

ANNUAL REPORT

COMET



WORKING TOGETHER FOR EDUCATION

2010

2011

Whakatauki

E kore e taea e te whenu kotahi
ki te raranga i te whāriki
kia mōhio tātou ki ā tātou.
Mā te mahi tahi ō ngā whenu,
mā te mahi tahi ō ngā kairaranga,
ka oti tēnei whāriki.
I te otinga
me titiro tātou ki ngā mea pai ka puta mai.
Ā tana wā,
me titiro hoki
ki ngā raranga i makere
nā te mea, he kōrero ano kei reira.

Kūkupa Tirikatene

Proverb

The tapestry of understanding
can not be woven
by one strand alone.
Only by the working together of strands
and the working together of weavers
will such a tapestry be completed.
With its completion
let us look at the good that comes from it
and, in time,
we should also look
at those stitches which have been dropped,
because they also have a message.

CONTENTS

2	CHAIR REPORT
3	CEO REPORT
4	PERFORMANCE REPORT - LEADERSHIP AND STRATEGY
6	PERFORMANCE REPORT - CENTRE FOR FAMILY LEARNING
8	PERFORMANCE REPORT - SKILLS AUCKLAND
10	A SNAPSHOT OF AUCKLAND'S EDUCATION LANDSCAPE
12	UNLOCKING AUCKLAND'S POTENTIAL – ADDRESSING LOW ADULT LITERACY & NUMERACY
14	FINANCIAL REPORT
24	PRINCIPAL FOR A DAY PARTICIPANTS

ACKNOWLEDGEMENTS

The generous support of many people and organisations makes our work at COMET possible. We are grateful for the commitment and dedication shown by these people who are passionate about making education accessible for all Aucklanders.

WE THANK:

- Manukau Institute of Technology (MIT) which continues to provide COMET with essential office accommodation and technical support, and is also partnering COMET in the Te Whanau Ara Mua programme.
- Mayor Len Brown in his capacity as mayor of both Auckland Council and the former Manukau City Council.
- Liaison officers of the former Manukau City Council and Auckland Council especially David Flett and Lisa Endersby.
- John Delugar at Brookfields Lawyers who provides COMET with pro bono legal work.
- Our generous sponsors this year including contributions from the Todd Foundation and ASB Community Trust which funded the work of the Centre for Family Learning; Coverstaff Recruitment and Vodafone made Principal for a Day possible and IBM continued funding the SmartCentres project.
- The Ministry of Education for providing funding for the Te Whanau Ara Mua Programme.
- COMET Trustees, present and past.



CHAIRPERSON'S REPORT

Back in 1999 when COMET was established it would have been hard to envisage the changes the organisation has faced during this past year.

COMET was established when Manukau City Council realised that the only track to achieving its economic development strategy was one that led to increased jobs, and so it prepared an employment strategy. It was then an easy step to see that education would be at the heart of both and so an education strategy gave birth to a trust that became COMET.

In that respect, some things do not change.

COMET remains focused on developing a role for education across the sectors and the community to support the growth of skills and education, and to support people into employment and a life that contributes to a sound and prosperous community.

With the formation of the unitary Auckland Council, COMET has a new and different set of partners which take a wider regional view and bring together many communities working towards a greater good.

COMET will face those challenges without the central involvement of its foundation Chief Executive, Bernardine Vester, who resigned during the year to continue her energetic and vigorous work in pursuit of these goals in new and different ways. She has played a pivotal role in the development of COMET and leaves with our best wishes and our thanks for an unstinting contribution over almost 12 years.

An organisation is only as good as its people.

COMET has a dedicated and effective staff whom I thank for their efforts, which are invariably of high quality.

They are well supported by the Board which this year saw Bill Gavin retire after nine years of bringing his leadership and experience to bear on our work. During the last three years he has been Chair of the Board and I thank him for the considerable time and energy he devoted to COMET.



Stuart Middleton
Dr Stuart Middleton, Chair

CHIEF EXECUTIVE'S REPORT

Education is fundamental to Auckland's future.

It needs an advocate to shape a uniquely Auckland perspective on learning outcomes; it needs leadership and innovation.

I sense a mood for a shift in the way in which the education and skills sector works in Auckland. The commitment of stakeholders to shifting educational outcomes has been repeatedly expressed in many forums over the last year.

COMET offers something unique:

A nugget of efficient practice that has been, and can continue to be, a catalyst for new ways of thinking and doing.

With a quality team COMET continues to play a very important role in addressing education's contribution to the city's future.

This report reflects on a period of transition. I hope readers will be able to recognise a strategic commitment to advance into the new Auckland Council with confidence in the CCO model for furthering community engagement in education.

This is my final Annual Report as Chief Executive. Over nearly 12 years, I have worked with three very fine Chairs (Colleen Brown, Dr Stuart Middleton, and Bill Gavin), many trustees and excellent staff. All have committed themselves to the advancement of education in Manukau and I would like to thank everyone who has made this work so rewarding and worthwhile.

It has been a real pleasure to work in an environment where the importance of education has been recognised and valued; and where critique and support have in equal measure allowed us to grow and glow as an organisation.

Kia kaha everyone.



B Vester

Bernardine Vester

LEADERSHIP AND ADVOCACY

HOW DID WE PERFORM? REPORTING ON OUR ANNUAL PLAN AS PUBLISHED IN COMET'S STATEMENT OF INTENT.

OUTCOME:

Education and skills are a key platform for social and economic development in Auckland as part of the long-term Auckland Plan.

PLANNED ACTIONS:

Make submissions to Council on the inclusion of education and skills in the Auckland Plan.

Participate in community networks to increase learning opportunities for Aucklanders, especially those in high need, low-decile communities. This helps to build social and organisational capital for development and growth.

Build relationships with Māori and enable project delivery that offers the Council measurable outcomes for whanau.

Develop common, valid, easily-understood baseline data about education across the city.

Provide high quality advice to the Council including leadership in the skills and education sector around the development of Auckland Unleashed and the Auckland Plan, and facilitation of consultation in relation to these.

