

# Annual Report 2020

## Te Pūrongo ā-Tau 2020

For the year ended 31 December 2019







**Te Rito  
Maioha**

Early Childhood  
New Zealand



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# What guides Te Rito Maioha?

He aha tērā, hei ārahi a Te Rito Maioha?

## Our Korowai

### Vision Te pae tata

Shaping the future of early childhood education  
so every child thrives and learns.

Ārahina ngā tamarikitanga, kia puawai  
i roto i to rātou mātauranga ako  
mō ngā ra o mua.

### Mission Te pae tāwhiti

Te Rito Maioha is a bicultural organisation  
committed to advocacy, teaching,  
promotion and delivery of world-class  
early childhood education for children,  
whānau, teachers and ECE services.

We respond by being agile,  
connected and contributing  
to ensure successful learning  
happens together.

Ko Te Rito Maioha he rōpū  
tikanga rua e manawanui  
ana ko te rōpū kei runga  
noa atu mō te reo tautoko i  
ngā tamariki, ngā whānau,  
ngā kaiako me ngā whare  
kohungahunga katoa.  
Ka tū māia mātou i roto  
i te mahi kakama, me te  
mahi taunaki kia  
pumau te angitu  
o te ako ngātahi.

### Guiding beliefs Ngā whakapono ārahitanga

Every child has the right to high-quality  
education and care that complements  
and supports their family's life.

Every child in New Zealand has the  
right to know and enjoy the dual  
cultural heritage of te Tiriti o  
Waitangi partners along with  
his/her own cultural heritage.

Teachers in early childhood  
education should be qualified  
and hold the same status as  
in the compulsory sector.

People working in  
early childhood education  
need access to high-  
quality teacher  
education, advice,  
information,  
resources and a  
voice in decision  
making that affects  
young children  
and their  
families.

### Values Ngā uara

**Making a difference –**  
Te puawaitanga o te tangata

**Honouring te Tiriti o Waitangi –**  
E matua whakapono ana tātou ki te Tiriti

**Including everyone –**  
Whakawhanaungatanga

**Being accountable –**  
Kia taea te hāpai i ngā kaupapa  
katoa ahakoa te aha

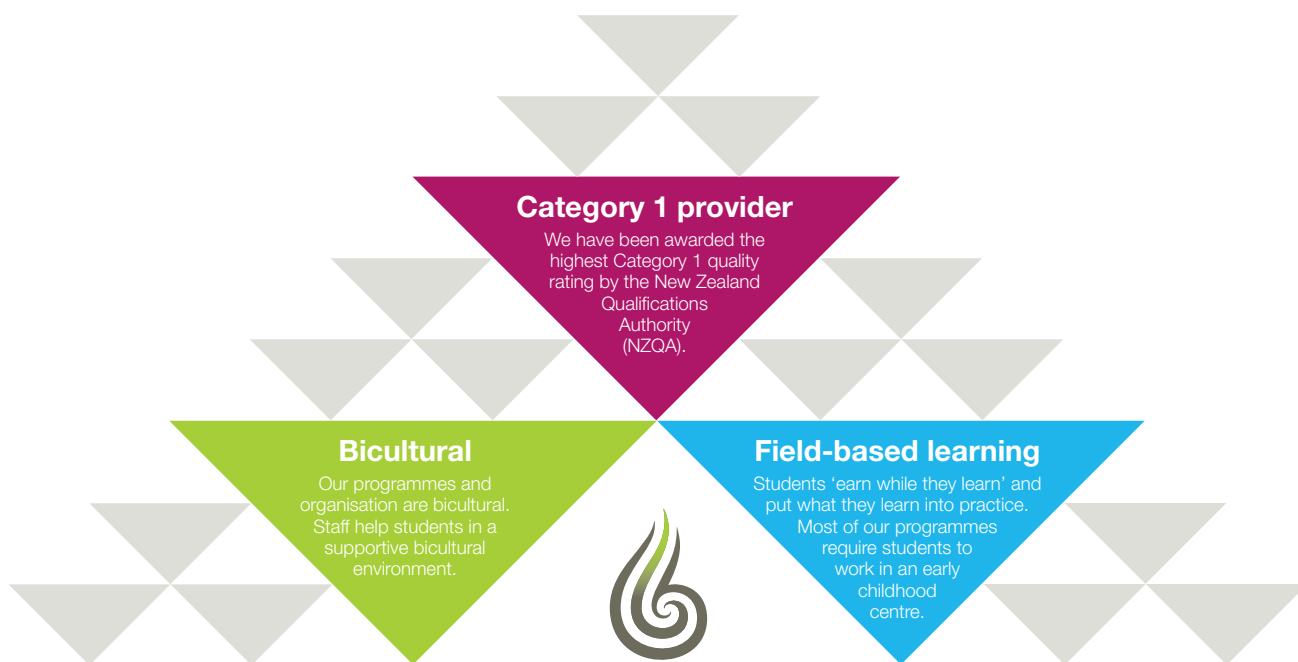
**Caring and connecting –** Manaakitanga

**Innovating –** Whakahihiko hinengaro



# What makes Te Rito Maioha unique?

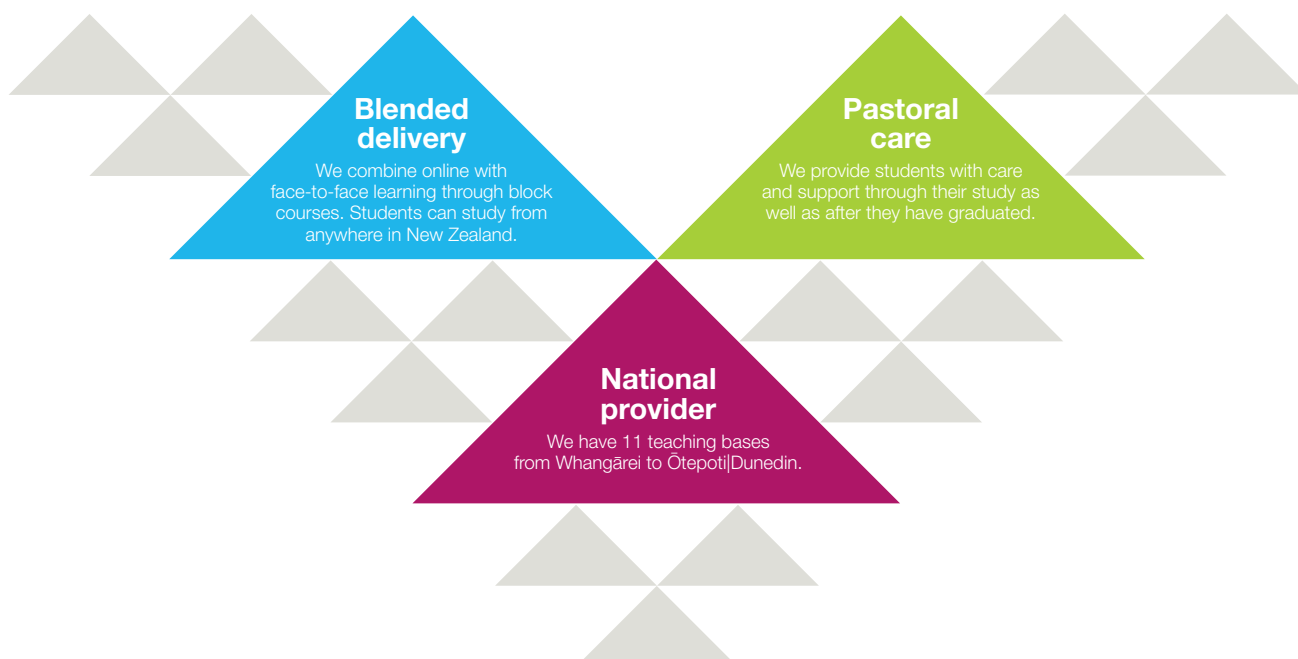
## He aha ngā āhuatanga motuhake o Te Rito Maioha?



## Why is this important?

### He aha tēnei e whakahirahira ai?

**Te Rito Maioha** students have high rates of success and become the qualified early childhood teachers that New Zealand needs.



# President's statement

## Te tauākī a te Pehitini



Tēnā koutou, tēnā koutou, tēnā koutou

Te Rito Maioha has been advocating strongly for our members and the ECE sector this year, contributing to the many conversations this government has been having to achieve its agenda of education reform.

We have made 16 government submissions to reviews that touch on both ECE and tertiary reforms, and Kathy and her staff have worked very hard to ensure that members' voices have been heard. At every opportunity, Te Rito Maioha has worked to hold the government to its commitment to provide the ECE sector with more support.

We have had ongoing engagement with the Minister and Ministry of Education, including as a member of the Reference Group for the Early Learning Action Plan. The plan will play an important role in developing a stronger future for education, and we hope the government will not delay in implementing it.

We welcomed the government's proposed reform of Tomorrow's Schools. It signals transformative change. We acknowledge the Independent Taskforce and the government for listening to feedback on the Taskforce's initial report, and we will continue to keep a watch for any impacts on us as a tertiary provider from the changes announced in the Review of Vocational Education. 2020 needs to be a year of decisive action if we are to improve standards of early childhood education and care in New Zealand.

I would like to thank Kathy and her team for their commitment, hard work and personal investment in Te Rito Maioha. The political climate in which we deliver teaching, learning and member services has made this a very big year. We have risen to the challenge and will continue to do so.

I would like to thank you all for your continued commitment to early childhood education and to Te Rito Maioha.

Together, we are raising awareness of the importance of high-quality early childhood education to Aotearoa New Zealand's cultural and social wellbeing and economic success. There is still a lot more work to be done but I remain positive that, by this time next year, our sector will be on a firmer footing.

Mauri ora, nā

Lesley Rameka  
President



# Chief Executive's statement

## Te tauākī a te Pou Whakahaere



### Tēnā koutou katoa

When I reflect on 2019, I am proud of how Te Rito Maioha Early Childhood New Zealand has grown and the investment we have made in improving outcomes for young children in Aotearoa New Zealand.

This year has been all about growth through the development of new qualifications, professional learning and development programmes and new services for our members. We have seen another increase in student intake this year, on top of a nearly 20% increase last year. This is really encouraging when the sector is challenged in attracting teachers. We will graduate 135 new early childhood education (ECE) teachers in late 2020. Due to Covid-19 our graduations were postponed.

We have been conducting a significant initial teacher education review of our Bachelor of Teaching and Graduate Diploma of Teaching, aligning to the Teaching Council's new Our Code Our Standards for teachers in New Zealand. As part of this process, we developed and launched the Bicultural Principles of Best Practice for Teaching and Learning Online | Ngā Matapono Kākano Rua o te Mahi Ako Tuihono.

We believe these principles will have a significant influence on how we teach online, embracing tikanga principles and practices and maintaining our kaupapa. They are possibly the first of their kind in an initial teacher education institution in New Zealand.

Throughout the year, we have remained focused on our strategic goals of educational excellence, ECE leadership, collaborative relationships and operational sustainability. Our priorities are growth in tertiary provision, membership, membership services, professional learning and development and advocacy, all the while being true to our bicultural tikanga.

Everyone working at Te Rito Maioha is also personally committed to te reo me ngā tikanga Māori. We have completed many wero over the months and worked with our ECE communities across the motu to support them with their own bicultural journeys.

In alignment with our International Strategy, we have continued working with partners in China, Vietnam, Australia, Russia and the United Arab Emirates.

We delivered another Chinese study tour to students from our partner Jimei University in Xiamen. We have started engaging with a tertiary provider in the United Arab Emirates to work together on programmes and research and have also connected with Vietnamese ECE. Both these latter initiatives have come about through our collaborations with Education New Zealand and Government 2 Government agencies.

Continuing on from our significant role in 2018, advocacy has again been a large part of our work in 2019. We have completed many submissions to the government's proposed changes and highlighted important concerns in the media, especially pay parity for ECE teachers with kindergarten and primary teachers.

We hope that all the kōrero, consultations and reviews in 2019 will contribute to more visibility of ECE as a rewarding and viable teaching career option and greater investment in teacher remuneration and working conditions, including greater recognition that ECE is an integral part of our education system and important for every child's lifelong learning journey. We hope that Budget 2020 brings greater government investment to support its reforms and the sector in general.

I am proud of my entire team at Te Rito Maioha. My Senior Leadership Team and the rest of my staff across the motu have worked really hard to get our new initiatives over the line, and Council and I are very appreciative of this effort. I am also grateful to Council for their continued support to realise our vision and strategy for Te Rito Maioha so that we can help shape the future of early childhood education for every child to learn and thrive.

