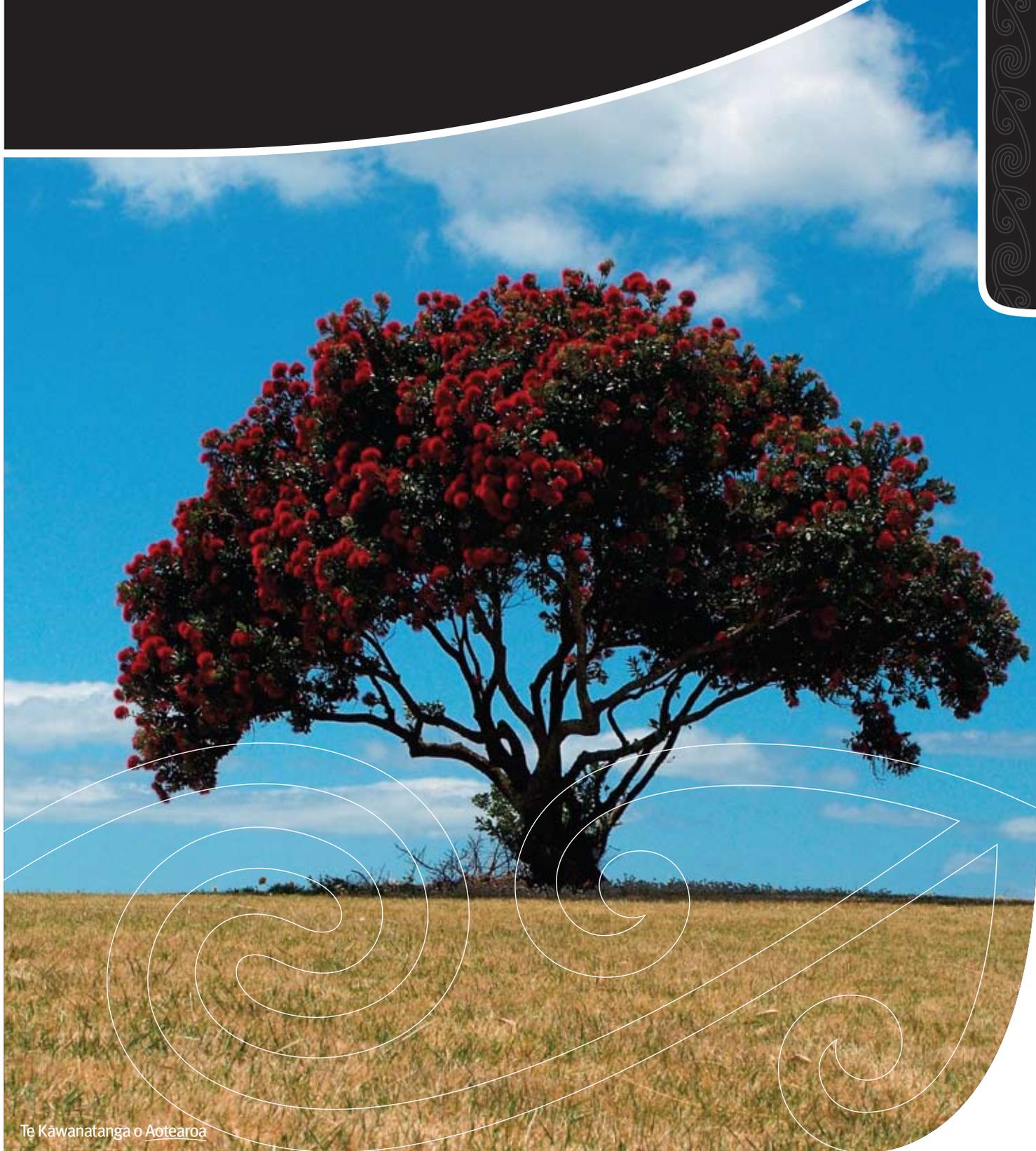




Te Puni Kōkiri
REALISING MĀORI POTENTIAL

Annual Report

For year ended 30 June 2008





Presented to the House of Representatives
Pursuant to Section 44 (1) of the Public Finance Act 1989

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OCTOBER 2008



PŪRONGO Ā-TAU
Annual Report of



Te Puni Kōkiri
REALISING MĀORI POTENTIAL

Mō te mutunga o te tau i te 30
o ngā rā o Pipiri 2008

for the year ended
30 June 2008

Presented to the House of Representatives
pursuant to section 44 (1) of the
Public Finance Act 1989



MINISTER OF MĀORI AFFAIRS

I have the honour to present to you the annual report of Te Puni Kōkiri
for the year ended 30 June 2008.

A handwritten signature in black ink, appearing to read 'Leith Comer'.

Leith Comer
Chief Executive

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on behalf of the Auditor General

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FROM THE CHIEF EXECUTIVE

Kia ora koutou,

E rau rangatira ma, tena koutou,

E aku nui e aku rahi, tena hoki

koutou, Otirā tēnā rā tātou katoa,

Ka nui taku hari me taku koa e puta ana tēnei pūrongo ā-tau 2007/2008 hei pānuitanga mā tātou katoa. Kei te whakaaturia atu tēnei pūrongo ā-tau i ngā mahi kua pūkautia e Te Puni Kōkiri ki te whakatutuki i ngā huanga o te Pānui Whāinga 2007

I am pleased to provide the Annual Report for 2007/08, that details the Te Puni Kōkiri financial and non-financial performance, along with progress towards outcomes identified in the 2007 Statement of Intent.

With almost eight years at the helm of Te Puni Kōkiri, I have been fortunate to witness at close hand the gains that Māori have made across the economic, cultural and social dimensions of New Zealand. Māori unemployment is at a 20 year low, with Māori working in every part of the economy. In education, more Māori are participating than ever before. The Māori language is thriving as part of the renaissance of Māori culture which continues unabated. While these are gains which Māori have made for themselves, and while there is more to be done, the entire public sector can be proud of the supportive role it has played.

Te Puni Kōkiri is guided in its work by an overarching strategy which we call the Māori Potential Approach. This means simply that we believe in the positive potential of Māori, and consider that this potential is best achieved by building on what is strong and successful among Māori as they themselves strive to meet the challenges of today and the future. Translated into operational terms, we provide assistance in many forms for individuals, groups and organisations which are assisting Māori to make positive choices in their lives. Learning from results, we enhance our policy advice.

There have been many achievements over the past twelve months and these are identified throughout this report, however I would like to mention some special highlights here at the start.

- The launch in Sydney of an in-house report, *Māori in Australia – Ngā Māori i Te Ao Moemoēa* that shows an explicit picture of how one-in-seven Māori are now living across the Tasman and the drivers of that migration;
- Release of our major publication *Ngā Kaihanga Hou – For Māori Future Makers*, that identifies key drivers that will influence the way Māori participate in the economy leading to the year 2030;
- Our contribution that led to iwi of the central North Island signing a Deed of Settlement that will see more than 100,000 Māori benefit from the return of over



- 170,000 hectares of land;
- Major progress with our legislative work programme that enabled completion of all Parliamentary stages of the Māori Purposes Bill (No 2); and the Mauao Historic Reserve Vesting Bill; and some of the stages of the Waka Umanga (Māori Corporations) Bill; and the Māori Trustee and Māori Development Amendment Bill;
- Our efforts in supporting Māori television and iwi radio to achieve a commendable milestone of reaching 500,000 hours of Māori Broadcasting;
- Collaborative working relationships to commemorate the 28 Māori Battalion Hui hosted by Te Tairāwhiti over Easter this year;
- Celebrated success in exceeding the target of 14,000 Modern Apprenticeships, one year ahead of schedule. More than 1,500 Māori are now involved in trade training schemes;
- Working with and supporting grass-roots organisations that contribute to realising Māori potential. Outcomes for Māori have improved at a faster rate than for

the general New Zealand population.

