

14 August 2026

s9(2)(a)

Tālofa lava s9(2)(a)

RESPONSE TO AN OFFICIAL INFORMATION ACT REQUEST (REF: DOIA004-2026/27)

On 6 August 2026, you contacted the Ministry for Pacific Peoples (the Ministry) requesting under the Official Information Act 1982 (OIA) a PDF copy of the Ministry's 2012/13 Annual Report, noting that the annual reports available on the Ministry's website only go back to 2013/14. I have outlined your specific request and my response below.

I would like a pdf. Copy of your Annual Report for 2012-13. Your website documents end at 2013-14.

I have attached a PDF copy of the Ministry for Pacific Peoples Annual Report 2012/13 for the year ended 30 June 2013.

This report is also publicly available through the National Library website and can be accessed at the following link: [Annual report of the Ministry of Pacific Island Affairs for the year ended 30 June.](#)

In line with standard OIA practice, the Ministry proactively publishes some of its responses to OIA requests. As such, this letter may be published on the Ministry for Pacific Peoples' website. Your personal details will be removed, and the Ministry will not publish any information that would identify you or your organisation. Should you wish to discuss this response with us, please feel free to contact the Ministry at: oia_requests@mpp.govt.nz.

Auckland

9 Ronwood Ave, Manukau
PO Box 97005,
South Auckland Mail Centre 2240
P: 09 265 3200

Wellington National Office

Level 7, 1 Bowen House
Wellington, 6011
PO Box 833, Wellington 6143
P: 04 473 4493

Christchurch

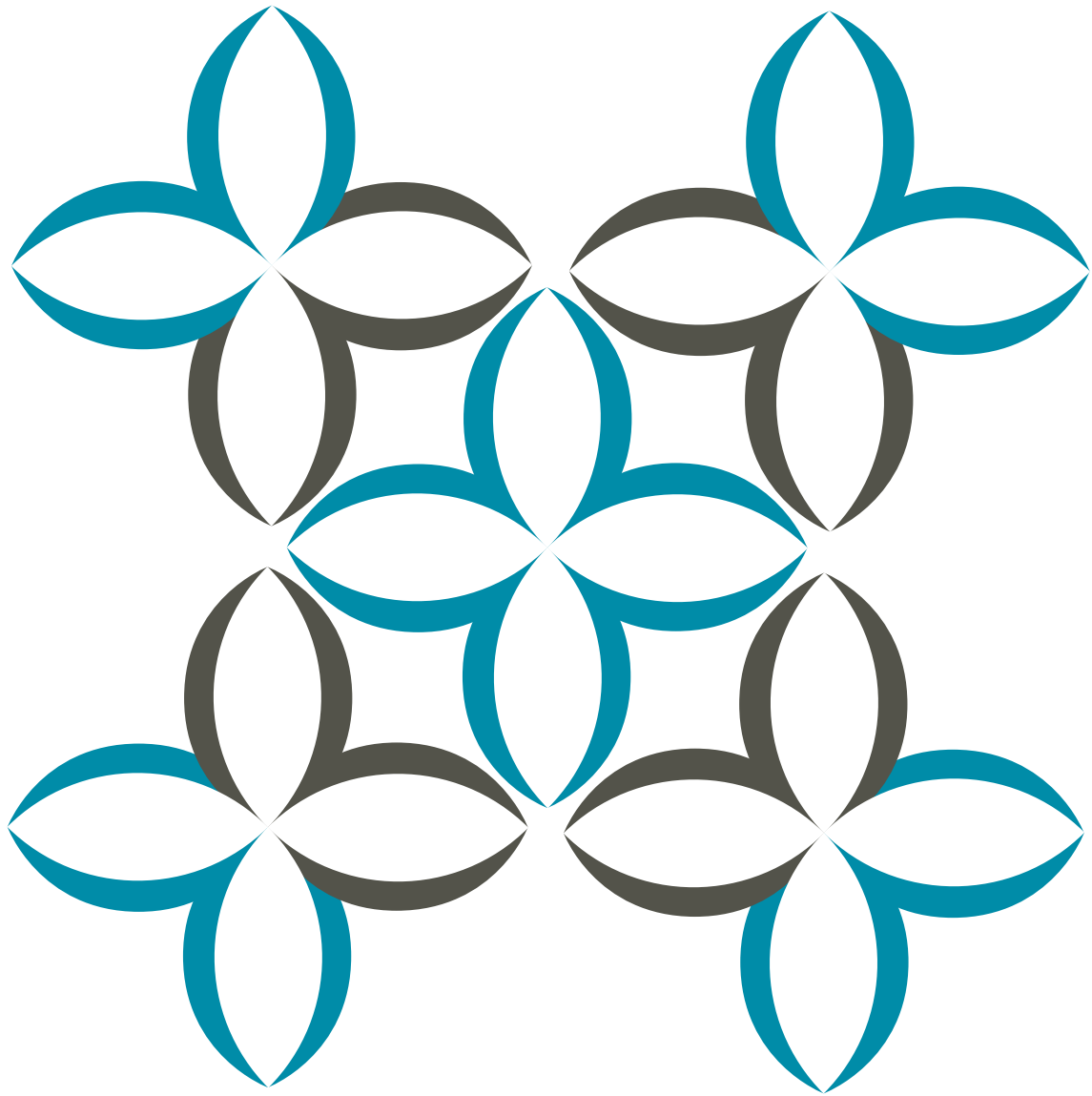
Level 1, BNZ Centre
120 Hereford St
Private Bag 4741,
Christchurch 8011

If you are dissatisfied with this response, you have the right, under section 28(3) of the OIA, to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Ia manuia

A handwritten signature in blue ink, appearing to read 'Sione Siale', is positioned above the printed name.

Sione Siale
Principal Advisor
Ministerial Services and Nominations



Annual Report For the year ended 30 June **2013**



Ministry of Pacific Island Affairs

Our vision

✕ **SUCCESSFUL PACIFIC PEOPLES**

Our mission

✕ **PROVIDE LEADERSHIP AND ENABLE IMPROVED OUTCOMES FOR PACIFIC PEOPLES**

Our overall outcomes

- ✕ **IMPROVED ECONOMIC WELLBEING AND LIVING STANDARDS**
- ✕ **STRENGTHENED PACIFIC FAMILIES AND COMMUNITIES**

Our values

- ✕ **RESPECT – Treat others the way you want to be treated**
- ✕ **EXCELLENCE – Achieve your best and strive for better**
- ✕ **LEADERSHIP – Serve and lead by example**

Ministry of Pacific Island Affairs

Annual Report For the year ended 30 June **2013**



New Zealand Government

Presented to the House of Representatives pursuant to section 44 of the Public Finance Act 1989
ISSN 2253-5500 (Print) ISSN 2253-5519 (Online)



Table of contents

Part One: Overview	4
Chief Executive's overview for the year	4
Scope and Functions	6
Part Two: Reporting on the Ministry's operations	7
Our Work	7
Part Three: Managing the department	26
Operating in a changing environment	26
Contributing to better public services	27
Working together	27
People capability	28
Our progress	29
Audit and Risk Committee report: for the year to 30 June 2013	30
Part Four: Statement of Responsibility and Audit Report	31
Statement of Responsibility	31
Audit Report	32

Part Five: Statement of Service Performance **35**

<i>Overview of the Ministry's performance against outputs for Policy Advice and Ministerial Servicing</i>	35
---	----

Part Six: Financial Statements **39**

<i>Statement of Accounting Policies</i>	39
<i>Statement of Comprehensive Income</i>	45
<i>Statement of Changes in Taxpayers Funds</i>	45
<i>Statement of Financial Position</i>	46
<i>Statement of Cash Flows</i>	47
<i>Reconciliation of Net Surplus/ Deficit to Net Cash Flow from Operating Activities</i>	48
<i>Statement of Commitments</i>	49
<i>Statement of Contingent Liabilities and Contingent Assets</i>	50
<i>Statement of Departmental Expenditure and Appropriations</i>	50
<i>Statement of Departmental Unappropriated Expenditure</i>	50
<i>Notes to Financial Statements</i>	51
<i>Non-departmental Statements and Schedules</i>	61

Part One: Overview

Chief Executive's overview for the year

I am pleased to provide this Annual Report from the Ministry of Pacific Island Affairs. It was my privilege to take up the role of Chief Executive part-way through the year under review.

In October 2012 I stepped into an organisation focused on three priorities: education, youth skills and training, and Pacific languages. Each represented an area of activity offering significant opportunity for Pacific people to increase their participation and success. Alongside this community and Ministry vision was our own focus on fostering a spirit of community enterprise to support these priorities.

During the year we have further refined our focus, increasingly devoting our effort to education, which we recognise as critical in equipping Pacific peoples for success. Our commitment towards making a significant contribution to lifting educational outcomes reflects the increasing visibility, especially in Auckland, of the Pacific and the growing size of our youth population relative to others. Our Pacific population is a young one: By 2026 one in eight New Zealanders will have some Pacific ancestry. The Ministry must equip tomorrow's young people to stand proud in the nation's economic, social and cultural landscape.

Our commitment to greater educational success is enshrined in the *Pasifika Education Plan 2013-2017*, which in 2012 we co-authored with the Ministry of Education. It commits not only our agencies and the education sector to improving outcomes for Pacific students at all levels, but also acknowledges the role of Pacific parents, families and communities.

In line with two of Government's *Better Public Services* targets we have focused our efforts on stimulating interest and enrolment in early childhood education (ECE), and in pursuing programmes which we believe will improve Pacific students' achievement of NCEA Level 2 qualifications.

To increase Pacific children's participation in ECE we first laid the groundwork, disseminating messages about the importance of the best start in life through quality early learning. In March this year we reached one of our largest audiences at Auckland's Pasifika Festival, where an onsite early learning experience for children was a precursor for our new mobile early learning service, a joint venture with the Ministry of Education. The provider has now taken to the road in a customised Smart Bus, advocating a unique early childhood experience for children and parents. This innovative approach, coupled with our unique knowledge of Pacific communities, will help reach families and communities who may not otherwise be exposed to the opportunity for early learning and all the benefits that participation offers.

We have focused on Pacific neighbourhoods, offering a series of early learning fono for parents, communities and providers. At the same time we have worked with those communities which expressed an interest in setting up new early learning facilities. This dovetailed in many cases with our interest in promoting and maintaining Pacific languages, and several Pacific groups with language preservation as their primary purpose have pursued or are pursuing options for language nests.

At the other end of the education spectrum we have focused our efforts on our college students, and the need to ensure they not only leave school with at least NCEA level 2, but achieve this in subjects that will offer them good job options and career pathways.

Again we have aligned data and evidence with our own unique knowledge of Pacific communities to prompt innovative and targeted approaches. We have concentrated largely on 25 schools, all but one of them in Auckland, which collectively educate over half of all Pacific college students. Meeting regularly, we have identified opportunities for and barriers to best practice, facilitated discussion and collaboration, and where we can, provided modest funding ourselves or brokered larger sums from partner agencies to initiate or expand projects likely to enhance achievement.

To increase our impact we have also striven to enhance our working relationships with other education agencies and groups. We formalised one aspect of this in a Memorandum of Understanding with the Ministry of Education. We could not have achieved what we have without the goodwill, guidance and efforts of other agencies, and I thank them all.

We have continued to foster leadership and entrepreneurship: in the public sector through our Pacific senior managers' leadership development programme which has now trained more than 60 people, in the business sector through the work of the Pacific Business Trust, and amongst our young people through the Prime Minister's Pacific Youth Awards. In 2012, these awards attracted more than 100 outstanding young people and recognised five as flag-bearers for the next generation of leaders. We have also sought to strengthen our nominations service, so we can offer governance opportunities for suitably-qualified Pacific candidates and diversity to state sector and other boards.

In all our endeavours our relationships and collaboration with Pacific communities are fundamental. We work with community groups to foster and celebrate Pacific languages and cultures, most visibly in the growing number of Pacific Language Weeks,

and early learning participation. We work with church leaders to disseminate information and foster efforts to enhance student achievement, and to recruit and support trainees in the Pasifika Trades Training Initiative, and with Pacific social service providers through Whanau Ora.

In Christchurch we have involved all sectors of the Pacific community in a unique piece of work, the Canterbury Pacific Communities Recovery Action Plan.

We have enhanced our web presence and expanded our use of social media so we can multiply the message effectively. Internally we have tightened systems and processes, enhanced quality assurance and striven to work efficiently and effectively.

At the same time we have worked to enhance our reputation as the go-to destination for Pacific knowledge, starting work on our Kupenga Pasifika – our net of Pacific knowledge. One early manifestation was leading a group of public sector Chief Executives on a Pacific-themed Auckland mission. The beginnings are humble but our intention is to weave it well and cast it widely.



Pauline A Winter

Pauline A Winter
Chief Executive

Scope and Functions

Our role and purpose

All of our work is designed to enable and foster our vision of successful Pacific people. The Ministry advises the government on policies and interventions for achieving better outcomes for Pacific peoples in New Zealand, which will have positive benefits for New Zealand.

We provide advice and information to government on the context, circumstances, issues and opportunities faced by Pacific communities in New Zealand. We also work with and advise Pacific communities of government policies, programmes and priorities which affect them.

We do this in the following ways:

OUR ROLE	OUR WORK	OUR RATIONALE
Policy advice on issues that affect Pacific people in New Zealand	• Leading and contributing to policy development from a Pacific perspective • Contributing to the work of other agencies • Conducting research on the effectiveness of services to Pacific people • Monitoring key indicators • Encouraging and facilitating inter-sectoral exchange	• No other agency has responsibility for an overall focus on outcomes and impact that makes a difference for Pacific people • We provide a Pacific lens on the work of other government agencies
Demonstration of innovative ideas	• Designing, implementing and evaluating pilot initiatives which reflects Pacific processes and values • Providing effective advice and guidance for mainstream programmes	• We are nimble and able to initiate and manage targeted small-scale pilot projects outside large mainstream programmes • Our unique knowledge of Pacific dynamics and communities places us at the centre of programmes targeting Pacific peoples
Relationship building and information sharing with Pacific communities	• Engaging and informing, Pacific communities • Supporting community enterprise • Sharing information and advice on Government policies and initiatives • Conducting, interpreting and facilitating two-way communication between government and Pacific communities	• We are a government agency which is not only comprised mainly of Pacific people but also well connected to Pacific networks and Pacific communities in New Zealand • We build and maintain trustful relationships with Pacific communities • We facilitate and broker engagement between Pacific communities and government agencies
Nominations of Pacific people to priority state boards	• Providing suitable Pacific nominees for boards and committees in the state sector	• Inclusion of Pacific people on boards adds value to business, especially in Auckland • The government wants state sector boards to take advantage of the unique skills and strengths offered by Pacific members.

Part Two: Reporting on the Ministry's Operations

Our Work

Our work both directly, and through other agencies, seeks to bring about positive change by improving outcomes for Pacific people. This improvement will benefit New Zealand as a whole.

The diagram below shows how our work aligns with government's priority goals and outcomes.

GOVERNMENT GOALS	Stronger economy – Better public services			
OVERALL OUTCOMES	IMPROVED ECONOMIC WELLBEING AND LIVING STANDARDS FOR PACIFIC PEOPLES IN NEW ZEALAND		STRENGTHENED PACIFIC FAMILIES AND COMMUNITIES IN NEW ZEALAND	
INTERMEDIATE OUTCOMES (MINISTERIAL PRIORITIES)	IMPROVED EDUCATION PARTICIPATION AND ACHIEVEMENT	IMPROVED OUTCOMES FOR YOUTH IN SKILLS AND EMPLOYMENT		PACIFIC LANGUAGE USE STRENGTHENED
IMPACTS OF MINISTRY OUTPUTS	Effective interventions through the demonstration of innovative and effective guidelines and information on issues that affect Pacific peoples in New Zealand		Strong and effective relationships between government and Pacific communities	
MINISTRY OUTPUTS	Policy advice	Demonstration of innovative approaches	Relationship management and information sharing	Nominations

The Ministry of Pacific Island Affairs is funded to fulfil two primary functions: to provide advice and information to government on the context, circumstances, issues and opportunities faced by Pacific communities in New Zealand, and to work with and advise Pacific communities of government policies, programmes and priorities which affect them.