PERFORMANCE

Prepared a response to *Auckland Unleashed* and the draft Auckland Plan with input from over 400 people based on consultation meetings and focus groups with stakeholders in education and individuals and organisations in our networks.

Hosted the Auckland Education Summit 2011 in May in partnership with the Cognition Institute. Over 180 leaders from across Auckland's political, commercial, social and educational landscape attended.

Consulted with a range of Māori stakeholders to discuss how COMET can support education delivery in Auckland for Māori; and shape future project development for family learning.

Published a *Snapshot of Auckland's Education Landscape* (August 2010), see p10-11.

Engaged with Local Boards, the Pacific Island Advisory Panel, and the Ethnic Advisory Board.

Attended workshops and functions hosted by the Auckland Regional Migrant Services Trust, Youth Works Development Reference Group, the Otara Community Network.

Participated in the formation of the Auckland Community Development Alliance and the Auckland Communities Foundation.

Worked with Counties Manukau District Health Board to develop the Grow Our Own Workforce project.

Represented in the work of the Tomorrow's Manukau: Manukau Apopo Strategic Steering Group to November 2010.

Established a regular Blog called "Education in the City" focussing on issues affecting education in Auckland.

CENTRE FOR FAMILY LEARNING

OUTCOME:

A vehicle for community development and action through education that makes a difference — in measurable ways — to family and community wellbeing.

PLANNED ACTIONS:

Deliver Te Whanau Ara Mua: A one-year family literacy programme in partnership with the Manukau Institute of Technology, in five schools and early childhood education centres.

Advocate for a policy framework for intergenerational family learning.

Support the Manukau Early Childhood Education Taskforce.

Increase the number of learning opportunities available in the community for people who would not otherwise access provision.

Complete the Pasifika SmartCentres project.

Obtain leverage to fund the Centre's work

BACK TO SCHOOL FOR WHOLE FAMILY

As the only man on the Te Whanua Ara Mua programme at Wymondley Primary School, Tauturu Karena initially found being in the classroom quite challenging.

"At the beginning it was confusing and I had to ask a lot of questions", he says. "But slowly things started to make sense and I started to do well."

Tauturu and his partner Janie Wilson, who have seven children between them, both enrolled for

the inaugural programme because they saw an opportunity where their learning would also benefit their children.

"This was something new. Something that would benefit us, but also my kids now and in their future, and for their moko and so on."

The biggest challenge for Tauturu was the writing, which he had not done since he was a child. He has been on an invalid benefit for many years and before that he was a labourer.

"We had to write about our reflections every day and it took me a while to get into it,

but my kids helped me with my grammar."

For this family who now go to the library every fortnight, Te Whanua Ara Mua has triggered a big change. "Reading together is great", says Tauturu. "My kids come to me and say "Dad can I read a book with you?""

The highlight of the programme for him was giving a speech at the Otara Literacy Day. "I felt really positive and was confident that I could do it.

We went as a family and everybody cheered. It was a wonderful day!"

Doing the course together meant that Janie and Tauturu could share their thoughts and were able to help each other. As the course progressed, Janie's confidence grew and she continues to help out at the school by regularly reading with children.

Tauturu is now doing a computer course at MIT but eventually wants to work in Horticulture.



PERFORMANCE

Nineteen families graduated from Te Whanua Ara Mua across two school sites. A further three sites complete the programme in December 2011. Feedback from participants show significant outcomes including increased confidence, better pathways to further learning or work, improved relationships with children and families, increased parent engagement with schools.

Consulted with the Ministry of Education, the Tertiary Education Commission and the Ministry of Social Development to discuss policy settings that may help to support a variety of community-led initiatives for families. Progress of appropriate policy is limited.

Hosted a meeting with early childhood education networks in Manukau, Waitakere and Tamaki to obtain their perspectives on the discussion document *Auckland Unleashed*.

Provided secretarial and support services to the Manukau Early Childhood Education Taskforce, an advocacy group working to increase participation in early childhood education in South Auckland. This work includes:

- Hosted a meeting with the Government's ECE Taskforce to scope issues from a Manukau perspective; Wrote a submission to that Taskforce.
- Hosted an open forum with the Children's Commissioner about their report on early childhood education (*Inquiry into under 2's in non-parental ECE childcare*).
- Held a meeting with leaders of ECE in Manukau specifically to address the Children's Commissioner's report and to look at its strategic implications in the community.
- Brokered a similar meeting for Waitakere.
- Hosted a meeting with Council and MOE officials to maintain the focus in Manukau on early childhood education participation and services.

Identified the need for an Auckland network of family learning providers to share information and expertise, and to enhance the opportunities for learning for families in the region, especially those with high needs in low-decile communities.

Brokered Get Ahead Start, a partnership with the Open Polytechnic, to improve access to their programmes in high-need communities. Arranged financial and professional support for community 'learning coaches' at Manurewa Marae, the Congregational Christian Church of Samoa in Manurewa and McLaren Park Henderson South Community Organisation, to work with adult learners.

Reviewed and evaluated the Pasifika SmartCentres project and obtained further funding for a sustainability project in 9 centres.

Supported bilingual learning in Pacific languages through advocacy (via blogs) and involvement in community-initiated action.

The Centre for Family Learning became self-funding from June 2011.

SKILLS AUCKLAND

OUTCOME:

A vehicle for action on skills in support of the social and economic wellbeing of Auckland.

PLANNED ACTIONS:

Establish and scope Skills Auckland

Grow our capacity to support literacy and learning in the Adult and Community Education sector (ACE).

Lead the Principal for a Day event to foster relationships between business and schools; and to improve the profile of South Auckland schools in the business community.

Be proactive in shaping and piloting innovative, community-generated approaches to improving financial literacy.

PERFORMANCE

Published *Unlocking Auckland's Potential: Adult literacy and numeracy skills in the new Auckland*. This stocktake highlights serious service gaps in the Auckland region, and proposes a number of actions to address them.

Hosted a major forum on adult literacy and numeracy in September and presented/ attended several workshops in November and December.
Hosted three workshops in August and September to trial a tailored resource to help tutors to embed literacy into their community education programmes.
Hosted a meeting with an international expert from the UK about embedding literacy into all learning.