The Social Report showed that of the 15 outcomes available for Māori, 13 had improved since the mid nineties;

- Māori Wardens have received additional training and resources; six Regional Co-ordinators appointed; fifteen regional hui organised; and a \$1m annual fund established for locally based initiatives focused on improving outcomes for Māori youth and whānau; and
- An enhancement to our role in the Treaty Settlements process to assist claimants and the Office of Treaty Settlements on matters of process and tikanga.

We are proud of what we have achieved and I would especially like to acknowledge the leadership and commitment of the senior management team and staff for their work over the past year. Their support has been greatly appreciated.



Leith Comer
Chief Executive

HE KUPU WHAKATAKI

INTRODUCTION

Te Puni Kōkiri exists to help achieve the government's vision for New Zealand, as it applies to Māori. A major strength in this role is our reputation in the Māori world; this means that our success depends on keeping faith with Māori people, as well as with the government. Maintaining the necessary balance is aided by the large overlap between the aspirations of Māori and those of New Zealanders generally.

It is rare for a government department to be established by statute, as Te Puni Kōkiri is by the Ministry of Māori Development Act 1991. Our principal duties under the Act are to monitor and liaise with government agencies and to promote increases in the achievement of Māori in key social and economic development areas. To achieve this we focus predominantly on leading and influencing government policy as it pertains to Māori, assisting the government to manage its relationships with Māori organisations, and partnering Māori initiative with grants, purchases, and facilitation and brokerage of other services to Māori. Although we have funding and purchasing roles, we remain essentially a policy ministry, and what we learn about Māori development through our investments and relationships lends a unique dimension to our policy advice.



CORPORATE STATEMENTS



Government priorities and directions form the immediate drivers of our work, but we must also frame an identity for ourselves. This is captured in the following manner:

Our Strategic Outcome is Māori succeeding as Māori.

By this we seek the success of Māori as New Zealanders, global citizens, and as Māori, secure, confident and expert in their culture.

Our Role is Principal adviser on government-Māori relationships.

In this role we are superbly equipped by our regional network and by our character as a consciously Māori organisation – a place in the government where Māori may feel at home. Our aim is to be the leader of policy for Māori, most especially where Māori culture is concerned.

Our Purpose we define as Realising Māori Potential.

The concept of Māori potential is a powerful motivator for all our staff. In practice it means emphasising and finding ways to lever off everything which is positive about Māori. Amid the many negative accounts and statistics, we regard it as imperative that Te Puni Kōkiri acknowledges and builds on Māori aspirations, potential and achievement; this locates us in the policy community.

MĀORI POTENTIAL APPROACH

The Māori Potential Approach is an evolving policy management and investment system designed to operationalise our focus on Māori strength and success.

It consists of principles and outcome statements to guide policy advice and investment decisions. The principles direct us to focus on supporting Māori aspiration and initiative, recognising the unique place of Māori culture in New Zealand and the duties and opportunities which flow from this. The highest outcome of the Māori Potential Approach is a state of being which we term *Te Ira Tangata*; the fulfilment of Māori aspirations for optimal quality of life, as New Zealanders and as Māori. This will be achieved when Māori everywhere are able to exercise confident and responsible choices to live the lives they value.

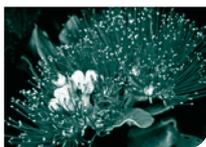
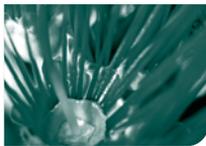
As contributors to that ideal we identify three intermediate outcomes or 'enablers' which, together with our policy principles, guide our advice and investment decisions. These are *Whakamana*, which is broadly about the power to make things happen; this directs our efforts towards strengthening Māori leadership, governance, management, succession planning, and influence. The second is *Mātauranga*, which refers to the traditional and contemporary knowledge

and skills which Māori innovation must build upon. The third is *Rawā*, which means resources – especially, though not only, the natural endowments of the Māori world. We consider these three 'enablers' to be the key determinants of Māori development, and use them in considering the efficacy of proposals for policies and investments.



NGĀ ARONGO MATUA O TE KĀWANATANGA

GOVERNMENT PRIORITIES



The Government's overall objective is to continue New Zealand's transformation to a dynamic, knowledge-based economy and society, underpinned by the values of fairness, opportunity and security

This policy programme balances economic and social policy, with three key priorities: ensuring that families, young and old, are able to secure and have the opportunity to reach their full potential; strengthening national identity; and economic transformation. These priorities are consistent with Māori aspirations, and considering and acting on these within the overall context of the Māori Potential Approach, have become the predominant drivers of our work. This section of the report introduces how the three priorities were interpreted by Te Puni Kōkiri, with examples of our contributions during the year. Full details of our outputs are in the Statement of Service Performance, beginning on page 21 of this report.

FAMILIES, YOUNG AND OLD

Te Puni Kōkiri's understanding of whānau as the core unit and driver of Māori society establishes our emphasis in the government's priority of Families – Young and Old. The key challenge for agencies is how to harness the

potential of whānau and rangatahi to drive positive change in their communities. A Whānau Development Action and Research programme, run by Te Puni Kōkiri investigated how agencies might work most effectively with provider organisations in ways that harness the cultural vitality that many whānau possess.

The wellbeing of New Zealand families including whānau is the core responsibility of the mainstream agencies. During the year, Te Puni Kōkiri worked with a range of sector agencies on initiatives for family and whānau wellbeing. Through our involvement with other agencies we add value to their work while encouraging them to adopt culturally effective frameworks and programmes developed or piloted by Te Puni Kōkiri. In the critical area of education Te Puni Kōkiri contributed through Ka Hikitia, Managing for Success that sets priorities in Māori Education.

One particular programme aimed to ease children's transition to kura by providing whānau with key information in a bi-lingual booklet that covers the benefits for tamaiti of education through a Māori immersion environment and provides tips and strategies to help them prepare for the transition to kura.

Also, through a programme of Schools-Plus, Te Puni Kōkiri supported a number of initiatives for the implementation of

education plans for young Māori including:

- *Pathways for In-Risk Students* aimed to support teenage mothers and high need Māori youth. The Taonga Education Trust assigned a support worker to help teenage mothers build education, employment and life pathways. Te Rākau works with high need Māori youth referred by Children and Young Families – for a twenty four-seven bed-night programme to provide education pathways; and
- *Building Māori Business Pathways* works with the Waikato University Management School to encourage participation in higher learning.

The government has committed to implementing a number of initiatives as part of the Effective Interventions work programme aimed at building safer communities. As part of this, Te Puni Kōkiri and the Ministry of Justice worked together during the year with Māori practitioners, and providers to develop a number of programmes that included:

- Reducing repeat offending – Te Whare Ruruhau o Meri;
- Assisting whānau to respond to the negative impacts of "P" abuse – Hoani Waititi Marae;
- Supporting teen mothers and young

parents towards positive futures – Taonga Education Trust;

- Reducing youth repeat offending – Mana Social Services;
- Victims of domestic violence and reducing the risk of further domestic abuse – Te Whakaruruhau Inc; and
- Working with hard to reach youth gangs in South Auckland – Consultancy Advocacy and Research Trust.

STRENGTHENING NATIONAL IDENTITY

THROUGH MAXIMISING MĀORI CULTURAL CAPITAL

Māori, and consequently, Te Puni Kōkiri, have an important part to play in strengthening New Zealand's national identity. To maximise and recognise the unique contribution that Māori make to strengthened national identity, Māori culture must prosper in all its diversity.

Te Puni Kōkiri claims leadership of policy related to Māori culture, and currently seeks to boost the vitality of Māori culture especially through initiatives in Māori language and broadcasting, and through bringing about a wider understanding within government of the strengths inherent with cultural infrastructure, especially whānau. The historical grievances of Māori, which



affect their participation in society, we help remove through our support for the Treaty settlements process.