During the year in review we have consolidated our efforts for New Zealand's Pacific peoples, focusing predominantly, although not exclusively, on Pacific children and young people. This pursues the direction outlined in our *Statement of Intent 2012-2015*, reflecting both the changing demographics of

New Zealand's Pacific population and our aspirations for them. We believe this approach offers the best opportunity for realising our vision of Successful Pacific Peoples.

Our focus captures two of Government's *Better Public Services* targets which have particular relevance for Pacific learners: increasing ECE participation and improving NCEA level 2 achievement.

It was further endorsed when, in October 2012, we welcomed a new Chief Executive, who brought from her previous role in the (tertiary) education sector a firm resolve to help young Pacific people do better in education, training and employment.

~~~~~

In our *Statement of Intent 2012-2015* we specified three priorities:

- Improved education participation and achievement
- Improved outcomes for youth in skills and employment
- Strengthened Pacific languages

We have also worked to foster enterprising communities, to support our priorities.

In this Annual Report we identify the progress we have made towards the medium-term goals we set, detail specific projects we undertook to help achieve them, note lessons learned, and acknowledge the relationships we were able to broker or call on to stimulate change or otherwise make progress.

We have further refined our objectives and the mechanisms for reporting against them, and introduced monitoring and evaluation frameworks for aspects of our work. However, the results of our policy, research and pilot programme work can only truly be measured over a longer period, chiefly through Census data.

The postponement of Census 2011 means we have had to rely on qualitative and anecdotal measurement of some indicators such as languages spoken, rather than the definitive data Census provides. However, Ministry of Education (MoE) data has given us valuable information on other indicators including numeracy and literacy, ECE participation and educational attainment.

## Our Priorities

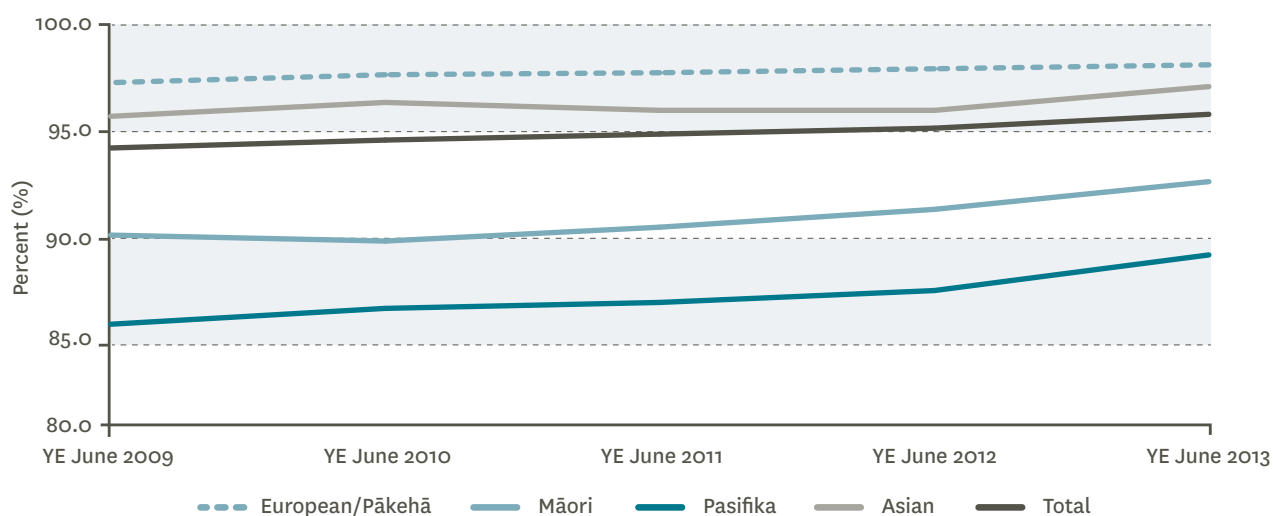
The Ministry worked in selected priority areas to contribute toward government objectives for Pacific peoples. This work in our priority areas contributes to our two overall outcomes: improved economic wellbeing and living standards for Pacific peoples in New Zealand and strengthened Pacific families and communities in New Zealand.

The tables and information below shows the contribution we made, and the impacts of our own and other agencies' work.

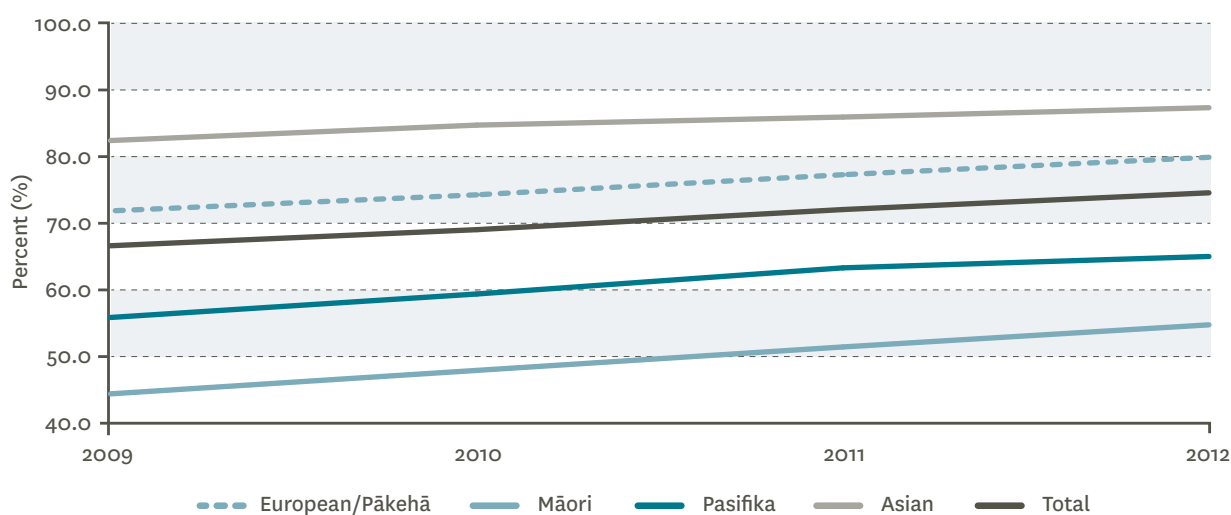
### Education

| PRIORITY 1                                   | IMPROVED EDUCATION PARTICIPATION AND ACHIEVEMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |              |              |              |                                                                                                                                                                                                            |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome of our work and others               | <ul style="list-style-type: none"> <li>• Increase in Pacific ECE participation rates</li> <li>• Increased Pacific attainment in NCEA Level 2 or above</li> <li>• Increased bilingual ECE provision</li> </ul> <p>Steady increases have been achieved in all areas of education - Pacific ECE participation rates, Pacific attainment in NCEA Level 2 or above and bilingual ECE provision. Through our collaborative projects with the Ministry of Education and other partners, we have contributed to these increases.</p> |              |              |              |                                                                                                                                                                                                            |
| Intermediate outcome measurement and targets | Outcome                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2011         | 2012         | 2013         | Comment                                                                                                                                                                                                    |
|                                              | Increase in Pacific ECE participation rates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 86.2%        | 86.8%        | 88.6%        | This is the prior participation rate reported by MoE.<br><i>Refer to Figure 1</i>                                                                                                                          |
|                                              | Pacific attainment in NCEA Level 2 or above increased 1.7% between 2012 and 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                            | 59.2%        | 63.1%        | 64.8%        | This is the NCEA Level 2 achievement figure from the previous year's NCEA exams. These cover the period of this annual report.<br><i>Refer to Figure 2</i>                                                 |
|                                              | Increased bilingual ECE provision                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Not measured | 148 services | 150 services | This is the number of Pacific bilingual or immersion services available. Source: 2013 MoE: Education and Science Select Committee Inquiry – Pacific Languages in Early Childhood Education, 25th July 2013 |

| PRIORITY 1                            | IMPROVED EDUCATION PARTICIPATION AND ACHIEVEMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>MPIA outputs and their impacts</b> | <div> <ul style="list-style-type: none"> <li>• Develop, monitor and evaluate policy advice and services on the most appropriate delivery models to engage Pacific peoples in ECE; and participation and achievement in education</li> <li>• Engage and promote the benefits of ECE with Pacific communities and families</li> <li>• Identify and support community based approaches that encourage ECE provision by Pacific ethnic groups</li> <li>• Work with central and local government agencies, Pacific communities and schools to identify and support initiatives that raise Pacific student achievement in NCEA Level 2</li> </ul> </div> <div> <p>We know we were successful because:</p> <ul style="list-style-type: none"> <li>• For the first time, the <i>Pasifika Education Plan 2013-2017</i> (PEP) published November 2012, reflected a joint approach between the Ministry and the Ministry of Education</li> <li>• Although our PEP initiatives are longer-term and the impacts are still unknown, the template we developed for our implementation plan was used by other departments in the development of their own implementation plans</li> <li>• We secured matched funding from the Ministry of Education for the Pacific Early Learning Mobile Outreach Service (PELMOS)</li> <li>• PELMOS has already supported the enrolment of 37 children into ECE services</li> <li>• Attendees' satisfaction at our ECE workshops was rated at 4.4 out of 5</li> <li>• NZIER rated our policy advice on ECE at an average of 7.5 out of 10</li> <li>• We developed two new initiatives to address needs identified by our research and developed them with the Top 25 schools. An initiative to support literacy has been taken up in five schools as a pilot. Furthermore, 19 of these schools have signed up to development of an on-line resource to help build confidence and self-esteem in Pacific students. Both initiatives will be evaluated in the coming year.</li> <li>• Attendee satisfaction at our NCEA ma le Pasifika workshops was rated at an average of 4.7 out of 5, although some workshops were rated 5 out of 5</li> <li>• NZIER rated our policy advice on NCEA 2 at an average of 7 out of 10</li> <li>• Participants in the Youth Conference rated it 4.5 out of 5.0.</li> </ul> </div> |

**Figure 1: ECE Prior Participation by Ethnic Group**

Source: Ministry of Education, Education Counts

**Figure 2: Students who achieved NCEA Level 2 or above by Ethnic group**

Source: Ministry of Education, Education Counts

1. Pacific students' achievement in compulsory education is showing a steady increase. The target is 85% of 18 year olds to have achieved NCEA level 2 or an equivalent qualification in 2017.

## Pasifika Education Plan

Our most significant and visible contribution to helping Pacific students do better, and the education system to be more responsive, was co-authorship of the *Pasifika Education Plan 2013-2017 (PEP)*.

More broadly we formalised our relationship in a Memorandum of Understanding with the Ministry of Education (MoE) noting the added value that this Ministry can contribute to Pacific achievement in specific areas. This closer working relationship has been most visible in Auckland, where our two Ministries' teams have collaborated on some of the initiatives reported on below.

We undertook a joint campaign to increase Pacific representation on school boards of trustees, one of the PEP's targets. We co-hosted four workshops in greater Auckland, as well as promoting both candidacy and voting through our own channels, community newspaper stories and Pacific radio promotion. While results are not expected till later in the year, anecdotally we know that some Pacific parents, prompted by this publicity, stood for election and that others were re-elected.

*Newly appointed School Board of Trustees member Natalie Dillon was inspired to be nominated for the role after reading about the call for more Pacific parents to be involved in school boards in a local paper.*

*After being "given the push" by the article, Natalie attended an information session organised by the Ministries of Pacific Island Affairs and Education which helped her prepare for nomination.*

*"I was quietly surprised and inspired to enter a room that was pretty full. I felt supported and it was comforting to know that there would be on-going support, if I got elected."*

## Early childhood education

The PEP includes the *Better Public Services* target that the proportion of Pacific children starting school who have taken part in ECE will increase to 98 percent in 2016. Current data suggests a rising trend but with 2012 attendance levels hovering around 88 percent there is room for improvement.

To catalyse this we initiated a range of work to boost enrolment, actively engaging and mobilising Pacific communities.

Our research identified a small number of Census Area Units where attendance was particularly problematic. As a result, we developed and led delivery of workshops to encourage increased enrolment. We delivered these with support from the Ministry of Social Development (subsidies for parents) and Inland Revenue (Working for Families tax credits), as well as our MoE partners and ECE providers. Participants spoke positively regarding the use of Pacific languages in the delivery of some workshops, and overall rated them 4.4 out of 5.0. Church leaders who attended are now well-informed to share information with their congregations, and to consider provision of early learning. In addition four organisations have expressed an interest in setting up an ECE service. We have worked with MoE to ensure potential providers have the information they need to take the next steps. While the workshops have been positive in terms of bringing government agencies and communities together, future work will focus on translation of the workshops to enrolments.

Based on our policy work to better understand barriers to participation, and our knowledge of Pacific communities, we took a new approach to reach out to those unlikely to be exposed to the benefits of ECE in more conventional ways. Joining forces with MoE we allocated funds and called tenders for a mobile ECE outreach service - PELMOS (Pacific early learning mobile outreach service) - to engage with Pacific parents and caregivers within their communities to encourage ECE attendance, promote the benefits of a quality early learning experience and provide information and advice on services and support available.

The successful tenderer, the Fountain of Knowledge Trust, has 10 years-plus experience working with Pacific children and their families in South Auckland. Even before taking to the road in their specially-equipped van, the Trust collected contact details for 108 parents at Auckland's Pasifika and Polyfest festivals. By yearend 37 of their children were enrolled for 25 hours or more each week. Others are on waiting lists awaiting entry into suitable and available ECE centres. PELMOS is now collecting valuable information about parents' reasons for not enrolling their children in ECE; for example, cost, access and lack of awareness, and reporting it to both Ministries.

Building on existing relationships with Pacific language-centred organisations to identify opportunities in the ECE sector we have worked with MoE to co-design approaches for ethnic-specific, community-led certified playgroups.

The Kapua'anga Ou Cook Islands Playgroup in Christchurch was established following the inaugural Cook Island Language Week in August 2012. We have engaged with the Tokelau Wellington Leadership Group to establish playgroups in their community facilities as a pathway to licensed Tokelau ECE centres. The Wellington Tongan Leaders Council has registered an interest in a similar approach involving various Tongan church congregations in the region. The Hutt Valley Cook Island Association will kick-start their Punanga Reo developments through a 'pop-up playgroup' to promote their language and ECE to families, parents and children during Cook Island Language Week 2013.

We have brokered relationships with the relevant personnel in MoE, and created opportunities for people to formalise existing early learning opportunities or create new ones.

*Following discussions facilitated by our Ministry between New Zealand Rugby League (NZRL) and the Ministry of Education, a new role was created to pilot early childhood education in rugby league clubs.*

*Ministry Northern Regional Manager Dean Westerlund said that the initiative was first suggested in 2012 before being worked through with the Ministry of Education's Early Learning Taskforce.*

*"Traditionally early childhood education (ECE) has taken place in dedicated centres, churches or community centres. This innovative approach takes ECE into sports clubs which are places where families naturally congregate and should help to boost ECE participation among Pacific families," says Dean.*

To ensure survival and quality for Pacific ECEs we commissioned the Pacific Business Trust to deliver a governance and management training workshop for 24 participants from seven Pacific ECEs in the Wellington region. Designed to improve standards of governance and management within the ECEs, these were well-received with participants rating their satisfaction at 90 percent. Experience gained will be used to inform the design of more Auckland-based workshops later this calendar year.

We have also started exploratory work with the Ministry of Social Development on how we might assist Pacific beneficiaries meet the newly-mandated requirement to ensure their children attend ECE.

## NCEA level 2

Our NCEA level 2 work, which aims to help more Pasifika students leave school with this qualification, is guided by a *Better Public Services* target encapsulated in the *Pasifika Education Plan 2013-2017*. Achieving the 85 percent target translates to some 950 Pacific students acquiring NCEA level 2, or an equivalent qualification, each year. This equates to a 20.2 percent increase from that achieved last year.

Our work in this area has again featured a strong Pacific perspective in policy advice reinforced by a focused approach to working with our communities.

Our policy work identified 25 secondary schools (T25), 24 in Auckland and one in Wellington, which collectively educate over half of all Pacific secondary school students. We convened a one-day workshop with T25 principals to obtain their commitment to working collaboratively with us, and to share best practice for raising achievement for Pacific learners. Given the size and spread of Auckland we later developed a locality-based approach of four clusters and we are now investigating prospects for a Wellington cluster.

Building on Education Review Office work, we identified six factors which contribute to Pacific success and have developed pilot projects within T25 schools to support these factors (see below). We meet regularly with principals, who are appreciative and supportive of our work to enhance Pacific student achievement.

After principals reinforced that poor literacy continues to inhibit student achievement, we invited selected T25 schools to submit proposals for small innovative pilot projects to address this. With input from relevant agencies we selected and funded five. At James Cook High School we are supporting teacher aides to work on literacy with Pacific students, while McAuley High

School opted for a tutor in a new homework centre with a strong focus on internet use. Mt Roskill Grammar has extended a year nine literacy programme to year 10, Onehunga High School is now developing a new tool to diagnose literacy problems so it can intervene as appropriate, and Otahuhu College is offering coaching to improve teachers' ability to teach literacy and/or develop effective literacy programmes. We will evaluate these when they end and share best practice lessons across the T25 schools.

Ministry conversations with parents and teachers identified low self-esteem and confidence in many Pacific learners. To help address this we led work with the T25 schools to develop an online resource, including a series of videos to celebrate Pacific learners' culture and identity and showcase success stories. Nineteen colleges have signed up to this programme, to be evaluated in June 2014.

We also initiated discussions with the New Zealand Qualifications Authority (NZQA) resulting in jointly-developed *NCEA ma le Pasifika* workshops. These give parents and students a better understanding of NCEA, and the importance of subject choices and planning for higher education or training. We increased its reach by training some of our own staff as facilitators (navigators), allowing some workshops to be delivered in or translated into Pacific languages. Participants have reported a greater understanding of the NCEA system and of careers information, and greater confidence about getting support for their child's learning. Overall they rated their satisfaction at 4.7 out of 5.0. More workshops are planned with a focus on delivery at the T25 schools.

*In May we led and organised the Pasifika Youth Conference in Auckland, the key Pacific event in New Zealand Youth week.*

*Over 200 young Pacific people representing 28 schools came together for a day which featured opportunities to discuss NCEA achievement, subject choices and career pathway planning. An evaluation showed very high levels of satisfaction (4.5) from participants.*

*Although the conference is over, participants can continue the conversation about NCEA achievement and career pathways through a Pacific Youth Network.*

Students taking part in the Young Enterprise Scheme – offered at seven of the T25 schools – can gain credits for NCEA levels 2 and 3. We have enhanced our support for this scheme, and will continue to do so, aiming to have 75 percent of them taking part by 2015. We report on this in more detail on page 18 (under Youth skills and employment).

Complementing much of this work has been a three-year research project in which we have completed interviews with more than 900 Pacific students about subject choices, career aspirations and who or what influences them. While the final report is not yet published we are already discussing with partner agencies – Careers NZ, the Education Review Office and the Ministry of Education – how we might best use the findings in our respective work programmes.

We have also contributed to raising NCEA level 2 achievements through two other programmes: Pacific Employment Support Services (PESS) and the Young Enterprise Scheme (YES).

Since 2011, our four PESS providers have been helping young Pacific people enrolled in the scheme achieve higher qualifications and/or sustainable employment. One provider – C-Me Mentoring – delivers a programme which introduces students at 11 of the T25 schools to trades, and supports them to gain credits relevant to their chosen careers. Another – the SENZ Charitable Trust – has focused on Pacific students at One Tree Hill College considered to be at risk of leaving without moving into further education or training. The NCEA Level 2 pass rate for PESS participants at the college was 80 percent in 2012, significantly higher than the Pacific average of 64.8 percent.

## Youth skills and employment

| PRIORITY 2                                                                                                                                                                                                                                                                                                                                                                                                                                                         | IMPROVED OUTCOMES FOR YOUTH IN SKILLS AND EMPLOYMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------|----------------------------------------------------|------|--------------------|-----------------|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|----|----------|----|
