

Quarterly report to Minister

Cumulative report for the period 1 July 2021 – 31 March 2022



NEW ZEALAND **QUALIFICATIONS** AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

QUALIFY FOR THE FUTURE WORLD
KIA NOHO TAKATŪ KI TŌ ĀMUA AO!

Introduction

This report describes our progress for the period of 1 July 2021 – 31 March 2022 towards the strategic intentions and goals described in our accountability and strategy documents:

- He tauākī whakamaunga atu | Statement of Intent (SOI) 2019/20 – 2022/23
- Te tauākī kawatau o ngā mahi | Statement of Performance Expectations (SPE) 2021/22.

NZQA's vision is Qualify for the Future World - Kia Noho Takatū Ki Tō Āmua Ao.

Our services enable learners to qualify for the future world. This is not a static one-off achievement as the future of work demands lifelong learning. The two outcomes included in the SOI to support this vision are:

- Equity of access to qualifications supports intergenerational wellbeing
- New Zealand qualifications enable lifelong learning.

The work that NZQA has undertaken up to 31 March 2022 supports this aim for New Zealanders, by working to meet current and future needs of learners so they are better equipped to meet the challenges of working and living in communities as the 21st century unfolds. This is underpinned by our commitment to make it easier to access our information and services for those most affected by them, and for creating solutions to support intergenerational wellbeing.

The format of this report

The non-financial performance section of this report follows the layout of the 2020/21 Annual Report¹, in that it is grouped by the high-level outcomes² that the work supports the most, and by broad narrative themes. Not all themes are reported against in all quarters.

Where the activities reported align to themes identified in the May 2021 Letter of Expectations, this has been noted.

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¹ <https://www.nzqa.govt.nz/about-us/publications/strategic-documents/ar-3/>

² Outcomes are drawn from our strategic outcomes framework, which is published in the SOI, the SPE and Annual reports.

Overview of non-financial performance

Narrative themes

Themes reported in this Quarter (aligned to the 2020/21 Annual Report)	Themes from the Letter of Expectations that align to activities reported in this quarter							
	Supporting equitable outcomes	Honouring and giving effect to Te Tiriti o Waitangi	Customer voice is central to what we do	Transforming NZQA for the future	Supporting system transformation	Supporting sector resilience	Supporting student wellbeing and success	Ensuring the delivery of business as usual
Outcome 1 (from p4)								
Supporting equity in the education system	•	•						
Ensuring quality customer experience	•		•	•				
Outcome 2 (from p9)								
Changes supporting the education work programme					•			
Student wellbeing through the Code of pastoral care							•	
Ensuring qualifications are fit for purpose		•			•			
Delivering secondary examinations nationwide								•
Performing our regulatory functions								•
Outcomes 1 and 2 (from p16)								
Te Kōkiritanga/Takiala Pasifika 2020-2023	•	•						
NCEA online					•			
Building sector capability						•		

Note that the themes from the Letter of Expectations have been reviewed and updated since the 1 July – 31 December 2021 Quarterly report to Minister.

Success indicators and performance measures

	With YTD results available this quarter	Reported in a later period	Total
Success indicators from SOI	6	All will be reported in the Annual Report	6
Performance measures from SPE	23 (3 narrative results and 20 numeric [16 on track, 4 not on track. Exception reporting below])	All will be reported in the Annual Report	35

Exception reporting for performance measures

RAG	SPE measures not on track	Commentary
Red	1.1.1(a) The proportion of survey respondents who agree/strongly agree that information they received from NZQA met their needs.	Analysis of the reasons why survey respondents are not satisfied with the information received from NZQA is underway. It seems unlikely that the target for this measure will be met this year.
	1.1.1(b) The proportion of survey respondents who agree/strongly agree that the NZQA website is easy to use.	We expect the results for this measure will improve once the changes to the website are complete. The improvement, and resultant increase in customer satisfaction, are unlikely to be soon enough to meet the target for end of year reporting.
	2.2.2(n) The number of samples of learner work moderated for national external moderation.	External moderation was once again made optional for Auckland, Northland and parts of the Waikato due to COVID-19 lockdowns for the last half of 2021. The target for this measure is unlikely to be met this year.
Amber	2.2.2(d) The percentage of all formal complaints (including international and domestic code) that are concluded within 65 working days.	Two formal complaints (2 out of 22 YTD) took longer than 65 working days to conclude. This was due to the complexity of the issues being investigated and the need to go back to the complainant and education provider multiple times before a finding could be reached. Given the volume of formal complaints, it is unlikely that the target for this measure will be met this year.

Our work that support Outcome 1: Equity of access to qualifications supports intergenerational wellbeing

Supporting equity in the education system

Māori and Pacific equity

NZQA continues to support equity for Māori and Pacific learners through a range of mechanisms. This includes:

- participating in the review of the literacy and numeracy criteria for University Entrance, to ensure the learning perspectives and practice of Māori and Pacific learners are reflected;
- completing the Pacific cultural review, which was conducted as part of the NCEA Change Programme to ensure that common assessment tasks meet the need of Pacific learners;
- progressing the feedback we received on the proposed moderation support model at the October Pacific Educators workshop; and
- embedding Takiala Pasifika and Te Kotahitanga into NZQA's insights development.

Supports

- *Intermediate Outcome 1.2.3 Māori and Pasifika learners benefit from innovative partnerships;*
- *Letter of Expectations theme: Supporting equitable outcomes; Honouring and giving effect to Te Tiriti o Waitangi*

Special Assessment Conditions

We continue our engagement with the Ministry of Education (the Ministry) on:

- the Special Assessment Conditions (SAC) Action Plan; and
- the review of SAC processes in light of the NCEA changes and the introduction of the new achievement standards.

NZQA has also engaged with NZCER on its independent review of SAC. We have put significant changes to SAC processes on hold pending the outcome of this review.

Due to COVID-19 restrictions, SAC seminars were postponed until later in the year. To provide interim support for new Special Education Needs Coordinators (SENCOs), we are planning online Q&A sessions on SAC processes before the

end of the first school term. Online meetings were received positively by SENCOs during the lockdown period last year.

An NZQA cross-business unit group is being established to work on the operationalisation of Universal Design for Learning principles and accessibility in the assessment environment, including culturally inclusive practices.

Supports:

- *Intermediate Outcomes 1.1.3 Learners access qualification pathways that are right for them; 1.3.1 Barriers to learners accessing qualifications are reduced and additional learning needs are supported;*
- *Letter of Expectations theme: Supporting equitable outcomes*

Te Hono o Te Kahurangi

We continue to explore how the ngā mātāpono (principles) that form Te Hono o Te Kahurangi can be woven through the NZQF (and the NZQCF when it is in place) and used to better support equity through our quality assurance functions.