The vision of the government's Māori Language Strategy is one in which the Māori language is being widely spoken by Māori, and with the value of the Māori language being appreciated by New Zealanders at large. Te Puni Kōkiri has a leadership role in the implementation of the Māori Language Strategy across government. In addition Māori television has now shown clearly the potential of broadcasting in strengthening Māori culture and national identity for all New Zealanders. The government supports Māori broadcasting through the Māori Television Service and the network of iwi radio stations.

With regards to the settlement of Treaty claims, our strength has been a flexible approach that allows the Ministry to respond to rapid developments and changing priorities. In 2007/08 Te Puni Kōkiri has:

- Observed and reported on 70 Central North Island related hui;
- Assisted the Ngāti Porou mandate process;
- Reported on the mandate of Ngāti Ranginui, Waitaha and Makino;
- Assisted in the development of mandate strategies for Ngāti te Rangi and Raukawa; and
- Begun to lead mandate work in Muriwhenua, particularly with Ngāti Kuri and Ngāi Takoto

Outside of the settlement process, Te Puni Kōkiri has led the policy and legislative process which culminated in the return of Mauao to Tauranga iwi, and has led negotiations to facilitate the return of Whakarewarewa Valley Lands to Ngāti Whakaue and Tuhourangi-Ngāti Wāhiao.

ECONOMIC TRANSFORMATION

Māori economic development was supported by Te Puni Kōkiri during the year through a mix of policy development and support for Māori business and asset development. In line with the Māori Potential Approach, our aim has been to harness the Māori contribution to government priorities in ways which tap the distinctive strengths and natural affinities of Māori culture. The main tools employed were assistance through the Ministry's Māori Business Facilitation Service, investments and support for infrastructure and capacity development, and policy leadership and influence.

From a policy perspective, one of the key areas of work has been developing an Economic Forecasting Report, which identifies key drivers of change in the global economy, and identifies options to optimise Māori participation and success in that future economy. This report was officially launched in Auckland in October 2007.

Te Puni Kōkiri led the development of the Māori Purposes Bill, including providing support to the Minister of Māori Affairs through all stages of its Parliamentary stages. As a result, on 22 May 2008, the Maniapoto Māori Trust Board Amendment Act, the Māori Trust Boards Amendment

Act, the Treaty of Waitangi Amendment Act and Te Ture Whenua Māori Amendment Act received the Royal assent.

Te Puni Kōkiri led the policy phases of the review of the Māori Trustee, including the development of a proposed new entity to focus on Māori economic development. As a result, the Māori Trustee and Māori Development Amendment Bill was introduced to Parliament in November 2007, and continues through its parliamentary stages. Additional funding of \$23m over four years was provided in Budget 2008 to support the enhanced operations of the Māori Trustee.

Te Puni Kōkiri also progressed the Waka Umanga (Māori Corporations) Bill, which will provide a new legal framework which Māori may choose to adopt in establishing governance entities. This Bill continues in its parliamentary stages.

On 9 June 2008 Cabinet agreed that Te Puni Kōkiri work with stakeholders to further develop a new system for rating Māori land whereby Māori land that meets an identified list of criteria would qualify to become non-rateable, and to undertake further work on the valuation basis, affordability and enforcement issues for rateable Māori land. Further report backs are scheduled for March and August 2009 respectively.





STATEMENT OF SERVICE
PERFORMANCE

STATEMENT OF RESPONSIBILITY

In terms of sections 35 and 37 of the Public Finance Act 1989, I am responsible, as Chief Executive of Te Puni Kōkiri, for the preparation of the Te Puni Kōkiri financial statements and statement of service performance, and the judgements made in the process of producing those statements.

I have the responsibility of establishing and maintaining, and I have established and

maintained, a system of internal control procedures that provide reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of Te Puni Kōkiri for the year ended 30 June 2008.

Signed



*Leith Comer
Chief Executive
30 September 2008*

Countersigned



*Craig Owen
Deputy Secretary Support Services
30 September 2008*

AUDIT REPORT

TO THE READERS OF THE FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE OF THE MINISTRY OF MĀORI DEVELOPMENT (TE PUNI KŌKIRI) FOR THE YEAR ENDED 30 JUNE 2008

The Auditor-General is the auditor of the Ministry of Māori Development (Te Puni Kōkiri). The Auditor-General has appointed me, Stephen Lucy, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf. The audit covers the financial statements and statement of service performance and schedules of non departmental activities included in the annual report of Te Puni Kōkiri for the year ended 30 June 2008.

Unqualified opinion

In our opinion:

- The financial statements of Te Puni Kōkiri on pages 65 to 93:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - of financial position of Te Puni Kōkiri as at 30 June 2008; and
 - the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of Te Puni Kōkiri on pages 21 to 63:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

- The schedules of non-departmental activities on pages 93 to 108 fairly reflect the assets, liabilities, revenues, expenses, contingencies and commitments managed by Te Puni Kōkiri on behalf of the Crown for the year ended 30 June 2008.

The audit was completed on 30 September 2008, and is the date at which our opinion is expressed.

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

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements, whether caused by fraud or error.

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

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed



the results of those procedures in forming our opinion. Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Chief Executive;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement and statement of service performance disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance.

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Chief Executive and the Auditor

The Chief Executive is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of Te Puni Kōkiri as at 30 June 2008 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of

outputs, the standards of delivery performance achieved by Te Puni Kōkiri and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. In addition, the schedules of non-departmental activities must fairly reflect the assets, liabilities, revenues, expenses, contingencies and commitments managed by Te Puni Kōkiri on behalf of the Crown for the year ended 30 June 2008. The Chief Executive's responsibilities arise from sections 45A, 45B and 45(1)(f) of the Public Finance Act 1989.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 45D(2) of the Public Finance Act 1989.

Independence

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

Other than the audit, we have no relationship with or interests in Te Puni Kōkiri.



S B Lucy
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

STATEMENT OF SERVICE PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2008

INTRODUCTION

The Statement of Service Objectives for Te Puni Kōkiri is detailed in the *Statement of Intent 2007-10*. This forms the output objectives for the year against which this service performance statement reports.

OUTPUT CLASS 1: POLICY - SOCIAL AND CULTURAL

Description

Within this output class the Minister purchased:

- advice on policies and programmes that specifically impacted on realising the social and cultural potential of Māori people and resources across the three dimensions of rawa, mātauranga and whakamana, to support economic transformation, the development of national identity and strengthening families.

Quality, quantity and timeliness performance measures for Ministerial Servicing and Policy Advice are reported under Ministerial Servicing Performance in this report.

All work produced was aligned to key themes contained in the Statement of Intent. The specific outputs included:

■ *Prepare a Māori Broadcasting Policy Framework*

The Māori Broadcasting and E-Media Policy Framework was approved by Cabinet in August 2007, and released

by Te Puni Kōkiri in September 2007 (see www.tpk.govt.nz for details). It established some principles, outcomes and intermediate outcomes to guide Government interests in Māori Broadcasting and E-Media. It also generated an ongoing work programme to strengthen and develop this sector.

Key achievements in 2007/08 included:

allocation of a block of spectrum in the 2.3 GHz band (used for wireless broadband) to Māori interests; enactment of the Broadcasting Amendment Act 2008 to expand the functions of Te Māngai Pāho; provision of additional funding to Te Māngai Pāho for these functions in Budget 2008; achievement of 500,000 hours of Māori language broadcasting (over the last twenty years); provision of support to the Māori Television Service (MTS) for hosting of the first World Indigenous Television Broadcasting Conference; and establishment of Te Reo (the second MTS channel).

■ *Prepare terms of reference for the review of the Māori Television Service Act 2003*

The Māori Television Service (MTS) Act 2003 requires that there must be a review of the Act in 2008/09 (s56 refers). The Terms of Reference for this Review were approved by the Minister of Māori



Affairs and Minister of Finance, and Te Pūtahī Pāoho in April 2008. These parties approved the appointment of the independent panel to undertake the Review in June 2008. The Review is currently underway.

