



# Statement of Performance Expectations

Te Tauākī o ngā Kawatau  
Whakatutukitanga

1 JULY 2024–30 JUNE 2025

**NZQA**

Mana Tohu Mātauranga o Aotearoa  
New Zealand Qualifications Authority

# 2024/25

## Statement of Performance Expectations

### Te Tauākī o ngā Kawatau Whakatutukitanga

#### Māori proverb

##### Whakatauākī

**The bird that partakes of the berry,  
theirs is the forest. The bird that partakes  
of knowledge, theirs is the world.**

Ko te manu ka kai i te miro, nōna te ngahere.  
Ko te manu ka kai i te mātauranga, nōna te ao.

(Te Kere Ngataierua, Te Āti Haunui-a-Pāpārangi)

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#### Board statement

##### Te tauākī a te Poari

The Board certifies that the information contained in this Statement of Performance Expectations reflects the operations and prospective financial statements, including the appropriateness of the underlying assumptions, of NZQA for the period 1 July 2024 to 30 June 2025.

In signing this statement, we acknowledge our responsibility for the prospective financial statements contained in this Statement of Performance Expectations.

Signed on behalf of the Board



**Pania Gray**  
Acting Board Chair



**Lyn Provost**  
Risk and Assurance  
Committee Chair

Signed on 26 June 2024

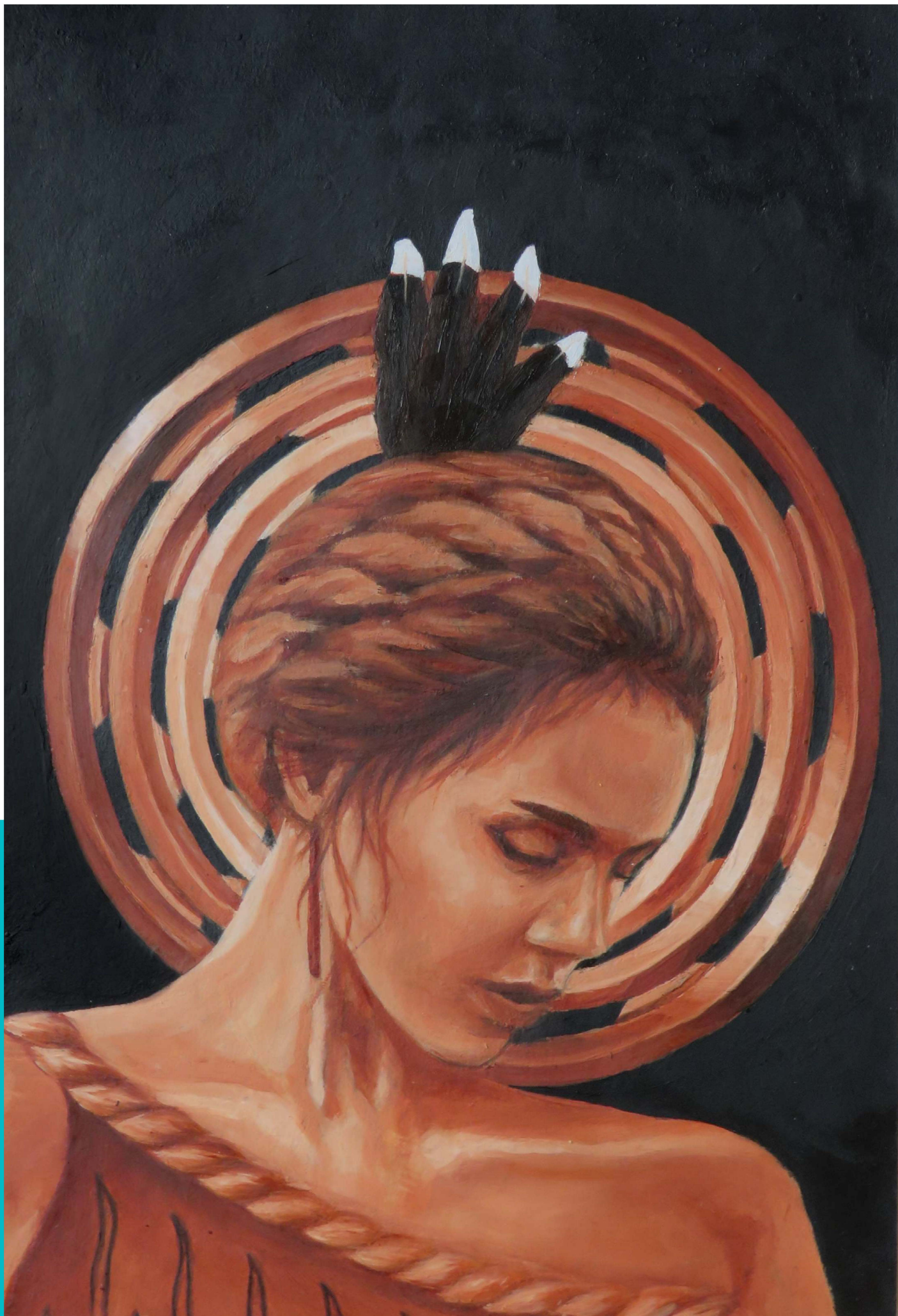
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Credit: Siena Terimene- Simon (*Waikato, Tainui*), Northcote College, *Kura-hau-awatea* – Oil paint on paper, Ringa Toi 2023



## Introduction

### Kupu arataki

**Welcome to the New Zealand Qualifications Authority (NZQA) Statement of Performance Expectations (SPE) for 2024/25. This SPE sets out NZQA’s financial and non-financial performance expectations for the 2024/25 financial year. The SPE is a statutory requirement that provides a base against which outputs can be assessed, ensuring we remain accountable to the Aotearoa New Zealand public. The actual results of service performance (against what is forecast in the SPE) will be published in our 2024/25 Annual Report.**

This SPE is complemented by He tauākī whakamaunga atu | Statement of Intent 2022/23 – 2025/26 (SOI), published in June 2022, which sets out NZQA’s long-term strategic intentions.

## Who we are

### Ko wai mātou

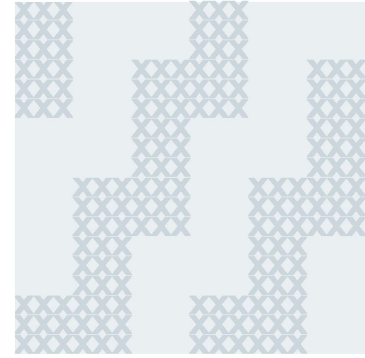
NZQA is a Crown entity under the Crown Entities Act 2004. We are governed by a Board appointed by the Minister of Education. Working alongside our sector agencies, education and sector organisations, learners, teachers and whānau, our primary role as a regulator is to ensure Aotearoa New Zealand qualifications are accepted as credible and relevant, both nationally and internationally.

We do this through our stewardship of the Aotearoa New Zealand Qualifications and Credentials Framework, management of the qualifications system, quality assurance

of tertiary education organisations (except universities), quality assurance of assessment in schools and kura and delivery of robust senior-secondary-school-level assessment. We also support providers to effectively implement the Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code) and monitor compliance with the outcomes of the Code.

Our vision – Kia noho takatū ki tō āmua ao | Qualify for the future world – describes our role and ambition for learners and for Aotearoa New Zealand.





## Strategic intentions

### Ngā koronga rautaki

NZQA's strategic priorities reflect our legislative mandate, the Government's priorities and the Board's strategic commitments. Our strategy is built around shaping a quality assurance system that responds to, and meets, the current and future needs of learners, communities and employers. Our regulatory efforts are focused on lifting the quality of assessment and qualifications. NZQA's regulatory and capability development levers across qualifications, assessment and quality assurance mean we are well placed to support the Government's goals in relation to strengthening NCEA, targeting support for NCEA students who need assistance, measuring student progress and using data to drive education improvements.

Our Outcomes Framework, which is illustrated on page 7, sets the direction we have committed to take. Our two outcomes describe the long-term results we are working towards:

- **1.0** Relevant qualifications and credentials | He whai take ngā tohu mātauranga me ngā tohu moroiti
- **2.0** Trusted assessment and quality assurance | He aromatawai hāngai, he whakaū

The following six impacts describe the difference we seek to make:

- **1.1** The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications | He aronui te pūnaha tohu mātauranga ki ngā hiahiatanga o ngā ahumahi, o ngā iwi-hapū, o ngā hapori, o ngā ākongā anō hoki, me te tipu hoki o te mātauranga Māori ki ngā tohu
- **1.2** Barriers to qualification recognition and mobility are reduced | Te whakahiato i ngā tauārai ki te whakaaetanga me te whakangāwari i ngā tohu mātauranga
- **2.1** Credible assessment and aromatawai practices support high-quality learning and achievement | Kia tautokona te akoranga kounga me te whāinga paetae, he hāngai te aromatawai me ngā tikanga aromatawai
- **2.2** Assessment and aromatawai practices adapt to the changing needs of learners, community and industry | He urutau ngā aromatawai me ngā tikanga aromatawai ki ngā hiahiatanga o ngā ākongā, o te hapori, o ngā ahumahi hoki
- **2.3** Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment | Kia tautokona ngā akoranga kounga me te aromatawai, he hāngai te whakaū kounga

- **2.4** Quality assurance adapts to the changing needs of learners, community and industry  
| He urutau te whakaū kounga ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki

Presiding over our Outcomes Framework and adding value to everything we do is our commitment to honouring and giving effect to Te Tiriti o Waitangi. We are committed to giving effect to Te Tiriti obligations in the Education and Training Act 2020 through an education system that honours Te Tiriti o Waitangi and supports Māori-Crown relationships.



**NZQA gives effect to Te Tiriti o Waitangi**

**Our vision: Qualify for the future world**

**We have a focus on equity for Māori, Pacific and disabled learners, as well as learners with additional learning needs, and learners who experience socio-economic disadvantage**

1.0 Relevant qualifications and credentials	2.0 Trusted assessment and quality assurance	
1.1 The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications	2.1 Credible assessment and aromatawai practices support high-quality learning and achievement	2.3 Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment
1.2 Barriers to qualification recognition and mobility are reduced	2.2 Assessment and aromatawai practices adapt to the changing needs of learners, community and industry	2.4 Quality assurance adapts to the changing needs of learners, community and industry

**We continue to support our people and our customers, and to build our organisational capability to deliver our vision**

**Ka whakamana a NZQA i Te Tiriti o Waitangi**

**Tō mātou whakakitenga: Kia noho takatū ki tō āmua ao**

**E aronui ana mātou ki tēnei mea te mana taurite mō ngāi Māori, mō ngā iwi o Te-Moana-nui-a-Kiwa me ngā ākonga hauā. E whai wāhi mai hoki ngā ākonga e whaikaha ana, e rongonui ana hoki i te pōharatanga**

1.0 He whai take ngā tohu mātauranga me ngā tohu moroitī	2.0 He aromatawai hāngai, he whakaū kōunga	
1.1 He aronui te pūnaha tohu mātauranga ki ngā hiahiatanga o ngā ahumahi, o ngā iwi-hapū, o ngā hapori, o ngā ākonga anō hoki, me te tipu hoki o te mātauranga Māori ki ngā tohu	2.1 Kia tautokona te akoranga kōunga me te whāinga paetae, he hāngai te aromatawai me ngā tikanga aromatawai	2.3 Kia tautokona ngā akoranga kōunga me te aromatawai, he hāngai te whakaū kōunga
1.2 Te whakahiato i ngā tauārai ki te whakaaetanga me te whakangāwari i ngā tohu mātauranga	2.2 He urutau ngā aromatawai me ngā tikanga aromatawai ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki	2.4 He urutau te whakaū kōunga ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki

**Kei te Manaaki tonu mātou i ngā kaupānga, te tautoko me te whakapari te tara-ā-whare**



Credit: Lucca Landon – Paniora (Ngāpuhi, Te Roroa, Ngāti Pou), Mount Albert Grammar School, Gathering of Spirits – Huihuinga Wairua – Acrylic, ink pens, Ringa Toi 2023



## Our focus for 2024/25

### Tā mātou arotahi mō 2024/25

The following pages outline the contribution we are making to Aotearoa New Zealand and highlight the key areas we will advance during 2024/25.