Ngā mihi nui

**Kathy Wolfe**  
Chief Executive

# Our Council

## Tō mātou Kaunihera



**Lesley Rameka**  
National President



**Peter Jackson**  
Council Member Māori



**Christine Taare**  
Kaiwhakahaere



**Meritiana (Tiana) Lolesi**  
Council Member Pasifika



**Julie Watkins**  
Council Member



**Clare Wells**  
Council Member



**Penny Smith**  
Staff Representative



**Geoff Summers**  
Council Member  
(co-opted)



**Rhys Barlow**  
Council Member  
(co-opted)

Te Rito Maioha is an incorporated society of members governed by a Council elected by members.

The Council's role is that of a governance body, overseeing Te Rito Maioha's policies and strategic direction. The Council meets four to five times each year.

Te Rito Maioha's Council comprises a National President, a Kaiwhakahaere and six members – of these, one position is reserved for Māori and one for Pasifika. There is also an elected staff representative on the Council. The Council may also co-opt up to two additional persons for the purpose of providing expert governance skills. The Council is guided by a National Kaumātua.

Our Council is responsible for:

- developing Te Rito Maioha's strategic vision and direction and approving its Strategic Plan
- consulting with Te Rito Maioha's members in a regular and systematic manner
- employing and overseeing the performance of the Chief Executive
- monitoring the organisation's performance.

The Audit and Risk Committee is a standing committee that supports the Council in fulfilling its responsibilities in relation to financial reporting, external audit, risk management and legislative compliance. Members of the Audit and Risk Committee are Geoff Summers (Chair), Lesley Rameka, Clare Wells and Rhys Barlow.



# Our leadership

Ā mātou kaihautū



**Kathy Wolfe**  
Chief Executive



**John Diggins**  
Deputy Chief Executive



**Arapera Card**  
Pouhere Kaupapa Māori



**Rosina Merry**  
Director Teaching  
and Learning



**Janis Carroll-Lind**  
Director Research and  
Postgraduate Programmes



**Nikki Parsons**  
General Manager Workforce  
and Business Development



**Carolyn Mitchell**  
National Human  
Resources Manager

Te Rito Maioha's Senior Leadership Team is responsible for developing and implementing the organisation's strategic vision and plan and ensuring the organisation delivers on its academic and operational objectives.

We farewelled John Diggins in October 2019 after 9 years of service. John played a significant part in the vision of Te Rito Maioha and his professionalism in overseeing the organisation between Nancy Bell's departure and Kathy Wolfe's arrival is gratefully acknowledged. We wish John well.

# Our direction

## Tō mātou ahunga

### Strategic Plan 2017–2020

#### Putanga rautaki

Throughout the year, we have remained focused on our strategic goals of educational excellence, ECE leadership, collaborative relationships and operational sustainability. Our priorities are growth in tertiary provision, membership, membership services, professional learning and development and advocacy, all the while being true to our bicultural tikanga.

GOAL	PROGRESS IN 2019
<b>Education excellence:</b> We are the provider of choice for teaching, learning and research in ECE.	<p>Further programmes were developed to allow us to provide a pathway from level 5 to level 9 postgraduate, thus providing career progression and a continuous formal learning journey for our students.</p> <p>We received extremely positive feedback in external academic reviews of the Bachelor of Teaching (ECE) the Graduate Diploma of Teaching (ECE) the Post graduate Diploma in Leadership (ECE) and the New Zealand Diploma in Early Childhood Education (Aperfield Montessori).</p> <p>We launched He Pātaka Reo to all students – our te reo Māori resource designed to increase confidence in using te reo Māori as a natural part of daily vocabulary.</p>
<b>ECE leadership:</b> We are a valued leader and champion in supporting members to deliver quality experiences and outcomes for children and families.	<p>We made numerous submissions to government as they developed their thinking and rolled out a number of new policy areas, contributing to discussions on early childhood education, the teaching profession and tertiary education.</p> <p>We commenced work with IHC on a project to build the capability of ECE teachers/kaiako to become a more confident source of support to tamariki with disabilities and their whānau.</p>
<b>Collaborative relationships:</b> We are recognised and valued by our partners for collaboration and innovation.	<p>Through our partnership with Early Childhood Australia, we are developing online webinars relevant to the New Zealand and Australian market. We also launched the Minerva Institute for Leadership with Semann and Slattery in Australia.</p> <p>We entered into an MoU with Jimei University, Xiamen, to deliver Bachelor of Education (ECE) and Master of Education qualifications and professional learning and development programmes.</p>
<b>Operational excellence:</b> We are a strong, bicultural and sustainable organisation.	<p>We developed Bicultural Principles of Best Practice for Teaching and Learning Online (Ngā Mātāpono o te Mahi Ako Tuihono).</p> <p>We are pleased to report a modest surplus after several years of losses. The surplus is primarily due to increased student numbers, the strong performance of our investment portfolio and careful management of our costs for the year ended 31 December 2019. Te Rito Maioha has a solid balance sheet and no borrowings other than a bank overdraft facility.</p>



# Operational Strategy

## Rautaki paheko

### Digital Strategy

#### Rautaki matihiko

2019 was a busy year for our Digital Strategy projects. We commenced phase 2 of our Digital Strategy, which will bring students onto the same platform as our staff, creating even more seamless education experiences and access to more services. We hope to complete this project later in 2020.

Our broadband capability was upgraded across the motu at our various locations, which has enhanced staff and student experiences at our block courses and events.

We implemented and launched our new customer relationship management system iMIS as well as our new professional learning and development platform called Whāngaia kia kaha | Nurturing potential, building strength. This has improved our engagement, leadership and professional development offering to members and the ECE sector.

### Bicultural Strategy

#### Te kōkiri tikanga rua – He rautaki kia tupu te āheitanga me te maia tangā

#### A strategy to grow competence and confidence

We completed our Bicultural Principles of Best Practice for Teaching and Learning Online (Ngā Mātāpono o te Mahi Ako Tuihono Māori and tikanga are embedded in our programmes to ensure all students experience an authentic te ao Māori learning environment. This is not only done through our He Pātaka Reo programme but also in a kanohi-ki-te-kanohi environment on the noho marae and during block courses where tikanga protocols are practiced.

We are proud that our workshop Te Ara o Tainui for ECE centres in Waikato to hear about historical events in the Waikato-Tainui region, was extremely successful and will be run for a third time in 2020. We also developed workshops on growing a deeper understanding of Te Whāriki.

### Pasifika Strategy

#### Te Moana nui a Kiwa Strategic Plan

We delivered our level 5 Diploma – Pasifika for the first time to 10 students, and four students have now completed the course.

We continue to support Pasifika staff to offer PLD to our Pasifika members and Pasifika communities by holding Pasifika fono and Pasifika noho.



# Our teaching programmes

## Ō mātou hōtaka whakaako

Te Rito Maioha is a strong, established education provider (over 5 years) with the highest NZQA Category 1 rating for excellence. Our educators are highly qualified and experienced, and our students have access to the latest research.

Our courses are based on Te Whāriki, New Zealand's internationally respected ECE curriculum.

We take a holistic approach to learning – child, family and community – rooted in our bicultural ethos.

We developed two new programmes in 2019: the New Zealand Diploma in Early Childhood Education (home-based care) and the Postgraduate Diploma: Infant and Toddler Learning and Development.

The home-based care diploma provides an additional option for people to start their study of early childhood education with Te Rito Maioha and to meet future home-based educator requirements. The postgraduate diploma is for qualified teachers who have a particular interest in infant and toddler wellbeing, learning and development and want to specialise in this area.

## Partnerships

In 2019, we continued our partnerships with UCOL and ICL. We offer their students the opportunity to transition into our Bachelor of Teaching (ECE), reducing their degree by up to a year to 2 years of study.

We reviewed and re-signed our partnership MoU with Far North REAP. This joint partnership is to attract students into ECE teaching, providing them further pastoral care and local block courses in the Far North.

Internationally in 2019, Te Rito Maioha signed a partnership agreement with Early Childhood Australia (ECA). This partnership focuses on collaboration opportunities for leadership, online learning for the New Zealand sector and vice versa, events, joint international projects and reciprocal member discounts on products to benefit members of both organisations.

We also launched our joint partnership venture with Australian company Semann and Slattery, the Minerva Institute for Leadership, which is aimed at inspiring and working with leaders in early childhood education across New Zealand and Australia.

## External reviews

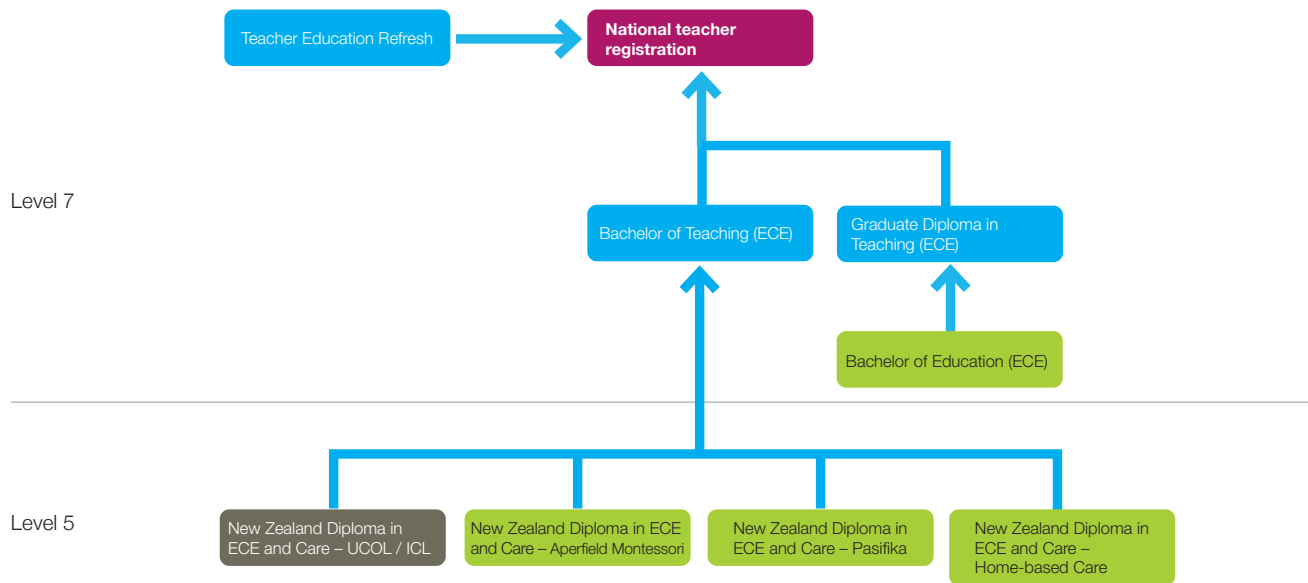
Testament to the calibre of our teaching staff, 2019 saw another exemplary outcome for our academic teams in external academic reviews. The Bachelor of Teaching (ECE) received an extremely positive report and certainly the most affirming of the last 5 years. The Graduate Diploma of Teaching (ECE) report is the best yet from 3 years of delivering this programme, with significant strengths identified that reflect a lot of hard work by many people. The Postgraduate Diploma in Leadership (ECE) and our Diploma in Early Childhood Education (Aperfield Montessori) received commendations with no recommendations in their reviews.

These results are also a tribute to the organisational changes we have made over the last 3 years, our continued bicultural kaupapa, and our growing research and academic capability.