■ *Publish the results of two surveys about knowledge and use of the Māori language*

The survey results were first published in summary form in July 2007, during Māori Language Week. Subsequently, a detailed analysis of the survey results was prepared and published as *The Health of the Māori Language* in 2006. In addition, a series of eight regional reports and four sectoral reports have been prepared, to ensure maximum use of the survey data.

■ *Prepare an annual report for the Minister of Māori Affairs about implementation of the Māori Language Strategy*

The annual report on the implementation of the Māori Language Strategy (MLS) was prepared. It highlighted that the lead agencies have continued to undertake the necessary sector planning under the auspices of the MLS. It also identified some significant initiatives that were undertaken as part of the MLS, including: the ongoing implementation of the Whānau Language Development programme (Te Puni Kōkiri); the completion of the monolingual Māori language dictionary (Te Taura Whiri); the establishment of the Te Reo channel (MTS); and, the publication of Māori language curricula (Ministry of Education).

■ *Devise, test and promulgate an understanding of mātauranga Māori*

Te Puni Kōkiri has prepared a working statement about our approach to Mātauranga Māori. This statement sets out, at a high level: our understanding of Mātauranga Māori; the key dimensions of Mātauranga Māori (in particular, tikanga and taonga); the roles of Government in protecting, preserving and promoting Mātauranga Māori; and our proposed approach to work in this area. This working statement has provided the basis for selecting three focus areas for an ongoing work programme, in particular: papakāinga; haka and marae. It also provides the basis for our approach to the WAI 262 inquiry. Te Puni Kōkiri has tested this working statement with internal and external experts and focus groups.

■ *Complete a national survey of marae*

This output has been partially completed. Te Puni Kōkiri has: undertaken an analysis of the previous national marae survey (undertaken in 1997); developed the information requirements for the survey; developed a questionnaire and methodology to collect data about these information requirements; piloted the questionnaire and methodology in one Te Puni Kōkiri region; undertaken a review of the questionnaire and methodology based on this pilot; and, developed a revised approach to the survey with a view to undertaking field work in 2008/09. In addition, Te Puni Kōkiri has also undertaken an initial survey of its investments in marae development through the Māori Potential Fund during the 2007/08 financial year.

■ *Develop and publish information and toolkits about aspects of whānau connections*

Te Puni Kōkiri has continued developing a range of tools in 2007/08 with a number of whānau groups. A selection of the tools under development include: He Korero Whānau; Te Ahupungao – Whānau Science Resources; Te Roopu Awhina – Whānau Tertiary Science Pathways; Te Kura Kaupapa Māori Information Booklet; Te Rakau Hua O Te Wao Tapu Personalising Learning Pathways for at Risk Whānau; and Tiaki Tinana – Whānau Conversations on Sexual Violence.

■ *Provide substantial 2nd opinion policy advice to social development agencies about issues that impact on whānau*

Te Puni Kōkiri has provided substantial policy advice to social sector agencies about issues that impact on whānau. Key areas of advice include education; training and skills development; housing; employment and social assistance; criminal justice; family violence; sexual violence; health and physical activity; and the care of the elderly and children.

■ *Provide policy advice to agencies about aspects of whānau connections in particular, and whānau development in general*

Te Puni Kōkiri has provided substantial policy advice to social sector agencies about aspects of whānau connections and whānau based approaches to development. Key areas of advice include education; training and skills development; housing; employment and social assistance; criminal justice; family violence; sexual violence;

health and physical activity; and the care of the elderly and children.

■ *Promote a collaborative model with other government agencies, which included the brokering of integrated contracts*

Te Puni Kōkiri has continued to undertake a range of collaborative policy work with iwi and Māori organisations as part of a co-production approach. The co-production programme is one funded from Te Puni Kōkiri's Māori Potential non-departmental output expenses and is designed to explore increased collaboration between agencies and undertake innovative approaches to working with Māori communities to improve Māori social, cultural and economic outcomes. Involvement in the co-production programme enables Te Puni Kōkiri to ensure that its policy development and advice to other agencies is informed by innovative activity being undertaken by leading Māori organisations. A synopsis of this work was published in the March 2008 Social Policy Journal.

Te Puni Kōkiri has also led a number of cross-agency initiatives with a range of agencies to support improvements in Māori outcomes across social sectors. This includes work within the Effective Interventions, Skills Strategy and Schools Plus work-streams.



■ *Provide policy advice about the implementation of the Māori Education Strategy, and the Māori Employment Policy Framework*

Te Puni Kōkiri has played a key role in providing policy advice on Māori education over the year. This advice has culminated in the release of a new Māori Education Strategy, *Ka Hikitia – Managing for Success: The Māori Education Strategy 2008 – 2012*. *Ka Hikitia – Managing for Success* is a broad reaching strategy aiming to transform and change the education sector, ensuring Māori are able to enjoy education success as Māori. The strategy was launched by the Minister of Education and the Associate Minister of Education (Māori) on 15 April 2008 for implementation by the Ministry of Education.

Te Puni Kōkiri has also worked with the Ministry of Social Development to report to Cabinet on achievements against the Māori Employment Policy Framework. Reports to joint Ministers and to Cabinet were completed in 2007/08.

■ *Contribute to policy work around Māori Teacher Supply*

In 2007/08, Te Puni Kōkiri and the Ministry of Education convened a standing cross-agency Māori Medium Teacher Education Officials Group. Through this group, work has been undertaken to: review and update scholarships for people with Māori language skills (Ministry of Education); administer proficiency testing for intending teacher trainees (Te Taura Whiri); commission research to investigate Māori language proficiency requirements and arrangements in initial teacher education

(NZ Teachers Council); develop a work programme to review in-service training and support in the Māori medium sector (Ministry of Education and Te Puni Kōkiri); and initiate the Māori medium component of the Kiwi Leadership Programme (Ministry of Education and Te Puni Kōkiri).

Additionally, in September 2007 Te Puni Kōkiri released a substantial report on Māori in Australia, which addresses an important information gap about the Māori population. Statistics had revealed that as many as one in seven Māori live in Australia, but we knew little about the motivations of these people for leaving New Zealand and how they were faring in keeping their culture alive.

The 250-page report is based on a survey of 1205 Māori across Australia. The report shows that Māori in Australia want to stay closely connected to New Zealand, and that opportunities exist for a strengthening of ties between Māori on both sides of the Tasman. The report concludes that this in turn can assist with Māori development in New Zealand.

Overall, the report provides a platform for future policy initiatives, both in Australia and New Zealand. It also identifies areas for further research. It has raised the profile of the New Zealand Government among the Māori community in Australia, and helped strengthen their sense of New Zealand identity.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/07 Actual \$000		30/06/08 Actual \$000	30/06/08 Supp Estimates \$000	30/06/08 Main Estimates \$000
5,681	Revenue Crown	6,907	6,880	6,332
379	Other Revenue	434	361	361
6,060	Total Revenue	7,341	7,241	6,693
6,035	Total Expenses	6,997	7,241	6,693
25	Net surplus/(deficit)	344	0	0



OUTPUT CLASS 2: POLICY - ECONOMIC AND ENTERPRISE

Description

Within this output class the Minister purchased:

- Advice on policies and programmes that specifically impacted on realising the social and cultural potential of Māori people and resources across the three dimensions of rawa, mātauranga and whakamana, to support economic transformation, the development of national identity, and strengthening families.

Quality, quantity and timeliness performance measures for Ministerial Servicing and Policy Advice are reported under Ministerial Servicing Performance in this report.

All work produced was aligned to key themes contained in the Statement of Intent. The specific outputs included:

■ *Lead the development of, and oversee implementation of and report on the whole of Government approach to the development of Māori land*

Land is a significant contributor to the Māori collective assets base, and is a significant cultural resource. Focusing on maximising land development opportunities that bring about benefits and gains to Māori is an effective contribution to their cultural and economic growth and development aspirations.