## Outcome 1.0 Relevant qualifications and credentials

### Putanga 1.0 He whai take ngā tohu mātauranga me ngā tohu moroiti

A key outcome for NZQA is ensuring Aotearoa New Zealand’s qualifications and credentials are relevant, credible and portable within Aotearoa New Zealand and internationally. This requires that employers, industry, community, iwi/hapū and other stakeholders are meaningfully involved in the development of new qualifications and credentials and the review of existing qualifications and credentials. Stakeholder ownership of qualifications ensures that education and training generates graduates

with relevant skills and knowledge. To achieve this long-term outcome, we need to make sure that the qualifications system prepares young people and lifelong learners for the social and employment environment of the future. This means removing barriers that have historically contributed to inequitable outcomes and ensuring that all learners can achieve education success through pathways relevant to their world view, context, practices, and the communities they live in.

To guide this work, we are focused on achieving two intermediate outcomes:

Intermediate outcomes	Putanga paetata
1.1 The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications	1.1 He aronui te pūnaha tohu mātauranga ki ngā hiahiatanga o ngā ahumahi, o ngā iwi-hapū, o ngā hapori, o ngā ākongā anō hoki, me te tipu hoki o te mātauranga Māori ki ngā tohu
1.2 Barriers to qualification recognition and mobility are reduced	1.2 Te whakahiato i ngā tauārai ki te whakaaetanga me te whakangāwari i ngā tohu mātauranga

**Intermediate outcome 1.1** The qualifications system is responsive to the needs of industry, iwi/hapū, communities and learners, with increasing use of mātauranga Māori in qualifications

**Putanga paetata 1.1** He aronui te pūnaha tohu mātauranga ki ngā hiahiatanga o ngā ahumahi, o ngā iwi-hapū, o ngā hapori, o ngā ākonga anō hoki, me te tipu hoki o te mātauranga Māori ki ngā tohu

A key focus for NZQA is ensuring the qualifications system reflects the aspirations of Aotearoa New Zealand, evolving stakeholder expectations, changes in work and society, and the need for lifelong learning, driven by digitalisation and other socio-economic forces.

The New Zealand Qualifications and Credentials Framework (NZQCF) is central to Aotearoa New Zealand education and training system. It is the definitive source of information on all quality assured qualifications and micro-credentials. Aotearoa New Zealand’s national qualifications framework provides confidence to stakeholders worldwide in the credibility of our qualifications system. It enables qualifications and credentials to be compared and validated so they can be used for employment and study purposes in other countries. We have been reviewing and reshaping the NZQCF to make it more relevant to the changing world of work and reflecting the needs of all learners.

**Our focus for 2024/25**

- Strengthening relationships, including those with disabled learners.
- Consulting on, and embedding changes to the NZQCF.

**Intermediate outcome 1.2** Barriers to qualification recognition and mobility are reduced

**Putanga paetata 1.2** Te whakahiato i ngā tauārai ki te whakaaetanga me te whakangāwari i ngā tohu mātauranga

Reducing barriers to qualification recognition has benefits for immigration, professional registration, employment, and further study. As Aotearoa New Zealand’s designated National Education Information Centre and competent recognition authority, we work with education providers, employers, other agencies and other countries to support the recognition of Aotearoa New Zealand qualifications overseas. NZQA engages with, and contributes to, various international organisations/associations to ensure that Aotearoa New Zealand’s qualifications and quality assurance frameworks are at the global standard.

NZQA is the only government agency that evaluates overseas qualifications for skilled migrants who wish to live, work and study in Aotearoa New Zealand, and we receive approximately 19,000 overseas qualifications annually.

We have an International Strategic Action Plan 2023–25 that guides our activities, and a programme of international engagements to increase the credibility and transparency of Aotearoa New Zealand qualifications in other jurisdictions and to meet our international commitments.

NZQA is partnering with the Education Quality and Assessment Programme of the Pacific Community to deliver a New Zealand Ministry of Foreign Affairs and Trade funded project. This project has been established to support Pacific countries to strengthen national qualifications and quality assurance systems in the Pacific region through connection with the Pacific Qualifications Framework (PQF).

The purpose of the PQF is to build trust in qualifications from the Pacific region, create transparency about how quality assurance in Pacific national and regional systems operates, and act as a translation device for qualifications between different national qualifications systems so Pacific qualifications can be recognised and used to support skilled employment and access to further education within and outside of the Pacific region.

This project will benefit Pacific nations and the region by supporting:

- more consistency of recognition of Pacific qualification and assurance processes
- wider ownership, trust in, and support of regional qualification systems
- more employment opportunities due to the recognition of Pacific qualifications.

The project will be delivered in two phases. The first two years (2024–25) will focus on initial referencing of Pacific national qualifications frameworks and systems as well as the NZQCF to the PQF. The following three years (2026–28) will focus on strengthening systems to support improved recognition of Pacific qualifications, based on the barriers to recognition identified through the referencing process.

### **Our focus for 2024/25**

- Continuing our international engagement to increase the trust in and transparency of Aotearoa New Zealand qualifications.
- Embedding process efficiencies to make it easier for individuals requiring a qualification recognition service to submit a complete application correctly the first time.
- Advancing the PQF.

## Outcome 2.0 Trusted assessment and quality assurance

### Putanga 2.0 He aromatawai hāngai, he whakaū kounga

Our contribution to Aotearoa New Zealand’s reputation for providing robust, valid, and fair education is through our assessment and quality assurance systems. We support the delivery of fair, valid and consistent aromatawai and assessment that ensure learners can achieve high-quality and credible qualifications. We also regulate secondary and tertiary education providers to support excellence in the education system.

To achieve trusted assessment and quality assurance, we need to ensure that our aromatawai, assessment and quality assurance practices adapt to reflect teaching and learning approaches and meet the changing needs of learners and stakeholder groups.

To guide this work, we are focused on achieving four intermediate outcomes:

Intermediate outcomes	Putanga paetata
<b>2.1</b> Credible assessment and aromatawai practices support high-quality learning and achievement	<b>2.1</b> Kia tautokona te akoranga kounga me te whāinga paetae, he hāngai te aromatawai me ngā tikanga aromatawai
<b>2.2</b> Assessment and aromatawai practices adapt to the changing needs of learners, community and industry	<b>2.2</b> He urutau ngā aromatawai me ngā tikanga aromatawai ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki
<b>2.3</b> Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment	<b>2.3</b> Kia tautokona ngā akoranga kounga me te aromatawai, he hāngai te whakaū kounga
<b>2.4</b> Quality assurance adapts to the changing needs of learners, community and industry	<b>2.4</b> He urutau te whakaū kounga ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki

**Intermediate outcome 2.1** Credible assessment and aromatawai practices support high-quality learning and achievement

**Putanga paetata 2.1** Kia tautokona te akoranga kounga me te whāinga paetae, he hāngai te aromatawai me ngā tikanga aromatawai

NZQA is responsible for the management of external assessment for secondary school students in Aotearoa New Zealand. Our work involves a number of key processes, including the development of assessment materials, marking of assessments and quality assurance of marking to ensure consistency and fairness.

Having credible and accessible assessment and aromatawai processes is a key enabler of student attainment. We want assessment to be a positive and seamless experience that is aligned with learning. It is important that methods of assessment give learners opportunities to demonstrate what they know and can do. We also work closely with subject experts, teachers, and other stakeholders to ensure that our external assessments are accessible, and actively share best practice with teachers and assessors.

#### **Our focus for 2024/25**

- Supporting schools and kura to assess against the new Level 1 achievement standards and NCEA Literacy and Numeracy | Te Reo Matatini me te Pāngarau co-requisite unit standards.
- Developing and delivering external assessments for senior secondary qualifications.
- Sharing our assessment information across the sector to help inform decision-making.
- Using our regulatory levers to support barrier free access for learners.

**Intermediate outcome 2.2** Assessment and aromatawai practices adapt to the changing needs of learners, community and industry

**Putanga paetata 2.2** He urutau ngā aromatawai me ngā tikanga aromatawai ki ngā hiahiatanga o ngā ākonga, o te hapori, o ngā ahumahi hoki

Our vision – Kia noho takatū ki tō āmua ao | Qualify for the future world – means that we must shape and refresh assessment and aromatawai processes and tools to meet changing learner and stakeholder needs. NCEA external assessments should enable effective engagement, support equitable outcomes and be relevant for a digital age.

We recognise some learners do not have equal access to qualifications – they may face barriers to access and/or require additional support. We are committed to reducing assessment barriers and providing targeted support for NCEA students who need assistance. Assistive technologies and assessments incorporating Universal Design for Learning (UDL) principles are tools we use to remove barriers and proactively meet the needs of all learners, particularly disabled learners, and ensure they have the opportunity to demonstrate their knowledge, skills and understanding.

Digital technologies provide opportunities for new types of support and services that can significantly reduce barriers for disadvantaged learners. Over 97% of student respondents who participate in digital assessments say their experience is positive.

In addition to functionality benefits, digital external assessment can lead to greater efficiency and enhanced quality assurance processes.

NZQA plays an important role in providing information to whānau, education organisations and others to better enable them to understand the education system and support learners. We deliver NCEA workshops – NCEA me te Whānau and NCEA ma le Pasifika – to help ākongā Māori, Pacific learners, whānau and communities to understand and navigate NCEA. These free workshops are fun and interactive, and include information about NCEA, subject choices, career pathways, digital exams and the learner support that is available.

**Our focus for 2024/25**

- Strengthening the external assessment cycle for secondary school students.
- Targeting support for NCEA students who need assistance by improving accessibility of assessment through the application of UDL principles and enabling assistive technologies.
- Improving our capability to manage authenticity in external assessments.
- Reducing and removing barriers experienced by disabled learners in external and internal NCEA assessments.