A recent example is their inclusion as guiding principles for the design of sample skill standards being developed by the Te Rāngai Ohu Mahi - Paerewa Ako me te Marautanga ā-motu | Skill Standards and 'National Curriculum' Sector Working Group. This is an exciting area of development for NZQA.

The koha that Te Hono o Te Kahurangi provides will continue to assist as we evolve our practices and commitment to Te Tiriti o Waitangi.

We will continue to take an active leadership role as kaitiaki of Te Hono o Te Kahurangi, and to take a collaborative approach with providers.

Supports:

- *Intermediate Outcome 1.1.2 Whānau and education organisations are engaged and confident in supporting learners;*
- *Letter of Expectations theme: Supporting equitable outcomes; Honouring and giving effect to Te Tiriti o Waitangi*

Ensuring quality customer experience

Customer Experience Improvement Programme (CxIP)

We continue to ensure that the new website and secure portals for learners, schools and tertiary providers that are being developed as part of CxIP will be equitable and accessible for all users. We have selected a vendor to work who will assist NZQA in ensuring that our public website and portals meet or exceed accessibility requirements to support disabled people. The vendor will also assist in usability testing of the website with a panel of disabled people.

The website includes new visual elements to make it easier for stakeholders to find the content that is relevant to them. These elements will gradually be adopted across all of NZQA's digital and printed publications as the content is refreshed.

We are iteratively rolling out sections of the new website as they are ready. Content for our international audiences is likely to go live in April.

Development work has begun on the Customer Relationship Management solution that will provide NZQA with a single source of truth when engaging with our customers.

Supports:

- *Intermediate Outcome 1.1.1 Customer experience informs the delivery of NZQA services;*
- *Letter of Expectations themes: Supporting equitable outcomes; Customer voice is central to what we do; Transforming NZQA for the future*

Success indicators supporting Outcome 1

Number	Indicator	Measured by	Current results
SOI 1.1a	Feedback from customer groups demonstrates ease of access to our services	The likelihood to recommend and/or speak positively about NZQA services	<p>The YTD Net Promoter Score for Quarter 3 is 10.2. It reflects the views of the 1176 respondents who have completed our customer satisfaction survey. Note that as the survey is still in the field 10.2 is an interim result.</p> <p>A link to the survey was sent to customers who:</p> <ul style="list-style-type: none"> • contacted us via our email forms from July 2021 to the end of March 2022; and • did not opt-out of being invited to complete the survey. <p>Survey respondents are stakeholders including employers, education providers, students and whānau.</p> <p>A score of 10.2 is considered reasonable. This result is lower than the YTD result of 19.6 reported in Quarter 2.</p>
SOI 1.1b	Learner data held by NZQA is used to deliver insights into equity and the basis for potential interventions	Data insights are used to inform NZQA's service design and to support system change	<p>The Customer Experience Improvement Programme (CxIP) continues its focus on learner needs for website and portal design. The CxIP engages with learners in schools as well as other advisory groups (such as Māori, Pasifika and disabled learners) to co-design solutions with learners. Due to COVID-19 restrictions, some of the learner engagement has been impacted, however this engagement is likely to pick up in 2022.</p> <p>Additionally, NZQA has developed a draft Learner Voice Strategy and related action plan that is currently being refined.</p>



Number	Indicator	Measured by	Current results
SOI 1.2	Strong partnerships with NZQA drive improvements in equity	Māori and Pasifika learner participation in STEM, digital assessment and mātauranga Māori qualifications	<p>We continue to collaborate with key sector agencies. Our work with the Ministry includes:</p> <ul style="list-style-type: none"> • discussing Ka Hikitia evaluation framework and Ka Hāpaitia organising framework for how the education sector can work to support Māori learners to achieve excellent and equitable outcomes; • developing Pacific Studies, Vagahau Niue and Gagana Tokelau as achievement standard subjects; • working with the Pacific studies Reference Group to provide thought leadership, advice and guidance on the purpose, intent and big ideas of Pacific Studies which will inform next steps in the development process; and • making NCEA ma le Pasifika workshops available to their 78 Talanoa Ako parent engagement programmes offered across the country; and • contributing to the development and distribution of NCEA Whānau toolkits to inform parents, families and of the NCEA changes. <p>We are working with the Ministry of Business Innovation and Employment (MBIE) and Ministry of Foreign Affairs and Trade (MFAT) as part of Pacific Agreement on Closer Economic Relations (PACER) Plus programme, to provide cultural intelligence and support.</p> <p>An NCEA ma le Pasifika workshop was requested by our Tokelau whānau, who plan to implement the New Zealand NCEA framework from 2023. Collaboration with the Ministry of Pacific Peoples (MPP) continues with support for the Pacific languages' strategy development and STEM focused scholarships. Along with the Teachers Council, MPP are part of a wider Education Sector network that is skills recognition process for Pacific trained teachers teaching in New Zealand.</p> <p>NZQA supports 360 Tautua Trust, a Manaiakalani programme provider with a focus on building capacity and engagement through the combination of media and digital technologies and effective teaching practice. The Trust provides two programmes to our Pasifika communities, Digi Matua and Digital Mobile, to support Pacific seniors and their families getting connected online using a device. The programme aims to empower, encourage, and enable our Pacific seniors and their families to access Digital Training delivered by Pacific Digi-Champs. The Digi-Champs include members of our NCEA Champions network. NZQA provides access and promotional opportunities through our NCEA ma le Pasifika communications and engagement processes.</p> <p>We continue to work with the Pūhoro STEM Academy (who offer a structured programme to inspire secondary students to pursue STEM pathways) to offer the Āmua Ao STEM Challenges for years 9 and 10 students. Despite the impact of COVID restrictions, we delivered NCEA me te Whānau workshops in Hastings, Palmerston North and Christchurch and plan to offer further workshops online.</p> <p>Earlier this year we established 'Te Kāhui Ākonga', to provide a dedicated Māori student voice to inform the design and delivery of NZQA's services. These students are also producing video content on NCEA Online and</p>

Number	Indicator	Measured by	Current results
			STEM to promote key messages to other young people and their whānau across our social media platforms. Social media response rates have increased with more people engaging and sharing content.
SOI 1.3	Greater uptake of Special Assessment Conditions (SAC) in target groups	Increased Special Assessment Conditions applications for eligible learners from targeted groups	<p>A total of 58 schools were targeted for improvement in their SAC numbers in 2021, following analysis of school data including the number of SAC applications, school size and achievement levels. 62.1% of these schools increased SAC percentages from 2020 to 2021, 25.9% had reduced SAC percentages and 12.1% saw no change.</p> <p>We were unable to conduct full SAC reviews due to COVID-19 restrictions. Only seven SAC reviews were completed in 2021 (the usual number is around twenty). All seven schools increased the number of SAC applications submitted in that year.</p> <p>We perform SAC reviews of a school if we have concerns about the low number of SAC applications, to understand why this happening. Reviews encourage schools to consider the policies and processes they use to identify SAC-eligible students and to manage SAC applications. Schools overwhelmingly tell us that want to do the best for their students.</p>

Our work that supports Outcomes 2: New Zealand qualifications enable lifelong learning

Changes supporting the education work programme

Reform of Vocational Education (RoVE)

We continue to support Workforce Development Councils (WDCs), including:

- workshops and wānanga around qualifications reviews and development and incorporating mātauranga Māori and Te Hono o Te Kahurangi; and
- hosting consultation for some inflight Workforce Development Councils (WDCs) projects on our website.