The Government's Māori Land Development Action Plan (the Action Plan) facilitates the development and use of Māori land

by addressing the six key areas of title, governance, information, training, tenure, and land development. Progress was made in each of these six areas in 2007/08 with priorities identified as:

- *Title:* the Māori Freehold Land Registration Project to complete the registration of outstanding Māori Land Court Orders is on target for completion in 2009/10;
- *Governance:* the focus of further work in addressing governance issues has focussed on addressing the capability of governors through the Māori Land Training Strategy;
- *Information:* a business case for a joint Te Puni Kōkiri/Ministry of Justice supported Māori land Geographic Information System (GIS) database is being developed;
- *Training:* a comprehensive Māori Land Training Strategy has been formulated to address issues at the pre-employment, employment, management and governance levels. The focus of the strategy is to increase the supply of well-skilled people and to enable them to transition through to positions of greater responsibility;
- *Tenure:* the Hui Taumata Māori Land Tenure Review Group has identified 29 recommendations within three priorities for further work. These priorities are:
 - creating effective Māori Land Management Entities;
 - facilitating graduated owner empowerment; and
 - removing other barriers to access finance.
- *Land Development:* engaged in a process of facilitation and promotion of identified Māori land and of expert assessments to ascertain development potential.

■ *Enhance the ability for Māori to exert real influence in resource management decision making*

Te Puni Kōkiri has been part of wider government efforts to ensure a greater level of Māori involvement in resource management planning and decision-making processes.

The 2003 amendments to the Resource Management Act (RMA) elevated the status of iwi management plans in relation to council planning. Further amendments in 2005 emphasised the need for iwi involvement at the front end of resource management planning and policy-making processes.

Since then initiatives aimed at supporting Māori in resource management processes have included the development and update of the Te Kāhui Māngai website to provide accessible information on iwi and hapū for the purposes of RMA engagement.

In 2007/08 detailed case studies which build on our earlier publication *Te Kōtahitanga o te Whakahaere Rawa: Māori and Council Engagement under the Resource Management Act* were developed. They provide further guidance to iwi and councils particularly in the development and use of iwi management plans. This research will further highlight how government and councils can support iwi planning efforts.

■ *Develop a forecasting tool and an evidence base for measuring Māori participation in the economic system*

Te Puni Kōkiri's report, *Ngā Kaihanga Hou – For Māori Future Makers*, aims to position Māori at the forefront of the future economic system. The report was launched

in October 2007.

The report is a tool to help understand the drivers that will shape Māori participation and investment decisions in the period to 2030 and beyond. The report identifies three major drivers of future economic growth, namely: the importance of innovation; the redistribution of world economic power; and climate change, with its resultant pressures on resources.

Based on the research conducted it concludes that development for Māori should be directed at increasing the Māori share of the economy, growing and diversifying the Māori asset base and broadening the range of economic activities in which Māori participate. This will require strategies to migrate Māori businesses into strategic growth industries, particularly exporting; improve the Māori qualification base; and promote higher levels of entrepreneurship and innovation.

■ *Administer the Māori Business Facilitation Service*

The Māori Business Facilitation Service (MBFS) provides advice and support for Māori businesses and organisations by assisting with assessment, brokerage and business mentoring for new business entrepreneurs and existing businesses. This includes linking businesses to businesses, supporting networking events and activities and brokering relationships.

There was strong interest in the MBFS over the financial year with the number of registrations reaching 524 for the year. 305 registrations were for established businesses and the remaining 219 were new to business entrepreneurs. Referrals to



other business assistance programmes for additional support or funding reached 134 in 2007/08.

The targets for MBFS have been achieved while the service remains in transition with the Māori Trustee and Māori Development Amendment Bill 2007 ("the Bill") being read a first time and referred to the Māori Affairs Select Committee. The Bill proposes to establish a new statutory entity, Māori Business Aotearoa New Zealand (MBANZ); provides for its establishment, functions, powers, and independence; and establishes the MBANZ Fund. It is proposed that the MBFS will transition to the proposed new independent entity MBANZ

In 2007/08, \$2.136m was expensed (compared to a departmental budget of \$2.148m) for MBFS, in support of:

- 524 new or existing businesses registered into the service (target 300) with capability assessed and supported through a business continuum by 30 June 2008. The additional registrations were a result of some carry over of registrations from the previous year

combined with a higher than expected level of demand for business mentoring assistance throughout the financial year;

- 134 referrals to other business assistance programmes (target 100) to grow their businesses by 30 June 2008. The additional referrals for business growth can be attributed to a strengthened relationship with Poutama Trust, and Trade and Enterprise;
- 435 quality business development plans were created by 30 June 2008 (target 300). This figure has occurred as a result of exceeding the registrations target for the year of 300;
- 2545 generic/specialist interventions (i.e. marketing plan, expansion strategy, start-up plan, financial plan, etc.) provided to new and existing businesses by 30 June 2008. This figure exceeded the target of 500 and occurred as the client needs assessed by the Business Facilitation Service account managers resulted in multiple interventions being provided to meet client needs; and
- 12 networks were supported (target 12) that included twelve sector, one cluster, and five Māori Business Networks.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/07 Actual \$000		30/06/08 Actual \$000	30/06/08 Supp Estimates \$000	30/06/08 Main Estimates \$000
12,393	Revenue Crown	13,652	13,918	13,120
24	Other Revenue	28	23	23
12,417	Total Revenue	13,680	13,941	13,143
11,858	Total Expenses	12,837	13,941	13,143
559	Net surplus/(deficit)	843	0	0

OUTPUT CLASS 3: POLICY – CROWN-MĀORI RELATIONSHIPS

Description

Within this output class the Minister purchased policy advice on the relationship between Māori and the Crown and on the links between that relationship and the realisation of Māori potential across the three dimensions of rawa, mātauranga and whakamana, to support economic transformation, the development of national identity, and strengthening families.

This included all treaty policy issues and advice on the impacts of legislation not addressed in any other output class.

Quality, quantity and timeliness performance measures for Ministerial Servicing and Policy Advice are reported under Ministerial Servicing Performance in this report.

All work produced was aligned to key themes contained in the Statement of Intent. The specific outputs included:

■ Provide advice on, and monitor, issues and opportunities associated with facilitating Treaty of Waitangi settlements, including advice about the mandating of settlement entities and the provision of support for post-settlement entities

Te Puni Kōkiri has undertaken significant work in this area. We have observed and provided advice about mandate and ratification hui and processes in various groups, including: various Northland iwi; Affiliate Te Arawa iwi; Ngāi Tūhoe; Ngāi Te Rangī; Te Rūnanga o Ngāti Porou; Raukawa; and Taranaki Whānui ki te Upoko o te Ika. We led the Central North Island

Forestry Settlement endorsement processes, providing advice to Ministers, officials and iwi, in addition to observing and reporting on approximately 70 hui.

Te Puni Kōkiri continues to participate in all the active Foreshore and Seabed negotiations and the development of related policy. We have provided advice about the progress of the various negotiations and related issues.

We have also undertaken further work that supports the Crown-Māori relationship. For example, in 2007/08, we have led processes to enable the transfer of Mauao (Mt Maunganui), Tuhua (Mayor Island) and Whakarewarewa Valley Lands to iwi.

■ Provide advice on, and monitor, issues and opportunities to support the development and application of Māori governance models

The government's ongoing consideration of issues and opportunities in the area of Māori governance and tribal representation culminated in the introduction of the Waka Umanga (Māori Corporations) Bill on 21 November 2007.

The Bill enables Māori tribal groups or Māori associations that manage communal assets to establish legal entities that can be shaped to suit their individual cultural and governance needs. The Bill provides independent, democratic and transparent processes for entity formation and for resolving disputes, the emphasis being on open and early dialogue with prospective members.