| Outcome of our work and others                                                                                                                                                                                                                                                                                                                                                                                                                                     | More Pacific youth engaged in employment and training through Pacific Employment Support Services (PESS) who we contracted to work intensively with young people to prepare them for work and place them in training and employment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Intermediate outcome measurement and targets                                                                                                                                                                                                                                                                                                                                                                                                                       | Unemployment rate for Pacific youth                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Outcome                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2012            | 2013  | Comment                                            |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Improved outcomes for Youth in Skills and Employment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 24.7%           | 29.6% | Average youth unemployment in New Zealand is 15.6% |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p><b>Figure 3: Unemployment Rate for Youth (15–24 Years) by Population</b></p> <table><caption>Estimated data for Figure 3: Unemployment Rate for Youth (15–24 Years) by Population</caption><thead><tr><th>Date</th><th>Total Pasifika (%)</th><th>Total Youth (%)</th></tr></thead><tbody><tr><td>Jun 2009</td><td>26</td><td>17</td></tr><tr><td>Sep 2009</td><td>28</td><td>17</td></tr><tr><td>Dec 2009</td><td>30</td><td>18</td></tr><tr><td>Mar 2010</td><td>27</td><td>17</td></tr><tr><td>Jun 2010</td><td>31</td><td>18</td></tr><tr><td>Sep 2010</td><td>30</td><td>16</td></tr><tr><td>Dec 2010</td><td>27</td><td>17</td></tr><tr><td>Mar 2011</td><td>28</td><td>20</td></tr><tr><td>Jun 2011</td><td>27</td><td>18</td></tr><tr><td>Sep 2011</td><td>30</td><td>16</td></tr><tr><td>Dec 2011</td><td>27</td><td>17</td></tr><tr><td>Mar 2012</td><td>31</td><td>18</td></tr><tr><td>Jun 2012</td><td>25</td><td>16</td></tr><tr><td>Sep 2012</td><td>30</td><td>17</td></tr><tr><td>Dec 2012</td><td>30</td><td>20</td></tr><tr><td>Mar 2013</td><td>30</td><td>16</td></tr><tr><td>Jun 2013</td><td>30</td><td>16</td></tr></tbody></table> <p>Source: Statistics New Zealand, HLFS June 2013</p> |                 |       |                                                    | Date | Total Pasifika (%) | Total Youth (%) | Jun 2009 | 26 | 17 | Sep 2009 | 28 | 17 | Dec 2009 | 30 | 18 | Mar 2010 | 27 | 17 | Jun 2010 | 31 | 18 | Sep 2010 | 30 | 16 | Dec 2010 | 27 | 17 | Mar 2011 | 28 | 20 | Jun 2011 | 27 | 18 | Sep 2011 | 30 | 16 | Dec 2011 | 27 | 17 | Mar 2012 | 31 | 18 | Jun 2012 | 25 | 16 | Sep 2012 | 30 | 17 | Dec 2012 | 30 | 20 | Mar 2013 | 30 | 16 | Jun 2013 | 30 |
| Date                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Total Pasifika (%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Total Youth (%) |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Jun 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 17              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Sep 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 28                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 17              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Dec 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 18              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Mar 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 17              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Jun 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 31                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 18              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Sep 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 16              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Dec 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 17              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Mar 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 28                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 20              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Jun 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 18              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Sep 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 16              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Dec 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 17              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Mar 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 31                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 18              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Jun 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 16              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Sep 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 17              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Dec 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 20              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Mar 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 16              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| Jun 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 16              |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |
| <p>The unemployment rate for Pacific people of all ages is considerably higher than five years ago, but is declining more rapidly than that of the total population. Nevertheless, youth unemployment remains high and the Ministry is focused on getting more Pacific young people into careers that have a future. The target is to maintain the rate of decline for youth unemployment. Despite a blip in May 2012 we are starting to see a slight decline.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 |       |                                                    |      |                    |                 |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |    |          |    |

| PRIORITY 2                     | IMPROVED OUTCOMES FOR YOUTH IN SKILLS AND EMPLOYMENT                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MPIA outputs and their impacts | <ul style="list-style-type: none"> <li>• Pilot small scale programmes and inform mainstream agencies on what works well for Pacific young people</li> <li>• Engage with Pacific communities to promote and encourage sustainable labour market participation</li> <li>• Monitor and evaluate policies and services that provide opportunities and remove barriers that affect Pacific young peoples' training and employment</li> </ul> | <p>We know we were successful because:</p> <ul style="list-style-type: none"> <li>• 1058 young people have benefitted from PESS since its inception in 2011, with 243 starting jobs and 204 going onto further training. New contracts with providers negotiated through the year now have a clearer emphasis on outcomes and a new reporting system will make progress easier to track</li> <li>• The YES programme had 40 Pacific teams this year, which worked directly with a mentor. 15 teams secured seed funding. Furthermore, 80% of Pacific YES students gained credits from their participation in the programme.</li> <li>• Our stakeholders rated us 4.2 out of 5 for community engagement in this area.</li> </ul> |

Results from our unique Pacific Employment Support Services (PESS) scheme, funded in Budget 2010 and piloted from January 2011, continue to show promise. Designed to help reduce joblessness by expanding the pool of trained and qualified young Pacific people available for employment, PESS has now provided some hundreds of young Pacific people with tailored support. This includes pastoral care and mentoring, and literacy and numeracy training as well as the more usual career advice, training opportunities, and CV and interview skills.

A formal mid-term evaluation in September 2012 highlighted many positives, as well as identifying areas for improvement. To address the latter we conducted an Assurance Review which clearly identified a suite of activities to strengthen the programme. As a consequence, we introduced changes which generated better information and greater clarity in contracting and reporting, and strengthened governance and management.

Some specific successes include collaboration with the Building and Construction Industry Training Organisation to pilot a Trades at School programme for 15 students at the Manukau Institute of Technology, and the graduation of 19 Trades at School students with the National Certificate in Mechanical Engineering Level 2. Of these, 14 students have gone onto higher-level programmes, and five into fulltime jobs.

Other participants have gained drivers' licences, and increased NCEA Level 1, 2 and 3 attainment through a customised programme at One Tree Hill College. Since the programme's inception in 2011 some 1058 young people have benefitted from PESS, with 243 starting jobs and 204 going onto further training.

Although it has improved prospects for some, PESS currently works with a very small proportion of Pacific young people. We have continued to investigate the potential for expansion, both through our own work and by developing an investment model approach to inform the work of other agencies supporting young Pacific people into employment and training.

Another approach to piloting small-scale programmes for Pacific young people has been a growing investment in the Young Enterprise Scheme (YES). Our initial (2008) involvement was co-sponsorship with the Pacific Business Trust (PBT) of the Excellence in Pacific Business category of this college-based scheme to develop entrepreneurial and business skills. We expanded YES in 2011 to include seed funding to help potential Pacific entrants, after learning that the need for start-up capital for product development often inhibited their participation. This year 18 teams submitted applications and business plans, with 15 successful in gaining seed funding.

In 2011, 80 percent of Pacific YES participants gained NCEA credits for their work on the programme, significantly higher than the overall total of 63 percent of Pacific students who attained NCEA level 2 that year. Given this, we are alert for opportunities to enhance participation, experience and achievement. Accordingly this year, in collaboration with the scheme's administering trust, we appointed an advisor to increase T25 schools' participation, and support the professional development of the teachers who deliver it. The advisor has also built relationships with other agencies which can increase support for participating students. We aim to have 75 percent of the Top 25 schools taking part by 2015.

The Ministry also prompted PBT to deliver two workshops for Auckland-based YES teams. The first canvassed developing business plans, critical to participants' entries and NCEA grades for this activity. Fourteen YES teams from seven schools attended. A second workshop covered marketing and sales.

We have also, with PBT help, sourced business mentors from the local business community for each Pacific team entered this year. The availability of an individual mentor for each team has been welcomed by participating schools. We will evaluate the impact of our enhanced support in 2014.

We have strengthened our role and input to last year's successful Pacific Trades Training Initiative in several ways.

We supported six pastoral care support meetings for participants, two in each of the three major centres. These events have been partnerships between participating church collectives and training providers to provide support for the students and to celebrate their success, together with the Pacific community.

The Ministry also helped develop the Cabinet paper on Expansion of Maori and Pacific Trades. This resulted in 3000 additional free places over the next four years for Maori and Pacific students to study towards a trade.

To ensure strong and effective Pacific community involvement in the roll-out of these trades scholarships we are part of a Pacific subgroup to help set up the Pacific community component of consortia, which will also include tertiary education organisations (including ITOs) and employers. Consortia will identify and support participating learners.

Support from churches has been a critical component of the scheme. We continue work to maintain our strong links with the Church community, meeting Pacific church leaders in Auckland, Wellington and Christchurch to update them on developments so they can participate effectively as consortia partners.

At the beginning of the 2013 calendar year 222 new places were allocated for Pacific students to participate in the Pacific Trades Initiative.

*In the tense days following Cyclone Evan in Samoa we drew on our unique relationship with church ministers, conjoining them in work with the Tertiary Education Commission, the Ministry of Foreign Affairs and Wellington training providers to support the deployment of five plumbing graduates from the Pacific Trades Initiative to work for the Samoa Water Authority as part of New Zealand's relief package.*

*For Pasifika Trades Training Initiative graduate Ving Faleatua the opportunity to travel to Samoa was a chance to make a change in the disaster-hit country.*

*"I think it's important to have Samoan-speaking graduates helping out. We know what they are saying, we can relate to what they are saying and we can pass on important messages," said Ving.*

*Our Ministry worked with WELTEC on the selection criteria for the plumbing graduates.*

This year we commissioned a formal evaluation to add to anecdotal feedback from both sponsors and winners. It found winning an award gave recipients greater exposure to opportunities, including valuable workforce and employment opportunities, and reaffirmed their personal aspirations. Positive benefits extended to family, friends and communities.

Sponsors continued to see benefits and were happy to continue their involvement beyond the original 2013 expiry date. The review also recommended some strengthening of processes and structures for the 2013 awards, being considered as part of the planning, and their continuation in future years. Meanwhile past winners are still reaping the benefits. A 2011 Inspiration Award winner, who has now completed a degree in education, spent a month living locally with a Vanuatu family, teaching at the local school and helping build a water tank. Another, a medical student, travelled to Cambodia offering health assessments and teaching first aid to locals. Both offer good preparation for non-government organisation and community work. The 2012 Leadership Award winner is this year completing a conjoint degree in engineering and commerce.

Past entrants are now part of our youth database, and several will feature as successful role models in the Achievers resource we are developing with the T25 schools.

The highest-profile contribution to our youth engagement work is the annual Prime Minister's Pacific Youth Awards, offered for the third time in 2012. At a moving ceremony at Parliament in November 2012, Prime Minister John Key recognised five outstanding young Pacific achievers selected from over 100 impressive applicants.

Set up to celebrate, motivate and inspire young Pacific people to reach their full potential, the awards also celebrate our success in bringing them together with prominent businesses.

In 2012 we secured new support, to add to existing sponsorships from the University of Auckland (leadership), Weta Workshop (creativity), Cogita Business Systems (inspiration) and Air New Zealand (innovation), when the Vodafone NZ Foundation funded the Mobiles4Good award.

## Pacific Languages

| PRIORITY 3                                   | STRENGTHENED PACIFIC LANGUAGES                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                        |                        |                                                         |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|---------------------------------------------------------|
| Outcome of our work and others               | <ul style="list-style-type: none"> <li>The decline of Pacific language use in New Zealand is arrested</li> <li>Pacific communities lead work to support the retention of languages</li> </ul> <p>We have created a <i>Pacific Languages Framework</i> that is assisting communities to develop actions and projects (such as Language Weeks) to support their languages. We have also compiled and published a web-based Compendium of government resources in Pacific languages.</p> |                        |                        |                                                         |
| Intermediate outcome measurement and targets | Outcome                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2012                   | 2013                   | Comment                                                 |
|                                              | The decline of Pacific language used in New Zealand is arrested                                                                                                                                                                                                                                                                                                                                                                                                                       | N/A                    | N/A                    | Measured through the census – see note                  |
|                                              | Pacific communities lead work to support the retention of languages                                                                                                                                                                                                                                                                                                                                                                                                                   | 2                      | 5                      | Community- led language weeks supported by the Ministry |
|                                              | <b>Table 2: Percentage of Pacific peoples fluent in their native language (by ethnic group)</b>                                                                                                                                                                                                                                                                                                                                                                                       |                        |                        |                                                         |
|                                              | Pacific Peoples' Ethnic Group                                                                                                                                                                                                                                                                                                                                                                                                                                                         | % who could speak 2001 | % who could speak 2006 | Percentage change 2001 - 2006                           |
|                                              | Samoan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 67                     | 63                     | -4                                                      |
|                                              | Cook Island Maori                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 18                     | 16                     | -2                                                      |
|                                              | Tongan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 60                     | 61                     | 1                                                       |
|                                              | Niuean                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 27                     | 25                     | -2                                                      |
|                                              | Fijian                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 28                     | 29                     | 1                                                       |
|                                              | Tokelauan                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 44                     | 40                     | -4                                                      |
|                                              | Tuvaluan                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 71                     | 71                     | 0                                                       |
|                                              | <p><b>Source:</b> Census 2001 and 2006</p> <p><b>Note:</b> Although a census was completed in 2013, those figures are not publicly available to gauge the difference made by intervention strategies implemented to arrest decline and support the increased use of Pacific languages.</p>                                                                                                                                                                                            |                        |                        |                                                         |



| PRIORITY 3                     | STRENGTHENED PACIFIC LANGUAGES                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MPIA outputs and their impacts | <ul style="list-style-type: none"> <li>• Publishes and promotes the Pacific Languages Framework</li> <li>• Supports and co-ordinates community language activities, when initiated by the community, including through small scale funding and advice</li> </ul> | <p>We know we were successful because:</p> <ul style="list-style-type: none"> <li>• Communities have used the evidence provided in the <i>Pacific Languages Framework</i> to refine their community action plans for how best to support community language retention</li> <li>• Government departments contributed to the publication of the <i>Pacific Languages Compendium</i> to promote the breadth of government communications available in a range of Pacific languages. Use of the compendium is being tracked via the website</li> <li>• Seven groups received Ministry funding for <i>Community Action Plans</i> which met criteria we developed for language preservation and maintenance</li> <li>• Pacific Language weeks grew from two in 2011 to five in 2012.</li> </ul> |

In 2012/2013 we consolidated our approach to helping New Zealand's Pacific communities maintain and promote their heritage languages. This built on previous work responding to community concerns, borne out by Census data showing a steady decline in fluency and understanding. Current work is not only about language and cultural enhancement: Bilingualism offers better educational outcomes, providing a platform for better employment, income and quality of life.

Key to work this year has been publication of a *Pacific Languages Framework* which aims to provide leadership, direction and coordination for community and government activities to maintain and promote Pacific languages in New Zealand.

Evidence suggests the most effective strategy starts with establishing a strong foundation of language use in homes and communities, before broadening the focus. Sitting alongside the *Pacific Languages Framework* is a series of *Community Action Plans* (CAPs) owned and driven by seven New Zealand-based Pacific communities committed to ensuring their languages flourish. We have provided leadership and modest funding for Samoan, Tongan, Fijian, Cook Islands, Tokelauan, Niuean and Tuvalu community groups to develop programmes and activities consistent with the Framework, to preserve and maintain their languages.