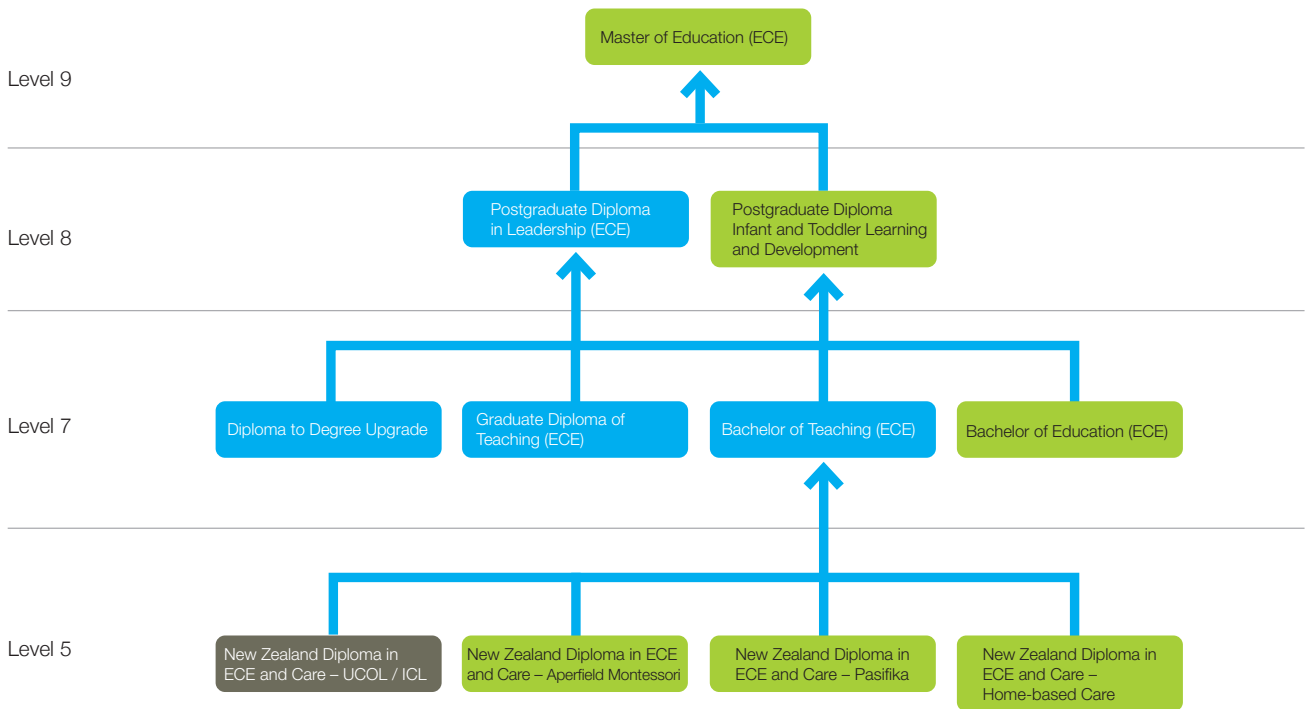




## National teacher registration pathway



## Master of Education pathway



### LEGEND



# Our students

## Ā mātou tauira

### Student experience

We continue to improve our online student application process to ensure applicants have an easy and smooth way of applying for our programmes. Applicants have been very positive about their experience with our online process.

The pastoral care we offer all students is one of the things that makes Te Rito Maioha unique. We have an overall 98% student satisfaction rate for our programmes, which is testament to the guidance, advice and commitment provided by all staff at Te Rito Maioha.

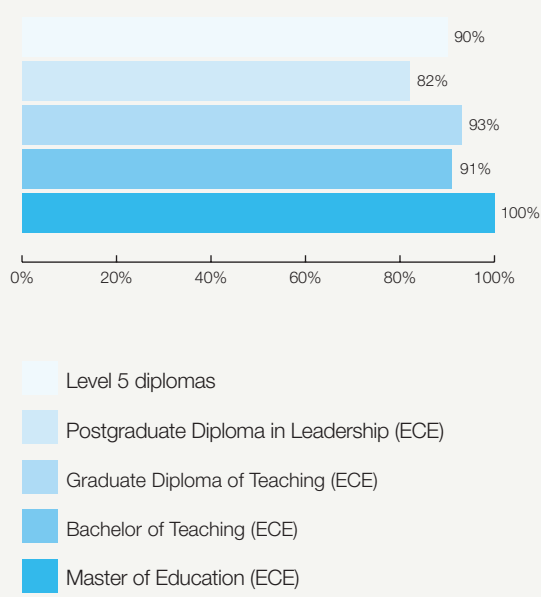
### Student success

#### Educational performance indicators

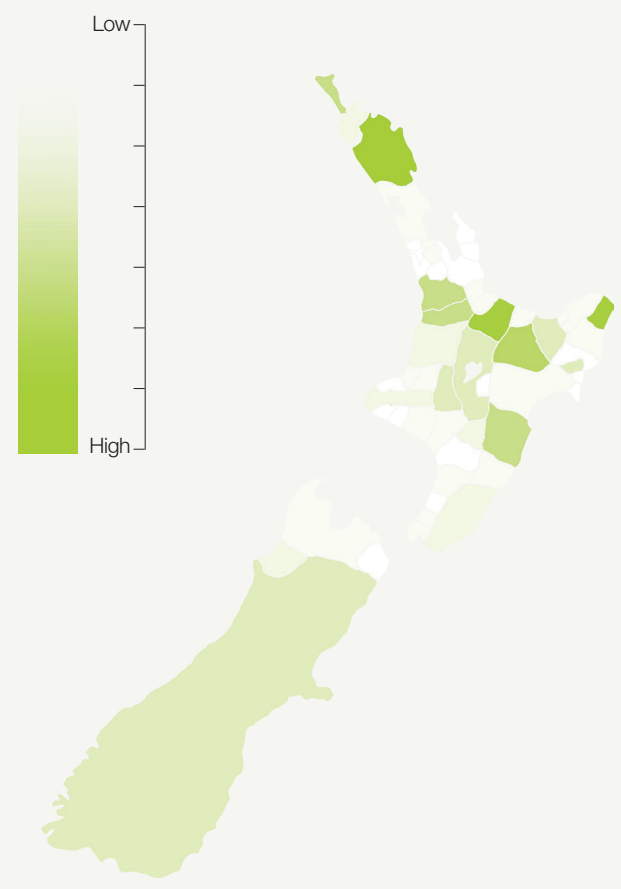
#### Ngā tātai hiranga mātauranga

KPI	2018	2019 Target	2019 Provisional
Māori student enrolments	38%	34%	34%
Pasifika student enrolments	9%	12%	9%
Under-25 enrolments	25%	40%	32%
Course completion rate for all students	91%	90%	91%
Course completion rate for Māori students	88%	90%	88%
Course completion rate for Pasifika students	80%	85%	83%
Course completion rate for under-25 students	93%	90%	92%
Retention rate for first-year students	80%	90%	80%
Retention rate for Māori students	77%	90%	83%
Retention rate for Pasifika students	61%	85%	73%
Qualification completion rate for all students	77%	90%	85%
Qualification completion rate for Māori students	78%	90%	56%
Qualification completion rate for Pasifika students	73%	85%	56%

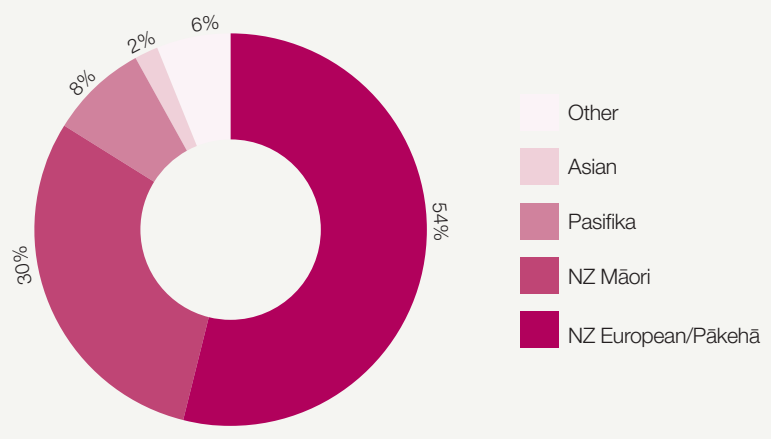
## Successful qualification completions



## Student iwi affiliation



## Student ethnicity mix





# Our people

## Ā mātou tangata



## Cara-lee Tolson

### Tahunanui

**Te Rito Maioha graduate and Manager of Paula's Tiny Tots Tahunanui**

*“We are always learning – when I was training, I was able to come back and share with the centre staff and link my learning, which made us grow as a team.”*

Cara-lee started her ECE journey as a 14-year-old doing work experience at Paula's Preschool in Stoke, which she loved. After leaving school, she volunteered at the centre, then when she started her study to become an ECE teacher, she moved with the same owners to their new centre.

“In 2010 when I was fully qualified, I was lucky enough to be part of the planning and design of Tiny Tots. I got to learn from the bottom up how a centre works.”

Starting at Time Tots as an assistant supervisor, Cara-lee worked her way up to supervisor, then manager.

“I really love the 0-2s. I love planning for their sensory needs. Every child has an individual journey, and we can plan for each and follow the journey through their developmental milestones.

“We now have a first-year Te Rito Maioha student, and she has brought new knowledge and is sharing her work, so the team is growing as well. Research changes, ideas change and beliefs change so it is a great way for us as a team to keep up to date with current theories and practices.

“The Te Rito Maioha lecturers made my study years easy with their guidance and support and the way they uplifted us as kaiako, acknowledging our strengths and celebrating them.

“With Te Rito Maioha you know you've always got a home that you can go back to.”

# Research

## Ngā mahi rangahau

Our research culture has grown this year with four staff completing their master's degrees. In addition, six PhDs have been conferred in the last 2 years.

We have attracted two new staff members with research expertise – one with a PhD and the other completing their PhD. Both are currently involved in funded collaborative research projects.

We launched the Minerva Institute of ECE Leadership with Semann and Slattery at the beginning of 2019. The Institute's first research study is at the data collection stage involving approximately 2,000 participants.



# Research outputs

## Ngā putanga rangahau

NB: The bold names are Te Rito Maioha staff who have collaborative outputs with people external to the organisation.

### Publications

- Carroll-Lind, J., Davitt, G., & Pleace, T. (in press). Weaving success for all children: Relational and inclusive teaching practices in ECE. In S. Hemphill & P. Towl (2019). *Safe, supportive and inclusive settings for children and young people in crisis and trauma: Plaiting the rope*. London, UK: Routledge.
- Daly, E. (2019). Teaching as a vocation to embody the principles of liberation theology. *Thought Matters: The Journal of The Salvation Army*, 9.
- Higginson, R. (2019, Spring/Summer). Walking the talk: Leadership in New Zealand early childhood settings. *Early Education*, 65, 11-16.
- Mihaka, R., & Koopu, G. (in press). Taura Whiria Whanaungatanga Manaakitanga me Kotahitanga kia awhi te Tamaiti. In S. Hemphill & P. Towl (2019). *Safe, supportive and inclusive settings for children and young people in crisis and trauma: Plaiting the rope*. London, UK: Routledge.
- Ryder, D. (2019). *Exploring contradictions in physical activity understanding, practice and opportunities between the home and the ECE settings* (Unpublished doctoral dissertation). Australian Catholic University, Melbourne, Victoria, Australia.
- Terreni, L., & Ryder, D. (2019). The brave and the foolhardy: Excursions in early childhood contexts in Aotearoa New Zealand. *Early Childhood Folio* 23 (1), 16-21.
- Warren, A. (2019). *Engaging and negotiating emotions in early childhood teaching: Towards creative critique and experimentation* (Unpublished doctoral dissertation). University of Canterbury, Christchurch, New Zealand.
- Warren, A. (2019). A posthumanist perspective on caring in early childhood teaching. *New Zealand Journal of Educational Studies*, 54, 261-275. DOI: 10.1007/s40841-019-00146-z
- Warren, A. (2019). Rhizoanalytic possibilities for exploring early childhood teachers' emotions. *International Critical Childhood Policy Studies Journal*, 7(1), 23-33.
- Warren, A. (2019). Professionalism in early childhood teaching: A posthumanist perspective. *Early Childhood Folio*, 23(2), 29-34.
- Winslow, R. (2019). *Children's perceptions of kindness* (Unpublished master's thesis). New Zealand Tertiary College, Auckland, New Zealand.
- White, E. J., Redder, B., Bennett, S., De Manser, B., Geddes, C., & Rogers, A. (2019, April). *Age responsive pedagogies: 'Preschool' ECE teachers interrogate their dialogues with and about two-year-olds*. Wellington, New Zealand: TLRI
- Woolston, D. (2019). Understanding the motivation of Associate Teachers in Early Childhood Education. *Early Childhood Folio*, 23(2), 24-28.

### External presentations

- Card, A. (2019). *Infants and Toddlers. Communications and Exploration*. Mana reo – Mana aoturoa. Presentation to ECE Hub, Auckland.
- Carroll-Lind, J. (2019, September). *Through their lens: The provision of quality early childhood education and care from the child's perspective*. Paper presented to the Early Childhood Australia (ECA) Conference, Hobart, Tasmania.
- Carroll-Lind, J., & Ryder, D. (2019, October). *Relational pedagogy and practices*. Workshop presentation. Melbourne, Vic, Australia.
- Cooper, K. (2019, November). *Seeing rainbow families in early childhood settings*. Presentation to Whānau Manaaki Kindergartens Cluster, Newtown Kindergarten, Wellington, New Zealand.
- Cooper, K. (2019, August). *Seeing rainbow families in early childhood settings*. Guest speaker at NZEI Early Childhood Network meeting, Wellington, New Zealand.