The Te Rāngai Ohu Mahi - Paerewa Ako me te Marautanga ā-motu | Skill Standards and 'National Curriculum' Sector Working Group has been established to co-design skill standards and 'national curricula'.

The working group, co-led by NZQA and WDCs, will develop and test skill standard and 'national curriculum' design principles and templates. Membership includes 32 participants from Te Pūkenga, Te Wānanga o Aotearoa, universities, Government Training Establishments, PTEs, schools and kura, New Zealand Tertiary Education Union, Transitional Industry Training Organisation (TITO), WDCs, NZQA, TEC, and the Ministry.

The work programme for the group includes:

- developing a skill standard template and worked examples;
- developing a 'national curriculum' template and worked examples; and
- providing input into the development of guidance and processes to support the successful implementation of skill standards and 'national curricula'.

Several meetings of the sector working group have taken place so far. The terms of reference have been approved and the design principles are being developed. The working group's activities are due to be completed in mid-June.

Other areas of work that contributed to the RoVE programme this quarter included:

- scoping the review of the evaluative quality assurance framework;
- developing policy to inform Rules that enable the implementation of the changes;

- gathering requirements from NZQA and other agencies for the new qualifications' repository; and
- contributing to the TITO transition planning including transferring relevant approvals from an individual TITO to Te Pūkenga Work Based Learning (WBL) or other providers.
 - The MITO New Zealand transition took place on 1 January 2022.
 - Work has begun on the Skills Organisation transition, which is set to be the most complex, with over 140 programmes of industry training to be transferred or split across seven different receiving organisations.
 - We are currently evaluating the transition plans for Careerforce and Skills Active with TEC.

We expect that as Te Pūkenga and WDCs become fully established in 2023, there will be changes in the number and range of application types NZQA quality assures. Specific examples include the consolidation of Te Pūkenga's qualification delivery and the extent to which WDCs develop 'national curricula' leading to qualifications, instead of providers developing programmes. At this stage we are monitoring the changes in applications and any impacts on our resources.

Supports:

- *Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;*
- *Letter of Expectations theme: Supporting system transformation*

Implementing NCEA changes

We continued to work with the Ministry on implementing the NCEA Change Programme.

In addition to the work on the Review of Achievement Standards (RAS) and mini-pilots and the Literacy and Numeracy | Te Reo Matatini me te Pāngarau mini-pilot (see details below), we provided advice and comment to the Ministry on their options and policy work in developing the Vocational Entrance Award.

We have also contributed to the Ministry's reports on the evaluation of the 2021 RAS mini pilots and the 2021 Literacy and Numeracy | Te reo Matatini me Te Pāngarau pilots.

NZQA has engaged the New Zealand Council of Educational Research (NZCER) to provide independent research, advice and assistance following 2021 pilots of

new Te Ao Haka achievement standards. The project will explore the professional practices of teachers in relation to Te Ao Haka and the experiences of ākongā Māori and their whānau.

There are currently 261 kura and schools involved in pilots in 2022 for Te Marautanga o Aotearoa (TMOA), Te Ao Haka (TAH), NZ Curriculum (NZN) and Literacy/Numeracy | Te Reo Mātatini me Te Pāngarau (Lit/Num). A further 15 tertiary providers are involved in the Literacy/Numeracy pilots.

Supports:

- *Intermediate Outcome 1.1.3 Learners access qualification pathways that are right for them;*
- *Letter of Expectations theme: Supporting system transformation*

Supporting Te Reo Matatini me te Pāngarau | Literacy and Numeracy

Following an orientation webinar with 217 schools and kura held on 29 November 2021, NZQA re-engaged with the 2022 pilot participants through a series of webinars in January 2022. The programme of webinars will continue throughout the pilot year.

Quality assured markers' Assessment Reports have been released to 2021 and 2022 pilot participants, along with the 2021 Common Assessment Activities (CAAs), for use as tools to support teaching and learning.

The development of 2022 CAAs are on track for the first assessment date at the end of Term Two (July).

We also contributed to the Ministry's evaluation report for the 2021 pilot, which will inform improvements to the standards, assessment activities, systems and processes, and provision of teacher support.

Supports:

- *Intermediate Outcome 1.1.3 Learners access qualification pathways that are right for them;*
- *Letter of Expectations theme: Supporting system transformation*

Supporting the Review of Achievement Standards (RAS)

We continue to provide assessment advice and support for RAS programme, which is led by the Ministry. These standards are based on the New Zealand Curriculum (NZN) and on Te Marautanga o Aotearoa (TMOA).

Our support covers:

- the 2022 pilot of draft standards for:
 - 29 NCEA Level 1 subjects from the NZN and Levels 1-3 Te Ao Haka (formerly Māori Performing Arts);

- seven L1 subjects from TMOA; and

- the development of the draft Level 2 NZN and TMOA achievement standards being managed by the Ministry.

Supports:

- *Intermediate Outcome 1.1.3 Learners access qualification pathways that are right for them;*
- *Letter of Expectations theme: Supporting system transformation*

Student wellbeing through the Code of pastoral care

The Code

This quarter we have commenced work to deliver on our 2022 Code Administrator Plan, with activities focused on three key workstreams.

To promote the Code, we have begun work to launch updated webpages to support the sector with the new Code and publish a digital toolkit with materials for tertiary providers to use at orientations to support learners to understand the Code. We continue to promote our nationwide social media campaign '#KnowtheCode'. We are also working with five national students' associations to co-develop and publish an advertorial in the eight university student magazines.

To build provider capability we are developing a survey for tertiary providers on their priority information needs, to inform our focus areas for capability building and the timing of 2022-23 Code-related quality assurance activities. We are also publishing updated guidelines for school Code signatories, and have launched new Code 101 workshops, which started March 2022.