Partnered 51 school and business leaders for the Principal for a Day event, September 2010.

Appointed a Centre Manager in December 2010.

Assisted in the scoping of a proposed strategy to improve financial literacy provision and cohesion in the Tamaki area (Glen Innes, Panmure, Pt England).

Developed a workplace financial literacy pilot programme in tandem with the Ministry of Pacific Island Affairs and a private company with a large Pacific workforce.

Led development of a community financial literacy model for Pacific families to build financial literacy for home ownership. This project is in partnership with the Ministry of Pacific Island Affairs, Bank of New Zealand, the Tamaki Transformation office, the Retirement Commission, Auckland Council and the community.

Delivered a presentation on championing adult literacy to the Australian Department of Education, Employment and Workplace Relations (DEEWR).

FINANCIAL LEARNING ADDS UP FOR PASIFIKA

Messages of 'possibility' and opportunities are beginning to permeate the Tamaki community as friends and neighbours begin to hear about the success of families participating in the Pacific Financial Literacy Programme.

COMET partnered on this multi-agency project alongside the Ministry of Pacific Island Affairs,

Bank of New Zealand, Auckland Council and the local community to help Pacific people achieve their goals and aspirations to become homeowners.

There are currently 10 Tongan families participating in the programme in Tamaki (Pt England, Panmure and Glen Innes) where saving for a home is a real challenge. The programme, taught in Tongan and culturally tailored, is about changing and shifting behaviours around managing money.

Creating financial confidence and a culture of savings will drive economic and social change - enabling people to make informed financial decisions in the future. Sixteen Samoan families have registered for the next programme which will be launched in September, and taught in Samoan.

COMET co-designed the programme concept and wrote the handbook for Coaches who work with each family to help them apply their financial literacy skills, abilities and knowledge

to best prepare for their future. While Bank of New Zealand staff are currently volunteering their time to support the programme, growing local capability is a principal goal, so training local people to become the future coaches will be the next stage of this project.

We officially handed the programme over to project partners; the Tamaki Transformation Project, Ministry of Pacific Island Affairs and Bank of New Zealand in June 2011.

AUCKLAND'S EDUCATION LANDSCAPE

We would like to thank the Ministry of Education for their assistance in gathering data for this document.

1. ONE CITY, MANY PEOPLE

Education matters to Auckland Council because it underpins economic development and social wellbeing. Education has to work for everyone if the city is to prosper.

1.4

Million Aucklanders.

190 ethnic groups live in Auckland – one of the few ‘super diverse’ cities in the world.¹

37%

of Aucklanders were born overseas; more than half have lived here less than a decade.²

25%

of all Māori in New Zealand and 67% of all Pasifika live here.

2. OUR LANGUAGE RICHNESS

26,400

Māori in Auckland who can converse in Te Reo Māori.⁵

65%

of non-English speaking New Zealanders live here.

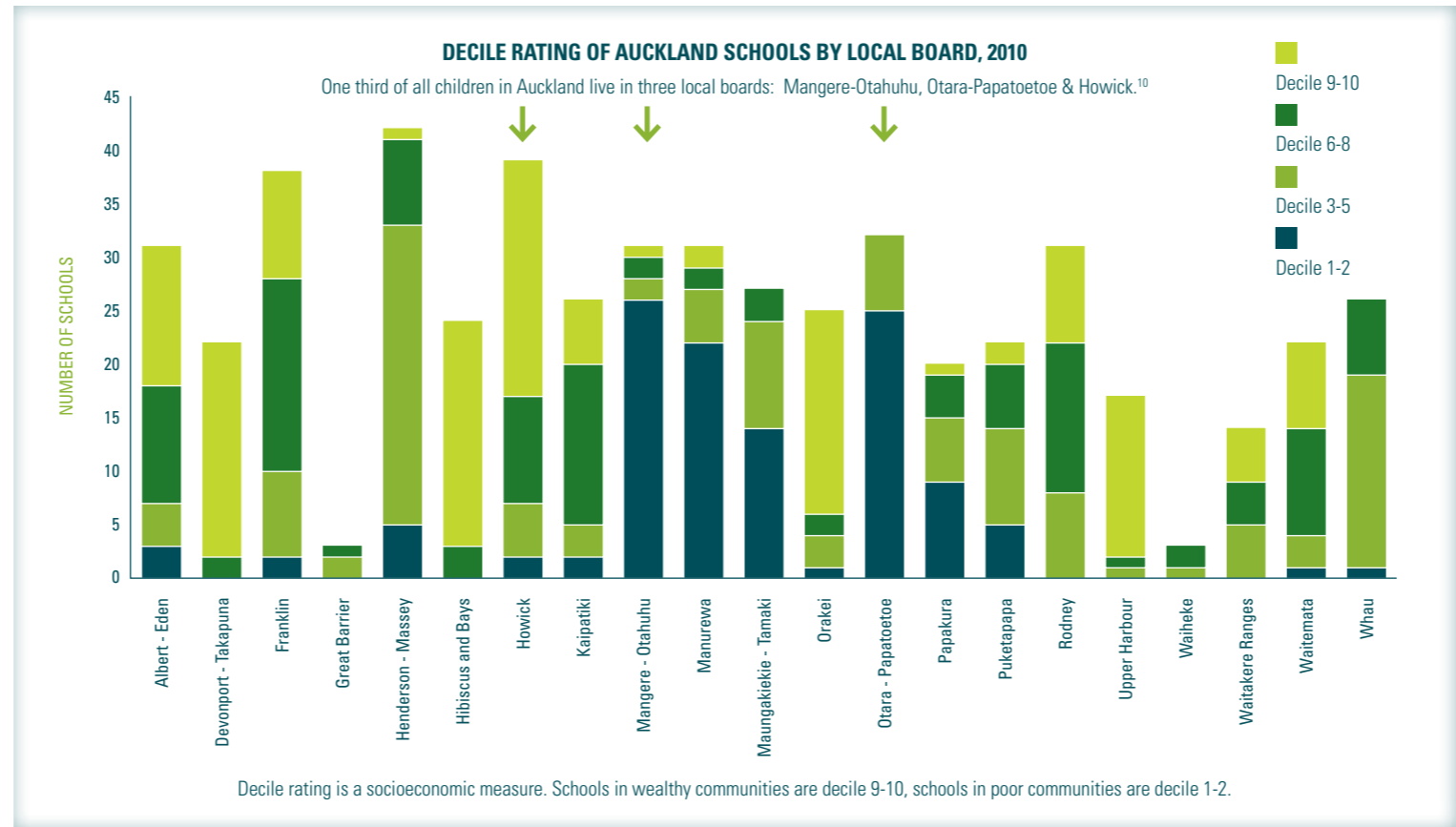
27,000

Aucklanders speak three or more languages - a resource for the city.