**Intermediate outcome 2.3 Credible quality assurance supports high-quality teaching, learning, aromatawai and assessment**

**Putanga paetata 2.3 Kia tautokona ngā akoranga kounga me te aromatawai, he hāngai te whakaū kounga**

Our contribution to Aotearoa New Zealand’s reputation for providing relevant quality education is through our fair, valid and consistent assessment and robust quality assurance. We use a range of tools to ensure that secondary and tertiary education providers deliver high-quality education and training that meets the needs of learners, employers and other stakeholders. There are four components to our quality assurance system that inform each other: entry controls, monitoring quality, external evaluation and review, and managing risk.

NZQA works with schools and kura to monitor the quality of assessment and outcomes for students engaged in NCEA to ensure that assessment is fair for all students and that results are credible. Each school or kura undergoes a Managing National Assessment review at least once every five years to ensure that assessment is fair, valid and consistent and meets the needs of students. Where improvements are needed, a shorter review cycle is put in place. We support leadership capability, system development and assessment best practice. We offer teachers and assessors professional development opportunities, including workshops and online modules through our learning management system Pūtake.



NZQA’s quality assurance framework is used to quality assure qualifications and programmes of study, register private training establishments and assess organisational performance. We are also responsible for assuring the educational quality of tertiary education (except that provided by universities) by:

- approving applications to list qualifications (excluding university qualifications), micro-credentials, skill standards and achievement standards
- approving the design of programmes and micro-credentials and accrediting and monitoring delivery of these
- implementing a programme of external evaluations and review to confirm the ongoing capability of each provider and consistency reviews to give assurance that graduates are achieving qualifications to an equivalent national standard and that these remain fit for purpose
- investigating and addressing poor education performance.

Providers whose education is delivered in a way that incorporates mātauranga and tikanga Māori can opt to be quality assured using Te Hono o Te Kahurangi: a whare ako framework and methodology NZQA uses for quality assurance in the non-university tertiary sector. Tertiary education organisations can choose between two evaluative approaches when they send an application to NZQA. They can choose either the standard approach or Te Hono o Te Kahurangi.

In 2022, we completed a strategic review of NZQA’s quality assurance framework for nonuniversity tertiary education. The review found that the overall model remains fit for purpose but needs refining to reflect changes arising from the Education and Training Act 2020 and vocational education. It also needs to incorporate NZQA’s regulatory principles and be aligned with the NZQCF. Since this time, we have engaged with a wide range of stakeholders to understand what they consider important. We have shaped what we have learned into a proposed framework and will consult on this during the 2024 calendar year.

Maintaining the integrity of the qualifications listed is a critical part of Aotearoa New Zealand’s education environment and a key component of our role. Qualification, credential, programme, and standards information is currently collected across multiple systems and involves manual processes with a mix of digital and document-based records. This limits our ability to provide up-to-date information on our website and prevents timely reporting. These issues affect numerous organisations including the Ministry of Education, Tertiary Education Commission, Universities New Zealand and education providers, as well as learners, employers and other users of the qualifications system.

During 2024/25, the existing systems will be replaced and bring together qualifications, credentials, programmes and standards information in a single repository. It will provide easier access to reliable information quickly for all users and stakeholders.

**Our focus for 2024/25**

- Sharing assessment best practice and guidance with teachers and assessors, including managing authenticity in school-based assessment, and expanding our Pūtake offerings.
- Undertaking quality assurance reviews of secondary and tertiary organisations.
- Trialling culturally aligned Managing National Assessment processes with selected kura.
- Consulting on a redesigned quality assurance framework.
- Launching a new qualifications and credentials repository to bring together qualifications, credentials, programmes and standards into a single system.

**Intermediate outcome 2.4 Quality assurance adapts to the changing needs of learners, community and industry**

**Putanga paetata 2.4 He urutau te whakaū kounga ki ngā hiahiatanga o ngā ākongā, o te hapori, o ngā ahumahi hoki**

Intermediate outcome 2.4 has two key delivery areas:

- Providing insights from quality assurance on system performance.
- Ensuring the wellbeing and safety of learners.

**Providing insights from quality assurance on system performance**

In a rapidly changing education environment, effective regulation requires adaptation of quality assurance processes based on data and insights and understanding of changing needs gained through learner and stakeholder engagement. NZQA is developing its capability in using data and analytics, which is essential to providing information on the performance and health of Aotearoa New Zealand’s education system. Through greater use of new tools and analytics, we will be able to draw out insights to benefit learners, providers, and sector partners.

**Our focus for 2024/25**

- Continuing to publish a range of insights papers that highlight issues of equity and evidence good/best practice.
- Using innovative methods underpinned by data and customer insight to inform changes to our practices.
- Improving data and insights on accessibility of NCEA assessments.

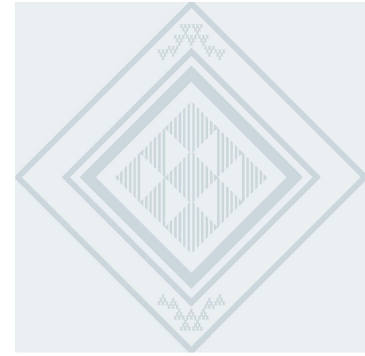
## **Ensuring the wellbeing and safety of learners**

The Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code) sets out the requirements for the wellbeing and safety of domestic tertiary learners and all international learners enrolled with Aotearoa New Zealand education providers. As administrator of the Code, it is NZQA's role to promote the Code to learners and providers, support the sector to meet obligations of the Code, approve applications to become a Code signatory and monitor providers' compliance with the Code.

### **Our focus for 2024/25**

- Delivering on the 2024 Code Administrator Plan, which outlines our focus on engagement, capability building, and monitoring and review.
- Reviewing homestay accommodation.





## How we will deliver Tā mātou hāpai i te tauākī

Success in delivering our outcomes requires us to have the right environment that allows our people to meet customer needs, be supported through tools and processes and have the agility and flexibility to meet future demands. The following pages outline some of the key ways we will strengthen our organisational capability in 2024/25.

### Using customer insights to shape NZQA's services

#### Mā te mōhiotanga o ngā kiritaki e tārai mai ngā ratonga NZQA

At NZQA, the customer is at the centre of everything we do. We have a broad range of customers, including learners, whānau, teachers and kaiako, education organisations, new migrants and employers. Understanding the customer experience is the best way for us to shape our services and establish whether the range of services we provide meets customer needs. We regularly seek customer feedback via workshops, interviews, surveys and via our Contact Centre and digital channels to inform our product and service offering.

### Our focus for 2024/25

- Refining NZQA's secure learner, school and tertiary provider portals.
- Expanding the use of our customer relationship management system to build a single source of information about our customers so that we can better support them.
- Reviewing our stakeholder engagement strategy and action plan.
- Continuing to improve accessibility of our website and channels.
- Enhancing products and services to meet diverse customers' needs.

### Enhancing our systems and infrastructure

#### Te whakatiketike i ā mātou pūnaha me ō mātou tūāhanga

Operating in a rapidly changing world, in which technology touches every part of our lives including the way we work, communicate, and learn, means we need strong and enduring technology solutions. We are constantly rethinking how we can enhance and future proof our systems and infrastructure to achieve our outcomes, improve our organisational capability so we can deliver high-quality services and in turn ensure that our digital services are safe and secure.

This work will be supplemented through one off funding received through Budget 2024 to stabilise our core IT systems and NCEA service delivery. The \$10 million is for costs associated with stabilising NZQA’s IT systems, preparing a Budget 25 Bid for funding to replace the core legacy technology platform, and funding to address risks and pressures in the end-to-end delivery of the NCEA Qualification. This will allow NZQA to address its highest priority core IT stabilisation issues and put in place the foundational capabilities needed for successful transition away from its current legacy technology state.

**Our focus for 2024/25**

- Progressing NZQA’s Information Systems Strategic Plan.
- Closing off core IT programmes that are near completion (Human Capital Management System and the Qualifications and Credentials Repository).
- Improving the reliability of the digital assessment platform to meet expected demand.
- Proceeding with the advancement of the data warehouse to consolidate NZQA data, enhance business intelligence and AI functionalities and align with sector data strategies.
- Ensuring NZQA’s legacy IT systems remain stable.
- Preparing a future Budget bid for funding to replace the core legacy technology platform.
- Addressing critical risks and pressures in the end-to-end delivery of the NCEA Qualification.

**Being committed to creating an inclusive and diverse NZQA**

**E kotahi ana te whakaaro kia whakatipu i te whare NZQA kia tautika, kia kanorau hoki**

As our greatest resource, our people are vital to ensuring that we can deliver our vision for Aotearoa New Zealand. We are working to ensure NZQA is reflective of the diversity of Aotearoa New Zealand, with an inclusive culture comfortable for all people to work in, and where our success is built upon the diverse knowledge, perspectives, backgrounds, and experiences that our people bring.

The foundation of our work is our seven core values known as Ngā Mātāpono, which are woven together like a traditional whāriki or mat. These values are in everything we do, guiding our work, vision and purpose:

- **Kaitiakitanga** – guardianship
- **Whakaponono** – being open and transparent
- **Manaakitanga** – caring for and valuing others
- **Rangatiratanga** – empowering and leading others
- **Kotahitanga** – collaboration and unity
- **Ngaiotanga** – doing our job in the best possible way
- **Mana** – valuing and considering the views, feelings, needs and efforts of others

Building our organisation’s capability is important for our success. In accordance with Rautaki Whakawhanake Tāngata | NZQA People Strategy, we have identified five areas of focus in the short term:

- How we build our employer brand by attracting and recruiting the best-fit people.
- How we onboard our people.
- How we support and develop our people.
- How we celebrate, recognise, and reward our people.
- How we transition our people both within and beyond NZQA.

NZQA also has a focus on being a disability confident employer, through our 2024-27 Disability Action Plan.

#### **Our focus for 2024/25**

- Advancing our Rautaki Whakawhanake Tāngata | NZQA People Strategy focus areas.
- Reducing NZQA’s gender, Māori, Pacific and ethnic pay gaps (in accordance with our Kia Toipoto Action Plan).
- Continuing to roll out and enhance our Human Capital Management system.

## **Being a te reo Māori learning organisation**

### **He whare ako reo Māori**

In line with NZQA’s Equity Statement, and in supporting the Crown to fulfil its obligations under Te Tiriti o Waitangi, we have an enduring commitment to being a te reo Māori learning organisation as part of Te Kōkiritanga – NZQA’s Strategic Action Plan for Ākonga Māori Success. This aligns with Te Maihi Karauna – the Crown’s Strategy for Māori Language Revitalisation – and the expectations of our stakeholders.

NZQA’s focus on equity of access and outcomes for ākonga Māori means we need a culturally competent workforce that can appropriately engage with and respond to ākonga, their whānau, stakeholders and customers.

#### **Our focus for 2024/25**

- Growing and strengthening Te Kāhui Māori (our Māori staff network) and NZQA’s Equity Champions Network.
- Developing internal capability to support the sector in incorporating mātauranga Māori in qualifications and micro-credentials.