Central to most efforts have been Language Weeks, which have grown exponentially since Samoan Language Week was first celebrated in 2007. In the year under review Samoan and Tongan Language Weeks were complemented by celebrations of the heritage languages of the Cook Islands, Niue and Tokelau.



Some communities, with modest assistance from us, produced language resources, such as two four-booklet series developed by the Niuean and Cook Islands communities. Others organised cultural festivals, speech competitions, expos and classes in which elders taught the next generation customary protocols and practices. In Auckland a Tuvalu group developed and sent out a quarterly newsletter in their heritage language. We also provided funding to FAGASA to support the Samoan national speech competition and to publish resources for Samoan teachers and students.

*We worked closely with community organisations to ensure that Pacific language weeks were well organised, promoted and resourced.*

*Ina Michael, Chief Executive of the Cook Islands Development Agency of New Zealand (CIDANZ), said one of the highlights of the inaugural Cook Islands language Week was the community feedback.*

*“The reaction from our mamas and papas was heartfelt. They felt this was the realisation of a long held dream, especially seeing the young people getting involved. Our job now is to build on the success of this language week and embed it in the cultural calendar of New Zealand,” Ina said.*

We have also held initial discussions with key agencies to lay a foundation for future capability building work with CAPs groups, so that they are better-placed to secure funding and support from other agencies.

The third strand of our languages work involved canvassing government agencies to see what resources or services they provided in Pacific languages. Results were compiled in an online directory, the *Pacific Languages Compendium*. Published fittingly in Samoan Language Week 2013, the compendium points to content in 14 languages. It also contains information on Pacific language learning resources, and government initiatives to support Pacific people living in New Zealand. This resource, produced by the Ministry and capturing efforts across government to inform citizens in Pacific languages, provides real evidence of government’s commitment to Pacific languages and is being evaluated via an online survey.

## Enterprising communities

Beyond our priorities, we supported endeavours and activities which will contribute to better lives for Pacific New Zealanders, as well as providing a Pacific perspective to other agencies' work through our policy group.

In the year under review our policy team's comments were regularly sought, on issues ranging from fortifying bread with folic acid to improving immigration services.

We continue to build and nurture relationships with church collectives at many levels – ethnic-based, denominational, interdenominational and regional – recognising their broad reach and influence in the lives of many Pacific peoples. These relationships provide a platform and a strong community basis for many elements of the Ministry's work.

In December 2012 we supported the 50th Anniversary of the EFKS Samoan Congregational Church in New Zealand. In May we celebrated the first birthday of the Wellington Tongan Leaders Council, a new grouping of Tongan church leaders formed with our support. This complements a strong network of Tongan Churches in Auckland, a valuable grouping for communication and engagement with Pacific communities. We received positive feedback from these groups about our collaborative work, highlighting our ability to build effective relationships with Pacific community groups who may be future partners for example in early learning.

We worked closely with the Wellington fellowship of Samoan Church leaders to celebrate Pacific Trades and Samoan Language Week, while in Christchurch our staff held regular fono with church leaders to engage and update them.

These and other church relationships have been crucial to successful implementation of programmes such as the *Pasifika Trades Training Initiative*, *NCEA ma le Pasifika*, Pacific language weeks and promotion of the Prime Minister's Pacific Youth Awards to Pacific communities. Churches value the opportunity to engage with us in promoting and delivering tangible and meaningful benefits to congregations.

*Our Christchurch team has played a critical role in helping the Canterbury Pacific Network (CPN) develop a 10-year plan to ensure that the Pacific community is well placed to flourish in post-earthquake Christchurch.*

*The Canterbury Pacific Communities 2012-2022 Strategy and Action Plan for Recovery and Development is a collective response to post-earthquake recovery in Canterbury with a primary focus on building strong, sustainable Pacific communities says Ministry Southern Manager Amanaki Misa.*

*"This is a blueprint for Pacific people in Canterbury to prosper in all facets of life and the community has enthusiastically brought into this idea," said Amanaki.*

*An initial draft was shared with the Canterbury Pacific community early in 2013 ahead of a second round of community consultation before the final plan is presented to the Canterbury Earthquake Recovery Authority (CERA) in late 2013.*

Most recently, in June 2013, we initiated a series of pan-Pacific dialogues with church leaders in Auckland, Wellington and Christchurch, to update them on our joint initiatives, to promote the involvement of other churches and to identify priority projects and possible joint initiatives for the coming year. These strengthened our relationship with Pacific church leaders and provided a platform to further our work, particularly in education.

We supported Government's commitment to reducing rheumatic fever rates amongst Pacific young people through membership of the *Better Public Services* rheumatic fever government reference group, and by practical help to ensure appropriate messaging for and dissemination to Pacific communities. We took a similar approach to the Prime Minister's Youth Mental Health Initiative, providing advice on Pacific issues and opportunities.

We also supported Te Puni Kokiri in managing and implementing *Whanau Ora* for Pacific communities. In early 2013 we became a member of the *Whanau Ora* Governance group.

We have continued our support and advice in relation to the Pacific membership of Regional Leadership Groups, (established late in the previous financial year). We also helped facilitate Pacific involvement in a paper informing recent Cabinet decisions on new policy settings for *Whanau Ora*, and will continue to play a key role with Te Puni Kokiri in establishing the new commissioning approach for Pacific communities.

We have continued work on leadership and governance, in part through strengthening our nominations service. This included mounting a modest recruitment drive for skilled candidates for state sector and other boards.

Using our existing networks and channels to promote the value of governance and specific opportunities, supplemented by identifying suitably qualified candidates, we recruited 44 new Pacific people with relevant skillsets and experience. We put 47 candidates forward for consideration, of whom 10 were successful.

We have worked to build the experience and knowledge of Pacific candidates through nominations to non-state sector boards. This provides a pathway and opportunity for consideration for appointment to higher-level state sector boards.

We also investigated options, including sharing, for improving our database and for training and development opportunities.

Within the public sector we offered a unique opportunity to 20 senior Pacific public servants through the Pacific Leadership Development programme we initiated in 2011. They came from the broadest spread of agencies yet, including universities and local government as well as district health boards and larger ministries and departments.

Collectively the group took the programme's aim of developing and increasing the numbers of Pacific senior managers in government agencies further by drafting a strategy for Pacific staff development in public sector agencies. This provides a template which could guide both Pacific staff's contribution to organisational goals and improved services to Pacific and the broader community. Further work on this will keep participants learning and developing within their daily working environments.

Course facilitators will consider how the lessons learned in this approach might inform next steps for the programme, as well as how best to optimise the collective investment in nearly 70 course alumni. We have also continued to support Pacific entrepreneurship and business sustainability, strengthening our focus on the community enterprises sector, through our purchase agreement with the Pacific Business Trust (PBT).

During this year PBT helped establish 66 new businesses, resulting in 88 new jobs, and delivered three Pasifika Unlimited seminars to 199 existing and aspiring businesses. Assistance to existing businesses included 272 mentoring sessions, and 92 business assessments. All assessments produced a business action plan, 50 percent of which were successfully implemented. Twenty-eight businesses were referred to specialist support services.

The Trust delivered 36 Business and Enterprise Growth seminars in the three main centres, engaging a total of 444 Pacific business and enterprise operators. These seminars, designed to improve the growth potential of existing businesses and enterprises, covered topics including financing options, strategic planning and marketing, employment obligations and tax compliance. The Trust exceeded targets in all the foregoing activities.

We also focused some of the Trust's work on our education priority, commissioning them to deliver a governance and management training workshop for 24 participants from seven Wellington ECEs. Participants rated their satisfaction at 90 percent, and more workshops are planned. Trust staff also delivered two workshops for Pacific college students taking part in the Young Enterprise Scheme, on business planning and sales and marketing. Participation in the scheme, and in particular the development of business plans, can help students gain NCEA Level 2/3 credits in business studies.

We have continued a productive working relationship with the Commission for Financial Literacy and Retirement Income, pursuing next steps and a new sponsor for a Financial Literacy programme for Pacific communities. This followed an evaluation of the programme which noted considerable success for many participants and recommended further, albeit less resource-intensive, roll-out.

On a more sombre note we worked with Samoan communities and the Auckland Council, in part through the Cyclone Evan Relief Komiti, to support efforts to help those affected by the cyclone which affected Samoa and parts of Fiji late December 2012. We influenced establishment of an Auckland Mayoral Fund, and helped select funding panel members.

We continue also to provide advice and a secretariat for the Minister's Pacific Advisory Council.

*We know we were successful because:*

- *PBT met the majority of the deliverables in their purchase agreement including assisting the establishment 66 new businesses creating 88 jobs. Although the Bi-annual Pacific Business Awards was cancelled replacement events were arranged with the first being delivered in June and the second planned for later in the year*
- *We successfully delivered the Pacific Leadership Development Programme to 20 senior public servants. A number of previous participants have also notified us of promotions following completion of the programme*
- *We successfully established Church leaders' groups in Wellington, Auckland and Christchurch to facilitate our communication with them.*
- *We expanded our database of Pacific people suitable for nomination to Government and community boards, and secured appointments.*

# Part Three:

## Managing the Department

### Operating in a changing environment

---

The most visible change this year was the appointment of a new Chief Executive in October 2012. To enable her to implement the findings of the Performance Improvement Framework (PIF) Reviews of the Ministry and to strengthen Ministerial servicing and communications, she established a centralised Chief Executive's office to provide better coordination, oversight and direction to the work of the Ministry at both policy and regional levels.

The new Chief Executive's focus is on strengthening relationships with Pacific communities and partner agencies across government, and being more explicit about the added-value contribution the Ministry offers to the policy and programme delivery work of government agencies. She is also extending and enhancing relationships with business and industry, and ensuring that the opportunities and challenges Auckland presents are ever-constant in the Ministry's thinking.

Our Four-Year Business Plan reflects our response to the current and anticipated demands of our operating environment. We have successfully reprioritised our resources with a particular focus on lifting educational achievement amongst Pacific young people especially in the Auckland region, in line with *Better Public Services* targets.

We have continued our focus on risk identification and mitigation, including an external review of our Risk Management Framework to ensure it was meeting our needs. We have implemented recommendations to improve the link between the risk profile and the Ministry strategy as well as strengthening monitoring, reporting and the identification of emerging risks. Our Audit and Risk committee has also assisted the senior leadership team by advising on the content of the risk management framework.

This year we also started developing our Kupenga Pasifika- our knowledge hub - with the aim of storing, accessing and disseminating our Pacific knowledge and data more effectively. This work will continue next year, and will enhance our ability to meet stakeholder demands for new knowledge.

## Contributing to Better Public Services:

Led by our new Chief Executive, we have renewed our focus on the efficiency of our systems and processes. In June we completed a review of our information technology and information management systems to highlight opportunities for improvement. Recommendations from this review are being implemented to ensure continued productivity improvement. For example we are equipping our regional advisors with up-to-date technology so we can deliver and monitor results more effectively.

We have worked collaboratively with other agencies to deliver on *Better Public Services* targets with a focus on Pacific achievement. We have also strengthened our unique relationships with communities, working with them to extend our reach. We have fostered and supported community groups focused on heritage language retention and promotion, with church groups to encourage ECE provision and promotion and NCEA awareness, and with these and others in a range of endeavours.

We have improved our financial and non-financial management, reflected in improved audit ratings overall.

## Working together:

Throughout the last twelve months we have sought opportunities to collaborate with other government agencies, and to provide expertise to influence outcomes for Pacific peoples. Most notably we seconded a senior advisor to MoE to help drive implementation of the *Pasifika Education Plan 2013-2017* – developed with the help of an earlier Ministry secondee. We continue to work with MoE regional staff, particularly in Auckland, in developing, funding and implementing new approaches, with NZQA in delivering *NCEA ma le Pasifika* workshops, TEC in implementing the *Pacific Trades Training Initiative*, and with Careers NZ and the foregoing on researching subject choices and career aspirations.

We are currently working with the Property Management Centre of Expertise (PMCoE) to seek co-location options in Wellington. This will contribute to reducing our property footprint while also establishing opportunities to collaborate and share support services. We have also participated in the PMCoE's Christchurch Integrated Government Accommodation work.

We have continued to sign up to all-of-government initiatives, particularly in ICT. This has realised savings of approximately \$77,000 per annum and improved the efficiency and effectiveness of our systems. In addition we benefit from all-of-government contract terms, conditions and management.

## People capability:

---

We have continued to deliver on the priorities outlined in our *Statement of Intent 2012-2015* – improved education participation and achievement, and improved outcomes for youth in skills and employment. This has been complemented by on-going work to implement Performance Improvement Framework (PIF) recommendations.

Key elements of our Human Resources Strategy have focused on building workforce capability for today and tomorrow. These include:

- Consolidating leader-led workforce development – in which managers act as leader-coaches, providing developmentally-focused coaching combined with action-focused decision making and clear lines of accountability.
- A second-tier manager attended the ANZSOG Executive Senior Leadership Development Programme.

- Combining targeted upskilling for current staff, recruiting new staff with skills we need, exploring options for shared services, and exploring options for inter-agency learning opportunities and secondments.
- Offering project management training to reinforce effective delivery, monitoring, evaluation and reporting of our projects. Selected senior managers underwent media training to equip them to represent the Ministry confidently and accurately in interviews.
- Revising and updating of the Ministry's Code of Conduct and Human Resources policies to provide clarity and understanding for both managers and employees.

The Ministry has also inaugurated a senior Pacific officials steering group from key agencies. The group's purpose is to enhance collaboration across government on key policy and service delivery initiatives targeting Pacific peoples, while at the same time contributing to growing senior Pacific public servants.

## Our progress:

We have measured our progress in the following ways:

| ORGANISATIONAL HEALTH INDICATOR                       | BASELINE DATA / TRENDS                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stakeholder survey                                    | Average of all results will be 3 or better<br>2012 – 2013 – 4.2                                                                                                                                                                                                                                                                                                           |
| Staff engagement survey                               | 2012-2013 survey planned late 2013<br>2011/12 grand mean score 4.01<br>2009/10 grand mean score 3.48<br>2007/08 grand mean score 3.25                                                                                                                                                                                                                                     |
| Staffing ratios - frontline compared to back office   | 2012/13 front-line 72% : back office 28%<br>2011/12 front-line 76% : back office 24%<br>2010/11 front-line 72% : back office 28%<br>2009/10 front-line 73% : back office 27%<br>2008/09 front-line 69% : back office 31%                                                                                                                                                  |
| Staff turnover                                        | 2012/2013 – 14%<br>2011/2012 – 12%<br>2010/2011 – 13%                                                                                                                                                                                                                                                                                                                     |
| Independent review of policy advice (annual)          | Mean score of 7 or better<br>2013 – 7.3                                                                                                                                                                                                                                                                                                                                   |
| Maintain or improve Minister's ratings of performance | Average of all results will be 4 or better<br>2013 – 3 – To clarify the policy contribution and advice of the Ministry, a new reporting format to the Minister was devised during this period to better reflect the Ministry's policy advice. It is expected that this new template will enable the Minister to provide clearer feedback on the Ministry's policy advice. |

We maintain gender balance at all levels of the organisation and comply with the provisions of being a 'good employer' including: fair responsible employment practices and policies for all employees. We have very low levels of work-related accidents and injuries and continues to offer all staff access to a confidential Employee Assistance Programme.

## ***Audit and Risk Committee report: for the year to 30 June 2013***

### **Members:**

Ross Tanner, *Director, Ross Tanner Consulting Limited* (chair)

David Sinkins, *Director, Advisory Services KPMG*

Aolele Su'a Aloese *Director, New Horizons Chartered Accountants Limited*

Margaret Davison, *Director, Policy and Research MPIA*

The Audit and Risk Committee is established by and reports directly to the Chief Executive, and comprises three independent members and one staff member.

The purpose of the Committee is to oversee:

- risk management and internal control;
- audit functions (internal and external) for the Ministry;
- financial and other external reporting;
- the governance framework and processes;
- compliance with legislation, policies and procedures.

The Committee has no management functions.

During the year ended 30 June 2013 the Committee:

- met on four occasions to pursue its duties and responsibilities;
- received briefings from the former and newly appointed Chief Executives and senior managers on key business activities of the Ministry, as a basis for ensuring risks facing the Ministry are being appropriately addressed;
- reviewed the Ministry's risk management processes and the status of risks facing the Office;
- recommended, for the Chief Executive's endorsement, the conduct of an internal audit programme. The role of the committee is to monitor both the implementation of the programme and the timely implementation of endorsed recommendations;
- discussed with the external auditors the findings from their audit work;
- monitored the implementation of recommendations made by the external auditors.

The Committee has reported to the Chief Executive on the above and other matters it has seen fit to do so. There are no outstanding or unresolved concerns which the Committee has brought to the attention of the Chief Executive.