Samoan is the most commonly spoken language after English.

3,016

Pasifika children in 83 Pasifika ECE centres, about half in immersion programmes.



3. EDUCATION FOR MĀORI

35,000

Māori students in mainstream schools.

1,800

taura in Māori immersion schooling.

1,289

tamariki in 57 Te Kōhanga Reo and 7,891 in bilingual pre-schools.

11

Te Kura Kaupapa Māori schools.⁶

4. EARLY LEARNING MATTERS

94,077

children aged 0-4.⁷

35,811

children aged 3+years enrolled in ECE.⁸

Lowest participation rates are in Mangere, Papatoetoe, Manurewa, Otara and Tamaki-Maungakiekie.⁹

98% European/Pakeha children attend ECE compared with 89% Māori and 85% Pasifika.

Despite investment and 20 hours free provision there is still a gap between demand and available places.

5. NEW ENTRANTS

Over 18,000

5 year olds start school each year.

Children starting in Decile 1-4 schools are less likely to have been to ECE before school.

6. AUCKLAND'S NETWORK OF SCHOOLS

Auckland has unusually high numbers of low and high decile schools. Complex urban schools have developed to meet the needs of our diverse communities e.g. multiple schools and boards on one site.

542

schools.

262,635

students.¹¹

23,000

school students receive English language support.¹²

118 low decile schools

84%

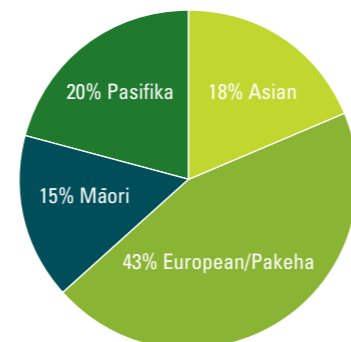
of schools in Mangere-Otahuhu are Decile 1 & 2.

155 high decile schools

91%

of schools in Devonport-Takapuna are Decile 9 & 10.

ETHNICITY OF AUCKLAND SCHOOL STUDENTS 2010



7. SPECIAL EDUCATION

8,000

preschoolers with special needs receive ECE support.

Approximately 2,700 children with disabilities receive high needs funding.

1,203

students in 11 special schools.

1,400

students get individual behavioural support.¹³

The majority of special needs students are in mainstream schools.

8. SCHOOL LEAVER SUCCESS

17,245

school leavers.

75.5%

gained NCEA Level 2 or above in 2009 but there is a substantial range of achievement across the city. Only 49% of Māori school leavers achieved NCEA Level 2 or above in 2009.

2,840

left school without a school qualification, close to the entire roll of Rangitoto College.

45% of young people on the North Shore left with NCEA Level 3 compared with only 17% in Papakura in 2009.¹⁴

Young Māori in Papakura and Manukau are the most likely to be NEET (not in education, employment or training) and most at risk of poor labour market outcomes.¹⁵

Some children start to disengage from school early. 225 children who dropped out after primary school were helped to enrol in secondary in 2009.¹⁶

“In South Auckland children may shift 2-3 times in a school year, or attend five or six primary schools. Transience is affected by housing affordability and availability.”¹⁷

9. INNOVATIVE PATHWAYS

951

Youth Guarantee places - free tertiary study for 16-17 year old school leavers.

410

places in Academies where students get vocational experience and qualifications while at school.

2,070 intensive youth transition places to help young people enter or stay in education or training.

3,252

Gateway places for senior students to gain experience and skills for work while at school.

Year on year, the number of alternative places and pathways is not keeping up with need.

10. SKILLS, SKILLS, SKILLS

708,100

in the Auckland workforce.

20% of Aucklanders have a tertiary qualification.¹⁸ Aucklanders born overseas are twice as likely to have a post-graduate qualification.

478,900

adult Aucklanders with low numeracy and 410,000 with low literacy.

65%

of adults in Counties Manukau and 59% of adults in Waitakere have low numeracy.

48,000

migrants from non-English speaking backgrounds with no qualifications.

88,267 full time student places in tertiary education in 2009.

63%

of people with low literacy are working (mostly in low skill jobs).

Gaining a Level 2 qualification increases income by \$55 per week.¹⁹

Migrants with limited English are disadvantaged at work and their earning power is restricted. 70% of Aucklanders with very low literacy are Pasifika or Asian.²⁰

11. EDUCATION WORKFORCE

6,515

teachers in licensed ECE centres.

16,550

school teachers.

10,000+

staff in tertiary education.

12. EXPORT EDUCATION

56.7%

of NZ's international students study here.

4,221

international school students, 44% from Korea.

Approximately 50,000 international tertiary students.

Impact: \$1,342.8 million per annum on Auckland's foreign exchange.²¹

More facts

7,468 Te Wānanga O Aotearoa taura.

10,463 places for adult community education through schools (16 hours).

3,179 Modern Apprentices; apprenticeships have declined during the recession.

3,800

school trustees.

31,000

industry trainees.

48 schools upgraded to ultra-fast broadband in 2010.

7,287 trainees in Training Opportunities and Youth Training.

8,788 students achieved higher than NCEA Level 3.

183,972 adults without qualifications.

1,676 children home-schooled.

11

schools with more than 2,000 students, 17 with fewer than 30 students.

2 new schools open in 2011, 3 more by 2013.