## Strengthening our Pacific cultural capability

### Te whakapakari i tā mātou āheinga ahurea Te Moananui a Kiwa

We are committed to strengthening Pacific cultural competency within NZQA – this is crucial for fostering inclusivity, understanding, and effective engagement with Pacific communities. Our work is guided by Takiala Pasifika – NZQA’s Strategic Action Plan for Pacific Learner Success, which is aligned with the Ministry of Education’s Action Plan for Pacific Education.

#### Our focus for 2024/25

- Embedding Pacific insight across all the initiatives being delivered in Rautaki Whakawhanake Tāngata | NZQA People Strategy and growing Pacific cultural capacity and capability across NZQA.
- Growing and strengthening the Pasifika Staff Network.

## Better supporting disabled kaimahi

### Te tautoko i ngā ākongā whaikaha, i ngā kaimahi whaikaha hoki

In April 2024 we refreshed our Disability Action Plan (DAP). The aim of the DAP is to support disabled learners and disabled kaimahi. This work will have an impact across the assessment and quality assurance areas of the outcomes framework set out in this document.

#### Our focus for 2024/25

- Building disability confidence within NZQA.
- Becoming a disability confidence employer.

## Consolidating after a period of organisational change

### Te Whakatōpūtanga whai muri i ngā panonitanga

NZQA underwent a change process at the end of the 2023/24 financial year, the results of which will be rolled out across NZQA in 2024/25. There were several drivers for this change:

- A government policy shift to rephase the roll out of the NCEA Change Programme. This resulted in a reduction in workload associated with new NCEA Level 2 and 3 standards over the next two years, and a corresponding decline in revenue.
- An increased focus on financial sustainability as NZQA moves away from running planned budget deficits towards a balanced budget. The planned budget deficits resulted from a period of necessary investments in core capabilities which were affected by sharply rising costs.
- An emphasis on improving efficiency and effectiveness, which resulted in minor changes to the operating model and organisational structure.

#### Our focus for 2024/25

- Supporting our people as changes are implemented and embedded across the organisation.
- Monitoring the changes to ensure the goals of the changes are achieved.



## Strengthening our financial position

### Te whakahaukaha i te tūranga o te tahua

Strong financial management is required to achieve our strategy.

#### Our focus for 2024/25

- Continuing to seek out opportunities for reductions in costs.
- Improving financial systems to better support organisational decision making and management of risks.
- Refining financial management processes to improve efficiency and effectiveness.
- Reviewing fees and charges to ensure that costs of services are fully recovered.
- Conducting efficiency and effectiveness reviews to improve organisational value of funds expended.
- Reviewing overhead allocation models to ensure that organisational overheads are fully recovered.

## Reducing our carbon footprint

### Te whakaheke i tā mātou tapuwae waro

We are committed to improving our environmental sustainability. We know every little bit counts, and we are intent on reducing our carbon footprint, particularly in the areas of air travel, printing and distribution and general waste. We are working with Toitū Envirocare to measure and benchmark our carbon emissions.

#### Our focus for 2024/25

- Reducing our emissions, particularly those related to travel, printing, and general waste.

## Managing risk

### Te whakahaere tūraru

Managing risk is an integral part of our business. Everyone at NZQA contributes directly to effective risk management. Our risk management framework is a key component of effective governance. Our Risk and Assurance team provides an organisation-wide approach to managing key risks to achieving our objectives, while our Board Risk and Assurance Committee maintains regular oversight of key risks and provides advice to support the Board and Chief Executive in fulfilling their governance and management duties. The Risk and Assurance Committee also supports NZQA on performance, strategy, risk, internal control, and assurance matters.

#### Our focus for 2024/25

- Strengthening, streamlining, and standardising NZQA's organisational risk reporting.
- Closely aligning the Internal Assurance Work Plan and risk management functions with NZQA's strategic priorities.
- Strengthening NZQA's risk capability.

## Being ready for disruptions

### Kia takatū ki ngā tauwhatinga

We are committed to maintaining our business continuity preparedness for major disruption events, including large-scale emergencies or scenarios where business-as-usual activities are disrupted. We continue to keep business continuity preparedness at the centre of our activities so that we can effectively respond to such events in timely, flexible and innovative ways.

#### Our focus for 2024/25

- Refreshing our Business Continuity Plan.





## Measuring our performance Ngā ine whakatutukitanga

NZQA's role is to ensure Aotearoa New Zealand qualifications are recognised and respected, here and overseas, and that qualifications and credentials meet the needs of learners in the changing world. Having high-quality information about our performance enables us to assess and improve the impact and effectiveness of our activities, identify what is working, what isn't working, and target our resources more effectively. It also helps us to be transparent and accountable in our use of resources and to illustrate the value of our work.

Our set of performance measures for 2024/25, outlined below, builds upon those included in our SPE 2023/24 and supplements our Estimates of Appropriation measures. We have undertaken a review of these to ensure they are appropriate, relevant, and quantifiable. This has involved confirming that measures:

- represent NZQA's priorities and key levers
- make a meaningful contribution to telling NZQA's performance story and how we are working towards achieving our outcomes
- are credible and robust.

When reporting on our progress, data will be disaggregated where possible to reflect our responsibility to track and achieve equity for ākonga Māori, Pacific learners, disabled learners, and learners from socio-economic disadvantaged circumstances.

**2024/25 Statement of Performance Expectations Measures**

	<b>Measure</b>	<b>Target 24/25</b>	<b>Why this measure matters</b>
1.	The percentage of stakeholders (employers and communities) who agree or strongly agree that graduates of vocational qualifications have relevant skills and knowledge.	70%	A key outcome for NZQA is ensuring New Zealand’s qualifications and credentials are relevant, credible and portable within Aotearoa New Zealand and internationally. This supports qualification uptake and future employment for graduates. This measure allows NZQA to obtain feedback from stakeholders to determine the relevance of graduates’ skills and knowledge.
2.	The percentage of overseas qualifications evaluated within 35 working days.	70%	The timely evaluation of overseas qualifications is essential to help reduce relative disadvantages that holders of overseas qualifications often face when entering receiving countries. This measure allows NZQA to track the timeliness of our overseas qualification evaluation processes. The target sits within the Lisbon higher education recognition convention target of four months.
3.	The percentage of kura and schools that agree or strongly agree that NZQA’s quality assurance practices support them to improve their aromatatwai and assessment practices.	75%	This measure tracks how effectively NZQA works alongside kura and schools as a quality assurance partner. The presumption is that kura and schools that recognise the need for self-improvement through reflection (aided by NZQA) are more likely to effect meaningful/sustainable self-improvement. Positive feedback reinforces successful approaches, while constructive feedback helps identify areas for enhancement.

	<b>Measure</b>	<b>Target 24/25</b>	<b>Why this measure matters</b>
4.	The percentage of tertiary education organisations that agree or strongly agree that NZQA's quality assurance practices support them to improve their performance.	70%	This measure tracks how effectively NZQA works alongside tertiary education providers as a quality assurance partner. It supports NZQA's balanced approach to regulation, which includes education and support. The presumption is that providers that recognise the need for self-improvement through reflection (aided by NZQA) are more likely to effect meaningful/sustainable self-improvement. Positive feedback reinforces successful approaches, while constructive feedback helps identify areas for enhancement.
5.	The percentage of Year 11s who participated in the NCEA co-requisite assessments (cumulative, as at end of the academic year).	75%	This measure is to track the uptake of the NCEA co-requisite assessments for the target group (Year 11s) in comparison to those who are still relying on the alternative pathways <sup>1</sup> available to meet the co-requisite requirements during the two-year transition period (2024-2025). Indirectly the level of uptake provides information about confidence in the design of our assessments.
6.	The percentage of validated NCEA results provided to learners no later than the end of the third week of January.	99%	This is a timeliness measure to ensure learners can access their validated NCEA results in a timely manner. This allows learners to make decisions about their future academic pathways, particularly for tertiary education.
7.	The percentage of students (in year 10 to 13) that participate in digital external assessment for digitally available assessments.	50%	NZQA has been progressively optimising the number of students being able to be assessed digitally. While the majority of NCEA exams completed are still paper based, digital assessment is now well established with increasing numbers of kura and schools and students participating. Digital technologies provide opportunities for new types of support and services that can significantly reduce barriers for disadvantaged learners. The use of a digital platform also delivers efficiency over paper based external assessment. This measure allows NZQA to track the uptake of student participation in digitally available assessments.

1 As described in Standards approved for NCEA co-requisite for 2024 and 2025 | NCEA (education.govt.nz)

	<b>Measure</b>	<b>Target 24/25</b>	<b>Why this measure matters</b>
8.	The percentage of non-university sub-degree tertiary programmes monitored that continue to meet the programme approval and accreditation criteria. <sup>2</sup>	65%	NZQA wants to ensure the ongoing quality of non-university sub-degree tertiary programmes. This measure allows NZQA to track if non-university sub-degree tertiary programmes continue to meet programme approval and accreditation criteria. NZQA regulates all non-university tertiary qualifications.
9.	The percentage of schools with Code signatory status and tertiary providers that complete an annual attestation confirming that self-review of learner wellbeing and safety practices under the Code is taking place. <sup>3</sup>	90%	NZQA’s role as Code Administrator is to ensure tertiary education providers and all schools with international Code signatory status provide safe, supportive, and accessible learning environments for their learners. The completion of self-review and annual attestation allows NZQA to monitor provider and school compliance with the Code, and encourages provider self-reflection and continuous improvement of practices.
10.	The percentage of survey respondents who agree/strongly agree that the information they received from the New Zealand Qualifications Authority met their needs. <sup>4</sup>	75%	This measure serves as an indicator to determine the effectiveness of the information provided by NZQA to customers. This supports NZQA’s commitment to understand and respond to customer needs.

We will report against these measures in our 2024/25 Annual Report and supplement the results with information from case studies and research where appropriate. We will continue to review and refine our performance measures in the coming year.

<sup>2</sup> This is also one of NZQA’s 2024/25 Estimates of Appropriation measures.

<sup>3</sup> This is also one of NZQA’s 2024/25 Estimates of Appropriation measures.

<sup>4</sup> This is also one of NZQA’s 2024/25 Estimates of Appropriation measures.



Credit: Ava Grace Tuhenga (Ngāti Porou), St Cuthberts College, Te Puipuiake o Piha







## Performance expectations Ngā kawatau whakatutukitanga

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This section provides information on each reportable class of outputs for the financial year. It covers what is intended to be achieved and provides a breakdown of expected revenue – Crown and other revenue and proposed expenditure for each output class.

Information on how our non-financial performance will be assessed is included in the previous section (pages 20-21).

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### Oversight and administration of the qualifications system

#### Te tirohanga whānui me te whakahaere pūnaha tohu mātauranga

##### Overarching purpose statement

##### Te tauākī aronga whānui

The purpose of this multi-category appropriation (MCA) is for NZQA to provide effective oversight and administration of the qualifications system to ensure that Aotearoa New Zealand's qualifications system is valued as credible and robust and that it meets the needs of learners, employers and other stakeholders.