**Ross Tanner**

Chairman

for the Audit and Risk Committee

# Part Four: Statement of Responsibility and Audit Report

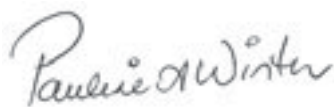
## Statement of Responsibility

In terms of the Public Finance Act 1989, I am responsible, as Chief Executive of the Ministry of Pacific Island Affairs, for the preparation of the Ministry's financial statements and statement of service performance, and for the judgements made in them.

I have the responsibility for establishing, and I have established, a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, the financial statements and statements of service performance fairly reflect the financial position and operations of the Ministry for the year ended 30 June 2013.

Countersigned by:



**Pauline A Winter**  
Chief Executive

30 September 2013



**Paul Whitham**  
Chief Financial Officer

30 September 2013

## Independent Auditor's Report

### *To the readers of the Ministry of Pacific Island Affairs' financial statements, non financial performance information and schedules of non departmental activities for the year ended 30 June 2013*

The Auditor General is the auditor of the Ministry of Pacific Island Affairs (the Ministry). The Auditor General has appointed me, J.R. Smaill, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, the non financial performance information and the schedules of non departmental activities of the Ministry on her behalf.

We have audited:

- the financial statements of the Ministry on pages 39 to 60, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2013, the statement of comprehensive income, statement of changes in taxpayers funds, statement of accounting policies, statement of departmental expenditure and capital expenditure against appropriations, statement of departmental unappropriated expenditure and capital expenditure and statement of cash flows for the year ended on that date and the notes to the financial statements that include other explanatory information; and
- the non financial performance information of the Ministry that comprises the statement of service performance on pages 35 to 38 and the report about outcomes on pages 7 to 25, and
- the schedules of non departmental activities of the Ministry on pages 61 to 64 that comprise the schedule of non-departmental assets, schedule of non-departmental liabilities, schedule of non-departmental commitments and schedule of non-departmental contingent liabilities and contingent assets as at 30 June 2013, the statement of accounting policies, statement of non-departmental expenses, statement of non-departmental expenditure and capital expenditure against appropriations, schedule of non-departmental unappropriated expenditure and capital

expenditure, schedule of non-departmental income, for the year ended on that date and notes to the schedules that include other explanatory information.

### Opinion

In our opinion:

- the financial statements of the Ministry on pages 39 to 60:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect the Ministry's:
    - financial position as at 30 June 2013;
    - financial performance and cash flows for the year ended on that date;
    - expenses and capital expenditure incurred against each appropriation administered by the Ministry and each class of outputs included in each output expense appropriation for the year ended 30 June 2013; and
    - unappropriated expenses and capital expenditure for the year ended 30 June 2013.
- the non financial performance information of the Ministry on pages 7 to 25 and 35 to 38
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the Ministry's service performance and outcomes for the year ended 30 June 2013, including for each class of outputs:

- its service performance compared with the forecasts in the statement of forecast service performance at the start of the financial year; and
- its actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

- the schedules of non departmental activities of the Ministry on pages 61 to 64 fairly reflect, in accordance with the Treasury Instructions:

- the assets, liabilities, contingencies, and commitments as at 30 June 2013 managed by the Ministry on behalf of the Crown; and
- the revenues, expenses, expenditure and capital expenditure against appropriations and unappropriated expenditure and capital expenditure for the year ended on that date managed by the Ministry on behalf of the Crown.

Our audit was completed on 30 September 2013. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Chief Executive and our responsibilities, and we explain our independence.

### **Basis of opinion**

We carried out our audit in accordance with the Auditor General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, the non financial performance information and the schedules of non departmental activities are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements, the non financial performance information and the schedules of non departmental activities. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, the non financial performance information and the schedules of non departmental activities. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, the non financial performance information and the schedules of non departmental activities, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Ministry's preparation of the financial statements, the non financial performance information and the schedules of non departmental activities that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Chief Executive;
- the appropriateness of the reported non financial performance information within the Ministry's framework for reporting performance;

- the adequacy of all disclosures in the financial statements, the non financial performance information and the schedules of non departmental activities; and
- the overall presentation of the financial statements, the non financial performance information and the schedules of non departmental activities.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, the non financial performance information and the schedules of non departmental activities. Also we did not evaluate the security and controls over the electronic publication of the financial statements, the non financial performance information and the schedules of non departmental activities.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Responsibilities of the Chief Executive**

The Chief Executive is responsible for preparing:

- financial statements and non financial performance information that:
  - comply with generally accepted accounting practice in New Zealand;
  - fairly reflect the Ministry's financial position, financial performance, cash flows, expenses and capital expenditure incurred against each appropriation and its unappropriated expenses and capital expenditure; and
  - fairly reflect its service performance and outcomes; and
- schedules of non departmental activities, in accordance with the Treasury Instructions, that fairly reflect those activities managed by the Ministry on behalf of the Crown.

The Chief Executive is also responsible for such internal control as is determined is necessary to enable the preparation of financial statements, and non financial performance information and schedules of non departmental activities that are free from material misstatement, whether due to fraud or error. The Chief Executive is also responsible for the publication of the financial statements, and non financial performance information and schedules of non departmental activities, whether in printed or electronic form.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements, the non financial performance information and the schedules of non departmental activities and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

### **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Ministry.



**J.R Smaill**  
 Audit New Zealand  
 On behalf of the Auditor-General  
 Wellington, New Zealand

# Part Five: Statement of Service Performance

*This section summarises our performance against the measures set out in the Information Supporting the Estimates of Appropriations.*

We have assessed whether we met each of the targets associated with each of these measures and have provided an explanation where there is a significant difference.

## Overview of the Ministry's performance against outputs for Policy Advice and Ministerial Servicing

The Ministry's appropriation is defined as a *Multi Class Output Appropriation* in that it is split into two classes. However an appropriation breach only occurs if the total amount is overspent.

The Scope of the appropriation is as follows:

### **Communications, Projects & Relationships**

This output class is limited to ministerial servicing, nominations services, the development, implementation and

monitoring of innovative projects and the establishment and maintenance of relationships with Pacific communities and key stakeholders, to improve outcomes for Pacific Peoples in New Zealand.

### **Policy Advice**

This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters.

|                                          | <i>Actual<br/>2012/13<br/>\$000</i> | <i>Main<br/>Estimates<br/>2012/13<br/>\$000</i> | <i>Supp<br/>Estimates<br/>2012/13<br/>\$000</i> | <i>Actual<br/>2011/12<br/>\$000</i> |
|------------------------------------------|-------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------|
| Communications, Projects & Relationships | 4,542                               | 4,342                                           | 4,542                                           |                                     |
| Policy Advice                            | 1,766                               | 1,766                                           | 1,766                                           |                                     |
| <b>Total Revenue Crown</b>               | <b>6,308</b>                        | <b>6,108</b>                                    | <b>6,308</b>                                    | <b>6,335</b>                        |
| Communications, Projects & Relationships | 131                                 | 23                                              | 80                                              |                                     |
| Policy Advice                            | 38                                  | -                                               | 38                                              |                                     |
| <b>Total Revenue Department</b>          | <b>169</b>                          | <b>23</b>                                       | <b>118</b>                                      | <b>71</b>                           |
| Communications, Projects & Relationships | 82                                  | -                                               | 80                                              |                                     |
| Policy Advice                            | 10                                  | -                                               | 10                                              |                                     |
| <b>Total Revenue Other</b>               | <b>92</b>                           | <b>-</b>                                        | <b>90</b>                                       | <b>383</b>                          |
| <b>Total Revenue</b>                     | <b>6,569</b>                        | <b>6,131</b>                                    | <b>6,516</b>                                    | <b>6,789</b>                        |
| Communications, Projects & Relationships | 4,820                               | 4,365                                           | 4,702                                           |                                     |
| Policy Advice                            | 1,490                               | 1,766                                           | 1,814                                           |                                     |
| <b>Total Expenses</b>                    | <b>6,310</b>                        | <b>6,131</b>                                    | <b>6,516</b>                                    | <b>6,464</b>                        |
|                                          |                                     |                                                 |                                                 |                                     |
| <b>Net Surplus</b>                       | <b>259</b>                          | <b>-</b>                                        | <b>-</b>                                        | <b>325</b>                          |

=====

| <b>POLICY ADVICE</b>                                                                                                                                              | <b>Note</b> | <b>2012/13<br/>Budget<br/>Standard<br/>(Target)</b> | <b>2012/13<br/>Actual<br/>Standard<br/>Results</b>           | <b>Target Met</b> | <b>2011/12<br/>Actual<br/>Results</b>                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------------------------------------|--------------------------------------------------------------|-------------------|--------------------------------------------------------------------------------------------|
| Research and policy advice delivered to the agreed respective work programmes and any subsequent amendments                                                       |             | 100% of work programme completed                    | 100%                                                         | Yes               | 100%                                                                                       |
| Stakeholder satisfaction with the quality of the Ministry's first and second opinion policy advice, as rated on a scale of 1 (not satisfied) – 5 (very satisfied) | 1           | Average of all results will be 4 or better          | 1 <sup>st</sup> opinion – 3<br>2 <sup>nd</sup> opinion – 4.8 | No<br>Yes         | 4.2                                                                                        |
| Policy advice is delivered in accordance with agreed quality criteria and assessed by an independent review (NZIER)                                               | 2           | Mean score of 7 or better                           | 7.3                                                          | Yes               | 6.7<br>NZIER operate on a score of 5 – 9+, where 5 is poor and 9+ Excellent.<br>See note 2 |
| Ministerial satisfaction with the quality of the Ministry's policy advice, as rated on a scale of 1 (not satisfied) – 5 (very satisfied)                          | 3           | Average of all results will be 4 or better          | 3                                                            | No                | N/A – new measure to begin 2012/13<br>See note 3                                           |
| <b>BUILDING RELATIONSHIPS (SUPPORTING COMMUNITY CHANGE)</b>                                                                                                       |             |                                                     |                                                              |                   |                                                                                            |
| Increased use of the Ministry to advance Government projects                                                                                                      | 4           | 1-5%                                                | New measure                                                  | Yes               | N/A – new measure to begin 2012/13<br>See note 4                                           |
| Number of public events with Pacific communities MPIA coordinated or had a significant presence                                                                   | 5           | 25-40                                               | 63                                                           | Yes               | 103                                                                                        |
| Stakeholder satisfaction with the quality of the Ministry's stakeholder engagement, as rated on a scale of 1 (not satisfied) – 5 (very satisfied)                 | 5, 6        | Average of all results will be 4 or better          | 4.2                                                          | Yes               | 4.4                                                                                        |
| Stakeholder satisfaction with the quality of the Ministry's facilitation and engagement with community-led forums                                                 | 7           | Average of all results will be 3 or better          | NCEA 4.7<br>ECE 4.4<br>See note 8                            | Yes               | N/A – new measure for 2012/13                                                              |

=====

| <b>MINISTERIAL SERVICING</b>                                                                                                                                               | <b>Note</b> | <b>2012/13<br/>Budget<br/>Standard<br/>(Target)</b> | <b>2012/13<br/>Actual<br/>Standard<br/>Results</b> | <b>Target Met</b> | <b>2011/12<br/>Actual<br/>Results</b> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------------------------------------|----------------------------------------------------|-------------------|---------------------------------------|
| Proportion of replies to Ministerial, Official Information Act (OIA) requests, Parliamentary questions, briefings and speech notes delivered within the required timeframe |             | 95%                                                 | 98%                                                | Yes               | 96.9%                                 |
| Ministerial satisfaction with the quality of MPIA support, as rated on a scale of 1 (not satisfied) – 5 (very satisfied)                                                   |             | Average of all results will be 4 or better          | 3                                                  | No                | 3.5<br>See note 3                     |
| <b>NOMINATIONS SERVICE</b>                                                                                                                                                 |             |                                                     |                                                    |                   |                                       |
| Number of nominees put forward for governance positions across the state sector                                                                                            |             | 20                                                  | 47                                                 | Yes               | 35                                    |
| Number of Pacific people on the MPIA nominations database                                                                                                                  |             | 350-400                                             | 470                                                | Yes               | 445                                   |
| <b>DEMONSTRATION OF INNOVATIVE IDEAS</b>                                                                                                                                   |             |                                                     |                                                    |                   |                                       |
| Stakeholders report being influenced by Ministry-initiated work, as rated on a scale of 1 (not at all) – 5 (totally influenced)                                            | 9           | Average of all results will be 3 or better          | Not measured                                       | No                | N/A – new measure for 2012/13         |

The performance measures contained in this table are those reported in the 2012/13 Information Supporting the Estimates and not the 2012-15 Statement of Intent.

**Note 1:** First opinion policy advice goes to the Minister. Second opinion policy advice is given to other departments.

**Note 2:** As NZIER are assessing the quality of policy advice the Ministry took the decision this year to only send papers with a strong policy content. In the past the sample has included a range of papers produced within the policy team, including monitoring reports and project updates.

**Note 3:** To clarify the policy contribution and advice of the Ministry, we devised a new reporting format to the Minister during this period to better reflect our policy advice. It is expected that this new template will enable the minister to provide clearer feedback on this aspect of our work.

**Note 4:** The Ministry was used by other government agencies and the community to advance 24 Government projects or engagements. The 2012/13 actual standard result of 24 will be used as the baseline to measure the 1-5% budget standard target for 2013/14.

**Note 5:** The Ministry has focused on events and engagements that directly contribute to our key priorities.

**Note 6:** This score is the average of stakeholder engagement such as face-to-face, telephone and written communication.

**Note 7:** Based on survey results for overall satisfaction with community led forums with the Ministry.

**Note 8:** There are two sets of engagement recorded. NCEA Ma le Pasifika (Work with NZQA) had a score of 4.7 out of 5.0 and work on ECE with churches had a score of 4.4 out of 5.0

**Note 9:** The programme to be measured was delayed and will now occur in 2013/14.

# Part Six: Financial Statements

## Statement of Accounting Policies

For the year ended 30 June 2013

### Reporting entity

The Ministry of Pacific Island Affairs (the Ministry) is a government department as defined by section 2 of the Public Finance Act 1989 and is domiciled in New Zealand.

For the purposes of financial reporting the Ministry is a public benefit entity.

The Ministry has reported on Crown activities that it administers.

### Reporting period

The financial statements of the Ministry are for the year ended 30 June 2013. The financial statements were authorised for issue by the Chief Executive of the Ministry on 30th September 2013.

### Basis of preparation

#### Statement of Compliance

The financial statements of the Ministry have been prepared in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to comply with New Zealand generally accepted accounting practices (NZ GAAP) and Treasury instructions.

These financial statements have been prepared in accordance with NZGAAP, and comply with New Zealand International Financial Reporting Standards (NZ IFRS), and other applicable financial reporting standards, as appropriate for public benefit entities.

#### Measurement Base

The financial statements have been prepared on a historical cost basis.

#### Functional and presentation currency

The financial statements are presented in New Zealand dollars and values are reported in thousands of dollars where marked with (\$'000). The functional currency of the Ministry is New Zealand dollars.