Our monitoring work included:

- completing a desk review of all 32 non-university tertiary student accommodation providers' policies and procedures (with in-person site monitoring on hold due to COVID-19 disruptions);
- commencing work to integrate monitoring of the new Code into new PTE registration processes and the External Evaluation and Review of PTEs and Targeted Evaluation of Te Pūkenga subsidiaries;
- progressing work to finalise the new Code delegation with the New Zealand Vice Chancellor's Committee;
- monitoring school Code signatories through the self-review attestation process; and
- following up Code-related incidents, issues, complaints, and referrals.

Supports:

- *Intermediate Outcome 2.2.2 Quality assurance provides trust and confidence in New Zealand credentials and qualifications;*
- *Letter of Expectations theme: Supporting student wellbeing and success*

Ensuring qualifications are fit for purpose

Assessment and Aromatawai Principles

Consultation with stakeholders on the Aromatawai and Principles of Assessment is now complete, and the Principles will be published in April 2022. We are working with advisory groups to explore the next steps to implement the principles and support sector adoption.

Supports:

- *Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;*
- *Letter of Expectations theme: Supporting system transformation; Honouring and giving effect to Te Tiriti o Waitangi*

Micro-credentials

We continue to receive a steady number of applications for micro-credentials up to Level 8, in fields such as health, information technology and aviation. Work is continuing on a micro-credential insights paper, which will focus on the evolution and use of micro-credentials as part of a relevant, modern and authentic qualifications system. We have also started engaging with providers on the transition from training schemes to micro-credentials, which will occur once the amended Education and Training Act is in place.

Supports:

- *Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;*
- *Letter of Expectations theme: Supporting system transformation*

New Zealand Qualifications Framework Review

Work on the review of the New Zealand Qualifications Framework (NZQF) has continued with a view to preparing a revised draft of a New Zealand Qualifications and Credentials Framework (NZQCF) technical document ('booklet') and consultation document. It is expected the NZQF will become the NZQCF as proposed in the amendment to the Education and Training Act.

The booklet incorporates:

- weaving te ao Māori through the NZQCF;
- enabling technical changes confirmed in previous consultation; and
- revising the presentation of the NZQCF document.

We will be seeking ministerial feedback on including mātauranga Māori in the design of qualifications and other credentials. Final consultation on the proposed changes to the Framework will occur in quarter four, depending on Ministerial priorities.

Supports:

- *Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;*
- *Letter of Expectations theme: Supporting system transformation*

Delivering secondary examinations nationwide

2021 examination round

The NCEA and New Zealand Scholarship examination round started on 22 November and finished on 14 December 2021. The start date reflected the decision to delay examinations to give students more time to prepare due to disruptions caused by COVID-19.

Around 1.7 million examination booklets were printed and securely distributed to 441 examination centres.

There were 27 new examination centres, 20 of which were kura.

With the exception of Accounting, Music and NZ Scholarship, completed examination booklets were scanned and marked online for the first time.

Supports:

- *Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;*
- *Letter of Expectations theme: Ensuring the delivery of business as usual*

NCEA and NZ Scholarship results release 2021

The release of the 2021 NCEA results on 20 January 2022 went smoothly.

On 28 January 2022, schools were provided with access to their own provisional attainment statistics and the national provisional statistics.

On 31 January, students could access their marked NCEA examination papers and associated grades online via the NZQA learner portal. This is a new process as we previously marked and posted examination booklets back to students.

In the first two days following release of marked examination papers, around 7,500 students downloaded 36,000 marked examination papers.

NZ Scholarship results were released to students on 10 February 2022 and announced on the NZQA website the following day.

We are due to publish the complete 2021 school year NCEA, University Entrance and NZ Scholarship attainment statistics on our website on 28 April 2022. This allows for late reported internally assessed NCEA results to be included and for the review and reconsideration processes to be completed, with subsequent grade changes occurring.

Supports:

- *Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;*
- *Letter of Expectations theme: Ensuring the delivery of business as usual*

Performing our regulatory functions

Managing National Assessment reviews

Due to the outbreak of the Omicron variant of COVID-19, we have delayed our annual face to face Leading National Assessment (LNA) seminars until the end of Term 2 (July). We have developed some alternative support to meet the needs of Principal's Nominee.

- The first is a refreshed guide to help them to lead assessment in their schools. We have published refreshed guidance to schools on Assessing in Uncertain Times.
- School Relationship Managers have met online with the approximately 186 Principal's Nominees who have less than 2 years' experience in the role, using individual or small group hui to clarify and reinforce key responsibilities and tasks.
- Towards the end of Term 1 (April), further online hui or tutorials on how to manage quality assurance in the current uncertain environment are being offered to all Principal's Nominees. Each of these initiatives has been positively received by the sector.

Supports:

- *Intermediate Outcomes 2.2.2 Quality assurance provides trust and confidence in New Zealand credentials and qualifications;*
- *Letter of Expectations theme: Ensuring the delivery of business as usual*

National external moderation

By the end of this period we have completed 54,998 samples of student work, including approximately 1,000 samples for early submission for 2022. This number has been affected by COVID-19, as we generally moderate 70,000 samples in a normal year.

Normal moderation resumed in 2022. However, changes were made to the selection requirements and schools were notified about this in October 2021.

A total of 13,322 standards have been selected for moderation in 2022, with 12,506 being secondary standards and 816 standards from Review of Achievement Standards (RAS) pilot schools (10% were Level 1 standards, mostly from RAS Pilot schools, 34% were Level 2, 55% were Level 3 and 1% were Level 4).

The 12,506 standards from secondary schools are spread over 76 subjects - 45 NZC Achievement Standards, 7 TMOA Achievement Standards, and 24 Unit Standards. The 816 Level 1 RAS standards were from 41 new RAS subjects.

A further 1100 standards will be selected from tertiary organisations. Plans will be finalised around April to May 2022 and tertiary moderation will begin in July 2022.

We have recruited and trained 101 new moderators in 2021 to increase moderation capacity. We intend to train a further 20 moderators in April 2022 with recruitment underway.

Supports:

- *Intermediate Outcome 2.2.2 Quality assurance provides trust and confidence in New Zealand credentials and qualifications;*
- *Letter of Expectations theme: Ensuring the delivery of business as usual*

Quality assurance

Approvals and accreditations

We have continued working with the Ministry to finalise the quality assurance processes and timelines for the Level 1 achievement standards post pilot review and the Level 2 achievement standards development. We are currently reviewing the draft Level 2 achievement standards.

Application numbers are slightly lower in comparison with this time in 2021, due to reductions in:

- requests for approvals and changes to Training Schemes (congruent with the proposed legislative change to deem training schemes as micro-credentials); and
- review applications for Assessment standards (not unexpected given recent transfer of standard setting responsibility to WDCs).

One inactive PTE currently in hibernation has indicated that they intend to re-open in October.

Monitoring and assessment

We have completed 11 programme monitoring activities with five (45%) meeting or partially meeting the monitoring criteria. Some monitoring activities have been cancelled or deferred to the end of 2022 due to low enrolment numbers.