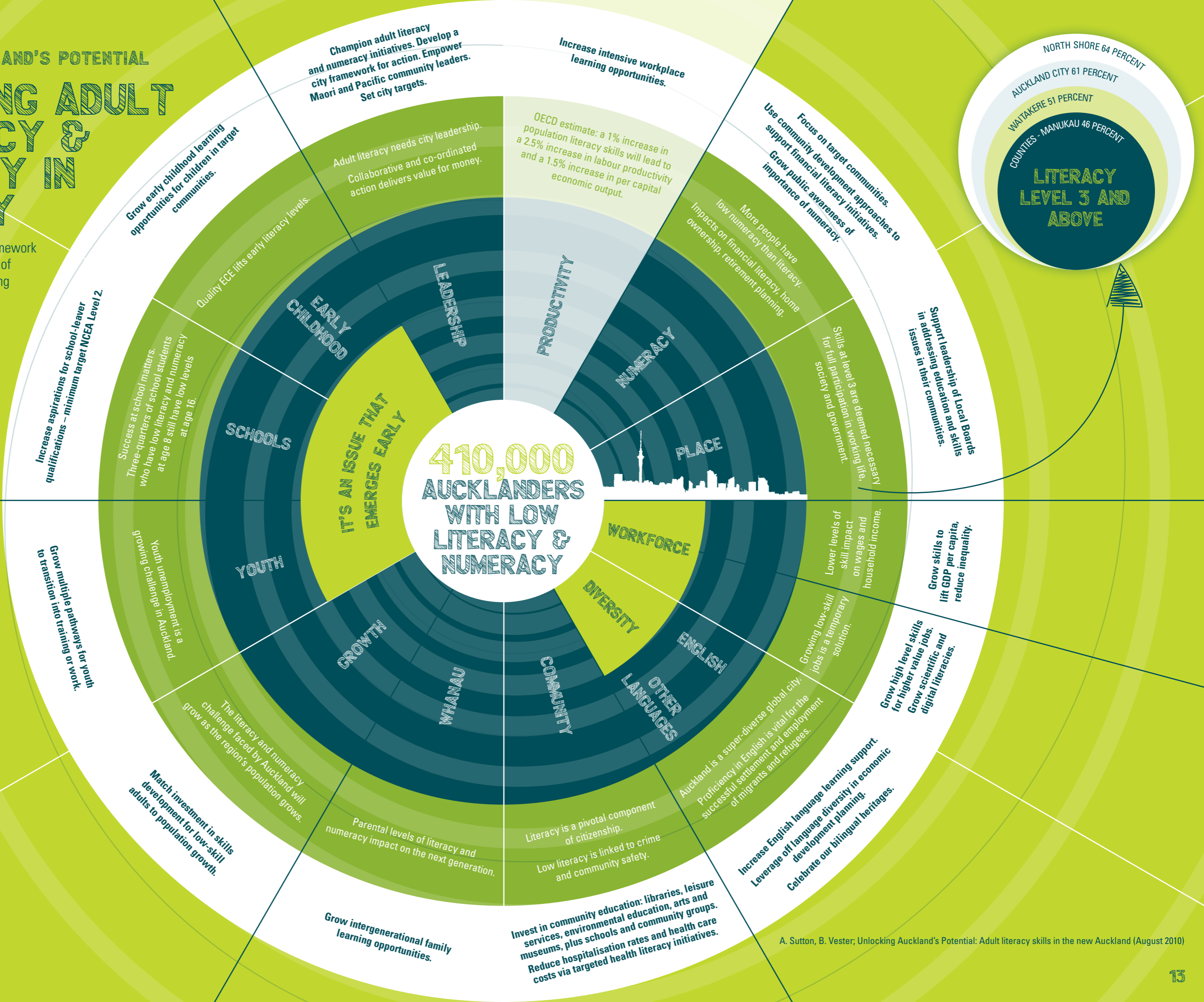
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UNLOCKING AUCKLAND'S POTENTIAL

IMPROVING ADULT
NUMERACY &
LITERACY IN
THE CITY

The city needs a cohesive framework for addressing the complexity of skills for work, family wellbeing and social cohesion.



A. Sutton, B. Vester; Unlocking Auckland's Potential: Adult literacy skills in the new Auckland (August 2010)

CONTENTS

CITY OF MANUKAU EDUCATION TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

14	DIRECTORY
15	INDEPENDENT AUDITOR'S REPORT
16	STATEMENT OF COMPREHENSIVE INCOME
17	STATEMENT OF FINANCIAL POSITION
18	STATEMENT OF CHANGES IN TRUSTEES FUNDS
18	NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

DIRECTORY

Objects of Trust	This is a charitable trust involved in programmes that advance education and educational opportunities for the Manukau Community.
Place of Business	Q Block Manukau Institute of Technology Otara, Auckland
Postal Address	Private Bag 94006 Manukau City Auckland 2241
Settlor	The Mayor
Trustees	Sina Aiolupotea-Aiono Denise Fink Mark Gosche John Heyes Graeme McClennan Stuart Middleton (Chairperson) Pauline Winter
Solicitors	John Delugar Brookfields Lawyers PO Box 76004 Manukau City Auckland 2241
Auditors	BDO Auckland PO Box 2219 Auckland 1140
Bankers	BNZ, Eastern Banking Centre
Commencement Date	October 1, 1999

TO THE READERS OF CITY OF MANUKAU EDUCATION TRUST'S
FINANCIAL STATEMENTS AND PERFORMANCE REPORT
FOR THE YEAR ENDED 30 JUNE 2011

The Auditor-General is the auditor of City of Manukau Education Trust (the Trust). The Auditor-General has appointed me, Chris Neves, using the staff and resources of BDO Auckland, to carry out the audit of the financial statements and performance report of the Trust on her behalf.

We have audited:

- the financial statements of the Trust on pages 16 to 22, that comprise the statement of financial position as at 30 June 2011, the statement of comprehensive income and statement of changes in trustees funds for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance report of the Trust on pages 4-9.