### Changes in accounting policies

There have been no changes in accounting policies, including cost allocation accounting policies, since the date of the last audited financial statements.

Standards, amendments and interpretations issued but not yet effective that have not been early-adopted, and which are relevant to the Ministry include:

- NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through three main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 has been completed and has been published in the new financial instruments standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except when an entity elects to designate a financial liability at fair value through the surplus or deficit. The new standard is required to be adopted for the year ended 30 June 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the Ministry is classified as a Tier 2 reporting entity and will be able to apply Reduced Disclosure Requirements Public Benefit Entity Accounting Standards (PAS). These standards have been developed by the XRB based on current international Public Sector Accounting

Standards. The effective date of the new standards for public sector entities is for reporting periods beginning on or after 1 July 2014. The Ministry expects to transition to the new standards in preparing its 30 June 2015 financial statements. The Ministry has not assessed the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

### **Significant Accounting Policies**

#### **Budget figures**

The budget figures are those included in the Information Supporting the Estimates of Appropriations for the Government of New Zealand for the year ended 30 June 2013, which are consistent with the financial information in the Main Estimates. In addition, the financial statements also present the updated budget information from the Supplementary Estimates. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

#### **Revenue**

Revenue is measured at the fair value of consideration received, or receivable.

#### **Revenue Crown**

Revenue earned from the supply of outputs to the Crown is recognised as revenue when earned.

#### **Other Revenue**

Revenue earned from the supply of outputs to other entities and sponsorships from other agencies for programmes that enhanced the welfare of Pacific people. Revenue is recognised when earned.

#### **Cost allocation**

The Ministry has derived the costs of outputs using a cost allocation system that is outlined below.

“Direct Costs” are those costs directly attributed to an output. “Indirect Costs” are those costs that cannot be identified in an economically feasible manner with a specific output.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on the number of full time equivalent per output. Depreciation and capital charge are charged on the basis of budgeted direct expenditure.

There have been no changes in cost accounting policies, since the date of the last audited financial statements.

#### **Debtors and other receivables**

Debtors and other receivables are recorded at estimated realisable value, after providing for impairment charges.

Impairment of a receivable is established when there is objective evidence the Ministry will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default on payments are considered indicators that the debtor is impaired.

#### **Leases**

##### **Finance leases**

A finance lease is a lease that transfers to the lessee, substantially all of the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

The Ministry has no finance leases.

### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense as they are incurred over the lease term.

### Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the Statement of Comprehensive Income.

Non-current assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

### Property, plant and equipment

Property, plant and equipment consist of leasehold improvements, EDP equipment, furniture and fittings, office equipment, and motor vehicles.

Property, plant and equipment are shown at cost, less accumulated depreciation and impairment.

Individual assets, or group of assets, are capitalised if their cost is greater than \$3,000. The value of an individual asset that is less than \$3,000 and is part of a group of similar assets is capitalised.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset.

Gains and losses on disposals are included in the Statement of Comprehensive Income.

### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

|                        |             |             |
|------------------------|-------------|-------------|
| Furniture and fittings | 8 years     | 12.0%       |
| Office equipment       | 3 – 4 years | 24.0%–28.8% |
| Motor vehicles         | 4 – 5 years | 21.6%       |
| EDP equipment          | 3 – 4 years | 30.0%–36.0% |

The cost of leasehold improvements is capitalised and depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

**Intangible assets**

**Software acquisition and development**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Staff training costs are recognised as an expense when incurred.

**Amortisation**

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

Amortisation begins when the asset is available for use and ceases at the date that the asset is decommissioned.

The amortisation charge for each period is recognised in the Statement of Comprehensive Income.

The useful life and associated amortisation rate of the major class of intangible assets has been estimated as follows:

|                   |       |           |
|-------------------|-------|-----------|
| Acquired Software | 30.0% | 3.5 years |
|-------------------|-------|-----------|

**Impairment of non-financial assets**

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is

recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the Statement of Comprehensive Income.

**Creditors and other payables**

Creditors and other payables are recorded at their face value.

**Employee entitlements**

**Short-term employee entitlements**

Employee entitlements that the Ministry expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, sick and long service leave entitlements expected to be settled within 12 months.

The Ministry recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Ministry anticipates it will be used by staff to cover those future absences.

The Ministry recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

#### **Long-term employee entitlements**

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis, using a model provided by The Treasury.

#### **Superannuation schemes**

##### **Defined contribution schemes**

Obligations for contributions to the State Sector Retirement Savings Scheme, Kiwisaver and the Government Superannuation Fund are accounted for as defined contribution schemes and are recognised as an expense in the Statement of Comprehensive Income as incurred.

#### **Other liabilities and provisions**

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

#### **Statement of cash flows**

*Cash and cash equivalents* mean cash balances on hand and held in bank accounts.

*Operating activities* include cash received from all income sources of the Ministry and record the cash payments made for the supply of goods and services.

*Investing activities* relate to the acquisition and disposal of non-current assets.

*Financing activities* comprise capital injections by, or repayment of capital to, the Crown.

#### **Financial instruments**

Financial assets and financial liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the Statement of Comprehensive Income.

#### **Goods and services tax (GST)**

All items in the financial statements, including appropriation statements, are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis.

Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

#### **Income tax**

Government departments are exempt from the payment of income tax in terms of the Income Tax Act 2007. Accordingly, no charge for income tax has been provided for.

#### **Commitments**

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

### Contingent assets and liabilities

Contingent assets and liabilities are disclosed at the point at which the contingency is evident.

### Taxpayers' funds

Taxpayers' funds are the Crown's investment in the Ministry and are measured as the difference between total assets and total liabilities.

### Critical accounting estimates and assumptions

In preparing these financial statements the Ministry has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The calculations of employee entitlements are based on:

- likely future entitlements based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information
- the present value of the estimated future cash flows. The following discount rates were used.

|         | 30 June 2013 | 30 June 2012 |
|---------|--------------|--------------|
| Year 1  | 2.71%        | 2.43%        |
| Year 2  | 3.15%        | 2.47%        |
| Year 3+ | 5.50%        | 6.00%        |

A salary inflation factor of 3.5% (3.5% 2012) was also used. The discount rates were advised by Treasury and are based on the weighted average of government bonds with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

### Retirement, sick and long service leave

Note 12 provides an analysis of exposure in relation to estimates and uncertainties surrounding retirement, sick and long service leave liabilities.

## Statement of Comprehensive Income

For the year ended 30 June 2013

|                                   | Notes | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-----------------------------------|-------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| <b>Revenue</b>                    |       |                            |                                       |                                       |                            |
| Crown                             |       | 6,308                      | 6,108                                 | 6,308                                 | 6,335                      |
| Other                             | 1     | 261                        | 23                                    | 208                                   | 454                        |
| <b>Total Revenue</b>              |       | <b>6,569</b>               | <b>6,131</b>                          | <b>6,516</b>                          | <b>6,789</b>               |
| <b>Expenditure</b>                |       |                            |                                       |                                       |                            |
| Personnel costs                   | 2     | 3,946                      | 4,082                                 | 3,933                                 | 3,989                      |
| Operating costs                   | 3     | 2,251                      | 1,863                                 | 2,451                                 | 2,288                      |
| Depreciation and amortisation     | 4     | 31                         | 109                                   | 50                                    | 96                         |
| Capital charge                    | 5     | 82                         | 77                                    | 82                                    | 82                         |
| Christchurch Earthquake           | 6     | -                          | -                                     | -                                     | 9                          |
| <b>Total Expenditure</b>          |       | <b>6,310</b>               | <b>6,131</b>                          | <b>6,516</b>                          | <b>6,464</b>               |
| <b>Net Surplus</b>                |       | <b>259</b>                 | <b>-</b>                              | <b>-</b>                              | <b>325</b>                 |
| Other Comprehensive Income        |       | -                          | -                                     | -                                     | -                          |
| <b>Total Comprehensive Income</b> |       | <b>259</b>                 | <b>-</b>                              | <b>-</b>                              | <b>325</b>                 |

## Statement of Changes in Taxpayers' Funds

For the year ended 30 June 2013

|                                                | Notes | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|------------------------------------------------|-------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| Balance at 1 July                              |       | 1,023                      | 1,023                                 | 1,023                                 | 1,023                      |
| <b>Total Comprehensive Income for the year</b> |       | <b>259</b>                 | <b>-</b>                              | <b>-</b>                              | <b>325</b>                 |
| Capital injection                              |       | -                          | -                                     | -                                     | -                          |
| Return of operating surplus to Crown           |       | (259)                      | -                                     | -                                     | (325)                      |
| <b>Balance at 30 June</b>                      |       | <b>1,023</b>               | <b>1,023</b>                          | <b>1,023</b>                          | <b>1,023</b>               |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements. Explanations of major variances against budget are provided in note 16.

# Statement of Financial Position

As at 30 June 2013

|                                      | Notes | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|--------------------------------------|-------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| <b>ASSETS</b>                        |       |                            |                                       |                                       |                            |
| <b>Current Assets</b>                |       |                            |                                       |                                       |                            |
| Cash & cash equivalents              |       | 2,265                      | 1,491                                 | 1,701                                 | 2,132                      |
| Debtors & other receivables          | 7     | 71                         | 19                                    | -                                     | 86                         |
| Prepayments                          |       | 39                         | 10                                    | 15                                    | 30                         |
| <b>Total Current Assets</b>          |       | <b>2,375</b>               | <b>1,520</b>                          | <b>1,716</b>                          | <b>2,248</b>               |
| <b>Non-Current Assets</b>            |       |                            |                                       |                                       |                            |
| Property plant & equipment           | 8     | 27                         | 290                                   | 78                                    | 43                         |
| Intangible assets                    | 9     | 12                         | 20                                    | 15                                    | -                          |
| <b>Total Non Current Assets</b>      |       | <b>39</b>                  | <b>310</b>                            | <b>93</b>                             | <b>43</b>                  |
| <b>Total Assets</b>                  |       | <b>2,414</b>               | <b>1,830</b>                          | <b>1,809</b>                          | <b>2,291</b>               |
| <b>LIABILITIES</b>                   |       |                            |                                       |                                       |                            |
| <b>Current Liabilities</b>           |       |                            |                                       |                                       |                            |
| GST payable                          |       | 25                         | -                                     | -                                     | 136                        |
| Payable creditors & others           | 10    | 793                        | 397                                   | 347                                   | 499                        |
| Return of operating surplus to Crown | 11    | 259                        | -                                     | -                                     | 325                        |
| Employee entitlements                | 12    | 218                        | 332                                   | 360                                   | 229                        |
| <b>Total Current Liabilities</b>     |       | <b>1,295</b>               | <b>729</b>                            | <b>707</b>                            | <b>1,189</b>               |
| <b>Non-Current Liabilities</b>       |       |                            |                                       |                                       |                            |
| Employee entitlements                | 12    | 96                         | 78                                    | 79                                    | 79                         |
| <b>Total Non-Current Liabilities</b> |       | <b>96</b>                  | <b>78</b>                             | <b>79</b>                             | <b>79</b>                  |
| <b>Total Liabilities</b>             |       | <b>1,391</b>               | <b>807</b>                            | <b>786</b>                            | <b>1,268</b>               |
| <b>Net Assets</b>                    |       | <b>1,023</b>               | <b>1,023</b>                          | <b>1,023</b>                          | <b>1,023</b>               |
| <b>Taxpayers Funds</b>               |       |                            |                                       |                                       |                            |
| General funds                        |       | 1,023                      | 1,023                                 | 1,023                                 | 1,023                      |
| <b>Total Taxpayers Funds</b>         |       | <b>1,023</b>               | <b>1,023</b>                          | <b>1,023</b>                          | <b>1,023</b>               |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements. Explanations of major variances against budget are provided in note 16.

# Statement of Cash Flows

For the year ended 30 June 2013

|                                             | Notes | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|---------------------------------------------|-------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b> |       |                            |                                       |                                       |                            |
| Cash was provided from                      |       |                            |                                       |                                       |                            |
| Crown                                       |       | 6,308                      | 6,108                                 | 6,308                                 | 6,334                      |
| Departments                                 |       | 103                        | -                                     | 122                                   | 268                        |
| Other                                       |       | 152                        | -                                     | 148                                   | 125                        |
| Cash was disbursed to                       |       |                            |                                       |                                       |                            |
| Employees                                   |       | (3,949)                    | (4,066)                               | (3,854)                               | (4,018)                    |
| Suppliers                                   |       | (1,937)                    | (1,843)                               | (2,621)                               | (2,263)                    |
| GST (net)                                   |       | (111)                      | -                                     | (27)                                  | 26                         |
| Capital charge                              |       | (82)                       | (77)                                  | (82)                                  | (82)                       |
| <b>Net cash from operating activities</b>   |       | <b>484</b>                 | <b>122</b>                            | <b>(6)</b>                            | <b>390</b>                 |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b> |       |                            |                                       |                                       |                            |
| Cash was disbursed to                       |       |                            |                                       |                                       |                            |
| Purchase of PPE                             |       | (8)                        | (100)                                 | (76)                                  | (4)                        |
| Purchase of Intangible assets               |       | (18)                       |                                       | (24)                                  | -                          |
| <b>Net cash from investing activities</b>   |       | <b>(26)</b>                | <b>(100)</b>                          | <b>(100)</b>                          | <b>(4)</b>                 |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b> |       |                            |                                       |                                       |                            |
| Cash was disbursed to                       |       |                            |                                       |                                       |                            |
| Repayment of surplus                        |       | (325)                      | -                                     | (325)                                 | (130)                      |
| <b>Net cash from investing activities</b>   |       | <b>(325)</b>               | <b>-</b>                              | <b>(325)</b>                          | <b>(130)</b>               |
| <b>Net (decrease)/increase in cash</b>      |       | <b>133</b>                 | <b>22</b>                             | <b>(431)</b>                          | <b>256</b>                 |
| Cash at beginning of this year              |       | 2,132                      | 1,469                                 | 2,132                                 | 1,876                      |