- Cooper, K. (2019, August). *Seeing rainbow families in early childhood settings*. Presentation to Tuatara Kids Childcare Centre, Wellington, New Zealand.
- Cooper, K. (2019 February). *Gender: What is it and why do we care?* Presentation to the Park Early Learning Centres, Wellington, New Zealand.
- Daly, E. (2019, April). *How might we enact 'Our Values' embedded in 'Our Code, Our Standards', with a focus on inclusion and social justice?* Ki te hoe: Navigating Early Childhood Landscapes: Professional Learning Hui, Christchurch, New Zealand.
- Daly, E. (2019, August). *Teaching as a vocation to embody the principles of liberation theology*. Paper presented to Thought Matters Conference, Melbourne, Victoria, Australia.
- Davitt, G. (2019, May). *Aspiring Leaders: Growing, developing and sustaining an effective leadership culture*. Presentation at the meeting of the ECE Teachers' Network, Newlands, Wellington.
- Davitt, G. (2019, May). *Leaders growing leaders, developing and sustaining an effective leadership culture*. Presentation at the meeting of the ECE Leaders' Network, Petone, Wellington.
- Davitt, G. (2019, July). *Pedagogical Leadership*. Workshop to Hutt Kindergartens Association, Petone, Wellington.
- Davitt, G., & Ryder, D. (2019, Feb, Aug, Sept, Oct). *Leaders growing leaders*. A series of professional learning and development workshops, with Ako Aotearoa. Presented at Wellington, Christchurch, Auckland and Palmerston North, New Zealand.
- Merry, R., & Card, A. (2019). *Bicultural Principles of Best Practice for Teaching and Learning Online*. Ngā Mātāpono Kākano Rua o te Mahi Ako Tuihono. Te Rito Maioha Early Childhood New Zealand.
- Paki, V. (2019, October). *How can wellbeing enhance the learning of tamariki in early childhood? A Māori perspective*. Workshop presented to the 12th Symposium for Early Childhood Associate Teachers, UNITEC, Auckland, New Zealand.
- Rameka, L., & Card, A. (2019). *Te Hōhonutanga o Te Whāriki. Developing a deeper understanding of Te Whāriki. Localised curriculum*. Six workshops delivered to He Whānau Manaaki Kindergarten Association, Wellington, Kāpiti and Wairarapa areas.
- Ryder, D., & Davitt, D. (2019, February). *Leaders growing leaders*. A professional learning and development pilot programme presented to an ECE centre with Ako Aotearoa, Wellington.
- Ryder, D., & Robinson, L. (2019, March). *Relational pedagogy and practices*. Workshop presentation to ECE practitioners, Wellington, New Zealand.
- Smith, P., & Wilson, C. (2019, February). *Leading Teams*. Workshop delivered to the Hutt Kindergartens Association, Petone, Wellington.
- Summers, T. (2019, November). *A case study of one woman's social justice leadership*. Paper presented at the Kanohi ki te kanohi: Histories for our time. NZ Historical Association Conference, Victoria University, Wellington, New Zealand.
- Summers, T. (2019, November). *Women's leadership for social justice: Three women's stories*. Paper presented at the New Zealand Association for Research Māori Educational Research Symposium, University of Canterbury, Christchurch, New Zealand.
- Warren, A. (2019, December). *Reconceptualising caring in early childhood teaching: Exploring new materialist and posthuman methodologies*. Paper presented to the 10th Annual New Materialisms Conference: New Materialist Reconfiguring of Higher Education, University of the Western Cape, Cape Town, South Africa.
- Warren, A. (2019, December). *Reconceptualising pedagogy and love in early childhood teaching using rhizoanalytic and cartographic concept-as-method methodology*. Paper presented to the Deleuze and Guattari Conference: Pedagogies in the Wild. University of the Western Cape, Cape Town, South Africa.

## Professional contributions

- Bell, C. (2019). Member of: (1) Ministry of Education's ECAC sub-group on Amendments to Criteria; (2) Data for Wellbeing (iEd) Sector Advisory Group; (3) Building Success for All Forum; (4) Police and Education Partnership; and (5) ECE Policy Network.
- Card, A. (2019). Member of the Ministry of Education's Māori Education Peak Bodies Forum.
- Carroll-Lind, J. (2019). (1) Peer reviewer for the New Zealand Annual Review of Education (NZARoE) journal; and (2) PhD Examiner.
- Cooper, K. (2019). (1) Member of Reggio Emilia Inspired Dialogue (REID) committee; and (2) Facilitator for Incredible Years programme.
- Davitt, G. (2019). Member of: (1) Hutt Kindergarten Association Governing Board; and (2) Wellington Chapter of OMEP.
- Higginson, R. (2019). (1) Secretary of the OMEP Waikato/Bay of Plenty Chapter; and (2) Member of the Child Poverty Action Group.
- Lee, S. (2019). Member of the Celebrating Northland's Tamariki conference committee.
- Maxwell, A. (2019). Member of the Celebrating Northland's Tamariki conference committee.
- Merry, R. (2019). Member of the Initial Teacher Education Panel.
- Mitchell, C. (2019). Member of: (1) ECECA Bargaining Committee; and (2) Pay Equity Claim Process Committee for ECE teachers.
- Parsons, N. (2019). Member of: (1) New Zealand Teaching Council's Leadership Stewardship Group; and (2) Teaching Council Disciplinary Tribunal.
- Redder, B. (2018 to date). (1) Secretary of the Association for Visual Pedagogies; (2) Peer reviewer for the Video Journal of Education and Pedagogy; and (3) Co-Leader of the NZ Arm of the International Study of Social Emotional Early Transitions (ISSEET).
- Summers, T. (2019). Member of: (1) Editorial board for NZ International Research in ECE Journal; (2) Initial Teacher Education Advisory Group (ITEAG); (3) Initial Teacher Education Panel; and (4) Canterbury's Ministry of Education ECE Reference Group and its Mātauraka Mahaanui Advisory Board on education renewal across Canterbury.
- Smith, P. (2018). Chair of the Ruahine Kindergarten Board.
- Woolston, D. (2019). Member of the Celebrating Northland's Tamariki conference committee.
- Wolfe, K. (2016 to date). Member of: (1) Ministry of Education's Early Childhood Advisory Committee (ECAC); (2) National Education Leaders Partnership; and (3) ECECA Bargaining Committee.

## NZEI Te Riu Roa negotiations

Te Rito Maioha and NZEI Te Riu Roa negotiate the Early Childhood Education Collective Employment Agreement (ECECA) for about 200 independent centres and services, and this agreement sets the baseline for early childhood teacher pay across the sector, excluding kindergartens.

However, government per-child funding has been virtually frozen for a decade, putting immense financial pressure on services and making it nearly impossible to pay staff fairly without passing on extra costs to parents.

Teachers understandably want better pay and working conditions, and the message is coming through strongly from Te Rito Maioha's employer members that they want to fairly recognise their teachers. Both NZEI Te Riu Roa and Te Rito Maioha know this can only be achieved if the government provides much-improved funding.

In November, Te Rito Maioha and NZEI Te Riu Roa suspended their collective agreement negotiations. Both parties agreed that current government funding makes it impossible to reach a fair deal for teachers.

We agreed to jointly meet with the Minister of Education to urge an immediate pay adjustment and to develop a longer-term pay plan to fix the considerable pay gap between ECE teachers and other teachers in schools and kindergartens.





# International Strategy

## Rautaki rāwāhi

We have continued to develop our international relationships in line with our International Strategy. This strategy was developed in 2017 and supports our vision to become New Zealand's leading provider of international ECE teacher and educator education qualifications and professional learning and development.

## Australia

### Early Childhood Australia

In 2019, we signed a partnership agreement with Early Childhood Australia. We have built a collaborative and mutually supportive relationship over recent years. Both organisations have a commitment to excellence and high-quality, have been at the forefront of promoting high quality early childhood education and care for young children in our respective countries and are known for supporting good pedagogical practice. We both also have significant advocacy roles for the early childhood education sector, working with government departments and other agencies for improvements across early childhood education.

We are looking at collaboration opportunities focusing on leadership, online learning for the New Zealand sector and vice versa, supporting events, joint international projects and reciprocal member discounts on products.

### The Minerva Institute for Leadership

The Minerva Institute was launched as a joint venture with Semann and Slattery, Australia. The Institute's role is to inspire and work with leaders in early childhood education. The Institute, based in Sydney, will provide a centre of excellence for early childhood teachers on practice and research relevant to the ECE sector across New Zealand and Australia.

### New South Wales Education Standards Authority (NESA)

We have been approved as a provider for professional learning and development programmes on the NESA framework. Our first approved programme called Exploring Responsive Teaching, has been delivered in Sydney, Brisbane and Adelaide.

### The Australian Children's Education & Care Quality Authority (ACECQA)

In 2019, we were successful in our application to ACECQA to have Te Rito Maioha's Bachelor of Teaching (ECE) added to the

ACECQA list of approved qualifications. This qualification is now published on ACECQA's early childhood teaching qualification framework. The qualification is approved for 5 years, after which it will be reviewed for a further term.

For any of our teachers who have completed this degree and who now either reside or will reside in Australia, their qualification is recognised as a teaching degree in Australia. This is an incredible achievement both for our brand and for any of our graduates who teach in early childhood in Australia.

### McQuarrie University/Semann and Slattery "Thinker in Residence" Symposium

The Symposium in February was a bringing together of leading thinkers, researchers and practitioners from New Zealand and Australia to engage with the work of Professor Gunilla Dahlberg and explore three key themes around revisiting quality, ethics and education, and quality leadership.

It was a good opportunity to delve into policy and practice and the impacts these were having in both countries as well as the success stories.

## China

### Study tour

For 4 weeks over July and August we successfully delivered our second Chinese study tour to seven students (up from four in 2018) from our partner Jimei University in Xiamen. Each week, the students had 1 day in class, then 2 days in centre, then a day back in class so they could address all the questions they had following the 2 days of practical application.



### Te Whāriki in Mandarin

This initiative is a joint collaboration with two of our visiting scholars from Jimei University, Dr Rosina Merry and Dr Hongwei Di. Many ECE providers in China point to the principles of Te Whāriki in their provision. The translation is very respectful of our taonga and will have practical examples of how to apply the curriculum in a Chinese context in their early childhood services. This translated version will also benefit local ECE services that work with Chinese tamariki and their whānau. This resource will be launched in 2020.

### ECE concept videos

We have developed, alongside Chinese experts, 12 short video episodes to be launched in 2020 for our Chinese ECE teachers and parents. Each 10-15 minute video covers ECE concepts and how they can be practically applied to assist with children's learning in ECE in China.

## United Arab Emirates (UAE)

We have started engaging with a tertiary provider in the UAE to work together on various programmes and research. Dr Rosina Merry, Director of Teaching and Learning, was a keynote speaker at the Higher College of Technology Conference in May.

## Vietnam

Through our relationship with New Zealand Trade and Enterprise and Government-2-Government agencies, we have connected with Vietnamese ECE to commence initiatives around research, teacher development and study tours.

# Our people

Ā mātou tangata



## Raewyn Penman Leader Education Delivery

**Leader Education Delivery | Kaiarataki  
mātauranga ako at Te Rito Maioha's  
Christchurch Base**

*“Te Rito Maioha's field-based training is great. It allows students to use their skills immediately.”*

“I really like the interaction with teachers and student teachers and their excitement about learning new things. I love it when students get an ‘ah-ha’ moment,” says Raewyn.

“Being able to teach in the infants and toddlers programme has allowed me to focus on my passion. I am keen that more skills are developed for effectively teaching the toddlers age group.”

Raewyn says that teaching a postgraduate course has allowed her to work with experienced teachers who bring and share their knowledge.



# Professional development contracts

**Whāngaia kia kaha | Nurturing potential, building strength**

Te Rito Maioha has successfully completed a number of significant contracts for professional development.

We are contracted by the Ministry of Education to deliver professional development to ECE centres nationwide. Topics included:

- self-review and continuous improvement
- assessment, planning and evaluation
- aspirations of parents and whānau
- staff appraisal and governance and management
- Māori as tangata whenua
- te ao Māori
- understanding and respecting other cultures
- infant and toddlers.