Opinion on the financial statements and the performance report

- In our opinion,
- the financial statements of the Trust on pages 16 to 22:
 - comply with generally accepted accounting practice in New Zealand;
 - give a true and fair view of the Trust's:
 - financial position as at 30 June 2011; and
 - financial performance for the year ended on that date; and
 - the performance report of the Trust on pages 4 to 9:
 - complies with generally accepted accounting practice in New Zealand; and
 - gives a true and fair view of the Trust's service performance achievements measured against the performance targets adopted for the year ended 30 June 2011.

Opinion on other legal requirements

In accordance with the Financial Reporting Act 1993 we report that, in our opinion, proper accounting records have been kept by the Trust as far as appears from an examination of those records.

Our audit was completed on 29th August 2011. This is the date at which our opinion is expressed.

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

Basis of opinion

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

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and performance report. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and performance report. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and performance report whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Trust's preparation of the financial statements and performance report

that give a true and fair view of the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Trustees;
- the adequacy of all disclosures in the financial statements and performance report; and
- the overall presentation of the financial statements and performance report.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and performance report. In accordance with the Financial Reporting Act 1993, we report that we have obtained all the information and explanations we have required. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board of Trustees

The Board of Trustees is responsible for preparing financial statements and a performance report that:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the Trust's financial position and financial performance; and
- give a true and fair view of its performance report.

The Board of Trustees is also responsible for such internal control as it determines is necessary to

enable the preparation of financial statements and a performance report that are free from material misstatement, whether due to fraud or error.

The Board of Trustees' responsibilities arise from the Local Government Act 2002 and the Financial Reporting Act 1993.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and performance report and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 69 of the Local Government Act 2002.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

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

Chris Neves
BDO Auckland
On behalf of the Auditor-General
Auckland, New Zealand

CITY OF MANUKAU EDUCATION TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011	2010
Revenue		\$	\$
Contract fees received		401,954	558,579
Deposit for future services brought forward		152,807	86,643
Deposit for future services carried forward		(121,169)	(152,807)
Donations	4	101,904	98,440
Events registration		1,226	-
Grants	5	57,700	108,200
Interest earned		20,987	16,446
Partnership contributions received		16,689	-
Sponsorship		42,273	34,000
Sundry income		11,835	2,201
Total revenue	2, 16	686,206	751,702
Expenditure			
Operating expenses	6	178,141	188,375
Human resource expenses	7	449,323	529,299
Partnership contributions		45,984	57,194
Trust meeting expenses		715	160
Loss on disposal of fixed assets		350	593
Total expenditure		674,513	775,621
Surplus/(deficit) before tax		11,693	(23,919)
Income tax expense/(benefit)	1	-	-
Surplus/(deficit) after tax	2	11,693	(23,919)
Other comprehensive income		-	-
Total comprehensive income		11,693	(23,919)

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

CITY OF MANUKAU EDUCATION TRUST
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Notes	2011	2010
Assets		\$	\$
Current assets			
BNZ current account		3,047	28,825
Accounts receivable		33,555	62,133
Accrued interest		2,482	3,341
GST refund		2,719	-
Petty cash		68	14
Petrol voucher		10	-
Treasury call account		118,980	213,297
Prepayments		10,130	-
BNZ term deposits		319,479	203,461
Total current assets		490,470	511,071
Non-current assets			
Property, plant, and equipment	8	5,406	5,349
Intangible assets	9	3,147	5,245
Total non-current assets		8,553	10,593
Total assets		499,023	521,665
Liabilities			
Current liabilities			
Accounts payable		11,038	6,881
Visa		1,755	-
GST payable		-	11,470
PAYE tax payable		4,100	3,751
Student loan payable		50	44
K-saver employee payable		709	506
K-saver employer payable		370	264
Accrual for holiday pay		22,188	20,024
Accrued expenses		12,525	12,492
Deposit for future services	3	121,169	152,807
Total current liabilities		173,904	208,239
Total liabilities		173,904	208,239
Net assets		325,119	313,426
Represented by:			
Trustees funds	10	325,119	313,426
Funds in hand		325,119	313,426

Approved for and on behalf of the Board of Trustees this 29th August 2011.


Chairperson


Trustee

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

CITY OF MANUKAU EDUCATION TRUST
STATEMENT OF CHANGES IN TRUSTEES FUNDS
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011	2010
		\$	\$
Trustees funds at beginning of the year		313,426	337,345
Total comprehensive income for the year		11.693	(23,919)
Trustees funds at end of the year		325,119	313,426

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

CITY OF MANUKAU EDUCATION TRUST
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

1. Statement of accounting policies

REPORTING ENTITY

City of Manukau Education Trust (the Trust) is a charitable trust registered under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by Auckland Council and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees.

The primary objective of the Trust is to undertake initiatives, and support and promote programmes that advance education and educational opportunities for the Manukau Community, rather than making a financial return. Accordingly, the Trust has designated itself as a public benefit entity for the purpose of New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

BASIS OF PREPARATION

Statement of compliance

The financial statements of the Trust have been prepared in accordance with the requirement of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate to public benefit entities.

The Trust qualifies for differential reporting exemptions as it does not have public accountability and is not large. All available reporting exemptions allowed under the Framework for Differential Reporting have been adopted.

Measurement base

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

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars (NZ\$).

Changes in accounting policies

All policies have been consistently applied during the year.

Application of New Zealand Equivalent to International Financial Reporting Standard 1 (NZ IFRS 1) First-time Adoption of NZ IFRS 1

The financial statements have been prepared in accordance with NZ GAAP, applying the Framework for Differential Reporting for entities adopting the NZ IFRS and its interpretations as appropriate to not for profit-oriented entities that qualify for differential reporting concessions. These are the Trust's first NZ IFRS financial statements and NZ IFRS 1 has been applied.

The financial statements of the Trust until 30 June 2010 had been prepared in accordance with previous New Zealand Financial Reporting Standards (NZ FRS). NZ FRS differs in certain respects from NZ IFRS. When preparing the financial statements for the year ended 30 June 2011, management has amended certain accounting and valuation methods applied in the previous NZ FRS financial statements to comply with NZ IFRS. Comparative figures have been restated to reflect these adjustments.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing an opening NZ IFRS balance sheet at 1 July 2010 for the purposes of the transition to NZ IFRS.