We have also published annual national moderation results letters for 117 tertiary education organisations, with 106 (87%) meeting or partially meeting the national standards.

To support good practice in the sector, we have published our findings and recommendations from monitoring the programme review processes for providers offering the New Zealand Certificates in Foundation Skills and Career Preparation. We intend to publish a similar report for provider internal moderation systems in the first quarter of the 2022/2023 financial year.

Evaluation

All external evaluation and reviews (EERs) and Assuring Consistency Reviews (ACRs) are now conducted online. Stakeholder feedback and internal quality assurance continue to confirm that quality and timeliness has not been affected.

In any decision to defer, we carefully consider the potential risk to learners and the Crown.

In this quarter, EERs have been deferred for providers wholly reliant on international students where the borders remain closed, and for providers where key staff been directly affected by COVID-19. There have been fewer ACR deferrals because of the different scope of ACRs.

Despite these disruptions to the EER and ACR workflows, all measures for timeliness, volume and quality continue to be met.

EER results continue to mirror recent years with over 80% of TEOs attaining a Category 1 or 2 rating. It is noted that many providers seem to have offered exemplary pastoral support to their learners over the period of the pandemic.

We continue to publish reports for the targeted evaluations of Te Pūkenga subsidiaries. The results indicate generally strong performance. Achievement rates for priority learners include pockets of excellence but also some inconsistency. This has become a priority area of attention for Te Pūkenga's senior management.

The scheduling of ACRs continues to be affected by the capacity of the newly formed WDCs to participate fully. However, overall this impact has been less than anticipated.

Risk management

We continue to work with TEOs on active correction to address issues or concerns as they arise, to reduce the need for statutory action.

The most significant risk facing PTEs continues to be financial viability and maintaining business continuity, especially for those PTEs delivering primarily to international students. We will need to closely monitor this group of PTEs as the New Zealand borders reopen.

We have seen an increase in the number of concerns and complaints from students, staff, industry, and the public that relate to the impacts of COVID-19 restrictions.

We are continuing to review our complaints, investigation and monitoring processes and practices to incorporate changes coming from the reform of vocational education and the implementation of the new Code of pastoral care for students.

Supports:

- *Intermediate Outcome 2.2.2 Quality assurance provides trust and confidence in New Zealand credentials and qualifications;*
- *Letter of Expectations theme: Ensuring the delivery of business as usual*

Success indicators supporting Outcome 2

Number	Indicator	Measured by	Current results
SOI 2.1	Teacher surveys indicate that assessment and credentialing methods are supporting innovation in teaching and the promotion of lifelong learning	Teachers agree that NZQA supports innovative approaches to internal assessment in schools	<p>We intended to gather teacher feedback to report back on this indicator through the post Leading National Assessment Seminar survey.</p> <p>As the process has been postponed due to COVID-19, we will survey schools at the end of Term 1 (April), when we have concluded our online hui with Principal's Nominees about Assessment in Uncertain Times. Results will be shared in the Annual Report.</p>
SOI 2.2	The NZQF is widely acknowledged in international forums for the portability of New Zealand qualifications	Recognition of New Zealand qualifications is increased through the development and maintenance of qualification recognition arrangements	<p>International work that supports qualification recognition</p> <p>Through our continued engagement with other jurisdictions on qualification recognition and quality assurance, New Zealand can influence and support developing regional approaches. In this quarter our work included the following.</p> <ul style="list-style-type: none"> Continuing to develop advice for the Minister of Education on ratifying the Global Convention on the Recognition of Qualifications concerning Higher Education. There is an opportunity to include the signing of this treaty on behalf of New Zealand as part of the Minister's travel programme given the resumption of ministerial travel later in the year. Working with Education New Zealand to negotiate the inclusion of three more New Zealand TEOs on the Chinese Ministry of Education's JSJ Study Abroad website - Te Whare Wānanga o Awanuiārangi, Queenstown Resort College, and the New Zealand Graduate School of Education. This is important for TEOs that are interested in attracting Chinese students as being listed on the website is seen in China as Chinese Government endorsement of provider quality. Establishing a Working Group with the Chinese Service Center for Scholarly Exchange (CSCSE) to strengthen information sharing to enhance mutual understanding of distance learning. The aim of the working group is to reduce barriers to Chinese recognition of distance education. This will support the New Zealand international education sector and aligns with the aims of the International Education Strategy. A set of statements on the quality assurance and recognition of distance education in both countries will be produced by the Working Group. <p>PACER Plus project: improving labour mobility and employment through improved systems for qualification recognition</p> <p>The first three months of 2022 have seen eight of the nine Pacific Island Country (PIC) Implementation Plans finalised. Nauru has not yet engaged with this process and MFAT is working with them to understand their</p>

Number	Indicator	Measured by	Current results
			<p>interest in doing so, alongside other parts of the PACER Plus Treaty work. Detailed planning has begun including with NZQA's key regional partner, the Education Quality and Assessment Programme (EQAP) of the South Pacific Community.</p> <p>Work has begun on the Detailed Business Case to MFAT that will fund the next five years of work. This will include the resources NZQA will need to deliver on the agreed PACER Plus outcomes, and the resources that EQAP and the PICs will need to undertake their work.</p> <p>We have continued to broaden our engagement in regional fora that are undertaking projects aligned with our priorities. This includes the Pacific Regional Education Framework (PACRef), which is run by the Pacific Island Forum. NZQA has been invited by PACRef to present an update on our project to the Council of Regional Organisations and Programmes Human Resources Working Group meeting in April. The Council brings together all the Pacific regional agencies who then form positions to be discussed by Pacific Ministers at their various regional meetings.</p>

Our work that supports both Outcomes 1 and 2

Te Kōkiritanga/Takiala Pasifika 2020-2023

We continue to progress the delivery of Te Kōkiritanga 2020-2023³ and Takiala Pasifika 2020-2023⁴ strategic actions plans. Preparations are underway for the 2022/23 suite of key actions. We are reviewing the plans to ensure they are fulfilling our commitment to work with education system agencies in achieving equity for ākonga Māori and their whānau and for Pacific learners, families, and communities.

Supporting ākonga Māori and Pacific learner success

The 2021/22 NCEA me te whānau and NCEA ma le Pasifika Programmes are underway, with new branding and refreshed materials. With close to 40 requests, the demand for both workshops is high. We anticipate that demand will increase over the coming months. Due to the pandemic most workshops will be delivered online. We have streamlined workshop bookings and registrations, to make it easy for kura and schools to book workshops throughout the year.

Te Kāhui Ākonga, our Māori student voice advisory group, will be gathering in late April to:

- map out social media deliverables through to June 2022; and
- consider the Facebook and Instagram social media analytics to determine impact and inform planning.

