	(53,699)
Movement in investments		2,069,007	1,562,606
		<b>2,026,631</b>	<b>1,508,907</b>
<b>Cash Flows from Financing Activities</b>			
Other cash items from financing activities		-	-
Total cash flows from financing activities		-	-
<b>Net Cash Flows</b>		<b>2,281,495</b>	<b>2,323,193</b>
<b>Cash Balances</b>			
Cash and cash equivalents at beginning of period		3,267,231	944,038
Cash and cash equivalents at end of period		5,548,727	3,267,231
<b>Net change in cash for period</b>		<b>2,281,495</b>	<b>2,323,193</b>

## SKILLS ACTIVE AOTEAROA

### 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 Aotearoa Limited (“Skills Active Aotearoa”) and its subsidiaries QualWorx Limited (“Qualworx”) and Skills Active Te Mahi Ako Limited (“Te Mahi Ako”) for the period beginning 1 January 2023 to 31 December 2023. Skills Active Aotearoa is a Company incorporated in New Zealand, registered under the Companies Act 1993. Qualworx was sold to a third party on 31 July 2023. 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.

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

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

The Directors have approved these financial statements on a going concern basis. The Directors have concluded the going concern basis is appropriate, as Skills Active Aotearoa Limited has sufficient reserves to meet its planned commitments in 2024 and Te Mahi Ako has confirmed funding from TEC 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)

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.

# Financial statements

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. 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 Expense.

## 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. 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%
Computer equipment	2 - 5 years	-
Office equipment	4 years	-
Office furniture	3 - 10 years	-
Telecommunications equipment	2 years	-
Leasehold improvements	Length of the Lease	-

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

## c) Leases

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

## d) Intangible Assets

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

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

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

On 1st May 2014 the Intellectual Property and Trademarks of OutdoorsMark were purchased from Qualworx. Ownership of intellectual property and trademarks of Qualworx were transferred to the new owner of Qualworx as part of the settlement upon sale of the business.

The residual value of intangible assets is reassessed annually.

## e) Trade and other Receivables

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

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

## f) Employee benefits

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

# Financial statements

## **g) Income tax**

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

## **h) Goods and services tax**

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

## **i) Cash and cash equivalents**

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

## **j) Short-term deposits**

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

## **k) Trade and other payables**

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

## **l) Provisions**

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

## **m) Financial instruments**

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

### **i. 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.

### **ii. Classification and subsequent measurement**

#### **Financial assets**

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

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

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

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

#### **Financial liabilities**

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

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

### **iii. 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

# Financial statements

that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

## n) Controlled entities

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

## o) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- i. Represents a separate major line of business or geographic area of operations;
- ii. Is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- iii. Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of surplus or deficit and other comprehensive revenue and expense is re-presented as if the operation had been discontinued from the start of the comparative year.

## p) Changes in accounting policy

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

## 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.

Industry Training Fund (ITF)	2023 \$	2022 \$
ITF Funding - Core	6,555,658	3,479,287
Apprenticeship Funding	-	2,866,606
ITF Funding - Targeted Training and Apprentices Fund	579,468	1,040,480
TEC Equity Funding	-	236,474
Other TEC Funding	-	20,000
<b>Net TEC Revenue</b>	<b>7,135,126</b>	<b>7,642,847</b>

## 5. Cost of Sales

	2023 \$	2022 \$
Apprentice Subsidy	-	18,749
Assessment Fee	180,456	87,773
NZQA Credit Reporting	152,209	163,674
NZQA Managing Consistency	20,430	22,896
NZQA Programme Consultation	3,158	4,891
NZRA PLPC Fees	14,145	16,930
Other Administration costs	800	-
Resource Courier Costs	1,117	6,344
Resource Printing	86,665	72,147
SAMs	-	6,794
TTAF costs	59,309	214,713
<b>Total Cost of Sales</b>	<b>518,288</b>	<b>614,911</b>

# Financial statements

6. Employee Benefit Expense	2023	2022
	\$	\$
Wages and Salaries	5,314,833	4,976,437
Contract Staff	37,145	114,105
<b>Employee Entitlements</b>	<b>5,351,978</b>	<b>5,090,542</b>
Training	64,177	47,013
Other Costs	207,684	180,586
	<b>5,623,839</b>	<b>5,318,142</b>

## 7. Other Operating Costs

	2023	2022
	\$	\$
Depreciation and Amortisation	62,333	95,455
Rental Expenses	210,422	203,328
ACC Levies	12,246	9,419
Audit Fees	35,579	43,683
Directors' Fees	229,595	342,629
Legal Fees	73,200	79,844
IT Expenses	232,002	257,668
Insurance	117,167	51,372
Travel Expenses	40,455	31,219
Postage, Printing and Stationary Expenses	25,278	20,245
Phone and Internet Expenses	43,275	44,420
Professional Fees	53,600	209,482
Office Expenses	41,296	41,996
Repairs and Maintenance Expenses	19,850	11,249
Subscriptions and Membership Expenses	19,105	14,428
Staff Expenses	87,295	86,778
Other	58,700	42,181
	<b>1,361,439</b>	<b>1,585,396</b>