| <b>Cash at end of this year</b>             |       | <b>2,265</b>               | <b>1,491</b>                          | <b>1,701</b>                          | <b>2,132</b>               |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statement. Explanations of major variances against budget are provided in note 16.

The GST (net) component of operating activities reflects the net GST paid to the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for Financial Statement purposes, and to be consistent with other primary financial statements.

**Reconciliation of Net Surplus/(Deficit) to Net Cash Flow from Operating Activities**

*For the year ended 30 June 2013*

|                                                     | Notes | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-----------------------------------------------------|-------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| Net surplus/(deficit)                               |       | 259                        | -                                     | -                                     | 325                        |
|                                                     |       |                            |                                       |                                       |                            |
| Add/(less) non-cash items                           |       |                            |                                       |                                       |                            |
| Depreciation and amortisation expense               |       | 31                         | 109                                   | 50                                    | 96                         |
| Impairment of Assets                                |       | -                          | -                                     | -                                     | 185                        |
| <b>Total non cash</b>                               |       | <b>31</b>                  | <b>109</b>                            | <b>50</b>                             | <b>281</b>                 |
|                                                     |       |                            |                                       |                                       |                            |
| <b>Add/(less) movement in working capital items</b> |       |                            |                                       |                                       |                            |
| (Inc)/dec in debtors and other receivables          |       | 15                         | -                                     | 85                                    | (46)                       |
| (Inc)/dec in prepayments                            |       | (9)                        | -                                     | 15                                    | 5                          |
| Inc/(dec) in creditors and other payables           |       | 182                        | -                                     | (179)                                 | (170)                      |
| Inc/(dec) in employee entitlements                  |       | 6                          | 13                                    | 23                                    | (5)                        |
| <b>Net movements in working capital</b>             |       | <b>194</b>                 | <b>13</b>                             | <b>(56)</b>                           | <b>(216)</b>               |
|                                                     |       |                            |                                       |                                       |                            |
| <b>Net Cash from Operating Activities</b>           |       | <b>484</b>                 | <b>122</b>                            | <b>(6)</b>                            | <b>390</b>                 |

The Statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements.

## Statement of Commitments

As at 30 June 2013

|                                          | Notes | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|------------------------------------------|-------|----------------------------|----------------------------|
| <b>Operating Lease Commitments</b>       |       |                            |                            |
| Less than one year                       |       | 445                        | 457                        |
| One to two years                         |       | 447                        | 457                        |
| Two to five years                        |       | 74                         | 540                        |
| More than five years                     |       | -                          | -                          |
| <b>Total Operating Lease Commitments</b> |       | <b>966</b>                 | <b>1,454</b>               |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements.

The Ministry leases property, plant and equipment in the normal course of its business. The majority of these leases are for premises which have a non-cancellable leasing period ranging from one to eight years.

There are no restrictions placed on the Ministry by any of its leasing arrangements.

## Statement of Contingent Liabilities and Contingent Assets

As at 30 June 2013

The Ministry of Pacific Island Affairs has no contingent liabilities or contingent assets as at 30 June 2013 (2012: nil).

## Statement of Departmental Expenditure and Capital Expenditure Against Appropriations

For the year ended 30 June 2013

|                                                | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|------------------------------------------------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| <b>VOTE MINISTRY OF PACIFIC ISLAND AFFAIRS</b> |                            |                                       |                                       |                            |
| <b>Appropriation for Output Expenses</b>       |                            |                                       |                                       |                            |
| Communications, Projects & Relationships       | 4,820                      | 4,365                                 | 4,702                                 | -                          |
| Policy Advice                                  | 1,490                      | 1,766                                 | 1,814                                 | -                          |
| Policy Communication & Relationships           | -                          | -                                     | -                                     | 6,464                      |
| <b>Total Appropriation for Output Expenses</b> | <b>6,310</b>               | <b>6,131</b>                          | <b>6,516</b>                          | <b>6,464</b>               |
| <b>Appropriation for capital expenditure</b>   |                            |                                       |                                       |                            |
| MPIA Permanent Legislative Authority           | 26                         | 100                                   | 100                                   | 4                          |
| <b>Total</b>                                   | <b>6,336</b>               | <b>6,231</b>                          | <b>6,616</b>                          | <b>6,468</b>               |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements.

The output structure changed in the 2012/13 financial year following a Treasury requirement for all Departments to separately identify the cost of Policy Advice.

Remeasurements of \$3k occurred during the year. Details can be found in note 12.

## Statement of Departmental Unappropriated Expenditure and Capital Expenditure

For the year ended 30 June 2013

There is no Unappropriated Expenditure for the year ending 30 June 2013 (nil: 2012).

There have been no breaches of net assets. (2012: nil)

# Notes to the Financial Statements

For the year ended 30 June 2013

## 1. Revenue other

|                                                | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|------------------------------------------------|----------------------------|----------------------------|
| State Sector Retirement Saving Scheme Recovery | -                          | 71                         |
| Revenue from other agencies                    | 261                        | 383                        |
| <b>Total Revenue other</b>                     | <b>261</b>                 | <b>454</b>                 |

Revenue from other agencies is primarily related to other agencies' contribution to the Leadership Development Programme for Pacific public servants, contributions to research projects that enhance the welfare of Pacific people and recovery of staff secondments. It also includes \$3k of insurance proceeds from the February 2011 Christchurch earthquake that was above the amount provided in the 2011/12 accounts. Centralised funding of the State Sector Retirement Scheme ended in June 2012.

## 2. Personnel costs

|                                                        | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|--------------------------------------------------------|----------------------------|----------------------------|
| Salaries & wages                                       | 3,855                      | 3,901                      |
| Employer contributions to defined contribution schemes | 70                         | 70                         |
| Increase/(decrease) in employee entitlements           | 7                          | (5)                        |
| Other                                                  | 14                         | 23                         |
| <b>Total Personnel Costs</b>                           | <b>3,946</b>               | <b>3,989</b>               |

The decrease in salaries and wages was the result of the Ministry carrying a number of vacancies throughout the year. This year vacancies allowed us the opportunity to consider allocation of resources against priority work in a more deliberate way. Employer contributions increased due to a number of existing staff joining schemes as well as the increase in the Employer contribution to Kiwisaver on 1 April 2013.

### 3. Operating costs

|                                              | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|----------------------------------------------|----------------------------|----------------------------|
| Audit Fees for the Financial Statement Audit | 57                         | 57                         |
| Operating Lease Payments                     | 475                        | 482                        |
| Maintenance & Minor Capital                  | 138                        | 92                         |
| Travel                                       | 167                        | 260                        |
| Conferences & Training                       | 68                         | 65                         |
| Consultancy & Professional Fees              | 637                        | 355                        |
| Legal                                        | 4                          | 10                         |
| Office Operating Costs                       | 199                        | 198                        |
| Impairment of Assets                         | -                          | 185                        |
| Other Operating Expenses                     | 506                        | 584                        |
| <b>Total operating costs</b>                 | <b>2,251</b>               | <b>2,288</b>               |

The Ministry is committed to realising cost efficiencies (both financial and non-financial) by considering co-location opportunities in Wellington. As a result an “Impairment of Assets” adjustment was made in the 2011/12 accounts. This move will now likely occur in the 2013/14 year therefore in the 2012/13 accounts a \$30k “make-good” provision was provided. This is categorized under “Maintenance & Minor Capital”.

Travel costs have decreased as video conferencing has been more widely employed as an effective means of communication.

A number of new contracted initiatives were commenced in the 2012/13 year resulting in an increase in “Consultancy and Professional Fees”.

### 4. Depreciation and amortisation

|                                            | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|--------------------------------------------|----------------------------|----------------------------|
| Office equipment/furniture & fittings      | 14                         | 15                         |
| Motor vehicles                             | 8                          | 8                          |
| EDP equipment                              | 3                          | -                          |
| Leasehold improvements                     | -                          | 59                         |
| <b>Total depreciation</b>                  | <b>25</b>                  | <b>82</b>                  |
| Amortisation of software                   | 6                          | 14                         |
| <b>Total depreciation and amortisation</b> | <b>31</b>                  | <b>96</b>                  |

## 5. Capital charge

The Ministry pays capital charge to the Crown on its Taxpayers Funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2013 was 8% (2012: 8%).

## 6. Christchurch Earthquake

During the year to 30 June 2011 Christchurch was struck by a series of major earthquakes. While the Ministry did not suffer any damage as a result of these quakes, it incurred additional expenditure both in terms of disruption to its operations, and its response to community needs.

A portion of the additional costs was recovered from the Ministry's insurance policy. A claim for \$27k was paid by the insurers. This was higher than the \$24k receivable provided in the 2011/12 accounts.

## 7. Debtors and other receivables

|                   | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-------------------|----------------------------|----------------------------|
| Trade receivables | 71                         | 86                         |

The carrying value of debtors and other receivables approximates their fair value. The aging profile of receivables is detailed below.

|                     | Actual 2012/13 |                     |              | Actual 2011/12 |                     |              |
|---------------------|----------------|---------------------|--------------|----------------|---------------------|--------------|
|                     | Gross<br>\$000 | Impairment<br>\$000 | Net<br>\$000 | Gross<br>\$000 | Impairment<br>\$000 | Net<br>\$000 |
| Not past due        | 19             | -                   | 19           | 69             | -                   | 69           |
| Past due 1-30 days  | -              | -                   | -            | -              | -                   | -            |
| Past due 31-60 days | 3              | -                   | 3            | -              | -                   | -            |
| Past due 61-90 days | -              | -                   | -            | -              | -                   | -            |
| Past due > 91 days  | 49             | -                   | 49           | 17             | -                   | 17           |
|                     | 71             | -                   | 71           | 86             | -                   | 86           |

The Ministry is expected to collect most of its overdue receivables. A provision has been made at 30 June 2013 (2012: nil), however the amount is too small to show when rounded to thousands.

## 8. Property, plant & equipment

|                                 | <i>Leasehold<br/>Improvements<br/>\$000</i> | <i>EDP Equipment<br/>\$000</i> | <i>Furniture/Office<br/>Equipment<br/>\$000</i> | <i>Motor Vehicles<br/>\$000</i> | <i>Total<br/>\$000</i> |
|---------------------------------|---------------------------------------------|--------------------------------|-------------------------------------------------|---------------------------------|------------------------|
| <b>COST</b>                     |                                             |                                |                                                 |                                 |                        |
| Balance at 1 July 2011          | 621                                         | 230                            | 236                                             | 40                              | 1,127                  |
| Additions                       | -                                           | -                              | 4                                               | -                               | 4                      |
| Impairment of Asset             | (185)                                       | -                              | -                                               | -                               | (185)                  |
| Disposals                       | (65)                                        | (38)                           | (35)                                            | -                               | (138)                  |
| Balance at 30 June 2012         | 371                                         | 192                            | 205                                             | 40                              | 808                    |
|                                 |                                             |                                |                                                 |                                 |                        |
| Balance at 1 July 2012          | 371                                         | 192                            | 205                                             | 40                              | 808                    |
| Additions                       | -                                           | 9                              | -                                               | -                               | 9                      |
| Disposals                       | -                                           | -                              | -                                               | -                               | -                      |
| <b>Balance at 30 June 2013</b>  | <b>371</b>                                  | <b>201</b>                     | <b>205</b>                                      | <b>40</b>                       | <b>817</b>             |
|                                 |                                             |                                |                                                 |                                 |                        |
| <b>ACCUMULATED DEPRECIATION</b> |                                             |                                |                                                 |                                 |                        |
| Balance at 1 July 2011          | 377                                         | 230                            | 205                                             | 7                               | 819                    |
| Depreciation expense            | 59                                          | -                              | 15                                              | 8                               | 82                     |
| Eliminate on disposals          | (65)                                        | (38)                           | (33)                                            | -                               | (136)                  |
| Balance at 30 June 2012         | 371                                         | 192                            | 187                                             | 15                              | 765                    |
|                                 |                                             |                                |                                                 |                                 |                        |
| Balance at 1 July 2012          | 371                                         | 192                            | 187                                             | 15                              | 765                    |
| Depreciation expense            | -                                           | 3                              | 14                                              | 8                               | 25                     |
| Eliminate on disposals          | -                                           | -                              | -                                               | -                               | -                      |
| <b>Balance at 30 June 2013</b>  | <b>371</b>                                  | <b>195</b>                     | <b>201</b>                                      | <b>23</b>                       | <b>790</b>             |
|                                 |                                             |                                |                                                 |                                 |                        |
| <b>CARRYING AMOUNTS</b>         |                                             |                                |                                                 |                                 |                        |
| At 30 June 2011                 | 244                                         | -                              | 31                                              | 33                              | 308                    |
| At 30 June 2012 and 1 July 2012 | -                                           | -                              | 18                                              | 25                              | 43                     |
| <b>At 30 June 2013</b>          | <b>-</b>                                    | <b>6</b>                       | <b>4</b>                                        | <b>17</b>                       | <b>27</b>              |

There are no restrictions over the title of the Ministry's assets. No assets are pledged as security for liabilities.

## 9. Intangible assets

|                                 | Acquired<br>software<br>\$000 | Total<br>\$000 |
|---------------------------------|-------------------------------|----------------|
| <b>COST</b>                     |                               |                |
| Balance at 1 July 2011          | 160                           | 160            |
| Additions                       | -                             | -              |
| Disposals                       | -                             | -              |
| Balance at 30 June 2012         | 160                           | 160            |
| Balance at 1 July 2012          | 160                           | 160            |