We have invited Te Kāhui Ākonga to support NCEA me te whānau workshops and will organise and host workshops at their school/kura. It is an exciting development to realise the potential of students to co-lead these engagements.

We continue to meet monthly with Pacific NCEA Champions to discuss social media offerings and upcoming events which require student input. We will be seeking feedback from them in April on key workstreams such as NCEA Online, CxIP and our communications.

Our new resource ‘Navigating Pathways’, which is a follow up to ‘STEM IT UP’, is progressing well and on track to be published in the next quarter. We are developing this in collaboration with the Ministry and the Tertiary Education Commission (TEC), to ensure that key messages are aligned for Pacific learners and their families. The resource is aimed at students and families and describes post schooling education and employment pathways featuring the profiles and success stories of Pasifika professionals in a range of industries. This resource will be shared at key regional/national Pacific events and through NCEA ma le Pasifika workshops.

Supports:

- *Intermediate Outcome 1.2.3 Māori and Pasifika learners benefit from innovative partnerships;*
- *Letter of Expectations theme: Supporting equitable outcomes; Honouring and giving effect to Te Tiriti o Waitangi*

Te Whakapakari Tāngata/Tamata

Te Whakapakari Tāngata

To deliver on our focus on equity of access and outcomes for ākonga Māori and Pacific learners requires a culturally competent workforce who can appropriately engage with and respond to our Māori and Pacific customers.

As part of our commitment to support our workforce, we provide opportunities for our people to develop a personalised te reo Māori plan. This te reo Māori development activity, combined with the formal NZQA Whakatauranga for new starters, was initiated in this quarter.

We continue to progress our understanding of how NZQA gives effect to Te Tiriti o Waitangi. The results of these discussions will provide a high-level overarching view and context for how we may operationalise NZQA’s response regarding Te Tiriti o Waitangi.

Tamata

In this quarter we continued to promote our cultural intelligence workshops for our staff to gain insights into Pacific worldviews and lived experiences. NZQA business

³ <https://www.nzqa.govt.nz/assets/Maori/Te-Kokiritanga/NZQA-Te-Kokiritanga-20202022.pdf>

⁴ <https://www.nzqa.govt.nz/assets/Pasifika/NZQA-Takiala-Pasifika-20202023-v2.pdf>

units request these workshops to increase the cultural intelligence for staff and to apply this new knowledge when engaging with our Pacific stakeholders.

Supports:

- *Intermediate Outcome 1.2.1 NZQA is a te reo Māori learning organisation;*
- *Letter of Expectations theme Supporting equitable outcomes; Honouring and giving effect to Te Tiriti o Waitangi*

NCEA online

Digital assessment is improving accessibility for all learners

Digital Practice Exams

We have published a summary evaluation report and a data dashboard on the 2021 NZQA digital practice exams user experience on our website⁵.

- Digital practice exams were offered in six subjects (English, Classical Studies, Media Studies, Te Reo Māori, Te Reo Rangatira, and Agricultural and Horticultural Science) at levels 1-3.
- Practice exams were available to schools for 13 weeks from 2 August to 31 October 2021, and schools could choose the week they participated in.
- 152 schools participated, this included 142 schools from outside Auckland (including Niue High School), and ten Auckland schools ran their digital practice exams remotely.
- 11,782 students from the 152 schools participated in at least one digital practice exam, with 857 students doing more than one session.
- Of the 152 participating schools, 59 had participated in 2020 digital practice exams and 115 had participated in the 2020 NCEA Online exams.
- Running the digital practice exams required 188 administrators, 495 supervisors and 645 markers made up the school-based participants.

NCEA end of year digital external assessments

In the 2021 NCEA end of year digital external assessments, 25,812 students participated (defined as having digitally assessed results) from 323 schools. These schools are from all around the country and from all decile ranges: 81 in decile 1-3;

137 in decile 4-7; and 102 in decile 8-10. It was the first experience of digital NCEA exams for 56 schools.

Of the 25,812 students who participated in NCEA Online in 2021, 8,066 had also participated in at least one digital exam in both 2020 and 2019. Since 2019, 48,312 students have participated in NCEA Online end of year digital exams. In 2021, 20.6% of students with one or more external assessment result had at least one that was digitally assessed (up from 17.7% of students in 2020).

In 2021 we offered 151 NCEA external standards for digital assessment, drawn from 67 digital examination sessions in 24 subjects over Levels 1 – 3. This represents an increase of nine sessions, three subjects and 17 standards over the 2020 digital exam offering.

In 2021, 6.6% of all NCEA external results were digital (up from 5.8% in 2020) and 19.6% of all NCEA external results offered for digital assessment were digital results (up from 17.5% in 2020).

Accessibility

In 2021 we trialled text-to-speech functionality in our digital assessment platform, Assessment Master, with selected students. This functionality will be rolled out across all participants in a pilot with appropriate digital assessments from Term 2 (May) 2022. The pilot will aim to understand students' experience of using this functionality in exam conditions before it is made available for all eligible digital assessments.

We have also engaged a provider to develop a Te Reo Māori text-to-speech application. Integration testing with Assessment Master is planned for late 2022.

Our 2021 research initiative on Alternative Delivery Methods investigated digital assessment uptake in the realm countries. This work will be advanced in 2022 through a specific plan within our Literacy-Numeracy workstream as both the Cook Islands and Niue are participating in Review of Achievement Standards (RAS) pilots' digital assessments.

Supports:

- *Intermediate Outcomes 1.1.1 Customer experience informs the delivery of NZQA services; 1.2.2 Mātauranga Māori is advanced to support learners; 1.2.3 Māori and Pasifika learners benefit from innovative partnerships; 1.3.1 Barriers to learners accessing qualifications are reduced and additional learning needs are supported; 2.1.2 Learner voice informs digital assessment methods and builds confidence and engagement in attainment;*
- *Letter of Expectations theme: Supporting system transformation*

⁵ <https://www.nzqa.govt.nz/assets/About-us/Future-State/NCEA-Online/DPE-2021-Evaluation-Summary-Report.pdf>

Building sector capability

COVID-19 resilience in the secondary sector

Alongside the Ministry, we are continuing to monitor the impacts of COVID on the schooling sector, while engaging with the sector to manage expectations and provide guidance. We are also working on a planned review of the Unexpected Event Grades (UEG) process, with a particular focus on managing UEGs at scale. Schools and kura will be informed of any changes by the end of Term 2 (July).

*Supports: Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;
- Letter of Expectations theme: Supporting sector resilience*

COVID-19 resilience in the tertiary sector

From February 2022 we became the 'single point of contact' (SPOC) to support Private Training Establishments (PTEs) with:

- the management of COVID-19 within their premises; and
- the process to identify and categorise contacts when cases arise.