There has been no impact on the Trust's financial position or financial performance due to the adoption of NZ IFRS.

SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies, which materially affect the measurement of earnings and financial position, have been applied.

Revenue

Revenue from the sale of goods and services is measured at the fair value of the consideration received or receivable, net of returns, goods and services tax, volume rebates and trade discounts.

Services

Revenue from services is recognised in the accounting period in which the services are rendered, by reference to the stage of completion of the specific transaction. The stage of completion is assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

Financial instruments

Financial instruments are recognised in the statement of financial position initially at fair value.

A financial asset or a financial liability is recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

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

Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.

Non-derivative financial instruments

- Trade and other receivables

Trade and other receivables are measured at amortised cost, using the effective interest method. Trade receivables of a short-term nature are not discounted.

- Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

- Trade and other payables

Trade and other payables are measured at amortised cost, using the effective interest method. Trade payables of a short-term nature are not discounted.

- Investments

Investments in bank deposits are initially measured at fair value plus transaction costs (if any), and subsequently measured at amortised cost using the effective interest method.

Derivative financial instruments

The Trust does not have any derivative financial instruments as at balance date.

Property, plant, and equipment

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

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are presented net in the surplus or deficit.

Depreciation

Depreciation is calculated on a diminishing value basis over the expected useful economic lives of the assets concerned. The following rates have been used:

- Furniture and fittings 10% - 16%
- Office equipment 24% - 67%

Intangible assets

Costs on website redesign are capitalised. Amortisation is calculated at 40% per annum on a diminishing value basis.

Impairment

Financial assets

The Trust assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect

on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics. All impairment losses are recognised in profit or loss and reflected in an allowance account against receivables.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted. For trade receivables, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default in payments are considered indicators that the receivables is impaired.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

Property, plant, and equipment and intangible assets

Property, plant, and equipment and intangible assets are reviewed for indicators of impairment as at each

balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written-down to the recoverable amount. The impairment loss is recognised in the surplus or deficit.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date, and are measured at the amounts expected to be paid when the liabilities are settled on an undiscounted basis.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the

coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it will be used by staff to cover those future absences.

Defined contribution pension plans

Obligations for contributions to defined contribution pension plans (including KiwiSaver) are recognised as an expense in profit or loss when they are due.

Deposit for future services

Deposits for future services are recognised as current liabilities for income received for specific projects, which have not completed at balance date. The amount is calculated based on the income and expenditure incurred for the specific projects.

Goods and services tax

These financial statements have been prepared exclusive of goods and services tax (GST), except for accounts receivables and accounts payables which are GST inclusive.

Income tax

The Trust has been granted Charitable status by the Inland Revenue Department, and therefore is exempt from income tax.

2. Project segment	2011		2010	
	\$		\$	
	Revenue	Surplus/(Deficit)	Revenue	Surplus/(Deficit)
General Administration	110,560	(14,534)	104,356	(23,267)
Strategic Services	358,790	32,277	364,414	31,150
Centre for Family Learning	319,685	-	341,519	(26,857)
Skills Auckland	116,496	(6,050)	120,725	(4,944)
Corporate Recharge Elimination	(219,325)	-	(179,312)	-
Total	686,206	11,693	751,702	(23,919)
3. Deposit for future services	2011		2010	
	\$		\$	
Strategic Services	13,696		17,590	
Centre for Family Learning	77,055		94,106	
Skills Auckland	30,417		41,111	
Total	121,169		152,807	

4. Donations		2011	2010
		\$	\$
Auckland Airport Community Trust		-	6,240
Horowhenua District Council		-	500
Koha		-	200
Massey University		-	1,000
Pakuranga Rotary Club		-	500
Sir John Logan Campbell Residuary Estate		-	5,000
Todd Foundation		85,000	85,000
Windfall donation from South Auckland Adult Literacy Trust		16,904	-
Total		101,904	98,440
5. Grants received		2011	2010
		\$	\$
ASB Community Trust		25,000	-
IBM New Zealand Limited		-	7,500
MIT in house contribution		32,700	32,700
NZ Trade & Enterprise		-	68,000
Total		57,700	108,200
6. Operating expenses		2011	2010
		\$	\$
Auditing		10,750	11,190
Bank charges		617	668
Computer & ICT expenses		11,782	13,503
Conference attendance		1,747	1,169
Depreciation & Amortisation exps	17	4,166	5,624
Events & seminars		22,300	12,337
General expenses		447	90
Insurance		3,609	3,595
Mileage		7,878	8,902
Office supplies		2,494	2,186
Postage & courier		2,481	2,281
Printing & copying		4,648	6,593
Professional services		53,133	65,600
Publications,brochures & media		21,754	21,821
Rental		22,800	22,800
Telephone & cellphone		3,241	3,965
Travel & accommodation		3,035	3,606
Website		1,260	2,445
Total		178,141	188,375
7. Human resource expenses		2011	2010
		\$	\$
ACC levy		2,629	2,902
Professional development-staff		11,494	9,452
Recruitment expenses		2,426	4,411
Salaries & wages		419,856	499,137
Salary: superannuation		5,266	5,266
K-saver employer contributions		7,626	7,660
Other employment expenses		26	472
Total		449,323	529,299

8. Property, plant, and equipment		Cost	Accum depn	Carrying value
2011		\$	\$	\$
Furniture & Fittings		2,260	957	1,303
Office Equipment		21,372	17,269	4,103
Total		23,632	18,226	5,406
2010				
Furniture & Fittings		1,872	756	1,116
Office Equipment		23,179	18,946	4,233
Total		25,051	19,702	5,349
9. Intangible assets		2011	2010	
		\$	\$	
Cost		8,669	8,669	
Accumulated amortisation		(5,522)	(3,424)	
Carrying Amounts		3,147	5,245	
10. Allocation of reserves		2011	2010	
Contingency funds		\$	\$	
- Forward operating expenses	131,000		131,000	
- Contractual variations	120,000		120,000	
- Future project developments	50,000	301,000	50,000	301,000
Retained earnings		24,119		12,426
Total reserves		325,119		313,426

11. Capital management

The Trust’s capital includes accumulated trustee funds. The Trust’s policies in respect of capital management and allocation are reviewed regularly by the Board of Trustees. There have been no material changes in the Trust’s management of capital during the period. The Trust is not subject to any externally imposed capital requirements.