The MCA is funded through Vote Education, which is represented by two expense categories. Total Crown Funding consists of Expense Category 1 and 2. Category 2 funding is made up of Category 2.1, 2.2 and 2.3.

Measuring our performance

Ngā ine whakatutukitanga

2024/25 Estimates of Appropriations measures<sup>5</sup>

	Measure	Target 24/25	Why these measures matter
1.	Percentage of schools who progress from a 'not yet effective' Managing National Assessment (MNA) cycle based on evidence that the school has made the significant improvements <sup>6,7</sup>	60%	A Managing National Assessment (MNA) review evaluates the extent to which a school has effective policies and systems to ensure credible internal assessment for national qualifications. This measure allows NZQA to track the effectiveness of this regulatory lever in shifting school capability to deliver reliable and credible assessments.
2.	The percentage of non-university tertiary education organisations which have had an external evaluation and review completed	20%	External evaluation and review (EER) is the name given to the periodic review of tertiary education organisations (TEOs), conducted by NZQA. EER has two interlocking goals: TEO accountability and TEO improvement. The purpose of this measure is to track and ensure that all registered or recognised and active TEOs, that are subject to EER, are reviewed at least once within a four-year period.

5 The measures in the Performance expectations section are NZQA's Estimates of Appropriations measures for 2024/25, and are published as part of Vote Education for the Budget (<https://budget.govt.nz/budget/pdfs/estimates/v2/est24-v2-educ.pdf>).

6 This measure provides a metric for evaluating the effectiveness of educational interventions and strategies implemented within schools. If a significant percentage of schools are progressing within the MNA cycle, it suggests that these interventions are having a positive impact.

7 The wording of this measure has been updated for 2024/25 to reflect the revised MNA scale. Prior to June 2023, schools were either on a 1-2 year or 3-5 year review cycle. This has been changed to a scale of either 'not yet effective', 'effective' or 'highly effective'. Schools that were previously on a 1-2 year review cycle have been re-classified as 'not yet effective' under the new scale.

## Expense category 1: Secondary school assessments

### Ngā mahi aromatawai o ngā kura tuarua

#### Scope

##### Te korahi

This category is limited to NZQA delivering external assessment for national secondary school qualifications, including the National Certificate of Educational Achievement (NCEA) and Scholarship examinations, and the moderation of internal school assessments.

#### What is intended to be achieved

##### He aha ngā hua ka puta

This category is intended to achieve trust and confidence in robust and equitable secondary school level assessment.

#### Measuring our performance

##### Ngā ine whakatutukitanga

#### 2024/25 Estimates of Appropriations measures

	Measure	Target 24/25	Why this measure matters
3.	The percentage of all National Certificate of Education Achievement (NCEA) marker judgements unaltered following Review or Reconsideration of External Assessment Results processes	99.7%	This measure is an indicator of system health with respect to the accuracy of marker judgements for all NCEA (levels 1-3) external assessment results. If the performance standard is met or exceeded, it indicates the original marker judgements were accurate and reliable.

	<b>Measure</b>	<b>Target 24/25</b>	<b>Why these measures matter</b>
4.	The percentage growth in Special Assessment Conditions applications for Māori students exceeds the percentage growth in applications for students of other ethnicities	Achieved	Special Assessment Conditions (SAC) assist students in addressing various permanent or long-term medical, physical, sensory or learning barriers to achievement in assessments for NCEA or New Zealand Scholarship. SAC helps students fairly demonstrate their knowledge, skills and understanding when being assessed. Ākonga Māori, Pacific learners, and learners from schools with higher barriers to achievement have historically been underrepresented in accessing SAC. These measures allow us to track if these specific groups of learners have equitable access to SAC.
5.	The percentage growth in Special Assessment Conditions applications for Pacific students exceeds the percentage growth in applications for students of other ethnicities	Achieved	
6.	The percentage growth in Special Assessment Conditions applications and notifications from schools with more socio-economic barriers to achievement exceeds the percentage growth in applications and notifications from schools with fewer socio-economic barriers to achievement <sup>8</sup>	Achieved	

8 Prior to 2023/24, NZQA had an Appropriation measure ‘The percentage growth in Special Assessment Conditions applications from lower decile (1-3) schools exceeds the percentage growth in applications from higher decile (8-10) schools’. Following the Ministry’s replacement of the decile system with the Equity Index (EQI) in January 2023, this measure was removed and has subsequently been replaced with this measure.

**Funding****Te tahua pūtea**

Substantially all of the total revenue (96%) for this category of expense is provided by the Crown. The remaining 4% is funded through third-party revenue, including international NCEA fees and non-government-funded secondary examination and assessment fees.

	Forecast 2023/24	Budget 2024/25
<b>Cost and funding</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>		
Crown	62,512	54,467
Other	2,232	2,385
<b>Total revenue</b>	<b>64,744</b>	<b>56,852</b>
<b>Expenses</b>	<b>76,507</b>	<b>67,813</b>
<b>Net (deficit)</b>	<b>(11,763)</b>	<b>(10,961)</b>

**Expense category 2: Standards and qualifications support****Ngā whakamārama me ngā tohutohu mō ngā tohu mātauranga****Scope****Te korahi**

This category is limited to NZQA managing, operating, maintaining and providing advice on the New Zealand qualifications system and providing quality assurance services on NZQA's areas of responsibility.

**Funding****Te tahua pūtea**

Approximately 57% (2023/24: 39%) of the total revenue for this category of expense is provided by the Crown. The remaining 43% (2023/24: 61%) is funded through third-party revenue. The table below is the combination of expense categories for provision of communication and advice, quality assurance and qualifications support structures.

	Forecast 2023/24	Budget 2024/25
<b>Cost and funding</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>		
Crown	19,479	35,108
Other	31,043	27,030
<b>Total revenue</b>	<b>50,522</b>	<b>62,138</b>
<b>Expenses</b>	<b>50,891</b>	<b>53,305</b>
<b>Net (deficit)</b>	<b>(369)</b>	<b>8,833</b>

**Expense subcategory 2.1: Provision of communication and advice**

**Te whakarato i ngā whakapānga me ngā tohutohu**

**Scope**

**Te korahi**

This category is limited to communication and advice related to education policies, programmes and services that are the responsibility of the NZQA.

**What is intended to be achieved**

**He aha ngā hua ka puta**

This category is intended to achieve communication and advice that helps Ministers, learners, communities, employers, schools and tertiary education organisations make informed decisions.

**Measuring our performance**

**Ngā ine whakatutukitanga**

**2024/25 Estimates of Appropriations measures**

	<b>Measure</b>	<b>Target 24/25</b>	<b>Why these measures matter</b>
7.	The percentage of survey respondents who agree/strongly agree that the information they received from the New Zealand Qualifications Authority met their needs <sup>9</sup>	75%	This measure serves as an indicator to determine the effectiveness of the information provided by NZQA to customers.
8.	The overall satisfaction rating given by the Minister of Education on the New Zealand Qualifications Authority	8	We want to ensure that the Minister is satisfied with the services NZQA provides directly to the Minister and their office. This measure allows us to track the Minister of Education’s satisfaction with NZQA’s services.

<sup>9</sup> This measure is also one of NZQA’s 2024/25 SPE measures.

## Funding

### Te tahua pūtea

Substantially all of the total revenue for this category of expense 96% (2023/24: 91%) is provided by the Crown, with the balance from third party revenue, and other sources.

	Forecast 2023/24	Budget 2024/25
<b>Cost and funding</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>		
Crown	3,997	3,527
Other	417	138
<b>Total revenue</b>	<b>4,414</b>	<b>3,665</b>
<b>Expenses</b>	<b>4,436</b>	<b>3,850</b>
<b>Net (deficit)</b>	<b>(22)</b>	<b>(185)</b>

## Expense subcategory 2.2: Quality assurance

### Te whakaū kounga

#### Scope

#### Te korahi

This category is limited to provision by the NZQA of quality assurance services and maintenance of the quality assurance framework to support the Aotearoa New Zealand qualifications system.

#### What is intended to be achieved

#### He aha ngā hua ka puta

This category is intended to achieve higher levels of trust and confidence by learners and other stakeholders in the non-university tertiary education sector.

## Measuring our performance

### Ngā ine whakatutukitanga

#### 2024/25 Estimates of Appropriations measures

	Measure	Target 24/25	Why this measure matters
9.	The percentage of investigations where identified risks or quality concerns have been managed appropriately through intervention or corrective action	100%	Investigating complaints about providers is part of NZQA's regulatory and Code Administrator role. This measure allows NZQA to assess our own quality standards with respect to managing risks and qualification concerns.

	Measure	Target 24/25	Why this measure matters
10.	The percentage of non-university sub-degree tertiary programmes monitored that continue to meet the programme approval and accreditation criteria <sup>10,11</sup>	65%	We want to ensure the ongoing quality of non-university sub-degree tertiary programmes. This measure allows us to track if non-university sub-degree tertiary programmes continue to meet programme approval and accreditation criteria.
11.	The percentage of schools with Code signatory status and tertiary providers that complete an annual attestation confirming that self-review of learner wellbeing and safety practices under the Code is taking place <sup>12,13</sup>	90%	NZQA’s role as Code Administrator is to ensure tertiary education providers and all schools with international Code signatory status provide safe, supportive, and accessible learning environments for their learners. The completion of self-review and annual attestation allows NZQA to monitor provider and school compliance with the Code.

**Funding**

**Te tahua pūtea**

Approximately 61% (2023/24: 58%) of the total revenue for this category of expense is provided by the Crown. The remaining 39% (2023/24: 42%) is funded through third-party revenue, including private training establishment (PTE) registration fees, quality assurance fees for Te Pūkenga – New Zealand Institute of Skills and Technology (including its subsidiaries and divisions), external evaluation and review charges, approval and accreditation charges, and consistency review charges.

	Forecast 2023/24	Budget 2024/25
<b>Cost and funding</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>		
Crown	9,182	9,241
Other	6,736	5,915
<b>Total revenue</b>	<b>15,918</b>	<b>15,156</b>
<b>Expenses</b>	<b>19,446</b>	<b>16,881</b>
<b>Net (deficit)</b>	<b>(3,528)</b>	<b>(1,725)</b>

10 Previously this measure included degree programmes. Degree programmes have been excluded from this measure as a different methodology is used to determine if non-university degree tertiary programmes monitored by NZQA continue to meet the programme approval and accreditation criteria.

11 This measure is also one of NZQA’s 2024/25 SPE measures.

12 Previously this measure included a “one month” buffer period to allow providers to submit their annual attestations. Since this time, the attestation process has matured. Accordingly, the one-month grace period has been removed.

13 This measure is also one of NZQA’s 2024/25 SPE measures.



## Expense subcategory 2.3: Qualifications support structures

### Ngā pūnaha tautoko o ngā tohu mātauranga

#### Scope

##### Te korahi

This category is limited to the NZQA managing, operating, maintaining and providing advice on the New Zealand qualifications system and providing quality assurance services on NZQA's areas of responsibility.