2019 was the 5th year of our contract with the Teaching Council for the delivery of the Teacher Education Refresh programme in ECE. This 4 month intensive programme is delivered nationally to early childhood teachers who want to apply for another provisional practising certificate 5 years or more after becoming registered, as well as teachers who completed their initial teacher education qualification 5 years ago or more and are applying to become registered.

We also won the Ministry of Education contract for induction support (online modules and five workshops in four locations) for 300 overseas trained teachers. Contents include te reo, tikanga and culturally responsive pedagogy and Te Whāriki.





# Membership

Te taha ki ngā mema

Throughout 2019, we supported our members with professional development, HR advice, advocacy and regular communications and updates.

## Our membership

Ā mātou mema

515



Number of members

308



Centres supported

1,834



Kaiako

15,718



Tamariki

## Our work in 2019

Ā mātou mahi 2019

17



PLD events

100+



HR and employment queries answered

16



Advocacy submissions

43



Member updates sent



# Our people

Ā mātou tangata



## Alison Warren

### Leader Education Delivery

**Leader Education Delivery | Kaiarataki  
mātauranga ako at Te Rito Maioha's  
Nelson Base**

*“My awareness of bicultural teaching practice and te ao Māori has been inspired by my colleagues in Te Rito Maioha. It has taken a long time and a lot of patience from my mentors.”*

Alison started her ECE journey in Playcentre with her own children and had a lot of practical experience in ECE before getting her first teaching qualification. Through that experience, Alison has developed good networks in the ECE community.

“I have a disposition of curiosity that has taken me from my start at Playcentre to teaching and study, to completing a PhD

in 2019. Te Rito Maioha allows space for curiosity and creativity – our bases allow small teams that work with their communities and are supported by the wider organisation.

“I am particularly interested in posthumanist theory – that humans aren't the centre of everything, we are continually changing through our connections with others, materials, ideas and emotions. I want to make this theory accessible to early childhood teachers.

“In teaching, I enjoy having discussions with open, involved students who are generous in sharing their experiences to make something new.”



# Advocacy

## Ngā mahi taunakitanga

We continued our high level of visibility in the education sector through advocacy efforts in 2019 as part of our objective of providing members with a louder voice.

### Engagement

We met in person twice with the Minister of Education Chris Hipkins.

Following the government's work in the development of key education strategies and plans, we continue to have representation on a number of education sector advisory groups. These include the Data for Wellbeing advisory group, the Teaching Council ECE advisory group, the Police and Education Partnership and the Initial Teacher Education advisory group.

We attended several conferences including the Montessori, Home Based Care Association, EC-MENz and Early Childhood Australia conferences as well as the Early Years Enquiry Research Hub's The Gathering (a 1 day event for teachers to talk together about investigating teaching and learning in the early years).

### Media releases

Through media releases and interviews, we urged the government to address the issues that have been challenging the early childhood sector for the past decade, and we spoke in support of some of the initiatives being proposed.

Some of the issues we advocated for included:

- the urgent need to address the ongoing early childhood teacher shortage
- pay parity for early childhood teachers with kindergarten, primary and secondary school teachers
- relevant teacher education for Pasifika early childhood teachers
- greater government investment and support to ensure quality early childhood education.



## Submissions and consultation

The government's consultation with the education sector continued in 2019. We provided comment on a wide range of topics of relevance to early childhood education, the teaching profession and tertiary education provision.

ORGANISATION	TOPIC
Ministry of Education	Proposed priorities in the National Education Learning Priorities (NELP)
	Proposed priorities in tertiary education
	Strategy (TES)
	Changing the person responsible requirements in teacher-led, centre-based services
	Pacific Education Fono
	Supporting social competence resource
	Reform of the Tomorrow's Schools system
	Early Learning Strategic Plan
	Removal of teacher performance appraisal as an accountability tool
Teaching Council of Aotearoa New Zealand	Supporting decision making in the use of physical restraint in early childhood services
Tertiary Education Commission	Reform of Vocational Education (ROVE)
New Zealand Qualifications Authority	Further consultation on proposed changes to the New Zealand Qualifications Framework (NZQF)
	Proposed changes to the NZQF Programme Approval and Accreditation Rules
Skills Organisation	Review of first aid unit standards/certificate
Education Review Office	Indicators of quality for early childhood education: what matters most
Ministry of Health / Insight Research	New Zealand Autism Spectrum Disorder Guidelines supplementary paper on effectiveness of strategies for supporting school transitions
National Party	Education discussion document



# Our people

Ā mātou tangata TBC



## Stacey Bird Pouako | Cultural advisor

### Pouako at Te Rito Maioha's Wellington Base

*“I was first inspired to join Te Rito Maioha when attending one of their conferences. I thought that’s where I want to be.”*

Being surrounded by other academics in the workplace has motivated Stacey to continue her academic journey.

“I look at these people and think wow – I need to grow. Seeing others doing it had made me realise it is my time. Even though

I’m currently doing my master’s, I’m thinking about my PhD – I already have a vision of sharing my knowledge when presenting my findings.

“As a teacher, I love that everyone brings something to the table. I see my role as what I can do to get someone from A to Z.

“By the time a student completes their degree, I’ve shared my knowledge and have filled their kete. I’m handing over what I know to enable them to be the best they can be in the teaching profession.”

# Financial statements

Tauākī pūtea

For the year ended 31 December 2019

## Statement of responsibility

We are responsible for the preparation of the Te Rito Maioha Early Childhood New Zealand's financial statements and the judgements made in them.

We are responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements fairly reflect the financial position and operations of Te Rito Maioha Early Childhood New Zealand for the year ended 31 December 2019.

For and on behalf of the Council:



**Lesley Rameka**

President

3 April 2020



**Kathy Wolfe**

Chief Executive

3 April 2020



# Independent Auditor's Report

## TO THE MEMBERS OF TE RITO MAIOHA EARLY CHILDHOOD NEW ZEALAND INCORPORATED

### OPINION

We have audited the financial statements of Te Rito Maioha Early Childhood New Zealand Incorporated ("the Society"), which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

### EMPHASIS OF MATTER – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 21 which outlines the possible effects to Society as a result of the COVID-19 pandemic. It is difficult to determine the full effect of it on the Society at this time.

### OTHER INFORMATION

The Council is responsible for the other information. The other information obtained at the date of this auditor's report is

information contained in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### COUNCILS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, the Council is responsible on behalf of the Society for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### WHO WE REPORT TO

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

*BDO Wellington Audit Limited*

#### BDO WELLINGTON AUDIT LIMITED

Wellington  
New Zealand  
3 April 2020



## Statement of comprehensive income

For the year ended 31 December 2019

	Note	2019 \$	2018 \$
<b>Revenue</b>			
Membership fees		90,641	102,701
Student fees		3,085,855	2,590,208
Student Achievement Component funding		5,034,412	4,305,615
Ministry of Education contracts		328,144	417,760
Interest and dividend income	4b	140,778	182,723
Realised and unrealised gains on investments	4b	475,209	-
Other revenue	5	93,419	247,302
<b>Total revenue</b>	<b>4</b>	<b>9,248,458</b>	<b>7,846,309</b>
<b>Expenses</b>			
Property, plant and equipment write-offs	6	1,446	19,740
Intangibles write-offs	6	-	82,187
Personnel costs	7	5,997,469	6,344,599
Realised and unrealised losses on investments	4b	-	155,996
Other expenses	8	3,224,013	3,397,126
<b>Total expenses</b>		<b>9,222,928</b>	<b>9,999,648</b>
<b>Net surplus/(deficit)</b>		<b>25,530</b>	<b>(2,153,339)</b>

The statement of accounting policies and notes to the financial statements form part of these financial statements.

## Statement of changes in equity

For the year ended 31 December 2019

	2019 \$	2018 \$
<b>Opening equity as at 1 January</b>	<b>4,134,947</b>	<b>6,288,286</b>
Net operating surplus/(deficit)	25,530	(2,153,339)
<b>Closing equity as at 31 December</b>	<b>4,160,477</b>	<b>4,134,947</b>

The statement of accounting policies and notes to the financial statements form part of these financial statements.

## Statement of financial position

As at 31 December 2019

	Note	2019 \$	2018 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	11a	145,338	651,607
Trade and other receivables	12	2,726,095	1,754,181
Investments – managed funds	13	515,700	-
Prepayments		94,961	96,019
<b>Total current assets</b>		<b>3,482,094</b>	<b>2,501,807</b>
<b>Non-current assets</b>			
Investments – managed funds	13	3,494,272	3,502,346
Property, plant and equipment	9	635,630	772,507
Intangible assets	10	942,674	666,857
<b>Total non-current assets</b>		<b>5,072,576</b>	<b>4,941,710</b>
<b>Total assets</b>		<b>8,554,670</b>	<b>7,443,517</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables	14	290,129	397,778
GST (net)		393,144	190,321
Income in advance	15	2,842,882	1,985,890
Bank overdraft	11b	341,564	-
Employment provisions	16	485,394	678,730
<b>Total current liabilities</b>		<b>4,353,113</b>	<b>3,252,719</b>
<b>Non-current liabilities</b>			
Employment provisions	16	41,080	55,851
<b>Total non-current liabilities</b>		<b>41,080</b>	<b>55,851</b>
<b>Total liabilities</b>		<b>4,394,193</b>	<b>3,308,570</b>
<b>Equity</b>			
Members' funds		4,160,477	4,134,947
<b>Total equity</b>		<b>4,160,477</b>	<b>4,134,947</b>
<b>Total equity and liabilities</b>		<b>8,554,670</b>	<b>7,443,517</b>

The statement of accounting policies and notes to the financial statements form part of these financial statements.

## Statement of cash flows

For the year ended 31 December 2019

	Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
<b>Cash was received from:</b>			
Receipts from students		3,058,750	2,806,359
Receipts from government funding		5,035,244	4,016,008
Receipts from membership fees		44,341	101,082
Other receipts		257,219	394,584
Net receipts from GST		288,336	(47,778)
<b>Cash was applied to:</b>			
Payments to suppliers		(2,872,850)	(2,960,848)
Payments to employees		(6,376,254)	(6,638,952)
Interest paid on overdraft facility		(5,413)	-
<b>Net cash outflow from operating activities</b>		<b>(570,627)</b>	<b>(2,329,545)</b>
<b>Cash flows from investing activities</b>			
<b>Cash was received from:</b>			
Sale of investments		48,960	-
Interest and dividends received		119,677	225,149
Proceeds from sale of property, plant and equipment and intangibles		3,791	50,534
Maturities of investments		-	2,648,865
<b>Cash was applied to:</b>			
Payments to acquire property, plant and equipment and intangibles		(368,257)	(823,739)
Purchase of investments		(81,377)	(7,207)
<b>Net cash (outflow)/inflow from investing activities</b>		<b>(277,206)</b>	<b>2,093,602</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(847,833)</b>	<b>(235,943)</b>
Cash and cash equivalents at beginning of period		651,607	887,550
<b>Cash and cash equivalents net of overdraft at end of period</b>	<b>11a ,11b</b>	<b>(196,226)</b>	<b>651,607</b>

The statement of accounting policies and notes to the financial statements form part of these financial statements.



# Notes to the financial statements

Ngā whakamārama i ngā tauākī pūtea

For the year ended 31 December 2019

## 1. Statement of accounting policies

### REPORTING ENTITY

Te Rito Maioha Early Childhood New Zealand (ECNZ) is a registered incorporated society under the Incorporated Societies Act 1908. ECNZ also has charitable status and is registered under the Charities Act 2005. ECNZ is domiciled in New Zealand.

ECNZ is a provider of early childhood teacher education and Ministry of Education (MOE) professional development contracts. ECNZ is also a membership organisation for early childhood education services, institutions, individuals and students.

ECNZ is a public benefit entity for financial reporting purposes.

These financial statements of ECNZ are for the year ended 31 December 2019 and were authorised for issue by the Council on 3 April 2020.

### BASIS OF PREPARATION

The financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the period.

### Use of judgement and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Management has exercised the following judgements when recognising exchange and non-exchange contracts.

An exchange contract has the three following components, otherwise it is a non-exchange contract.

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

Any significant management judgements, estimates and assumptions are disclosed under the applicable notes to the financial statements.

### Statement of compliance

The financial statements of ECNZ have been prepared in accordance with the requirements of the Charities Act 2005, the Incorporated Societies Act 1908 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

The financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable financial reporting standards, as appropriate for tier 2 not-for-profit public benefit entities for which all reduced disclosure requirements have been adopted. ECNZ qualifies as a tier 2 reporting entity as, for the last two most recent reporting periods, it has incurred between \$2 million and \$30 million of operating expenditure.