This role has since reduced as the country moved into phase 3 of the Public Health response to Omicron.

*Supports:
- Intermediate Outcome 2.2.1 The NZQF facilitates lifelong learning;
- Letter of Expectations theme: Supporting sector resilience*

Financial Information

Financial KPIs⁶

	Actual	Target
Total Revenue	\$85,653,005	\$89,237,794
Total Expenditure	\$79,835,495	\$87,828,634
Net Surplus/(Deficit)	\$5,817,510	\$1,409,161
Cash against current debt ratio	3.18:1	1.10:1
% of Staff Cover Costs to Direct Personnel Costs	0.87%	3.00%
Cash Available for Capital Investment (Excl Future Depreciation)	\$17,934,320	\$9,683,000
Net Capital Investment	\$7,086,086	

Consolidated Financial Report to the Board

	Month			Year to Date			Budget	Full Year	Full Year
	Actual	Budget	Variance	Actual	Budget	Forecast	Variance	SPE Budget	Forecast
	Mar	Mar	Mar	Mar YTD	Mar YTD	Mar YTD	Mar YTD	2021/22	2020/22
REVENUE									
Crown Revenue	4,869,500	5,569,500	(700,000)	65,892,986	66,592,986	65,892,986	(700,000)	74,968,000	82,356,908
Fees And Charges	1,645,920	1,767,221	(121,301)	18,909,971	21,846,822	18,715,944	(2,936,851)	26,722,167	23,386,980
Interest Revenue	44,709	30,000	14,709	379,104	305,000	376,395	74,104	369,000	517,395
Other Income	-	2,703	(2,703)	470,943	492,986	470,943	(22,043)	892,351	869,633
Total Revenue	6,560,129	7,369,424	(809,296)	85,653,005	89,237,794	85,456,270	(3,584,789)	102,951,518	107,130,917
EXPENDITURE									
Personnel & Board	4,360,992	4,757,386	396,394	44,346,604	47,123,693	44,209,280	2,777,089	57,320,377	57,601,740
Specialist Workforce	156,156	661,468	505,312	8,961,604	13,294,170	9,319,909	4,332,566	12,140,637	12,057,354
Professional Services	1,011,813	714,900	(296,913)	9,385,900	7,563,348	9,510,675	(1,822,552)	9,601,020	14,112,507
ITO Moderation Fees	-	261,797	261,797	682,034	2,474,973	682,034	1,792,939	3,452,746	682,034
Publ, Print & Distrib	63,011	88,217	25,206	3,528,696	3,413,895	3,547,120	(114,801)	4,216,095	4,062,991
Other Operating	965,564	1,232,794	267,230	10,250,194	11,462,726	10,354,962	1,212,532	15,483,840	15,030,780
Depreciation	291,898	261,305	(30,593)	2,680,464	2,495,829	2,688,264	(184,635)	3,815,897	3,583,511
Total Expenditure	6,849,435	7,977,868	1,128,433	79,835,495	87,828,634	80,312,245	7,993,139	106,030,611	107,130,917
Net Surplus/(Deficit)	(289,306)	(608,443)	319,137	5,817,510	1,409,161	5,144,025	4,408,349	-3,079,092	0

Commentary: NZQA Overview

The YTD net Surplus is \$5.818M against a main budget surplus of \$1.409M giving a favourable variance of \$4.408M.

REVENUE

Revenue for March YTD is \$85.363M against the main budget of \$89.2388M being \$3.585M (4.0%) below the main budget.

Crown revenue is \$0.700M below budget. This is due to the expected revenue from MoE for the Review of Achievement Standards being reduced by \$0.931M for 2021-22. The corresponding costs for this work have been reduced to reflect this.

Fees and Charges are \$2.937M below budget, this was mainly due to the following reasons:

⁶ Current Ratio equals: Total Current Assets to Current Liabilities as a ratio. Target is a minimum.

% of Staff Cover costs to direct Personnel costs is spend on independent contractors used for staff backfill compared to all other staff costs. Target is a year-end maximum.

Cash Available for Capital Investment equals Total Taxpayers funds less Non-Current Assets. This represents the amount of funding NZQA has available to invest in fixed assets, or other organisation development over and above current year depreciation. Target is a year-end target.

Net Capital Investment = Non-Current Assets

- Examination Fees are \$0.569M below budget. This is mostly due to a reduction in examination fees received from international students.
- Credit Fee revenue was \$0.391M below budget. This was driven by lower than budgeted number of credits reported through to NZQA by TEOs. The overall credits reported from July/August and Oct/November were comparable to previous year's returns. However, in September there was a significant drop in credits reported from ITOs and PTEs which has resulted in this unfavourable variance. Based on the last quarter (October-December) volumes, NZQA is now forecasting that the future months' credit reporting will return to normal position, although this variance is likely to remain for the rest of this financial year. NZQA will continue to monitor this trend closely and provide further updates in future monthly reporting cycles.
- Qualification Assessment Fees are \$1.600M below budget. This is due to a significant reduction in applications received compared to last year. A right sizing of this business unit has been implemented in December to account for this medium to long term anticipated reduction. This revenue has therefore been reduced in the latest forecast for the rest of the financial year.
- Approval and Accreditation revenue is \$0.186M below budget due to a lower volume of chargeable applications being processed compared to the previous year due to the ongoing impact of Covid and the Reform of Vocational Education (RoVE). This has particularly reduced the level of programme approvals received compared to the previous year. As new processes are established under ROVE the level of applications is expected to increase.
- External Evaluation revenue is \$0.245M below budget as the timing of several EERs have been shifted to later in the future to accommodate some providers due to Covid lockdowns and also those heavily affected by the lack of international students. This has now been reflected in the latest forecast track.

EXPENDITURE

Expenditure for March YTD is \$79.835M against the main budget of \$87.829M being \$7.993M (9.1%) below the main budget.

Personnel and Board is \$2.777M below budget

Personnel and Board is below budget due mainly due the following:

- Salaries are \$2.303M below budget because of vacancies across NZQA which are currently being recruited for.
- Training costs are \$0.203M below budget for the year to date.
- FBT costs are \$0.238M below budget due an unbudgeted FBT refund received of \$0.228M to reflect the income protection related portion of payments dating back to 2018 that were deemed to be not subject to FBT following consultation with the IRD.

Specialist Workforce is \$4.333M below budget

Specialist Workforce (SWF) are below budget mainly due to the following:

- SWF costs for Secondary Examinations are \$1.374M below budget. These costs are likely to be lower than budgeted based upon the lower attendance of students at examinations held to date due to Covid lockdowns.
- SWF costs for the Review of Achievement Standards are \$2.188M below budget due to the revised programme plan as announced by the Ministry. The programme timeframe and deliverables have now been revised and reflected in the in forecast track.
- SWF costs for Secondary Assessment and Moderation are \$0.383M partly due to a reduced volume of moderation caused by COVID lockdowns in the Auckland region in both 2021 and 2022.