#### What is intended to be achieved

##### He aha ngā hua ka puta

This category is intended to provide New Zealand qualifications that are valued as credible and robust and meet the needs of learners, employers and other stakeholders, with supporting services to help them make informed decisions.

#### Measuring our performance

##### Ngā ine whakatutukitanga

#### 2024/25 Estimates of Appropriations measures

	Measure	Target 24/25	Why this measure matters
12.	The percentage of New Zealand Qualifications Authority-owned standards maintained by their planned review date	95%	All standards listed on the Directory of Assessment and Skill Standards have a planned review date. This is to ensure they remain current and fit-for-purpose. This measure tracks the percentage of NZQA-owned standards that are maintained within their planned review date and also the proportion of the standards that meet the quality standards.
13.	The proportion of New Zealand qualifications (that have graduates) that undergo a Consistency Review in any one financial year	15%	Consistency reviews are part of our quality assurance framework. They help us make sure that graduates of a qualification meet a national standard. The purpose of this measure is to track and ensure that all New Zealand qualifications (that have graduates) are subject to a consistency review at least every 3 to 5 years.

#### Funding

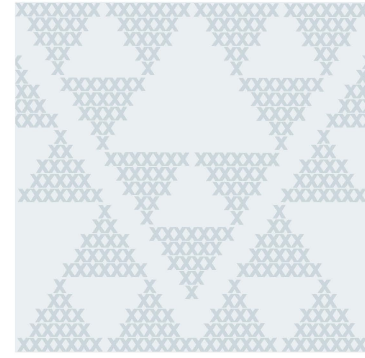
##### Te tahua pūtea

Approximately 52% (2023/24: 21%) of the total revenue for this category of expense is provided by the Crown. The remaining 48% (2023/24: 79%) is funded through third-party revenue, including fees for credit reporting and recognition of overseas qualifications.

	Forecast 2023/24	Budget 2024/25
<b>Cost and funding</b>	<b>\$000</b>	<b>\$000</b>
<b>Revenue</b>		
Crown	6,300	22,340
Other	23,890	20,977
<b>Total revenue</b>	<b>30,190</b>	<b>43,317</b>
<b>Expenses</b>	<b>27,009</b>	<b>32,574</b>
<b>Net surplus</b>	<b>3,181</b>	<b>10,743</b>



Credit: Isabelle Jefferys, Queen Margaret College, *Wāhine Toa* – Ink on paper dry point etching, Ringa Toi 2023



# Prospective financial statements

## Ngā tauākī pūtea

### Financial planning assumptions Ngā whakapae ahumoni

#### Overview

#### Te tirohanga whānui

A number of assumptions were used in preparing these prospective financial statements. NZQA is assuming that the range of services that it currently provides will not significantly change in 2024/25. These assumptions may differ from what actually happens. In particular, changes to the overall economic environment, Government policy, learner demographics, immigration trends and the make-up of the number, and type, of learning institutions within Aotearoa New Zealand will all affect NZQA and its forecast results.

In past years, NZQA has utilised accumulated funds from its net operating surpluses to allow the organisation to manage its financial position more flexibly, to absorb adverse fluctuations in third party revenue, and to re-invest in improved systems and business operations. NZQA has most recently used these accumulated funds to provide investment in some of our core systems, deliver new operating models and enable the necessary capability required by NZQA to maintain sustainable core services. The reduction of these accumulated funds means the ability to maintain this approach has become limited, while further necessary investment is reflected in the planned deficit in 2024/25.

### Revenue

#### Pūtea whiwhi

Revenue from the Crown is based on the information contained in the 2023/24 Estimates of Appropriation, Vote Education.

Consideration has been given to ensuring that fees and charges set are appropriate and deliver maximum value for the services provided. While NZQA may change its fees and charges going forward (through changes in Government policy or otherwise), for the purpose of the development of the prospective financial statements, all fees and charges are estimated at the existing pricing structure and in all existing revenue areas.

Revenue from third parties includes tertiary credit and assessment fees (NZQF credits), charges for qualification recognition services provided to immigrants, charges for external evaluations and reviews, charges for accreditation and other quality assurance services provided to tertiary education providers (including Te Pūkenga and its subsidiaries and divisions) and some non-government-funded secondary examination and assessment fees.

## Expenditure

### Ngā whakapaunga

NZQA's expenditure is based on the assumption that NZQA will continue to realise efficiency and effectiveness savings, while NZQA's outputs are assumed to remain stable.

At the time of writing, NZQA has just announced the outcome of consultation with staff on a change plan to restructure the organisation. The aim is to align staffing levels with the rephasing of the roll out of the NCEA Change Programme and to realise productivity efficiencies that are necessary to improve financial sustainability. The anticipated impacts of the organisational changes have been factored into the 2024/25 Budget.

### Output expense allocations

#### Ngā nama

All revenue, except interest revenue, is allocated directly to output expenses.

NZQA allocates activities to output expenses. Information about expenditure and effort on activities is collected through the general ledger to allow the activities of NZQA to be allocated either directly or indirectly to outputs and output expenses.

Indirect expenditure is allocated to outputs and output expenses by first allocating these costs to the activities that contribute directly to outputs. NZQA's allocation policies are described in the statement of accounting policies. NZQA's output allocation methodology is assumed to be unchanged.

NZQA operates a hybrid of a historical and a zero-based budgeting system in the delivery of outputs. NZQA also aims to provide the best service in the most cost-effective way. NZQA

recognises that, in order to minimise any price increases over time, there is an ongoing need for quality improvement and efficiency gains.

### Key costing and pricing policies

#### Ngā kaupapa here mā ngā whakautu matua

The key costing and pricing policies of NZQA are as follows:

- Core business output and non-output expense products and services are assessed at their full cost, including overhead costs.
- With the exception of secondary examination and assessment fees, charges to learners (including qualifications credit and registration fees) are based on a medium-term full-cost-recovery model, which includes quality assurance and development costs, including overhead costs. Secondary examination and assessment fees are largely funded by the Crown.
- Core business outputs are expected to provide for the research, development, and capital costs of the ongoing maintenance of those outputs.

### Going concern

#### Ngā mānukanuka o te wā

NZQA recognises that taxpayers' net assets/equity and NZQA's liquidity must remain at levels sufficient to ensure that NZQA is viable as a going concern.

In order to ensure this, the Board of NZQA will:

- maintain net assets/equity at a level sufficient to sustain the organisation.
- consult the responsible Minister on the use of taxpayers' equity to ensure it is in line with the Government's direction.

## Prospective financial statements

### Ngā tauākī matapae ā-pūtea

The prospective financial statements have been developed for the purpose of fulfilling NZQA's obligations under the Crown Entities Act 2004 to table an SPE before Parliament. As such, they should not be relied upon by any other party for any alternative purpose without the express written permission of NZQA. Actual results are likely to be different from the prospective financial statements, and the variations may be material.

In issuing the financial statements, the Board of NZQA acknowledges its responsibility for the information presented, including the appropriateness of the assumptions used. The Board also acknowledges its responsibility for establishing and maintaining a system of internal control that is designed to provide reasonable assurance as to the integrity and reliability of NZQA's performance and financial reporting.

These prospective financial statements are issued as at 25 June 2024 and are based on the information available at the time.

**Prospective statement of comprehensive revenue and expense**
**Te tauākī matapae ā-pūtea whiwhi, ā-pūtea whakapaunga**

For the year ending 30 June

	Forecast 2023/24 \$000	Budget 2024/25 \$000
<b>Revenue</b>		
Funding from the Crown	81,991	89,575
Other revenue	32,873	28,866
Interest revenue	2,004	550
<b>Total revenue</b>	<b>116,868</b>	<b>118,991</b>
<b>Expenditure</b>		
Personnel and Board	73,621	71,357
Specialist workforce	11,887	12,570
Professional services	16,859	11,565
Publication, printing and distribution	4,975	4,000
Audit fees	132	165
Capital charge	1,015	500
Travel & Accommodation	3,053	2,262
Information technology costs	8,135	8,721
Other operating costs	6,855	7,147
Depreciation and amortisation	2,468	2,832
<b>Total expenditure</b>	<b>129,000</b>	<b>121,119</b>
<b>Net (deficit)</b>	<b>(12,132)</b>	<b>(2,128)</b>
Other comprehensive revenue and expense	–	–
<b>Total comprehensive revenue and expense</b>	<b>(12,132)</b>	<b>(2,128)</b>

Since NZQA is a wholly owned Crown entity, the entire net deficit and total comprehensive revenue and expense are attributable to net assets/public equity.

## Prospective statement of financial position

### Te tauākī matapae pūtea ā-tūranga

As at 30 June

	Forecast 2023/24 \$000	Budget 2024/25 \$000
<b>Assets</b>		
Current assets		
Cash and cash equivalents	9,308	14,762
Receivables	4,000	4,277
Prepayments	2,000	2,200
Investments	5,500	–
<b>Total current assets</b>	<b>20,808</b>	<b>21,239</b>
Non-current assets		
Property, plant and equipment	1,300	1,286
Intangible assets (including WIP)	2,500	1,021
<b>Total non-current assets</b>	<b>3,800</b>	<b>2,307</b>
<b>Total assets</b>	<b>24,608</b>	<b>23,546</b>
<b>Liabilities</b>		
Current liabilities		
Payables and deferred revenue	8,634	8,600
Employee entitlements	3,825	5,100
Provisions	675	650
<b>Total current liabilities</b>	<b>13,134</b>	<b>14,350</b>
Non-current liabilities		
Employee entitlements	700	550
<b>Total non-current liabilities</b>	<b>700</b>	<b>550</b>
<b>Total liabilities</b>	<b>13,834</b>	<b>14,900</b>
<b>Net assets/public equity</b>	<b>10,774</b>	<b>8,646</b>

**Prospective statement of changes in net assets/public equity**

**Ngā tauākī matapae pūtea ā-rawa, ā-mana taurite**

For the year ending 30 June

	Forecast 2023/24 \$000	Budget 2024/25 \$000
<b>Balance at start of the year</b>	22,906	10,774
Net (deficit)	(12,132)	(2,128)
Total comprehensive revenue and expense	(12,132)	(2,128)
Crown capital contribution	–	–
<b>Net assets/public equity as at 30 June</b>	<b>10,774</b>	<b>8,646</b>
<b>Comprising:</b>		
Contributed capital	20,528	20,528
Accumulated comprehensive revenue and expense	(9,754)	(11,882)
<b>Net assets/public equity as at 30 June</b>	<b>10,774</b>	<b>8,646</b>



**Prospective statement of cash flows**  
**Ngā tauākī matapae pūtea hokohoko**

For the year ending 30 June

	Forecast 2023/24 \$000	Budget 2024/25 \$000
<b>Cash flows from operating activities</b>		
Receipts from the Crown	81,991	89,575
Receipts from other revenue	30,875	27,866
Interest received	2,265	550
Payments for employee and Board costs	(72,359)	(71,290)
Payments to other suppliers	(51,536)	(45,403)
Payments for capital charge	(900)	(594)
<b>Net cash flow from operating activities</b>	<b>(9,664)</b>	<b>704</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(500)	(750)
Purchases of intangible assets	–	–
Purchases of investments	–	–
Receipts from sale of investments	16,500	5,500
<b>Net cash flow from investing activities</b>	<b>16,000</b>	<b>4,750</b>
<b>Cash flows from financing activities</b>		
Crown – capital contribution	–	–
<b>Net cash flow from financing activities</b>	<b>–</b>	<b>–</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,336</b>	<b>5,454</b>
Cash and cash equivalents at the beginning of the year	2,972	9,308
<b>Cash and cash equivalents at the end of the year</b>	<b>9,308</b>	<b>14,762</b>

## Statement of accounting policies

### Te tauākī o ngā kaupapa here pūtea

#### Reporting entity

##### Te hinonga rīpoata

The New Zealand Qualifications Authority (NZQA) is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in Aotearoa New Zealand. The relevant legislation governing NZQA's operations includes the Crown Entities Act 2004 and the Education and Training Amendment Act 2022. NZQA's ultimate parent is the New Zealand Crown.