### Measurement base

These financial statements have been prepared on a historical cost basis, except that the managed funds investment is measured at fair value.

### Functional and presentation currency

The financial statements are presented in New Zealand dollars and rounded to the nearest dollar.

### CHANGES IN ACCOUNTING POLICY

There have been no changes in accounting policies. The accounting policies have been consistently applied throughout the periods in the financial statements.

In the statement of cash flows, cash flows were previously recognised inclusive of GST with net GST movements shown as a separate line in the statement of cash flows. For 2019, cash flows have been prepared exclusive of GST with net GST movements shown as a separate line in the statement of cash flows. Comparative figures for the prior year have been restated.

### SIGNIFICANT ACCOUNTING POLICIES CONSOLIDATION

In 2018, ECNZ incorporated a wholly owned Australian subsidiary, Te Rito Maioha Early Childhood New Zealand Pty Limited (ECNZ Pty).

ECNZ Pty has not conducted any business since it was incorporated. Once operational, financial transactions for ECNZ Pty will be consolidated and the effect of any intra-group transactions eliminated. ECNZ Pty is expected to commence operations in 2020.

## REVENUE

Revenue is measured at fair value of consideration received or receivable. ECNZ recognises revenue from individual categories of transaction as follows.

### i. Revenue from exchange transactions

Revenue from exchange transactions are transactions in which ECNZ receives assets or services or has liabilities extinguished and directly gives approximately equal value.

#### Student fees

International student tuition fees are not subsidised by the government. Revenue is recognised on a straight-line basis over the period of each course of study undertaken by a student.

#### Membership fees

Membership fees are recognised over the period of the membership (usually 12 months). Amounts received in advance relating to future periods are recognised as a liability until such time as that period covering the membership occurs.

#### Professional development fees

Revenue from the Ministry of Education contracts is recognised as the milestones outlined in those contracts are achieved.

#### Research revenue

Research revenue is recognised as revenue immediately, unless there are substantive contractual conditions, in which case revenue is recognised when the conditions are satisfied.

#### Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered to customers and is measured at fair value.

#### Interest

Interest is recognised in the statement of comprehensive income as it accrues, using the effective interest rate method.

### ii. Revenue from non-exchange transactions

Revenue from non-exchange transactions is from transactions where ECNZ either receives value from another entity without directly giving approximately equal value in exchange or gives value to another entity without directly receiving approximately equal value in exchange.

### Tertiary Education Commission Student Achievement Component funding and Teacher Education Refresh fees

Student Achievement Component (SAC) funding from the Tertiary Education Commission (TEC) is ECNZ's main source of operational funding. ECNZ considers the TEC SAC funding to be a non-exchange transaction, and revenue is recognised on a straight-line basis over the duration of courses in which eligible students are enrolled. Funds received over and above the eligibility criteria are recognised as a liability and refunded to TEC.

The Teacher Education Refresh (TER) programme is now funded by the Ministry of Education under the government's Fees Free programme. Revenue from TER fees is recognised over the duration of the course, and ECNZ considers TER fees to be a non-exchange contract.

#### Student fees

Domestic student tuition fees are subsidised by the government and are considered non-exchange. Revenue is recognised on a straight-line basis over the period of each course of study undertaken by a student.

## FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated in New Zealand dollars using the average exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise call deposits with banks including both local and foreign currencies, cash at bank and cash balances. Cash and cash equivalents also include term deposits with original maturities of 3 months or less at balance date. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments. Cash and cash equivalents are recognised at their cash settlement value.

## PROPERTY, PLANT AND EQUIPMENT

Property plant and equipment consist of the following asset classes: leasehold improvements, computer hardware, furniture and equipment.

Items of property, plant and equipment are stated at cost, less accumulated depreciation and any impairment losses.

The cost of property, plant and equipment is generally the purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost amounts of property, plant and equipment, less any assigned residual value, on a straight-line basis over the expected useful economic lives of the assets concerned. Leasehold improvements are depreciated over the period of the lease.

The estimated useful lives of assets are as follows:

- Office equipment – 5 years
- Leasehold – 6 years
- IT equipment – 4 years

The costs of the day-to-day servicing of the property, plant and equipment are recognised in the surplus or deficit as they are incurred. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the assets. Gains and losses on disposal are reported net in the statement of comprehensive income.

## INTANGIBLE ASSETS

### Software

Intangible assets comprise computer software that is not integral to the operating systems of computer and server equipment. These are classified as finite-life intangible assets that are initially recognised at the cost necessary to bring the software to the condition intended for functionality. Until the intangible assets are at this level of functionality, costs are accumulated as capital work in progress. Once the software is capable of functionality, the cost is amortised over the lesser of its estimated useful life of 4 years or licensed period using the straight-line method. Both the estimated useful life and the amortisation method are reviewed annually to ensure these remain appropriate.

### Programme development

Costs that are directly associated with the development of new educational programmes are recognised as intangible assets to the extent that such costs are expected to be recovered. The

development costs primarily consist of employee costs. Other development expenses that do not meet these criteria are recognised as an expense as incurred and recorded in the statement of comprehensive income. Development costs previously recognised as an expense cannot be subsequently recognised as an asset as they cannot be reliably measured. Total employment costs of \$155,368 were capitalised this year (2018: \$229,541).

Development costs that are directly attributable to intellectual property development are recognised as an intangible asset if the following can be demonstrated.

- It is technically feasible to complete the programme so it is functional.
- Management intends to complete the programme and use it.
- There is an ability to use it.
- It can be demonstrated how the new programme will generate probable future economic benefit.
- Adequate technical, financial and other resources to complete the development of the programme are available so it is functional.
- The expenditure attributable to the course development can be reliably measured.

The carrying value of intangible assets with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins at the start of the programme and ceases when the programme is no longer offered or discontinued.

The useful life and associated amortisation for a course development programme is 7 years, and the amortisation charge for each financial year is expensed in the statement of comprehensive income. Programme development assets are subsequently measured at cost and are tested annually for impairment.

## NON-DERIVATIVE FINANCIAL INSTRUMENTS

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, investments – term deposits and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through the statement of comprehensive income, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if ECNZ becomes a party to the contractual provisions of the instrument. Financial assets are

derecognised if ECNZ's contractual rights to the cash flows from the financial assets expire or if ECNZ transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Purchases and sales of financial assets are accounted for at trade date, i.e. the date that ECNZ commits to purchase or sell the asset. Financial liabilities are derecognised if ECNZ's obligations specified in the contract expire or are discharged or cancelled.

## ACCOUNTS RECEIVABLE

Accounts receivable are stated at amortised cost, using the effective interest rate method less impairment. A provision for impairment has been made to the extent that ECNZ will not be able to collect all amounts due according to the original terms of the debt.

## GOODS AND SERVICES TAX (GST)

The financial statements have been prepared on a GST-exclusive basis, except for receivables and payables, which are stated inclusive of GST.

## TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to ECNZ and that have not been paid at the end of the financial year. These amounts are usually settled within 30 days.

## IMPAIRMENT OF ASSETS

### Property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable through use or sale. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case, the impairment loss is recognised as a reversal to the extent of any revaluation reserves, with any excess recognised in the statement of comprehensive income.

### Receivables

Receivables are assessed for impairment at each balance date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of comprehensive income.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that ECNZ will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within bad and doubtful debt expense in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

### Intangible assets

Intangible assets that are under development and have yet to achieve functionality are subject to an annual recoverable amount impairment test. Any excess of the asset's carrying amount over its recoverable amount is expensed to the statement of comprehensive income. Intangible assets, other than those under development, are subject to annual review for impairment.

Any impairment losses are expensed in the statement of comprehensive income.

## EMPLOYEE BENEFIT LIABILITIES

A provision for employee entitlements is recognised for benefits earned by employees but not paid at reporting date. Employee benefits include salaries, wages, annual leave, long-service leave and sick leave.

Employee benefits expected to be settled within 1 year, together with benefits arising from wages and salaries, sick leave and annual leave that will be settled after 1 year, have been measured at their nominal amount. Other employee benefits payable after more than 1 year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Certain employees are entitled to 1 week's paid leave after 7 years and again after 10 years of continued service with ECNZ, but there is no entitlement if the employee leaves earlier. The obligation is discounted to its present value using market yields of New Zealand Government bonds as at balance date that have maturity dates approximating to the expected remaining period to settlement. The obligation is also indexed using the historical 5 year average consumer price index as published by the Reserve Bank of New Zealand. The probability of the employees' service is based on historical periods of service.



Termination benefits are recognised as an expense when ECNZ is committed demonstrably without realistic possibility of withdrawal to a formal detailed plan to either terminate employment before the normal retirement date or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if an offer has been made and it is probable that the offer will be accepted.

## LEASE PAYMENTS

Where ECNZ has assumed substantially all the risks and rewards of ownership under a lease, the lease is classified as a finance lease. Otherwise, the lease is classified as an operating lease. Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of comprehensive income over the lease term as an integral part of the total lease expense.

## INCOME TAX

ECNZ is exempt from New Zealand income tax. Accordingly, no provision has been made for income tax.

# 2. Financial instruments – risk management

## FINANCIAL INSTRUMENTS

ECNZ is exposed through its operations to the following financial risks:

- Credit risk
- Currency risk
- Interest rate risk
- Liquidity risk.

In common with similar entities, ECNZ is exposed to risks that arise from its use of financial instruments. This note describes ECNZ's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in ECNZ's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

ECNZ initially recognises financial instruments when it becomes a party to the contractual provisions of the instruments.

ECNZ recognises financial assets when the contractual rights to the cash flows from the assets expire or it transfers the rights to receive the contractual cash flows in the transaction in which substantially all the risks and rewards of ownership of the financial assets is transferred. Any interest in transferred financial assets that is created or retained by ECNZ is recognised as a separate asset.

ECNZ derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. ECNZ also derecognises financial assets and financial liabilities when there has been a significant change to the terms or the amount of the contractual payments to be received or paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, ECNZ has the legal right to offset the amounts and intends to either settle on the net basis or to realise the asset and settle the liability simultaneously.

ECNZ classifies financial assets into the following categories: loans and receivables and adjusts to fair value through the statement of comprehensive income.

ECNZ classifies financial liabilities into the following category: amortised cost.

Financial instruments are initially measured at fair value including, directly attributable transaction costs. Subsequent measurement is dependent on the classification of the financial instruments and is specifically detailed in the accounting policies below.

The fair value of the financial instruments that are traded in the active market at each reporting date is determined by reference to quoted market prices, without any deduction for the transaction cost. In the absence of an active market, the fair value of the financial instruments is measured using valuation techniques with the objective of estimating what the transaction price would have been on the measurement date in an arm's length exchange motivated by the normal operating considerations.

## Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in the active market.

Loans and receivables comprise:

- cash and cash equivalents
- investments - term deposits
- trade and other receivables.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with insignificant risk of changes in value, with maturities of 3 months or less.

## FAIR VALUE THROUGH STATEMENT OF COMPREHENSIVE INCOME

### Investments – managed funds

Managed funds are a portfolio of financial assets that are actively traded with the intention of increasing the value of managed funds.

Managed funds are initially recognised at costs, and transactions costs such as brokerage fees and other fees are recognised in the statement of comprehensive income. Funds are subsequently measured at fair value with gains or losses recognised in the statement of comprehensive income.

Fair value has been determined using quoted market bid prices from independently source market information.

There were no impairment provisions for the managed funds, which are revalued on a monthly basis to determine their fair value.

### Amortised cost financial liabilities

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as amortised costs comprise trade and other payables.

ECNZ has classified financial instruments as follows:

	2019 \$	2018 \$
<b>Loans and receivables</b>		
Cash and cash equivalents	145,338	651,607
Trade and other receivables	2,726,095	1,754,181
Investments – managed funds	4,009,972	3,502,346
<b>Total financial assets</b>	<b>6,881,405</b>	<b>5,908,134</b>
<b>Financial liabilities measured at amortised cost</b>		
Trade and other payables including bank overdraft	631,692	397,778
<b>Total financial liabilities</b>	<b>631,692</b>	<b>397,778</b>

### Credit risk

Credit risk is the risk of financial loss to ECNZ if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

In the normal course of business, ECNZ is exposed to credit risk from cash and term deposits with banks, debtors and other receivables.