The Bill has been developed by Te Puni Kōkiri and the Law Commission. Extensive consultation with Māori and other key stakeholders has been undertaken by Te Puni Kōkiri since 2004; in late 2006 concerning the overarching Waka Umanga proposal and in June/July 2007 on the detail of the Bill itself. The views of key stakeholders have been taken into account in the final drafting of the Bill, which continues through its Parliamentary stages.

■ Provide advice on, and monitor, issues and opportunities associated with Māori interests in oceans policy and the water programme of action

Te Puni Kōkiri has been providing policy advice and guidance to the Ministries for the Environment and Agriculture and Forestry to ensure that Māori values and interests in freshwater are recognised through the Sustainable Water Programme of Action. Te Puni Kōkiri has been a major contributor to the development of a Māori engagement programme for this government work programme.

Additionally, Te Puni Kōkiri is leading a number of initiatives aimed at supporting Māori involvement in aquaculture as part of a wider government programme to support sustainable aquaculture development within Aotearoa. The aquaculture industry is worth over \$300 million. It is anticipated this will grow to \$1b by 2025. Aquaculture offers opportunities for Māori, who have interests through Aotearoa Fisheries Ltd, private and family companies and iwi business ventures.

Outcomes to date include:

- nationwide information hui held in

partnership with NIWA (National Institute of Water and Atmospheric Research Limited);

- the publication of a series of information sheets for Māori on aquaculture as well as the best practice document, Māori and Aquaculture Development;
- supporting a consortium of Te Taitokerau iwi to develop an aquaculture strategy to link into the wider government programme; and
- providing support and funding to create a Māori Development Manager position at Aquaculture New Zealand Ltd.

■ Provide advice on, and monitor, issues associated with the administration of Māori Affairs legislation

The Māori Trustee and Māori Development Amendment Bill was introduced to the House on 23 November 2007. The Bill proposes to establish the Māori Trustee as a stand-alone organisation, separate from Te Puni Kōkiri. The Bill also requires the Māori Trustee to review interest paid on money held in the Common Fund, taking market rates into account. Consultation with Māori on these proposals and associated changes took place in August and September 2007 and were generally supported.

In a new development since the consultation, the Bill also proposes to establish an independent statutory corporation with the principal function of furthering Māori development, by building on the potential of Māori resources. A new fund will be established to enable the new statutory body to carry out its work. In the first instance, a contribution

of \$35 million will be transferred from the Māori Trustee's General Purposes Fund, and \$40 million has been made available as a Crown contribution to the Fund. The Bill continues through its Parliamentary stages.

The Māori Purposes Bill passed its final stages with the unanimous support of the House in May 2008. The Māori Purposes Bill updated four pieces of legislation:

- The Maniapoto Māori Trust Board Act – by changing the name of the Council of Elders and establishing a new Regional Management Committee for Kawhia Harbour Marae;
- The Māori Trust Boards Act – by giving effect to the agreement between the Crown and Tuwharetoa with respect to enhanced payments to Tuwharetoa to the Lakes, and by adjusting the voting age for MTB beneficiaries to 18 years (from 20 years) consistent with Māori Fisheries Act and wider elections (general and local) that allow 18 year old citizens to vote;
- The Treaty of Waitangi Act – by increasing the number of members of the Tribunal from 16 to 20 to assist with the timely inquiry into claims, and technical drafting changes; and
- The Ture Whenua Māori Act – to correct drafting errors.

Also May 2008 was a significant milestone for Tauranga Moana iwi, and Te Puni Kōkiri, with the passage of the Mauao Historic Reserve Vesting Bill. The Bill was read for its 3rd time, and with the unanimous support of the House became law. The Bill returns ownership of Mauao to Tauranga Moana iwi.

■ *Establish a clear understanding of the role and responsibilities in international relations*

Work in this area has included: undertaking a stock take of all international activities that Te Puni Kōkiri has been involved in over the last five years; identifying specific state reports for Te Puni Kōkiri to provide input into (such as the International Covenant on Social, Cultural and Economic Rights and the United Nations Convention on the Rights of the Child); implementing a coordination process to ensure Te Puni Kōkiri provides high quality, accurate and timely information into these reports; and setting up a work programme for managing international issues in the 2008/09 financial year.

■ *Establish a constructive and credible leadership role with agencies working with other countries and international organisations on matters relating to Māori people and their interests*

Key areas of work in 2007/08 have focused on increasing the visibility of New Zealand in indigenous fora such as: taking the lead role on behalf of the New Zealand Government delegation at the Permanent Forum on Indigenous Issues (including the presentation of state statements in relation to te reo Māori and the Māori Potential Approach); engaging in the activities that arise out of the Convention of Biological Diversity; regular engagement with the Ministry of Foreign Affairs and Trade to ensure Māori and related interests are reflected in their work programme; and support for Māori to attend various international fora to represent New Zealand interests.



Te Puni Kōkiri was also represented on the New Zealand delegation to the Committee on the Elimination of Racial Discrimination (CERD) session in Geneva in August 2007.

In addition, Te Puni Kōkiri has played a key role in providing policy advice on the government's climate change programme, and in facilitating Māori engagement in the development of New Zealand's response to the Kyoto Protocol obligations. A number of hui and leaders' forums were held throughout 2007/08 to provide Māori with direct input into the development of the New Zealand Emissions Trading Scheme; with a commitment from Government to continue this engagement throughout its implementation.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/07 Actual \$000		30/06/08 Actual \$000	30/06/08 Supp Estimates \$000	30/06/08 Main Estimates \$000
6,959	Revenue Crown	7,296	7,267	7,420
30	Other Revenue	35	29	29
6,989	Total Revenue	7,331	7,296	7,449
6,898	Total Expenses	7,061	7,296	7,449
91	Net surplus/(deficit)	270	0	0

OUTPUT CLASS 4: RELATIONSHIPS AND INFORMATION

Description

The Minister purchased outputs that were designed to assist Māori to realise their social, economic and cultural potential at the local level. These outputs included policy advice, information services, communications, and brokerage and coordination services to support relationships between Māori and state sector agencies, local government, non-government organisations and the private sector.

Quality, quantity and timeliness performance measures for Ministerial Servicing are reported under Ministerial Servicing Performance in this report.

All work produced was aligned to key priorities as contained in the Regional plans. An example by region is summarised below.

TE WHARE MAIRE TŪHOE

Te Puni Kōkiri recognises that the most significant contribution to Māori development in the future will come from improving the education and skills of Māori and their communities. To give effect to this, Te Puni Kōkiri supported Tūhoe Education Authority to undertake and implement the second stage of a project aimed at developing whānau and hapū capacity and capability in the Ngāi Tūhoe rohe. The lifelong education strategy, known as Te Whare Maire o Tūhoe, covers all education sectors in Ngāi Tūhoe and ensures that all Ngāi Tūhoe tamariki are getting the "best" that education has to offer.

TOURISM WAIMARAMA

Waimarama Māori landowners participated in a research programme with Massey University to develop tools for Māori landowners to assist with their economic transformation. Te Puni Kōkiri provided advice and information on tourism and has undertaken to support their involvement in the research project. While they have established farming operations they are looking to diversify by entering into tourism. Waimarama Tourism based at the Hawke's Bay Museum in Napier already provides a first class cultural experience involving an interactive programme where they give visitors a taste of Māori culture.

UNLOCKING IWI POTENTIAL

Te Puni Kōkiri and Te Rūnanga o Ngāti Porou are working together to further realise the tribe's development aspirations. Currently the partnership is developing and implementing a knowledge management strategy which will assist Ngāti Porou to enhance its dissemination of information. The partnership is also working on a hapū success framework to look at building the strengths and capacities of Ngāti Porou hapū, the establishment of a business incubator to support business growth within Ngāti Porou, and the development of a tribal curriculum using a hapū approach for the restoration of the Ngāti Porou Learning Community.