| Additions                       | 18                            | 18             |
| Disposals                       | -                             | -              |
| <b>Balance at 30 June 2013</b>  | <b>178</b>                    | <b>178</b>     |
| <b>ACCUMULATED AMORTISATION</b> |                               |                |
| Balance at 1 July 2011          | 146                           | 146            |
| Amortisation expense            | 14                            | 14             |
| Eliminate on disposals          | -                             | -              |
| Balance at 30 June 2012         | 160                           | 160            |
| Balance at 1 July 2012          | 160                           | 160            |
| Amortisation expense            | 6                             | 6              |
| Eliminate on disposals          | -                             | -              |
| <b>Balance at 30 June 2013</b>  | <b>166</b>                    | <b>166</b>     |
| <b>CARRYING AMOUNTS</b>         |                               |                |
| At 30 June 2011                 | 14                            | 14             |
| At 30 June 2012 and 1 July 2012 | -                             | -              |
| <b>At 30 June 2013</b>          | <b>12</b>                     | <b>12</b>      |

There are no restrictions over the title of the Ministry's intangible assets. No intangible assets are pledged as security for liabilities.

**10. Payable creditors and others**

|                                           | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-------------------------------------------|----------------------------|----------------------------|
| Creditors                                 | 410                        | 139                        |
| Income in Advance                         | -                          | 23                         |
| Accrued Expenses                          | 383                        | 337                        |
| <b>Total creditors and other payables</b> | <b>793</b>                 | <b>499</b>                 |

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of creditors and other payables approximates their fair value.

**11. Return of operating surplus to Crown**

|                                          | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|------------------------------------------|----------------------------|----------------------------|
| Return of operating surplus              | 259                        | 325                        |
| <b>Total return of operating surplus</b> | <b>259</b>                 | <b>325</b>                 |

**12. Employee entitlements**

|                                                       | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-------------------------------------------------------|----------------------------|----------------------------|
| Current employee entitlements are represented by:     |                            |                            |
| Annual leave                                          | 152                        | 152                        |
| Performance payments                                  | 26                         | 28                         |
| Sick leave                                            | 35                         | 37                         |
| Long service leave                                    | 5                          | 12                         |
| <b>Total current portion</b>                          | <b>218</b>                 | <b>229</b>                 |
| Non-current employee entitlements are represented by: |                            |                            |
| Long service Leave                                    | 39                         | 33                         |
| Retirement leave                                      | 57                         | 46                         |
| <b>Total non-current portion</b>                      | <b>96</b>                  | <b>79</b>                  |
| <b>Total employee entitlements</b>                    | <b>314</b>                 | <b>308</b>                 |

Provision for employee entitlements as at 30 June 2013 is in respect of the Ministry's liability for annual leave, long service leave, retirement leave, sick leave and provision for performance pay.

Annual leave has been calculated on an actual entitlement basis at current rates of pay.

Provisions for Retirement and Long Service Leave are calculated on an actuarial basis based on the present value of expected future entitlements in accordance with International Financial Reporting Standards. The rates are advised to the Ministry from The Treasury.

Changes in the liability due to changes in rates are outlined below.

|               | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|---------------|----------------------------|----------------------------|
| Remeasurement | 3                          | 1                          |

### 13. Financial instrument risk

The Ministry is party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, debtors and receivables, and creditors and payables.

#### Credit risk

Credit risk is the risk that a third party will default on its obligations to the Ministry, causing the Ministry to incur a loss. In the normal course of its business, the Ministry incurs credit risk from debtors and receivables and transactions with financial institutions and the New Zealand Debt Management Office (NZDMO).

The Ministry does not require any collateral or security to support financial instruments with financial institutions that the Ministry deals with, or with the NZDMO, as these entities have high credit ratings. For its other financial instruments, the Ministry does not have significant concentrations of credit risk.

#### Fair value

The fair value of all financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

#### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Ministry has no contracts based in foreign currencies and, accordingly, has no exposure to currency risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate or, the cash flows from a financial instrument will fluctuate, due to changes in market interest rates. The Ministry has no interest-bearing financial instruments and, accordingly, has no exposure to interest rate risk.

**Liquidity risk**

Liquidity risk is the risk that the Ministry will encounter difficulty raising liquid funds to meet commitments as they fall due.

The table below analyses the Ministry's financial liabilities that will be settled based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

|                                        | <i>Less than<br/>6 months<br/>\$000</i> | <i>Between<br/>6 months<br/>and 1 year<br/>\$000</i> | <i>Total Financial<br/>Liabilities<br/>\$000</i> |
|----------------------------------------|-----------------------------------------|------------------------------------------------------|--------------------------------------------------|
| <b>2012</b>                            |                                         |                                                      |                                                  |
| Creditors and Other Payables (note 10) | 499                                     | -                                                    | 499                                              |
| <b>2013</b>                            |                                         |                                                      |                                                  |
| Creditors and other payables (note 10) | 793                                     | -                                                    | 793                                              |

**14. Categories of financial instruments**

The carrying amounts of financial assets and financial liabilities in each of the NZ IAS 39 categories are as follows:

|                                                      | <i>Actual<br/>2012/13<br/>\$000</i> | <i>Actual<br/>2011/12<br/>\$000</i> |
|------------------------------------------------------|-------------------------------------|-------------------------------------|
| Loans and receivables                                |                                     |                                     |
| Cash & cash equivalent                               | 2,265                               | 2,132                               |
| Debtors and other receivables (note 7)               | 71                                  | 86                                  |
| <b>Total Loans and Receivables</b>                   | <b>2,336</b>                        | <b>2,218</b>                        |
| Financial liabilities                                |                                     |                                     |
| Creditors and other payables (note 10)               | 793                                 | 499                                 |
| GST payable                                          | 25                                  | 136                                 |
| <b>Total Financial Liabilities at amortised cost</b> | <b>818</b>                          | <b>635</b>                          |

## 15. Related party information

The Ministry is a wholly-owned entity of the Crown. The Government significantly influences the roles of the Ministry as well as being its major source of revenue. The Ministry received Crown funding of \$6,308k (2012: \$6,335k).

In conducting its activities the Ministry is required to pay various taxes and levies (such as GST, FBT, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. The Ministry is exempt from paying income tax.

The Ministry enters into numerous transactions with other government departments, Crown agencies and State-owned enterprises on an arm's length basis. The totals of these are listed below:

|                                            | Actual<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|--------------------------------------------|----------------------------|----------------------------|
| <b>Revenue - Other</b>                     |                            |                            |
| Crown Departments                          | 169                        | 299                        |
| Crown Entities & Other Government Agencies | 64                         | 93                         |
|                                            | <b>233</b>                 | <b>392</b>                 |
| <b>Expenditure</b>                         |                            |                            |
| Crown Departments                          | 22                         | 118                        |
| Crown Entities & Other Government Agencies | 91                         | 54                         |
| State Owned Enterprises                    | 95                         | 118                        |
|                                            | <b>208</b>                 | <b>290</b>                 |

Revenue has been derived from co-funding of research activities, and contributions from other agencies for their staff to attend the Leadership Development Programme for Pacific public servants.

Expenditure includes the purchase of air travel from Air New Zealand, postal services from New Zealand Post, contribution to the Reserve Bank for the *Send Money Pacific* project, contracted services for the delivery of literacy programmes and other minor services purchased from Crown Agencies and Entities.

The Ministry also recovered \$60k from the Ministry of Education for staff seconded to that Ministry. (2012: nil)

**Key management personnel compensation**

Key management personnel include the Chief Executive and the four managerial positions that form part of the senior leadership team.

|                                        | <i>Actual<br/>2012/13<br/>\$000</i> | <i>Actual<br/>2011/12<br/>\$000</i> |
|----------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and other short term benefits | 745                                 | 697                                 |
| Termination benefits                   | -                                   | -                                   |
|                                        | <b>745</b>                          | <b>697</b>                          |

There have been no related party transactions with key management personnel. (2011 nil)

**16. Major budget variations****Variation between Budget Estimates and Supplementary Estimates**

There are three significant differences between the Budget estimates and the Supplementary Estimates in the Statement of Comprehensive Income namely:

- An additional \$160k of Department and third party revenue and associated expenditure connected with the Ministry coordinating a Leadership Development Programme for Pacific public servants.
- An additional \$48k of third party revenue and associated expenditure to enable research projects to occur.
- An expense transfer of \$200k from the 2011/12 to the 2012/13 financial year.

**Variation between Actuals and Supplementary Estimates**

There are two significant differences between the Actuals and the Supplementary Estimates in the Statement of Comprehensive Income namely:

- Personnel costs are lower due to vacancies during the year.
- Operating costs are lower than estimated due to tight control on expenditure as well as a delay in realising co-location opportunities.

**17 . Events after Balance Date**

There have been no significant events after Balance Date.

# Non-departmental Statements and Schedules

For the year ended 30 June 2013

## Statement of Accounting Policies

For the year ended 30 June 2013

### Reporting Entity

The following non-departmental statements and schedules record the income, expenses, assets, liabilities, commitments, contingent liabilities, contingent assets and trust accounts that the Ministry manages on behalf of the Crown.

These non-departmental balances are consolidated into the Crown Financial Statements and therefore readers of these statements and schedules should also refer to the Crown Financial Statements for the financial year ended 30 June 2013.

### Basis of Preparation

The non-departmental schedules and statements have been prepared in accordance with the accounting policies of the financial statements of the Government, Treasury instructions and Treasury circulars.

Measurement and recognition rules applied in the preparation of these non-departmental financial schedules are consistent with generally accepted accounting practice and Crown accounting policies.

There have been no changes in Accounting Policies during the financial year.

### Significant Accounting Policies

The non-departmental accounts have been prepared using the same significant accounting policies as outlined in Part 6 of the departmental accounts.

## Statement of Non-Departmental Expenditure and Capital Expenditure Against Appropriations

For the year ended 30 June 2013

=====

|                                                     | Actual<br>2012/13<br>\$000 | Appropriation<br>Voted<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-----------------------------------------------------|----------------------------|--------------------------------------------|----------------------------|
| <b>Vote Pacific Island Affairs</b>                  |                            |                                            |                            |
| Promotions – Business Development                   | 1,156                      | 1,662                                      | 1,156                      |
| Skills Training & Appropriation                     | 1,055                      | 1,200                                      | 1,000                      |
| <b>Total Non-Departmental Output Expenses</b>       | <b>2,211</b>               | <b>2,862</b>                               | <b>2,156</b>               |
|                                                     |                            |                                            |                            |
| <b>Benefits and Other Unrequited Expenses</b>       |                            |                                            |                            |
| Study and Training Awards for Business Development  | 100                        | 100                                        | 100                        |
| Welfare of Pacific Peoples in New Zealand           | 8                          | 8                                          | 8                          |
| <b>Total Benefits and Other Unrequited Expenses</b> | <b>108</b>                 | <b>108</b>                                 | <b>108</b>                 |
|                                                     |                            |                                            |                            |
| <b>Total Non-Departmental Expenditure</b>           | <b>2,319</b>               | <b>2,970</b>                               | <b>2,264</b>               |

## Statement of Non-Departmental Expenses

For the year ended 30 June 2013

=====

|                                                     | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-----------------------------------------------------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| <b>Non-Departmental Output Expenses</b>             |                            |                                       |                                       |                            |
| Promotions – Business Development                   | 1,156                      | 1,409                                 | 1,662                                 | 1,156                      |
| Skills Training & Employment                        | 1,055                      | 1,200                                 | 1,200                                 | 1,000                      |
| <b>Total Non-Departmental Output Expenses</b>       | <b>2,211</b>               | <b>2,609</b>                          | <b>2,862</b>                          | <b>2,156</b>               |
|                                                     |                            |                                       |                                       |                            |
| <b>Benefits and Other Unrequited Expenses</b>       |                            |                                       |                                       |                            |
| Study and Training Awards for Business Development  | 100                        | 100                                   | 100                                   | 100                        |
| Welfare of Pacific Peoples in New Zealand           | 8                          | 8                                     | 8                                     | 8                          |
| <b>Total Benefits and Other Unrequited Expenses</b> | <b>108</b>                 | <b>108</b>                            | <b>108</b>                            | <b>108</b>                 |
|                                                     |                            |                                       |                                       |                            |
| <b>Total Non-Departmental Expenditure</b>           | <b>2,319</b>               | <b>2,717</b>                          | <b>2,970</b>                          | <b>2,264</b>               |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operation for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2013.

## ***Schedule of Non-Departmental Income***

*For the year ended 30 June 2013*

There is no revenue at 30 June 2013 (2012: nil).

## ***Schedule of Non-Departmental Unappropriated Expenditure and Capital Expenditure***

*For the year ended 30 June 2013*

There has been no unappropriated expenditure for the year ended 30 June 2013 (2012: nil).

## ***Schedule of Non-Departmental Commitments***

*As at 30 June 2013*

Contracts under the Pacific Employment Support Services (PESS) have a future commitment to the Providers of \$1.0 million as at 30 June 2013 (2012: \$0.5 million).

## ***Schedule of Non-Departmental Contingent Liabilities & Contingent Assets***

*As at 30 June 2013*

There are no contingent liabilities or assets as at 30 June 2013 (2012: nil).

## Schedule of Non-Departmental Assets

As at 30 June 2013

|                                | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|--------------------------------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| <b>Non-Departmental Assets</b> |                            |                                       |                                       |                            |
| Bank                           | 1,073                      | 85                                    | 96                                    | 387                        |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operation for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2013.

## Schedule of Non-Departmental Liabilities

As at 30 June 2013

|                                     | Actual<br>2012/13<br>\$000 | Main<br>Estimates<br>2012/13<br>\$000 | Supp<br>Estimates<br>2012/13<br>\$000 | Actual<br>2011/12<br>\$000 |
|-------------------------------------|----------------------------|---------------------------------------|---------------------------------------|----------------------------|
| <b>Non-Departmental Liabilities</b> |                            |                                       |                                       |                            |
| Due to PESS Providers               | 288                        | 85                                    | 96                                    | 96                         |
| Due to Pacific Business Trust       | 36                         | -                                     | -                                     | -                          |
|                                     | 324                        | 85                                    | 96                                    | 96                         |

The statement of Accounting Policies and Notes to the Financial Statements form part of and should be read in conjunction with these Financial Statements.

For a full understanding of the Crown's financial position and the results of its operation for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2013.

## Explanations of major variances against budget

Explanations for major variance from the Ministry's non-departmental figures in the Main Estimates are as follows:

### Schedule of expenses

Pre-Business Training which is a project under Promotions – Business Development did not commence in the year as planned.

### Schedule of assets and liabilities

The variance to budget is the result of timing of payments to suppliers at year end.



Published in October 2013  
By the Ministry of Pacific Island Affairs  
PO BOX 833  
WELLINGTON, 6140  
NEW ZEALAND

*This document is also available on the Ministry website [www.mpia.govt.nz](http://www.mpia.govt.nz)*