Cash and cash equivalents and term deposits are held with New Zealand trading banks with a minimum Standard & Poor's credit rating of A+. The carrying amount of financial assets above represents the maximum credit exposure.

ECNZ's exposure to credit risk from credit sales is low as the majority of revenue is derived from student fees (which are substantially paid in advance) and from the Tertiary Education Commission and the Ministry of Education.

### Currency risk

ECNZ's exposure to currency risk is low as ECNZ has minimal funds deposited in foreign denominated bank accounts and any commitments to overseas suppliers are settled within 30 days.

### Interest rate risk

Interest rate risk is the risk that cash flows from a financial instrument will fluctuate because of changes in market interest rates.

ECNZ is exposed to interest rate risk through its managed funds. This risk is assessed as low as only a small proportion of annual income is derived from such investments (2019: 1%, 2018: 2%).

ECNZ's interest rate risk is limited as the interest rate on managed funds is fixed and with New Zealand registered banks.

### Liquidity risk

Liquidity risk is the risk that ECNZ will encounter difficulty in meeting its obligations associated with financial liabilities as they fall due.

ECNZ has sufficient cash balances to ensure obligations are met as they fall due and only surplus funds are invested in managed funds.

The contractual cash flows of financial liabilities are the same as the carrying amounts disclosed in the financial statements. These are all payable within 6 months of balance date.

### Fair values

The managed funds are measured at fair value and consist of listed shares and listed bonds. Fair values for listed shares and bonds are determined on a monthly basis using market quotations.

There were no impairment provisions for the other financial assets. None of the financial assets are either past due or impaired.

### 3. Capital management

ECNZ's objective when managing capital (members' funds) is to safeguard the entity's ability to continue as a going concern so that it can continue to provide benefits for members and other stakeholders.

### 4. Total revenue

<b>4a Revenue from operating activities</b>	<b>2019 \$</b>	<b>2018 \$</b>
<b>Revenue from exchange transactions</b>		
Membership fees	90,641	102,701
Student fees – international	49,600	30,435
Ministry of Education contracts	171,869	335,898
Other revenue	93,419	247,302
	<b>405,529</b>	<b>716,336</b>
<b>Revenue from non-exchange transactions</b>		
SAC funding	5,034,412	4,305,615
Student fees – domestic	3,036,255	2,559,773
Ministry of Education contracts	156,275	81,862
	<b>8,226,942</b>	<b>6,947,250</b>
<b>4b Investment income</b>		
Realised and unrealised gains/losses on investments	475,209	(155,996)
Interest and dividend income	140,778	182,723
	<b>615,987</b>	<b>26,727</b>



## 5. Other revenue

	2019 \$	2018 \$
Sale of goods and conference income	20,472	146,953
Bad debts recovered	489	861
Consultancy income	3,520	24,087
Sundry income	65,147	24,867
Gain on sale of fixed assets	3,791	50,534
<b>Total other revenue</b>	<b>93,419</b>	<b>247,302</b>

## 6. Office equipment and intangibles write-offs

As part of the annual review for impairment and where an asset is considered to be impaired and the carrying amount is no longer recoverable, the asset is written down and the impairment loss is recognised in the statement of comprehensive income. The following values were written off for the 2019 financial year:

<b>Asset write-offs</b>	2019 \$	2018 \$
Leasehold improvements	1,446	15,870
Equipment	-	3,870
Intangibles	-	82,187
<b>Total asset write-offs</b>	<b>1,446</b>	<b>101,927</b>

In 2019, ECNZ relocated the Gisborne and Hastings teaching bases, and this resulted in some minor leasehold improvements and equipment write-offs. The majority of these write-offs were fully depreciated.

## 7. Personnel costs

	2019 \$	2018 \$
General salaries and wages	5,416,200	5,900,956
Employer contributions to defined contribution scheme	148,659	168,274
Other employment-related costs	432,610	275,369
<b>Total personnel costs</b>	<b>5,997,469</b>	<b>6,344,599</b>

General salaries and wages include redundancies of nil (2018 \$22,482).

## 8. Other expenses

	2019 \$	2018 \$
Audit fees	33,811	32,530
Council members' fees	13,209	15,417
Depreciation and amortisation	383,239	418,207
Legal fees	47,038	23,726
Rent	878,712	871,143
Travel	291,880	333,868
Communications and IT	496,588	515,017
Infrastructure	245,710	247,823
Administration	250,607	252,445
Academic infrastructure	40,145	24,066
Direct student costs	485,011	440,597
Strategic and governance	58,063	222,287
<b>Total other expenses</b>	<b>3,224,013</b>	<b>3,397,126</b>

## 9. Property, plant and equipment

	IT equipment	Office equipment	Leasehold	WIP	Total
<b>Cost</b>					
<b>Balance as at 1 Jan 2019</b>	<b>1,199,445</b>	<b>1,387,408</b>	<b>1,788,016</b>	<b>30,672</b>	<b>4,405,541</b>
Additions	10,392	10,118	79,404	-	99,914
Disposals	(423,378)	(140,402)	(26,817)	-	(590,597)
Transfers to/(from) WIP			30,672	(30,672)	-
<b>Balance as at 31 Dec 2019</b>	<b>786,459</b>	<b>1,257,124</b>	<b>1,871,275</b>	<b>-</b>	<b>3,914,858</b>
<b>Accumulated depreciation and impairment</b>					
<b>Balance as at 1 Jan 2019</b>	<b>824,750</b>	<b>1,333,106</b>	<b>1,475,178</b>	<b>-</b>	<b>3,633,034</b>
Depreciation	134,840	22,013	81,384	-	238,237
Disposals	(423,378)	(140,402)	(28,263)	-	(592,043)
<b>Balance as at 31 Dec 2019</b>	<b>536,212</b>	<b>1,214,717</b>	<b>1,528,299</b>	<b>-</b>	<b>3,279,228</b>
<b>Net book value</b>					
<b>As at 1 Jan 2018</b>	<b>266,659</b>	<b>73,568</b>	<b>230,211</b>	<b>153,302</b>	<b>723,740</b>
<b>As at 31 Dec 2018</b>	<b>374,695</b>	<b>54,302</b>	<b>312,838</b>	<b>30,672</b>	<b>772,507</b>
<b>As at 31 Dec 2019</b>	<b>250,247</b>	<b>42,407</b>	<b>342,976</b>	<b>-</b>	<b>635,630</b>

In 2019, ECNZ relocated the Hastings and Gisborne teaching bases and undertook a complete fitout of the Palmerston North base. This resulted in the additions under leasehold improvements and minor leasehold and equipment write-offs 'please refer to note 6.'

## 10. Intangible assets

	Software	Programme development	WIP	Total
<b>Cost</b>				
<b>Balance as at 1 Jan 2019</b>	<b>614,197</b>	<b>6,847</b>	<b>356,520</b>	<b>977,564</b>
Additions	173,809	208,114	38,897	420,820
Disposals	(54,227)	(141,928)	-	(196,155)
Transfer from WIP	20,224	336,296	(356,520)	-
<b>Balance as at 31 Dec 2019</b>	<b>754,003</b>	<b>409,329</b>	<b>38,897</b>	<b>1,202,229</b>
<b>Accumulated amortisation</b>				
<b>Balance as at 1 Jan 2019</b>	<b>310,707</b>	<b>-</b>	<b>-</b>	<b>310,707</b>
Amortisation	96,808	48,195	-	145,003
Disposals	(196,155)	-	-	(196,155)
<b>Balance as at 31 Dec 2019</b>	<b>211,360</b>	<b>48,195</b>	<b>-</b>	<b>259,555</b>
<b>Net book value</b>				
<b>As at 1 Jan 2018</b>	<b>175,364</b>	<b>-</b>	<b>7,114</b>	<b>182,478</b>
<b>As at 31 Dec 2018</b>	<b>303,490</b>	<b>6,847</b>	<b>356,520</b>	<b>666,857</b>
<b>As at 31 Dec 2019</b>	<b>542,643</b>	<b>361,134</b>	<b>38,897</b>	<b>942,674</b>



## 11a. Cash and cash equivalents

	2019 \$	2018 \$
Cash at bank and on hand	3,275	481,683
Cash at bank – foreign currencies	26,963	28,887
Call deposits	115,100	141,037
<b>Cash and cash equivalents</b>	<b>145,338</b>	<b>651,607</b>

## 11b. Bank overdraft

Bank overdraft	(341,564)	-
<b>Cash and cash equivalents net of overdraft</b>	<b>(196,226)</b>	<b>651,607</b>

ECNZ secured a temporary \$500,000 overdraft facility with Westpac Banking Corporation during the year, which ended on 24 February 2020. The purpose of the overdraft facility was to manage cash flow needs in such a way as to reduce or eliminate the requirement to make drawdowns on ECNZ's managed investment funds during the latter part of 2019.

The overdraft is secured over the personal property of ECNZ and is payable on demand. The interest rate applying to the bank overdraft facility for the year ended 31 December 2019 was 13.6%.

## 12. Trade and other receivables

12. Trade and other receivables	2019 \$	2018 \$
<b>Receivable from exchange transactions</b>		
Membership fees	73,368	41,615
Accrued interest	44,115	23,014
Ministry of Education contracts	24,843	-
Other receivables	56,318	28,222
<b>Receivable from non-exchange transactions</b>		
Student fees – domestic	2,419,603	1,584,873
Ministry of Education contracts	107,848	76,457
<b>Total trade and other receivables</b>	<b>2,726,095</b>	<b>1,754,181</b>

Student fees are due before the course begins or are due upon enrolment if the course has already begun. For courses that span more than one semester, domestic students can arrange for their fees to be paid in instalments.

The ageing profile of trade receivables at year end is detailed below.

Student fees receivables are non-interest bearing and are generally paid in full by the course start date. Therefore, the carrying value approximates to their fair value. A provision was made in 2019 for bad debts that were deemed uncollectable.

	2019 \$	2018 \$
Neither past due nor impaired	349,432	531,811
Past due but not impaired	2,376,663	1,222,370
Impaired	5,324	32,936
Gross	2,731,419	1,787,117
Less: Allowance for impairment	(5,324)	(32,936)
<b>Net trade and other receivables</b>	<b>2,726,095</b>	<b>1,754,181</b>

### 13. Investments – managed funds

	2019 \$	2018 \$
<b>Current assets</b>		
New Zealand fixed interest	515,700	-
<b>Non-current assets</b>		
New Zealand fixed interest	1,625,498	2,043,600
New Zealand property	147,964	133,595
New Zealand equity	366,796	426,547
Global equity	1,354,014	898,604
<b>Total investments – managed funds</b>	<b>4,009,972</b>	<b>3,502,346</b>

ECNZ meets its student fee protection requirements under the Education Act 1989 and the New Zealand Qualifications Authority's Student Fee Protection Rules 2013 using a static trust. Static trust funds are contained within the managed funds investment portfolio. At December 2019, the static trust component of the managed funds investment was \$1,092,243 (2018: \$1,137,918).

### 14. Payables

	2019 \$	2018 \$
<b>Payables from exchange transactions</b>		
Trade payables	124,810	170,992
Other payables	148,247	210,546
<b>Payables from non-exchange transactions</b>		
Payable to the Tertiary Education Commission	17,072	16,240
<b>Total trade payables and provisions</b>	<b>290,129</b>	<b>397,778</b>

Payables are non-interest bearing and normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

## 15. Income in advance

	2019 \$	2018 \$
Membership fees and subscriptions	88,494	108,365
Student fees received in advance	2,754,388	1,877,525
<b>Total income in advance</b>	<b>2,842,882</b>	<b>1,985,890</b>

## 16. Employment-related provisions

	2019 \$	2018 \$
<b>Current</b>		
Accrued salary	148,365	129,964
Defined contribution plans	3,767	3,473
Employment deductions	78,288	111,999
ACC levy	8,991	12,265
Annual leave provision	245,983	421,029
<b>Total current employment-related provisions</b>	<b>485,394</b>	<b>678,730</b>
<b>Non-current</b>		
Sick leave provision	22,488	21,487
Long-service leave	18,592	34,365
<b>Total non-current employment-related provisions</b>	<b>41,080</b>	<b>55,852</b>
<b>Total employment related-provisions</b>	<b>526,474</b>	<b>734,582</b>



## 17. Related-party transactions

Related-party transactions consist of remuneration paid to key management personnel. Key management personnel are classed into two groups.

The Senior Leadership Team, which comprises of the Chief Executive, Deputy Chief Executive and Senior Leadership Team, are employed as employees on normal employment terms. Council members, who are the members of the governing body of ECNZ, are paid the following rates in honoraria for each meeting attended during the period:

- Full day – \$550
- Half a day – \$275
- Hourly rate – \$69
- Minimum fee 2 hours – \$138
- The Council President receives an annual fee of \$20,580.