NZQA's core business is to provide services to the Aotearoa New Zealand public. NZQA ensures that Aotearoa New Zealand qualifications are valued as credible and robust both nationally and internationally. NZQA is accountable for managing the New Zealand Qualifications and Credentials Framework (NZQCF), administering the secondary school assessment system, independent quality assurance of non-university education providers, qualification recognition and standard setting for some specified unit standards.

For the purposes of financial reporting, NZQA is designated a Tier 1 public benefit entity whose primary objective is to provide goods and services for community or social benefit rather than for a financial return to equity holders.

The reporting period for the prospective financial statements is the year ending 30 June 2025.

#### Basis of preparation

##### Te tūnga pūtea o te rōpū

The prospective financial statements have been prepared on a going-concern basis, and the accounting policies, which materially affect the measurement of results and financial position, have been applied consistently throughout the year. The prospective financial statements have also been prepared on a historical cost basis unless otherwise specified (for example, actuarially assessed liabilities).

#### Statement of compliance

##### Te tauākī tūtohu

The prospective financial statements have been prepared as per the statutory requirement of section 149 of the Crown Entities Act 2004.

The prospective financial statements have been prepared in accordance with Aotearoa New Zealand generally accepted accounting practice. They comply with PBE FRS 42 Prospective Financial Statements and other applicable standards as appropriate for Tier 1 public benefit entities.

#### Presentational currency and rounding

##### Te whakaatu me te whakaawhiwhi pūnaha moni

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

#### New accounting standards and interpretations

##### Te paearu me ngā whakamāramatanga kaute hou

All accounting policies adopted in these prospective financial statements are considered to be consistent with those of the previous year. There are no standards issued and not yet effective and not early adopted that are considered to have a material impact on the financial statements.

## Summary of significant accounting policies

### Te rāpopototanga o ngā kaupapahere kaute

Accounting policies are changed only if the change is required by a standard or interpretation or otherwise provides more reliable and more relevant information. Significant accounting policies are outlined below.

#### Judgements and estimations

##### Ngā whakataunga me ngā whakataunga wawe

The preparation of these prospective financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The most significant areas of estimate and judgement relate to determining the cost of internally generated software and assessing and reviewing the useful lives and residual values of intangible assets. In particular, this requires judgement on whether costs are research or development related to ensure that only appropriate development costs are capitalised.

## Revenue

### Pūtea whiwhi

In determining whether its various revenues are from exchange or non-exchange transactions, management exercises judgement as to whether NZQA gives approximately equal value (primarily in the form of cash, goods, services or use of current assets) in exchange for the revenue it receives.

As there are no assets or services of approximately equal value provided back to the Crown in exchange for the funding it receives from the Crown, management has determined that revenue from Crown appropriations is to be classified as being from a non-exchange transaction.

Funding from all other sources results from exchange transactions.

#### Funding from the Crown

##### Pūtea a te Karauna

NZQA has been provided with substantial funding from the Crown. This funding is restricted in its use for the purpose of NZQA meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the founder. NZQA considers there are no conditions attached to the funding, and it is recognised as revenue at the point of entitlement. This is considered to be the start of the appropriation period to which the funding relates. The fair value of funding has been determined to be equivalent to the amounts due in the funding arrangements.

### **Other revenue**

#### ***Pūtea whiwhi atu***

Other revenue includes various fees, including those for qualification recognition services, credit reporting and quality assurance services. These are recognised as the work is completed.

### **Interest**

#### ***Itareti***

Interest revenue is recognised using the effective interest rate method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

### **Cost allocation**

#### ***Te tuari utu***

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be applied in an economically feasible manner to a specific output. Direct costs, including depreciation, are charged directly to outputs. Indirect costs are charged to outputs using appropriate cost drivers such as actual usage, staff numbers or floor area.

### **Leases**

#### ***Te rīhitanga***

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense in the statement of comprehensive revenue and expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

### **Cash and cash equivalents**

#### ***Ngā moni me ngā moni taurite***

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of less than three months. They are measured at the amount invested less any non-trivial expected credit losses.

### **Receivables**

#### ***Ngā whiwhinga***

Short-term receivables are recorded at the amount due less an allowance for expected credit losses. The simplified approach to providing for expected credit losses as prescribed by PBE IPSAS 41 Financial Instruments is applied to receivables.

### **Investments**

#### ***Ngā haumitanga***

Investments represent term deposits held with banks with original maturities of three months and above and are measured at the amount invested less any non-trivial expected credit losses. Interest is subsequently accrued using the effective interest rate method and is recorded within receivables.

### **Property, plant and equipment**

#### ***Te papa, te tari, ngā taputapu hoki***

Property, plant and equipment asset classes consist of computers and electronic equipment, leasehold improvements, furniture and fittings, office equipment and motor vehicles. All these asset classes are measured at cost less accumulated depreciation and impairment losses.

**Additions*****Ngā āpiti hanga***

The initial cost (and any subsequent costs) of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to NZQA and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

**Disposals*****Ngā ākiri***

Gains and losses on sale of property, plant and equipment are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

**Depreciation*****Te hekenga wāriu***

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

Computers and electronic equipment (desktop and notebooks)	4 years	25%
Computers and electronic equipment (network equipment and servers)	3–5 years	20–33%
Furniture and fittings	10 years	10%
Office equipment	5 years	20%
Leasehold improvements	* See below	* See below
Motor vehicles	4 years	25%

\* Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful life of the improvements, whichever is the shorter.

***Impairment of property, plant and equipment (and intangibles)***

***Te whakahauātanga o te papa, o te tari, o ngā taputapu hoki***

NZQA does not hold any cash-generating assets. Assets are considered cash-generating assets when their primary objective is to generate a commercial return.

Property, plant and equipment held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is also recognised in the surplus or deficit.

**Intangible assets**

**Ngā rawa tautuhi kore**

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

***Acquired software***

***Ngā pūmanawa rorohiko matua***

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

***Internally generated software***

***Ngā pūmanawa rorohiko tarāwhare***

Costs that are directly associated with the development phase of internally generated software are recognised as an intangible asset. Direct costs include software development, employee costs and an appropriate portion of relevant overheads. The development phase occurs after the following can be demonstrated: technical feasibility, ability to complete the asset, intention and ability to sell or use and the development expenditure can be reliably measured. Research is "original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding".

Expenditure incurred on the research phase of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when incurred.

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

Appropriate costs associated with the development of NZQA’s website are capitalised and amortised over the period of the life of the asset in accordance with generally accepted accounting practice.

### ***Work in progress***

#### ***Ngā mahi o te wā***

Work in progress, which largely represents the development of internally generated software, is recognised at cost less impairment and is not amortised.

### ***Amortisation***

#### ***Ngā utu whakahoki***

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated for each specific individual item of acquired and internally generated computer software. Internally generated software is amortised over 3–4 years (25– 33%) with other acquired software amortised over 3–5 years (20– 33%).

### ***Impairment of intangible assets***

#### ***Te hauātanga o ngā rawa iti***

Refer to the policy for impairment of property, plant and equipment above. The same approach applies to the impairment of intangible assets.

### **Payables and deferred revenue**

#### **Ngā nama me ngā pūtea whiwhi tārewa**

Short-term payables are recorded at the amount payable. Due to their short-term nature, they are not discounted and are unsecured.

### **Employee entitlements**

#### **Ngā āheinga kaimahi**

#### ***Short-term benefits***

#### ***Ngā hua o te pae tata***

Employee benefits that NZQA expects to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date and sick leave.

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

NZQA recognises a liability and an expense for bonuses where it is contractually obliged to pay them or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

**Long-term benefits**

**Ngā hua o te pae tawhiti**

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service such as long-service leave and retirement leave have been calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement and contractual entitlements information
- the present value of the estimated future cash flows.

**Presentation of employee entitlements**

**Te whakaatu āheinga kaimahi**

Sick leave, annual leave and most of the vested long-service leave are classified as a current liability. Both non-vested long-service leave and retirement leave that is expected to be settled within 12 months of balance date are also classified as a current liability. All other employee leave entitlements are classified as a non-current liability.

**Superannuation schemes**

**Te pūtea penihana kaumātua**

Employer contributions to KiwiSaver, the Government Superannuation Fund and other NZQA superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

**Provisions**

**Ngā pūtea penapena**

NZQA recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation.

**Contingent liabilities**

**Ngā kawenga ā-rōpū**

A contingent liability is a possible obligation arising from a past event that will only be confirmed by one or more uncertain events not wholly within the control of an entity. Disclosure is provided for any contingent liabilities that are not considered remote.

**Financial instruments**

**Ngā taonga ahumoni**

Financial Instruments are initially recognised at fair value and subsequently classified as measured at amortised cost. This classification is made by reference to the purpose and nature of the financial instrument or group of financial instruments.



Financial assets (which comprise cash and cash equivalents, receivables and term deposits) are subsequently measured at amortised cost where they are held for the purpose of collecting contractual cash flows and those cash flows are solely related to payments of principal and interest. Interest and any impairment losses are recognised in the statement of comprehensive revenue and expense. Generally, the amount invested or amount due less any allowance for expected credit losses is used to estimate the amortised cost.

Financial liabilities (which comprise payables) are subsequently measured at amortised cost. The amount payable is used as a reasonable estimate of amortised cost as they are typically short term in nature.

### **Related-party transactions**

#### **Ngā hokohoko ā-rōpū**

Compensation paid to key management personnel of NZQA is classified as a related-party transaction. Compensation includes short-term, long-term and retirement employee benefits.

Key management personnel are those having the authority and responsibility of planning, directing and controlling the activities of the organisation directly or indirectly. This comprises the Board and members of the Strategic Leadership Team, which includes the Chief Executive.

Funding from government agencies is carried out on a commercial and arm's length basis.

### **Taxation**

#### **Te tāke**

NZQA is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision for income tax has been made.