12. Lease and capital commitments

Lease and capital commitments were nil as at 30 June 2011. (2010: \$NIL).

13. Contingencies

There were no contingencies as at 30 June 2011. (2010: \$NIL).

14. Related party transactions

Auckland Council (Manukau City Council before 1 November 2010)

The Trust is controlled by the Council and receives a significant amount of contract fees from the Council to deliver its objectives as specified in the Trust Deed.

The total amount of income received from the Council is disclosed in note 16. The Council owed the Trust \$40 as at 30 June 2011 (2010: \$NIL).

Goods and services of \$NIL (2010: \$71) were purchased from the Council. There were no outstanding balances at 30 June 2011 (2010: \$NIL).

Manukau Institute of Technology (MIT)

Goods and services of \$33,228 (2010: \$5,165) were purchased from MIT, an organisation in which Stuart Middleton, the Chairperson of the Trust’s Board

of Trustees, is a member of the key management personnel. At balance date, there was \$92 owing (2010: \$766).

The Trust is supported by MIT through the provision of office and information technology services. Total in house grant of \$32,700 (2010: \$32,700) was recognised in the financial statements.

15. Post balance date events

There have been no post balance date events.

16. Revenue	2011	2010
	\$	\$
Contributions from the Council	315,035	299,647
Contributions from all other sources	371,171	452,055
Total	686,206	751,702
17. Depreciation & Amortisation	2011	2010
	\$	\$
Depreciation by category		
Furniture & Fittings	202	209
Office Equipment	1,866	2,280
	2,068	2,489
Amortisation	2,098	3,135
Total	4,166	5,624
18. Financial Instruments by Category	2011	2010
	\$	\$
Loans and receivables		
Cash and cash equivalents	122,095	242,136
Debtors and other receivables	36,037	65,474
Investments	319,479	203,461
	477,611	511,071
Financial liabilities at amortised cost		
Creditors and other payables	47,506	39,398
	47,506	39,398

19. Going Concern

The financial statements have been prepared on the basis that the Trust is a going concern. This assumption is dependent on the continuous funding from the Auckland Council. Funding has been confirmed until 30 June 2012. The process for shaping new contractual arrangements should be completed by early 2012 pending finalisation of the Council's Draft Long Term Plan.



PRINCIPAL FOR A DAY PARTICIPANTS - 1 SEPTEMBER 2010

School	Principal for a Day	Organisation
Aka Aka Primary School	Ian Hankins	Westpac
Aorere College	Sue Griffin	Linfox Logistics
Bairds Mainfreight Primary School	Judith Speight	Accelerating Aotearoa
De La Salle College	Gijs Faber	Foodstuffs
Edgewater College	Dr Rick Ede	Unitec
Edgewater College	Dan Walker	The Noel Leeming Group
Elm Park Primary School	Rebecca Gagas	Cogita
Favona Primary School	John Quinn	Express Couriers
Hillpark Primary School	Tony Caughey	Enterprise New Zealand Trust
Homai Primary School	Jason Paris	MediaWorks
Howick Primary School	Ben Meyer	Auckland Blues
Kedgley Intermediate	Denise Traill	Counties Manukau Police
Kingsford Primary School	Leigh Auton	Manukau City Council
Macleans College	Peter Lennox	NZ Trade and Enterprise
Mangere Bridge Primary School	Elizabeth Vaneveld	The Big Idea
Mangere College	Jonathan Ling	Fletcher Building
Manurewa Central Primary	Len Brown	Manukau City Council
Manurewa East Primary School	Craig Pollock	John Walker Find Your Field of Dreams Foundation
Manurewa Intermediate	Russell Stanners	Vodafone
Manurewa South Primary School	Louise Mason	Auckland Regional Council
Maraetai Primary School	Cath Handley	Youth Horizons Trust
Mayfield Primary School	Andrew McKenzie	Auckland City Council
McAuley Girls High School	Marcus Goldsworthy	Famous Pacific Shipping (NZ)
Mission Heights Junior College	John Blackham	XSOL
Mission Heights Primary School	Tom Chignell	Vodafone
Mountain View Primary School	Aaron Beckman	Vodafone
Otahuhu College	Karl Pointon	Tasti Products
Our Lady, Star of the Sea Primary School	James Penn	Asia New Zealand Foundation
Pacific Christian School	Raewyn Paapu	Quality Education Services
Pakuranga College	Andrew Taffs	Lion Nathan
Papakura High School	Rowena Foster	Kiwi Rail
Papatoetoe South Primary School	Natalie Verdouw	Auckland Transition Agency
Randwick Park Primary School	Mike Chunn	Play It Strange
Reremoana Primary School	Robyn Dawson	Nestle New Zealand
Roscommon Primary School	Richard Aitken	Beca
Rowandale Primary School	Craig Moffat	ANZ Bank
Sir Keith Park School	Pauline Winter	AUT University
Sommerville Special School	Jim Nolan	Toshiba EID
Southern Cross Campus	Charles Pink	ASB
St John the Evangelist Primary School	Stuart Middleton	Manukau Institute of Technology
Sunnyhills Primary School	Rebecca Woods	Tasman Insulation New Zealand
Te Kura Kaupapa Maori a Rohe o Mangere	Pauline Kingi	Te Puni Kokiri
The Manurewa High School	Roana Carran	Coverstaff Recruitment
Viscount Primary School	Kit Toogood QC	Bankside Chambers
Wakaaranga Primary School	Mary Dawson	Auckland Regional Migrant Service
Waterlea Primary School	Tony Gollin	Auckland Airport
Weymouth Intermediate	Stephen Bell	Youthline
Weymouth Primary School	Philippa Walker	Resolve Group
Wymondley Primary School	Henare Clarke	Downer Edi
Yendarra Primary School	Alistair Wilkinson	3 News





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