Professional Services are \$1.822M above budget

Professional Services are below budget mainly due to the following:

- Organisational Performance and Insight costs are \$1.059M above budget due to work completed on the CXIP project which has been rephased in the forecast based on the signed contract with the vendor (Silverstripe).
- Reform of Vocational Education (ROVE) costs are \$0.412M above budget due to work completed on the Qualifications and Credentials repository (QCR) which has been rephased in the forecast based on the signed contract with the vendor (Provoke).
- Call Centre costs are \$0.206M above budget due to vendor costs for the Chatbot project which were approved by SMT after the main budget was finalised.

ITO Moderation Fees are \$1.793M below budget

The contribution for moderation fees is no longer being paid to ITOs since the disestablishment of Industry Training Organisations (ITOs) in October. This will be a permanent difference due to changed roles in the new VET system and has been reflected in the forecast exercise in November.

Other Operating is \$1.213M below budget

Other Operating is below budget due to the following significant items:

- Travel and accommodation costs for the organisation are \$0.919M below budget. This is spread across multiple cost centres of NZQA and is mostly due to deferred meetings with external parties, with COVID being a significant reason.
- External catering costs (\$0.104M) and Meeting expenses (\$0.139M) were also below budget for the year due to the same reason.

Forward Looking

The second forecast for 2021/22 has now been finalised. This new forecast track reflects salary movements from the performance round and updated technical volume assumptions across revenue and expenditure. The March forecast has a break-even position, which is an improvement from the November Forecast which had a \$ 3.079M net deficit position (same as the phased Main Budget position.) This is mainly attributed to the reduction in external NCEA assessment costs, removal of the ITO moderation contribution and other planned underspending in the NCEA Online programme for 2021/22.

Savings from the forecasting round have been reprioritised by the Management to new project work such as the Customer Experience Improvement Programme (CxIP), Chatbot, ECMS initiatives plus additional resources to support Client Experience and the equity work programme.

The outlook for the budget remains tight, with specific areas of focus being on the NCEA Online, Review of Achievement Standards, the Reform of Vocational Education (RoVE) and Customer Experience Improvement Programme (CxIP) initiatives. These are high value projects that are susceptible to potential cost and scope pressures; and therefore, may significantly influence the full year financial outturn.

The management team is actively monitoring the progress of high-risk projects and managing the budget towards the expected year end operations target as per the Board's approval.

Balance Sheet

	Actual (\$000) 31st March 2022	Opening (\$000) 30th June 2021	Movement (\$000)
Current Assets			
Cash and Bank	3,247	3,472	(225)
Short Term Deposits	34,500	32,000	2,500
Debtors and Other Receivables	12,730	5,026	7,704
Total current assets	50,477	40,498	9,979
Non-current Assets			
Fixed Assets	5,917	7,839	(1,921)
Work in Progress	1,169	1,000	168
Total non-current Assets	7,086	8,839	(1,753)
TOTAL ASSETS	57,563	49,337	8,226
Current Liabilities			
Creditors and other payables	10,276	10,389	(114)
Provisions for employee entitlements	3,539	3,474	66
Deferred Revenue	2,310	899	1,411
GST Payable	1,606	779	827
Total current Liabilities	17,731	15,541	2,190
Non current Liabilities			
Provision for employee entitlements	955	955	-
Unclaimed Monies	4	6	(2)
Total non-current Liabilities	959	961	(2)
TOTAL LIABILITIES	18,691	16,502	2,188
Net Assets	38,873	32,835	6,038
EQUITY	38,873	32,835	6,038

Commentary: Balance Sheet

Most movements in accounts since 30 June 2021 are relatively small and expected with significant movements noted below:

- Cash and term deposits are up \$2.3M. Refer cash flow for further details.
- Debtors and receivables have increased by \$7.7M reflecting a \$8.5M increase in invoiced debtors. There was \$8.7M of invoices raised during the month for Crown funding. Offsetting this is a \$0.6M reduction in prepayments (due to continued amortisation for some large multi-year contracts).
- Fixed assets have decreased by \$1.9M reflecting the year to date depreciation charge of \$2.7M offset by \$0.8M of computer equipment additions.
- Work in progress largely reflects the final stage of the costs associated with the capital build of NCEA Online which are expected to be transferred to developed software later in the financial year.
- Deferred revenue has increased by \$1.4M. This represents \$1.9M of Crown funding which will be recognised by year end offset by a \$0.5M balance deferred for the PACER Plus project at 30 June 2021 for which there is no corresponding value at 31 March 2022.
- The movement in net assets is explained by the operating result to date plus a small amount of capital funding.

Cash Flow Statement

ACTUAL AND FORECAST 2021/22	Mar YTD Actual	April Forecast	Full Year Forecast
Net Cash flows-Operating Activities	2,982,154	155,759	826,203
Cash Provided from:	79,360,386	7,192,292	100,983,470
Crown Revenue	65,892,986	5,388,750	82,356,908
Inter Department Revenue	-	-	-
Third Party Revenue	12,617,352	1,418,560	17,177,021
Other Income	470,943	339,981	929,437
Interest Revenue	379,104	45,000	520,104
Cash applied to:	76,378,231	7,036,533	100,157,267
Employees	43,899,143	3,830,528	56,641,237
Suppliers	32,479,088	3,206,005	43,516,030
Net Cash flows-Financing Activities	220,407	-	220,407
Cash was provided from:			
Crown-Capital Contribution	220,407	-	220,407
Cash was applied to:	-	-	-
Crown-Capital Withdrawal	-	-	-
Net Cash flows-Investing Activities	(927,562)	(52,000)	(1,027,562)
Cash was provided from:			
Sale of Intangibles & Fixed Assets (FA)	-	-	-
Cash applied to			
Purchase of Intangibles and FA	927,562	52,000	1,027,562
Repayment of Capital Contribution	-	-	-
Net increase/decrease in cash held	2,275,000	103,759	19,048
Opening Cash	35,472,136	37,747,136	35,472,136
Closing cash balance	37,747,136	37,850,894	35,491,184
Statement of Financial Position			
Cash	3,247,136	3,850,894	3,491,184
Short-term deposits	34,500,000	34,000,000	32,000,000
Closing cash balance	37,747,136	37,850,894	35,491,184

Commentary: Cash Flow

Cash and term deposits as at 31 March 2022 total \$37.7M down \$1.1M from the previous month. \$34.5M is held on term deposit with varying maturity dates to maximise interest revenue while ensuring sufficient liquid cash is on hand to meet immediate needs.