## 8. Client Servicing and Training Resources

	2023	2022
	\$	\$
Client Servicing	236,295	215,031
Conferences and Events	9,326	15,557
Partnership Agreements	30,000	15,000
	<b>275,621</b>	<b>245,588</b>

## 9. Discontinued Operations

With effect from 31 July 2023, the Group sold its 100% shareholding in Qualworx Limited to a third party. The Board committed to a plan to dispose of Qualworx in quarter 1 of 2023, following a strategic decision to place greater focus on its activities supporting learner education.

Qualworx was not previously classified as held-for-sale or as a discontinued operation. The comparative statement of comprehensive revenue and expenses and other comprehensive income has been restated to show the discontinued operation separately from continuing operations.

	2023	2022
	\$	\$
<b>Results of discontinued operation</b>		
Revenue	131,703	274,148
Expenses	185,552	434,941
<b>Results from Operating Activities</b>	<b>(53,850)</b>	<b>(160,793)</b>
Loss on sale of discontinued operation	(33,852)	-
<b>Deficit from discontinued operations</b>	<b>(87,701)</b>	<b>(160,793)</b>

The deficit from the discontinued operation of \$87,701 (2022: \$160,793) is attributable entirely to Skills Active Aotearoa.

# Financial statements

	2023	2022
	\$	\$
<b>Cash flows from (used in) discontinued operation</b>		
Net cash from (used in) operating activities	122,947	(21,077)
Net cash used in investing activities	(19,876)	-
<b>Net cash flows for the year</b>	<b>103,071</b>	<b>(21,077)</b>
<b>Effect of disposal on the financial position of the group</b>		
Trade and other receivables		(27,244)
Cash and cash equivalents		(44,876)
Trade and other payables		113,371
Net assets and liabilities		<b>41,251</b>
Consideration received, satisfied in cash		25,000
Cash and cash equivalents disposed of		(44,876)
<b>Net cash outflows</b>		<b>(19,876)</b>

## 10. Equity and Reserves

The Company has a policy of maintaining equity reserves (retained earnings) between a minimum of \$3.5 million and a maximum of \$7.4 million based on the current Strategic and Operational Risk Analysis. Equity reserves as at 31 December 2023 were \$6.6 million.

Group equity reserves will be retained to allow for such items as future capital expenditure, realising future business opportunities and acquisitions, economic downturn, political uncertainty with resultant changes in funding models and policy, and meeting TEC contract requirements of up to \$2 million to support Te Mahi Ako.

At 31 December 2023, share capital comprised 1,200 ordinary shares (2022: 1,200) all of which were uncalled and unpaid at the balance date. The holders of ordinary shares are entitled to one vote per share at meetings of the Company. They have no right to the Company's residual assets. Ordinary shares have no par value.

Equity	2023	2022
	\$	\$
<b>Issued and Paid Up capital</b>		
Total Issued and Paid Up Capital	-	-
<b>Retained Earnings</b>		
Balance at Beginning of Year	6,496,835	6,155,820
Net Surplus/(Deficit) after Financing Income	119,662	341,015
<b>Retained Earnings at end of year</b>	<b>6,616,497</b>	<b>6,496,835</b>
<b>Total Equity</b>	<b>6,616,497</b>	<b>6,496,835</b>

## 11. Cash and Cash Equivalents

	2023	2022
	\$	\$
ANZ Bank	69,111	32,513
ASB	167	203
Kiwibank	440	440
Westpac	5,479,008	3,234,075
	<b>5,548,727</b>	<b>3,267,231</b>



# Financial statements

## 12. Short Term Deposits

	2023	2022
	\$	\$
Kiwibank	1,553,284	2,117,889
Westpac	1,500,000	2,954,402
	<b>3,053,284</b>	<b>5,072,291</b>

## 13. Receivables

	2023	2022
	\$	\$
Accrued Revenue	64,973	159,551
Trade Receivables	90,997	215,322
	<b>155,970</b>	<b>374,873</b>

## 14. Provision for TEC Payback

The TEC letter dated 29 May 2024 confirms the wash-up position for 2023 funding. For the core industry training funding, there is a claw-back required of \$1,641,863 plus GST, as a result of delivery of 1,215 EFTS compared to the target of 1,673 EFTS. This amount has been fully accrued for in the financial statements.