SUPPORTING WHĀNAU

An innovative programme aimed at reducing rates of serious offending among Māori

is having a positive impact on Māori communities within Tāmaki Makaurau. Te Whare Ruru hau o Meri Trust with the help of Te Puni Kōkiri is addressing the issue of domestic violence by working with offenders to improve their parenting and relationship skills to support good healthy whānau environments. Facilitators and counsellors engage with offenders to teach them new ways of communicating and help them to re-tell their own experiences to address and understand their own histories of violence. A number of Māori men have successfully completed the programme.

RANGATAHI TŪ ORA

Te Puni Kōkiri and other lead agencies are supporting Rangatahi Tū Ora in Te Taitokerau. Rangatahi Tū Ora is an exciting regional initiative aimed at engaging rangatahi aged 13 – 18 years in sport, physical activity, learning, development and leadership. The project has been developed as part of the Northland Sport and Physical Activity Strategy and builds on the characteristics and strengths of youth culture including identity, dance, music, art, expression and the establishment of relationships.

TE ARA TAKAARO

Te Puni Kōkiri supported Te Puna i Rangiriri Trust to interact and engage with rangatahi. Te Puna i Rangiriri implemented a program that built on and promoted rangatahi confidence through specific skill training, leadership and mentoring. Twenty one rangatahi from Tauranga Moana were selected to partake in the pilot program. The program supported three areas; sports, personal and cultural development, providing knowledge

to allow the selected participants to fulfil their full potential as sports people and future Māori leaders. A number of the students have since been selected to participate in various Regional and New Zealand representative teams.

A SCIENTIFIC PATH

Encouraging tamariki and rangatahi Māori to participate and achieve in science and technology was the main kaupapa of a four day science wānanga held in the Hawkes Bay. The wānanga was a joint initiative between Pukemokimoki marae and the University of Victoria in Wellington. A team of ten scientists and students presented the kaupapa earlier in 2008 at the marae to more than 60 people. Topics included physics, DNA, bio monitoring, conservation, and technology. This wānanga is the first of its kind for these two organisations. The wānanga was also supported by Te Puni Kōkiri to expose rangatahi to scientific opportunities and pathways for further education.

TAMAITI WHĀNGAI

The Tongariro Tūrangi Tamaiti Whāngai Trust established to deliver the Tamaiti Whāngai programme launched its holiday programme with outstanding success. The programme is aimed at increasing the social and cultural well being of tamariki and rangatahi aged between 0 and 18 years and is founded on the concept that "it takes a village to raise a child." The programme involves youth leadership workshops, sports and cultural activities and is designed to engage young people and build on their strengths and interests. Te Puni Kōkiri is supporting the

programme by advocating for an integrated agency approach for the next three years.

STRONGER COMMUNITIES

Building better and stronger communities is the main kaupapa of a partnership between Te Puni Kōkiri and the Huakina Development Trust. The two organisations engaged a Community Development Officer (Kaitātaki a Rohe) in the Franklin district to work with marae for a three year term. The project aims to strengthen marae communities in the rohe by accessing resources, creating opportunities, building upon existing capabilities and assessing capacity. The tangible achievements are the main outcomes of the project, but it will be the intangible changes that will be responsible for its long term success in strengthening marae communities in Te Puaha o Waikato.

TE RĀ O NGĀ MOKOPUNA

Te Puni Kōkiri supported Paparakau Tuarua Te Kōhanga Reo to bring together 15 kōhanga reo from the Hutt Valley and Wellington regions. This is the third occasion that Paparakau Tuarua Te Kōhanga Reo has hosted the event called Te Rā o Ngā Mokopuna. The kaupapa of the event was whakawhanaungatanga, positive leadership and role-modelling in healthy lifestyles and well being. Te Rā o Ngā mokopuna was held at Paparakau Tuarua Te Kōhanga Reo with more than 600 mokopuna and whānau participating in a range of traditional and contemporary activities.

MĀORI TRADE TRAINING

In Taitokerau, Te Puni Kōkiri with other government agencies, local rūnanga, schools, and the private sector are working together to

harness the potential of young Northlanders with a unique trade training programme. The Māori Trade Training pilot's key features are to strengthen Iwi/Crown relationships, further develop opportunities for rūnanga, work more collaboratively across agencies and provide positive employment outcomes for rural youth. The youth now have opportunities to secure apprenticeships, employment or further training as a result of participating in this programme.

CELEBRATING KAUMĀTUA

Kaumātua from throughout Te Rohe Pōtae o Tūhoe experienced a weekend of social activities, commemorative events, hui and wānanga. Hosted by Te Kaokao o Takapau and funded by Te Puni Kōkiri and Mā Te Reo, invitations were issued to all Tūhoe Kaumātua to come together to celebrate their lives and honour Te Pure, a time of reaping benefits and bountiful harvests.

NGĀTI WHAKAUE EDUCATION

Te Taumata Mātauranga o Ngāti Whakaue was established by Ngāti Whakaue Trusts to implement strategies aimed at improving educational outcomes for the tribe. A building has been donated to establish a Whānau Education Support Centre to provide whānau with tools, programmes and services that will empower them to become active in their children's education. Te Puni Kōkiri has supported the initiative by funding a 12 month position to help establish the centre, its programmes and strategies. The Ministry of Education have also supported the initiative and have secured a co-ordinators position to enable Ngāti Whakaue to commence its Te Ao Kapurangi strategy to support and strengthen whānau.



TOA SPORTS

TOA Sports is a one year fulltime course offered by the Christchurch Polytechnic Institute of Technology (CPIT) as a joint venture between He Waka Tapu Trust, the Christchurch City Council and Te Puni Kōkiri. It provides pathways for development in sport, education and employment opportunities. The course is two days of academic programmes at CPIT's campus and three days of sports programmes at Queen Elizabeth II sports centre. On completion of the course students will have gained a Level 3 Certificate in Foundation Studies which enables further tertiary education or trade training. A number of graduates from the class of 2007 have obtained National Rugby League contracts with teams such as the North Queensland Cowboys.

RANGATAHI SUMMIT

Te Puni Kōkiri supported the second bi-annual Whanganui Rangatahi Summit 2007. The main theme of the summit was to encourage the celebration of Whanganuitanga through whanaungatanga and kotahitanga. Toi Māori was the main medium to inspire learning and participation among rangatahi. During the two day summit the Whanganui War Memorial Hall hosted more than 120 rangatahi who worked with local traditional artists. The Rangatahi Summit was part of the 'Mai te Pūtaka ki te Kopounga' – Whanganui Rangatahi Succession Strategy. The strategy is aimed to assist rangatahi to develop and grow their individual strengths towards achieving their life goals.

MOANA KI TE RANGI

Linking Northland's remote Ngāti Wai

coastal communities using communication technologies is the goal of Ngāti Wai Trust Board. An Information and Communications Strategy has been developed to connect the Ngāti Wai communities and build their confidence in the use of Information and Communications Technology. Supported by Te Puni Kōkiri, ASB Community Trust and the government's 'Community Partnership Fund', the project provides communications tools for Ngāti Wai communities to support social, cultural and economic development. As a result the trust has established three learning centres: Matapōuri marae; Takahiwai marae; and Ngāti Wai marae. The centres provide a range of services and programmes including community internet access, computer courses, an after school and holiday programme, horticulture and elementary courses.

ACCESSING VITAL SERVICES

A Heartland Services centre was opened in Helensville for the local community to better access services from government agencies and community organisations. Heartlands Te Awaroa is the result of a three-way partnership between the Ngāti Whātua Ngā Rima o Kaipara Trust, the Ministry of Social Development and the Rodney District Council. Te Puni Kōkiri, the South Kaipara Collective 'Think Tank' of community agencies, local residents and the Kaipara College were also involved. Helensville is seen as the ideal focal point for a Heartlands Service because of the population. Te Puni Kōkiri helped establish the Ngāti Whātua Ngā Rima o Kaipara Trust and for more than five years, have been working with them on this project.