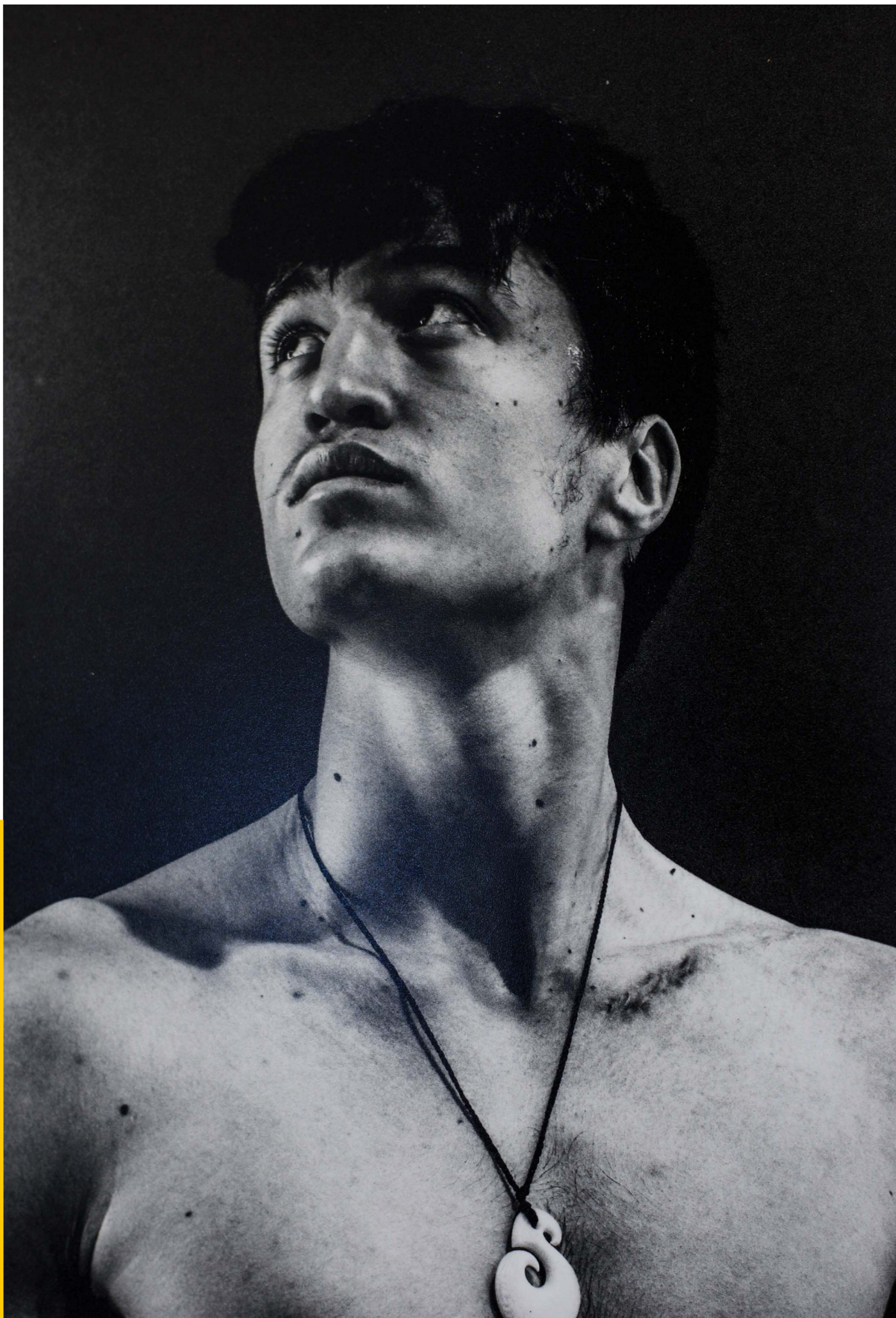
#### **Goods and services tax (GST)**

##### **Te tāke hokohoko**

All items in the prospective financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from or payable to Inland Revenue is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.



Credit: Kaahurere MacKay (*Ngāti Raukawa, Ngāti Kahungunu ki Wairarapa*), Rathkeale College, *Te Tamitanga*

## Glossary

### Kuputaka

<b>Action Plan for Pacific Education 2020–2030</b>	The Government and Ministry of Education’s plan to ensure diverse Pacific learners and their families are safe, valued and equipped to achieve their education aspirations.
<b>Aromatawai</b>	Aromatawai starts with the learner. It is a teaching, learning and assessment approach based on te ao Māori values, beliefs, and aspirations. The values and features of aromatawai enrich and inform assessment design and are appropriate for all ākonga. The term ‘aromatawai’ is derived from two words that convey its special nature – its role in learning and teaching. Aro is ‘to take notice of’ or ‘pay attention to’, and matawai is ‘to examine closely’. Within the learning context, aromatawai is literally a way of focusing on the learner, what they can do, their learning journey and experience, the relationship between kaiako and ākonga and how that information can support learning instantly and over time.
<b>Assessment</b>	Collecting and evaluating evidence to establish the level of an individual’s performance in relation to agreed outcomes.
<b>Assessment (secondary – external)</b>	Assessment (NCEA or New Zealand Scholarship) conducted by NZQA. This includes reports, submissions, common assessment activities and national examinations held at the end of the school year.
<b>Assessment (secondary – internal)</b>	Assessment conducted by a secondary school during the school year. Independent moderation by NZQA provides assurance that assessment decisions, in relation to assessment standards, are consistent nationally and that assessment judgements (marking of learners’ work) are at the national standard.
<b>Assessment standards</b>	An assessment standard is a standard listed on the Directory of Assessment and Skill Standards. There are two types of assessment standard – achievement standards and unit standards.

<b>Directory of Assessment and Skill Standards</b>	The Directory of Assessment and Skill Standards lists all quality assured assessment standards and skill standards approved by NZQA for use by institutions as standards for the assessment of students.
<b>Education organisation</b>	An organisation supplying education, training and/or assessment services that is recognised within the formal schooling, education, and training system. This can include secondary schools, government organisations and private providers.
<b>Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (the Code)</b>	The Code supports the wellbeing of tertiary and international learners enrolled with Aotearoa New Zealand education providers.
<b>Evaluative quality assurance</b>	This is the basis of NZQA’s quality assurance system. It uses: <ul style="list-style-type: none"> <li>• evaluation theory and practice to reach well-informed, robust, consistent, and reliable evidence-based judgements about all aspects of organisational performance and capability</li> <li>• a practical focus on outcomes and key contributing processes</li> <li>• awareness and improvement through organisational self-assessment.</li> </ul>
<b>External evaluation and review</b>	A review that provides a judgement on the relative quality of a tertiary education organisation. NZQA expresses this judgement in a report that states NZQA’s level of confidence in the tertiary education organisation’s educational performance and capability in self-assessment.
<b>Ka Hikitia – Ka Hāpaitia</b>	The Ministry of Education’s strategy to change how the education system performs so that all Māori learners gain the skills, qualifications, and knowledge they need to enjoy and achieve education success as Māori.
<b>Managing National Assessment (MNA)</b>	A process for achieving valid, fair, accurate and nationally consistent internal assessment in schools. It is a partnership between schools and NZQA in which NZQA reviews the schools’ processes or systems for managing assessment.
<b>Managing National Assessment review</b>	A review by NZQA of schools’ processes or systems for managing assessment for qualifications, including systems for achieving valid, fair, accurate and nationally consistent internal assessment.

<b>Moderation</b>	A process for confirming that an organisation’s assessment decisions are fair, valid, and consistent with the required standard across a number of assessors or assessing organisations nationally.
<b>National Certificate of Educational Achievement (NCEA)</b>	Aotearoa New Zealand’s national qualification for secondary school learners. Available at levels 1–3, it is registered as part of the New Zealand Qualifications and Skills Framework.
<b>New Zealand Qualifications and Credentials Framework (NZQCF)</b>	The NZQCF is a comprehensive system that organises all New Zealand qualifications and credentials into a single framework. The framework outlines the levels and types of qualifications and credentials available in Aotearoa New Zealand and provides a way for learners, employers and education providers to understand the level and quality of qualifications.
<b>New Zealand Scholarship</b>	An additional examination most often undertaken by learners in the final year of secondary school (Year 13). New Zealand Scholarship is a competitive monetary award for top-performing learners who intend to enter tertiary study. It does not contribute towards a qualification.
<b>Outputs</b>	The goods and services produced by an entity to support the achievement of its impacts and outcomes.
<b>Private training establishment (PTE)</b>	An establishment that provides post-school education and training and is registered by NZQA under Part 4 of the Education and Training Act 2020.
<b>Qualification</b>	A qualification listed on the New Zealand Qualifications and Credentials Framework.
<b>Secondary school</b>	Any secondary school in Aotearoa New Zealand, Cook Islands or Niue holding consent to assess for NCEA and/or that has learners who sit New Zealand Scholarship examinations.
<b>Self-assessment</b>	The process that providers of post-school education and training services use to establish evidence of their own effectiveness. The results of the process should inform future planning and lead to actions that bring about improvements.
<b>Skill standard</b>	Skill standards are the core building blocks of vocational qualifications and some other qualifications and credentials. They are listed at levels 1–7 and are components of qualifications up to level 7 diplomas.

<b>Special Assessment Conditions (SAC)</b>	SAC provides support to learners with sensory, physical, or medical conditions/impairments and/or specific learning disorders so they have a fair opportunity to demonstrate their skills and knowledge in internal and external assessment (in both NCEA and New Zealand Scholarship).
<b>Standards</b>	There are three types of standards in the Directory of Assessment and Skill Standards: achievement standards, unit standards and skill standards. Because the standards are nationally agreed, learners' achievements can be recognised in a number of contexts, and their knowledge and skills will be transferable between qualifications and providers. Credits from all achievement standards unit standards and skill standards count towards NCEA.
<b>Takiala Pasifika</b>	NZQA's Pacific Strategic Action Plan that outlines NZQA's commitment to enabling Pacific learners, families, and communities to achieve their aspirations.
<b>Te Hono o Te Kahurangi</b>	Te Hono o Te Kahurangi is a whare ako framework and methodology NZQA uses for quality assurance in the non-university tertiary sector. Tertiary education organisations can choose between two evaluative approaches when they send an application to NZQA. They can choose either the standard approach or Te Hono o Te Kahurangi.
<b>Te Kōkiritanga</b>	NZQA's Māori Strategic Action Plan that outlines NZQA's commitment to achieving equity for ākonga Māori and their whānau.
<b>Tertiary education organisations</b>	Universities, wānanga, institutes of technology and polytechnics, private training establishments, government training establishments and other providers.
<b>Wānanga</b>	A body established under section 162(2) of the Education Act 1989 that is characterised by teaching and research that maintain, advance, and disseminate knowledge and develop intellectual independence and assist in the application of knowledge regarding āhuetanga Māori (Māori tradition) according to tikanga Māori (Māori custom).





Mana Tohu Mātauranga o Aotearoa  
New Zealand Qualifications Authority