## 15. Operating Lease Commitments

Non-cancellable operating lease rentals are payable as follows:

	2023	2022
	\$	\$
Less than one year	224,174	139,133
Later than one year, but less than 5 years	350,000	-
	<b>574,174</b>	<b>139,133</b>

Skills Active has two leases for offices, one in Wellington and one in Christchurch. Skills Active has entered a new lease for the Wellington office with effect from 1 September 2023 for a term of three years to 31 August 2026 with a right of renewal for a further term of three years with a final expiry on 31 August 2029. The rent for the initial three year term is \$210,000 per annum. The Christchurch office lease is for \$15,462 per annum and was extended for a further period of 12 months until 30 November 2024.

## 16. Related Parties

The company has one subsidiary company in which it holds 100% of the shares of which are issued and fully paid up. This subsidiary company has its principle place of business in New Zealand. During the year Skills Active sold its second subsidiary, Qualworx Limited, to a third party.

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

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

Directors	Organisation	Receivables	Payables	Paid to Skills	Paid by
		\$	\$	Active	Skills Active
				\$	\$
<b>2023</b>					
Stephen Gacsal	Exercise Association of NZ	-	-	-	-
Kirsty Knowles	Community Leisure Management Ltd	1,093	-	32,034	-
Robyn Cockburn	Recreation Aotearoa	-	-	225	37,871
Stephanie Hadley	Exercise Association of New Zealand	-	-	-	10,000
<b>2022</b>					
Stephen Gacsal	Exercise Association of NZ	-	-	-	15,404
Kirsty Knowles	Community Leisure Management Ltd	10,522	-	20,975	-
Robyn Cockburn	Recreation Aotearoa	-	598	120	3,950

Stephen Gacsal was the Registrar of the NZ Register of Exercise Professionals (REPs), a wholly owned subsidiary of Exercise New Zealand, until March 2023. Monies paid to Exercise Association of New Zealand represents sponsorship as detailed in the partnership agreement between the two parties. The amounts were incurred during his tenure.

Kirsty Knowles is the General Manager of Operations at Community Leisure Management Ltd (CLM). CLM comprises of multiple entities and the "paid to Skills Active" is a sum received from all those entities. Payments received represent learner enrolment fees paid by CLM. 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.

# Financial statements

## 17. Property, Plant and Equipment

Cost	Computer Equipment	Leasehold Improvements	Motor Vehicles	Office Equipment	Office Furniture	Total
Opening	276,578	338,066	382,303	87,306	70,439	1,154,692
Additions	41,127	-	-	1,249	-	42,376
Disposals	-	-	-	-	-	-
Closing	317,705	338,066	382,303	88,555	70,439	1,197,068
Accumulated Depreciation						
Opening	201,468	276,260	329,676	80,192	53,455	941,051
Depreciation	31,647	9,543	11,264	2,218	2,872	57,544
Disposals Depreciation write-back	-	-	-	-	-	-
<b>Closing</b>	<b>233,115</b>	<b>285,803</b>	<b>340,940</b>	<b>82,410</b>	<b>56,327</b>	<b>998,595</b>
<b>Net Book Value 2023</b>	<b>84,590</b>	<b>52,263</b>	<b>41,363</b>	<b>6,145</b>	<b>14,112</b>	<b>198,473</b>
<b>Net Book Value 2022</b>	<b>75,110</b>	<b>61,806</b>	<b>52,627</b>	<b>7,114</b>	<b>16,984</b>	<b>213,641</b>

## 18. Intangible Assets

Cost	Computer Software	Goodwill	Total
Opening	130,022	50,000	180,022
Additions	-	-	-
Disposals	-	50,000	50,000
Closing	130,022	-	130,022
Accumulated Amortisation			
Opening	123,131	-	123,131
Depreciation	4,789	-	4,789
Disposals Depreciation write-back	-	-	-
<b>Closing</b>	<b>127,920</b>	<b>-</b>	<b>127,920</b>
<b>Net Book Value 2023</b>	<b>2,102</b>	<b>-</b>	<b>2,102</b>
<b>Net Book Value 2022</b>	<b>6,891</b>	<b>50,000</b>	<b>56,891</b>

## 19. Remuneration paid to employees

	2023	2022
\$100,000 - \$110,000	3	4
\$110,000 - \$120,000	12	2
\$120,000 - \$130,000	1	-
\$140,000 - \$150,000	-	3
\$150,000 - \$160,000	2	1
\$160,000 - \$170,000	3	1
\$200,000 - \$210,000	-	1
\$250,000 - \$260,000	1	-