	2019 Remuneration	Number of meetings	2018 Remuneration	Number of meetings
Council members	50,414	9	50,476	10
Senior Leadership Team	1,034,264	7	1,026,370	7

## 18. Operating lease commitments

	2019 \$	2018 \$
<b>Operating leases</b>		
Not later than 1 year	683,633	772,974
Later than 1 year and not later than 5 years	1,371,805	581,047
Later than 5 years	313,678	17,680
<b>Total</b>	<b>2,369,116</b>	<b>1,371,701</b>

Commitments include premises rent and carpark costs.

## 19. Capital commitments

ECNZ is committed to capital expenditure of \$22,497 relating to leasehold improvements and course development costs (2018: \$26,577).

## 20. Contingent liabilities

There were no contingent liabilities as at 31 December 2019 (2018: nil).

## 21. Events after the balance date

On 23 March 2020, the New Zealand Government issued an Epidemic Notice under section 5 of the Epidemic Preparedness Act 2006 to combat the threat of the Covid-19 pandemic. The measures undertaken by the government included closing New Zealand's borders to almost all travellers and significantly reducing the movement of all people other than those involved in essential services. At the time of the signing of these financial statements, these measures remain in place and could remain in place for several months.

As a consequence, ECNZ has implemented its business continuity plan, and all of ECNZ's staff are fully operational and working remotely from 24 March 2020 until further notice. ECNZ continues to deliver programmes to students, albeit that face-to-face delivery activities have been postponed or alternative arrangements made. Significantly, TEC and other government contracts will continue at contracted funding levels for the remainder of the year ending 31 December 2020.

Much uncertainty exists for the New Zealand economy at the time of the signing of these financial statements, and ECNZ is not able to fully estimate the effects of the Covid-19 pandemic on its results of operations, financial position and liquidity for the 2020 financial year. However, the Council is acting prudently to ensure that ECNZ is positioned as well as possible to continue operations into the foreseeable future in order to meet the aspirations and needs of current and future students and the early childhood education sector in Aotearoa New Zealand. ECNZ has a significant level of

investments held in a managed investment fund to enable this. The investment fund value as at the date of signing this report amounts to \$3.9 million, of which \$2.4 million is held in low-risk cash and term deposits. As a result of the pandemic, the financial market is witnessing a significant drop in market values for some investment asset classes. This therefore means that ECNZ's investment fund will have suffered a decline in value. At the time the financial statements were authorised for issue, the estimate of financial impact is a reduction in the investment fund value of \$295,000. ECNZ has no debt, the bank overdraft at 31 December 2019 was a temporary facility, which was no longer in place at the time the financial statements were authorised for issue, and ECNZ has significant reserves and hence the Council has assessed there is no going concern impact on ECNZ as a result of the Covid-19 pandemic. As at the date of these financial statements, this is considered to be a non-adjusting post-balance date event (2018: none).

# Minutes of the 56th Special General Meeting

**Ngā meneti o te hui ā-tau 56 (ohorere)**

**Held on Friday 30 August 2019, 5.00pm**

AT TE RITO MAIOHA EARLY CHILDHOOD NEW ZEALAND,  
NATIONAL OFFICE, LEVEL 4, AHUMAIRANGI ROOM, 191  
THORNDON QUAY, WELLINGTON

## PRESENT

Members:

Lesley Rameka (President), Julie Buis, Peter Jackson, Meritiana Lolesio, Christine Taare, Clare Wells and Penny Smith

Guests:

Mary Romanos (minutes), and John Diggins (Deputy Chief Executive), Te Rito Maioha Early Childhood New Zealand

## WELCOME

Lesley Rameka, President and Chair, opened the 56th Special General Meeting of the Organisation.

*Peter Jackson did a mihi.*

This Special General Meeting was called by the Chief Executive as we did not achieve a quorum at the AGM held on 25 July 2019. As per Rule 15.6 of the organisation's rules, this is a follow-up meeting with the members present to form a quorum regardless of the numbers present.

## APOLOGIES

Kathy Wolfe, Chief Executive  
Geoff Summer, Council Member  
Rhys Barlow, Council Member  
Justine Jones, Membership Advisor  
Carrigane Childcare Centre  
A'oga Fa'a Samoa Inc  
Moriah Kindergarten Inc  
Peninsula Community Preschool  
Pipitea Childcare Centre  
Matiti Tokelau Akonga Kamata  
Toni Christie  
Maureen Jehly  
Jann Speirs  
Joan Kennett, Life Member  
Helen May, Life Member  
Alison Leonard, Life Member  
Berys Scouse, Life Member  
Cathy Lythe, Life Member  
Kahuwaero Katene, Life Member  
Noreen Moorhouse, QSM  
Barbara Hale, Life Member  
Jan Taouma, Life Member  
Jude Simpson, Life Member

**Moved:** Tiana Taare

**Seconded:** Julie Buis

**AGREED**

## APPOINTMENT OF SCRUTINEERS

The voting procedures for this meeting were explained as:

- by voice
- if unclear, by show of hands
- if required, by voting sticks.

Given the strength of voting in the room, the Chair was able to identify a clear vote by voice and therefore scrutineers were not necessary.

## MINUTES OF THE 55th ANNUAL GENERAL MEETING

*There were no amendments to the minutes.*

MOTION that the minutes of the 55th Special General Meeting held on Friday 31 August 2018, 5pm, at Te Rito Maioha Early Childhood New Zealand, National Office, Level 4, Ahumairangi Room, 191 Thorndon Quay, Wellington 6011 are confirmed to be a true and correct record.

**Moved:** Lesley Rameka

**Seconded:** Christine Taare

**AGREED**

## MATTERS ARISING

There were no matters arising.

## ANNUAL REPORT (AS PUBLISHED ON TE RITO MAIOHA WEBSITE)

MOTION that the Annual Report 2019 (for the year ended 31 December 2018) be accepted.

**Moved:** Lesley Rameka

**Seconded:** Peter Jackson

**AGREED**

## **FINANCIAL STATEMENTS (PRE-CIRCULATED): 1 January 2018 to 31 December 2018**

**MOTION** that the financial statements for the year ending 31 December 2018 be accepted.

**Moved:** Clare Taare  
**Seconded:** Meritiana Lolesio  
**AGREED**

## **CONFIRMATION OF TE RITO MAIOHA EARLY CHILDHOOD NEW ZEALAND AUDITOR FOR THE NEXT YEAR**

**MOTION** that BDO Wellington be confirmed as Te Rito Maioha

Early Childhood New Zealand organisation's auditor for 31 December 2019.

**Moved:** Lesley Rameka  
**Seconded:** Julie Buis  
**AGREED**

## **ELECTION – Kaiwhakahaere**

Christine Taare has been elected as Kaiwhakahaere on Council for a term of 3 years.

## **ELECTION – General**

Clare Wells has been elected as Member General on Council for a term of 3 years.

## **ELECTION – Māori**

Peter Jackson has been elected as Member Māori on Council for a second term of 3 years.

## **PROPOSED ALTERATIONS/ADDITIONS TO THE RULES OF THE ASSOCIATION**

### **New membership class and associated voting rights**

#### **Insert new Rule 5.7.**

5.7	Co-opted Council members appointed under Rule 10.5 may hold co-opted membership for the period of their appointment.
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#### **Insert new Rule 5.8.6:**

5.8.6	Co-opted Council members shall be entitled to one (1) vote.
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#### **Rationale:**

Independent co-opted members are now an important component of Te Rito Maioha Council, bringing expertise and knowledge that enhances the governance of the organisation. Given this independent expertise and knowledge of the operational and political environment within which Te Rito Maioha operates, it is important that these Council members have the opportunity to vote on resolutions and other matters at Annual and Special General Meetings.

**Moved:** Lesley Rameka [25757]  
**Seconded:** Julie Buis [25264]  
**AGREED**

## Change the quorum number from 20 to 15 at any general meeting

### Change Rule 15.5. from:

15.5	The quorum for any general meeting will be twenty (20). If the quorum is not present within half an hour of the appointed opening time, another meeting will be called, by the Chief Executive of Te Rito Maioha within twenty-one (21) calendar days.
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### To read:

15.5	The quorum for any general meeting will be fifteen (15). If the quorum is not present within half an hour of the appointed opening time, another meeting will be called, by the Chief Executive of Te Rito Maioha within twenty-one (21) calendar days.
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#### Rationale:

Over the last 3 years, attendance at the Annual General Meeting has been declining with uncertainties of a quorum until confirmation on the day of the AGM. In 2016, 40 voting sticks were issued with a two-thirds majority (27 votes). In 2017, there were 31 votes with a two-thirds majority (21 votes). In 2018, we did not reach a quorum, and the meeting was adjourned to a Special General Meeting held on 31 August 2018, Wellington receiving two apologies from centre members, one who delegated a proxy vote to a Council voting member and five voting Council members.

Historically we have held the Annual General Meeting at ECNZ's annual conference to make it more assessable for members to attend. Additional to this, the ECNZ conference will now be held biennially and we envisage the numbers will further decline during the period when the conference is not being held.

Alternatively, we could utilise the bases around the motu and hold the AGM via video conference - however this is logistically challenging.

**Moved:** Christine Taare [25090]

**Seconded:** Meritiana Lolesio [25294]

**AGREED**

## GENERAL BUSINESS

The Chair acknowledged life members for their support and nurture of Te Rito Maioha and the work that has been done – often behind the scenes – to promote Te Rito Maioha and assist with submissions.

The Chair acknowledged Kathryn O'Connell-Sutherland for her contribution to Te Rito Maioha's Council. Kathryn stood down from Council late last year.

The Chair noted that, as an organisation, we are fortunate to be able to call on the wisdom of our life members as we look to the future and make decisions that will ensure that Te Rito Maioha is around for at least another 55 years.

The Chair reiterated that our organisation needs members' support to ensure we can continue to provide tertiary qualifications, membership services, professional learning and development and ECE advocacy. Participation in our programmes and continuation of membership is really important at this time as well as encouragement for colleagues to study with us, join us as members, participate in advocacy initiatives and, overall, become part of our fabulous whānau, working together to shape the future of our tamariki. The next AGM will be advised via Member Update.

## MEETING CLOSED

The meeting closed at 5.20pm with a prayer from Peter Jackson.







# Locations

## Ngā wāhi whakaako

We are a field-based provider with 11 teaching bases across New Zealand.

### National Office

#### Physical address

Level 4  
The Thorndon Centre  
191 Thorndon Quay  
Wellington 6011

#### Freephone

0800 244 532  
Tel 04 473 4672

#### Website

[ecnz.ac.nz](http://ecnz.ac.nz)

#### Postal address

PO Box 12725  
Thorndon  
Wellington 6144



### Whangārei

Northland Events Centre  
Unit F2  
51 Okara Drive  
Whangārei 0110  
Tel 09 438 1960

### Rotorua

1157 Pukuatua Street  
Rotorua 3010  
Tel 07 346 2408

### Palmerston North

23 Mihaere Drive  
Palmerston North 4414  
Tel 06 355 0108

### Christchurch

Unit 2B  
Airport Business Park  
92 Russley Road  
Christchurch 8042  
Tel 03 342 1362

### Manukau

Manukau Westfield  
Shopping Centre  
Level 1, Westfield Tower  
Leyton Way  
Auckland 2241  
Tel 09 263 9755

### Gisborne

Unit 3, 152 Ormond Road  
Mangapapa  
Gisborne 4010  
Tel 06 868 4775

### Wellington

Ground Floor  
191A Thorndon Quay  
Thorndon  
Wellington 6011  
Tel 04 460 8921

### Dunedin

Level 2, Bracken Court  
480 Moray Place  
Dunedin 9016  
Tel 03 477 8511

### Hamilton

Level 1  
410 Victoria Street  
Hamilton Central  
Hamilton 3204  
Tel 07 850 4971

### Hastings

120 Market Street  
North Hastings 4122  
Tel 06 878 2307

### Nelson

197 Bridge Street  
Nelson 7040  
Tel 03 548 0511

### Study with us

Rated as a Category 1 provider by the New Zealand Qualifications Authority, Te Rito Maioha is one of the best providers of initial teacher education. To enrol with us, talk to our Student Services Team.

Call 0800 244 532

or email [studentservices@ecnz.ac.nz](mailto:studentservices@ecnz.ac.nz)