## 20. Directors remuneration paid

	Skills Active Board Fees	Skills Active Board Advisory Fees	Te Mahi Ako Board Fees	QualWorx Board Fees	Audit & Risk Committee	Total
	\$	\$	\$	\$	\$	\$
<b>2023</b>						
Sam Napia	39,000	-	-	-	-	39,000
Butch Bradley	15,000	-	-	-	-	15,000
Stephen Gacsal	15,000	-	-	-	980	15,980
Andrew Gunn	15,000	-	-	26,135	980	42,115
Hinemaui Rikirangi	15,000	-	-	-	-	15,000
Kirsty Knowles	15,000	-	-	-	-	15,000
Jordan Pomana	15,000	-	-	-	-	15,000
Steve Ruru	-	3,750	30,000	-	-	33,750
Robyn Cockburn	-	-	15,000	-	-	15,000
Brandi Hudson	-	-	13,750	-	-	13,750
Stephanie Hadley	-	-	13,750	-	-	13,750
	<b>129,000</b>	<b>3,750</b>	<b>72,500</b>	<b>26,135</b>	<b>1,960</b>	<b>233,345</b>

# Financial statements

## 20. Directors remuneration paid

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

Andrew Gunn undertook the role of Acting Chief Executive of Qualworx until its sale on 31 July 2023 for which he was remunerated \$26,135 (2022: \$33,320). Steve Ruru acted as an advisor to the Skills Active Board until stepping down as at 31 March 2023. He received remuneration for this of \$3,750 during 2023 (2022: \$15,000). Steve was also appointed as Chair of the Te Mahi Ako Board for which he received remuneration of \$30,000 for the 2023 year (2022: \$13,013 for being on the interim establishment board of Te Mahi Ako). Butch Bradley undertook additional duties in 2022 as the executive director for Skills Active Aotearoa until the appointment of the permanent chief executive in 2023 for which he received remuneration in 2022 of \$159,000.

## 21. Financial Assets and Liabilities

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

	2023	2022
	\$	\$
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	5,548,727	3,267,231
Short term deposits	3,053,284	5,072,291
Receivables	155,970	374,873
	<b>8,757,981</b>	<b>8,714,395</b>

Financial liabilities are reported at amortised cost and comprise trade payables of \$1,829,255 (2022: \$987,210). There are no financial liabilities at fair value through profit and loss.

## 22. Commitments and Contingencies

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

## 23. Subsequent Events

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

## 24. Going Concern

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

# Directory

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## Skills Active Board

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

## Registered Office

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14 Sages Lane  
Te Aro  
Wellington 6011

## Solicitor

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Dentons Kensington Swan

## Bankers

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ANZ  
Westpac  
ASB  
Kiwibank

## Auditors

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BDO New Zealand

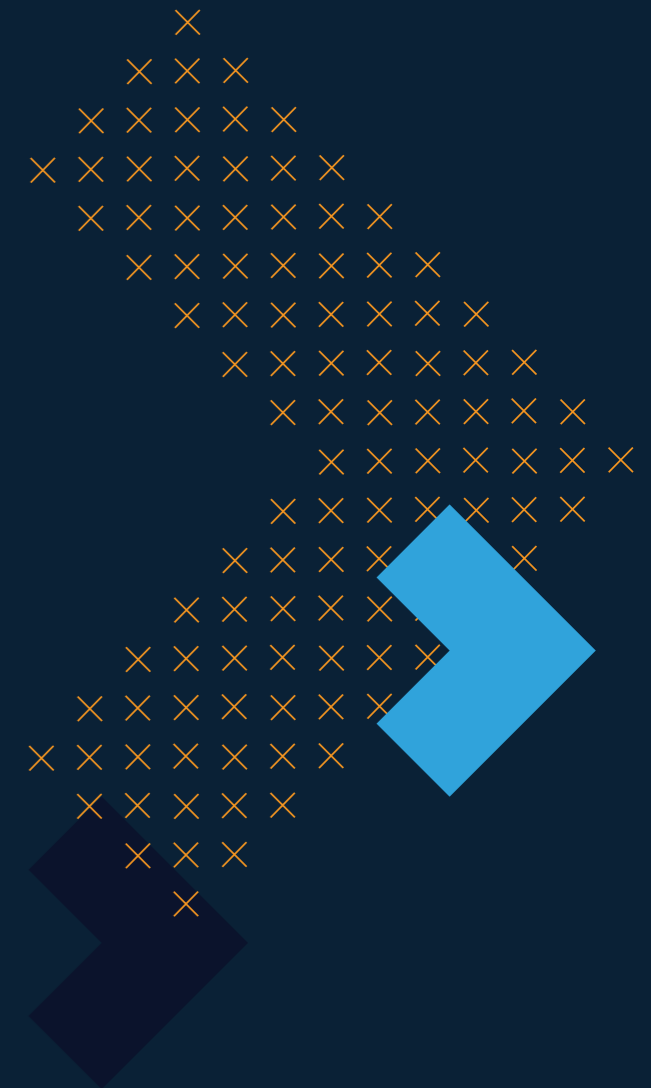
## Contact

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Wellington 6011

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