MARAE TRADE TRAINING

Takitimu region developed and delivered

two approaches to trade training through a Māori provider – Te Taiwhenua o Heretaunga in Hawke's Bay and Ngā Kanohi Marae o Wairarapa. The training models were developed with the support of a marae reference group and included extensive consultation with tertiary providers and representatives from the building industry as well as a collaborative approach with other government agencies facilitated by Te Puni Kōkiri. Māori builders who had participated in the Māori Trade Training programme in the 1960's and 1970's also contributed.

The 15 Hawkes Bay Graduates over 3 years of the programme will receive a Level 4 NZQA qualification in the building trades to assist them complete their apprenticeship. The model for the Wairarapa project incorporated marae maintenance programmes and their 15 graduates will receive a Level 2 NZQA qualification in the building trades, a pre-entry qualification to an apprenticeship.

This innovative approach has equipped young Māori with work skills and jobs with local builders.

Te Puni Kōkiri was also instrumental in brokering relationships between the key stakeholders including marae; Māori builders and construction workers; Master Builders Association; the Building and Construction Industry Training Organisation; training providers; the Ministry of Social Development; Tertiary Education Commission; and the Department of Internal Affairs.

NAUMAI PLACE

Te Puni Kōkiri and the Te Arawa Lakes Trust trialled an innovative internet project to

keep Te Arawa whānau connected to their marae. Naumai Place is the name of the website and its kaupapa is to provide better connectivity and communication between Te Arawa marae. The initial pilot takes 10 Te Arawa marae and provides an information highway for Te Arawa people to network from anywhere in the world. The site will include marae history, leadership, events calendar, chat room, video capture of celebrations and tangihanga notices, and a trade me function. This will assist Te Arawa to stay connected with their marae, whānau, hapū and iwi. All marae throughout the motu are also eligible to use the website:

www.naumaiplace.com

CULTURAL FESTIVAL 2007

The Christchurch Primary Schools Cultural Festival 2007 was a huge success with a record 2,870 primary and intermediate students from around Canterbury showcasing their talents and cultural heritage. The festival supported by Te Puni Kōkiri drew a record audience of more than 8,000 the largest audience in its twenty six year history. Seventy performance groups from thirteen different cultures performed throughout this 'multicultural showcase'. Promoted to primary and intermediate schools Canterbury-wide, the festival is now running at rehearsal and performance capacity, with up to forty nine schools participating and a further twenty schools registered on the waiting list.

KAWERAU A SAFER PLACE

Te Puni Kōkiri supported the Kawerau Blue Light Ventures Inc. to make Kawerau a safer place for all. The Kawerau Blue Light Venture project is promoting positive lifestyle



alternatives and strategies to help rangatahi avoid becoming offenders or victims of crime. One key objective of the project is to reduce crime in the Kawerau town centre. Te Puni Kōkiri's community development officer – Kaitātaki ā Rohe assists Kawerau Blue Light Ventures with sports co-ordination and support for after school and holiday programmes at Kawerau schools.

KAUMĀTUA 60 PLUS

Te Puni Kōkiri supported Awa Sports to provide a fun day full of indoor sports and recreation activities for kaumātua. Local research showed there was a lack of physical activities and sports events for kaumātua in Whanganui. Held at the local Returned Services Association (RSA) Club, Whanganui the event attracted more than fifty kaumātua, whānau support and kaimahi. The challenge saw six groups of kaumātua competing at darts, eight-ball, skittles, quoits, indoor bowls and petanque.

TAKITIMU EDUCATION

Te Puni Kōkiri has brought together a focus group to discuss mātauranga Māori issues in the Takitimu rohe. The group is made up of representatives from various organisations that have a specific role in the future of Māori Education including Te Puni Kōkiri, the Ministry of Education and local community groups. The forum operates at a strategic level and is keen to ensure appropriate resourcing be made available for the betterment of Māori education. A collaborative approach to strategic development for Māori and effective engagement with iwi are essential to a robust Māori education sector in the region.

CLIMATE CHANGE

Te Puni Kōkiri sponsored a forum to discuss climate change and the government's programme to be addressed and its implications for Māori. Ministry of Agriculture and Forestry and the Ministry for the Environment met with Māori land owners in Rotorua. The emission trading scheme was discussed, in particular the impact of de-forestation versus pasture and potential solutions on how to achieve a good economic and cultural balance. There was widespread acknowledgement from attendees that climate change is an important and urgent issue, and that our actions will be judged by future generations.

TAIRĀWHITI FILM-MAKING

A number of creative sector workshops including a short film workshop have been held in Te Tairāwhiti to inspire rangatahi into creative careers. The Tairāwhiti short film workshop was held at Te Puni Kōkiri in Gisborne and was facilitated by Ngā Aho Whakaari (Māori in Film, Video and Television). Ngā Aho Whakaari is also promoting their Te Paepae Ataata initiative, where Māori are encouraged to submit their feature film scripts to a panel, and two or three will be selected for future development.

KAITIAKI POUNAMU

Kaitiaki Pounamu Southern Regional Committee is a collaborative project between the seven southern Ngāi Tahu papatipu rūnanga, with support of Geological and Nuclear Sciences, the Department of Conservation and Te Puni Kōkiri. The project, now in its third year of a possible seven years, and surveys areas within the Wakatipu wāhi area of the Southern Alps and records

geological information in relation to the presence of pounamu and of archaeological evidence of Māori occupation and rock shelters. The project aims to provide detailed information to the seven rūnanga to assist them, in their role as Kaitiaki Rūnanga, to make informed decisions in relation to the conservation and management for this precious resource.

HAKA IN THE CITY

Te Puni Kōkiri supported the Tāmaki Makaurau Regional Kapa Haka Competition which saw four of the regions best rōpū qualify for the national competition to be held in Mt Maunganui next year. Telstra Pacific Stadium hosted the competition which saw approximately 3,000 people support the thirteen senior groups.

WAKA LAUNCH

Te Puni Kōkiri supported the 150 year celebrations of the Kingitanga with the launch of a new waka which was commissioned to commemorate the ascension of Kīngi Tuheitia to the throne of the Kingitanga. The new waka Tātahi Ora was launched at a pre-dawn ceremony on the Waikato River. This was followed by a flotilla of eight waka that paraded down the Waikato River to Ngaruawāhia to salute Kīngi Tuheitia and guests.

PROJECT TAUNAHA

A Te Puni Kōkiri funded project is helping Ngāti Hine landowners to address natural and cultural sustainability issues in their whenua. Project Taunaha allows landowners to better understand the characteristics of their whenua. Once armed with a range of information, owners can make better

informed decisions on any economic and commercial opportunities, or respond to conservation issues, such as preservation of natural resources like rongoa sites

PAPAKAINGA RESOURCE

In response to requests for advice and support for whānau attempting to establish Papakainga housing on their ancestral lands, Te Puni Kōkiri led the development of a resource in collaboration with the Māori Land Court Takitimu and Hastings District Council.

The initial project intended to harmonise the processes of the Māori Land Court (Te Ture Whenua Māori) and the range of legislation that the Hastings District Council administers. These factors otherwise impact on the ability of whānau to complete the processes to achieve a Papakainga development.

With the support of Te Roopu Pakeke and the Reference Group, the project team developed a set of guidelines to assist whānau to prepare, plan and achieve Papakainga development. The Hastings District Council has aligned their policies and processes to the requirements of Te Ture Whenua Māori. The Māori Land Court has aligned their practices and processes to enable whānau to achieve the council requirements.

The Takitimu office of Te Puni Kōkiri launched a guideline resource for whānau to support them to engage effectively within the whānau, to provide advice and information on the Māori Land Court and Council requirements, and to enable them to complete their planning for Papakainga.



MĀORI WARDENS

In 2004, a needs analysis report commissioned by Te Puni Kōkiri and undertaken by the Māori Wardens Association provided recommendations for Māori warden training. This report prompted funding to build capacity and capability within the Māori Wardens project, effective from 1 July 2007. In collaboration with recommendations from the Māori Wardens Training Advisory Group, development of an action plan was prepared in September 2007. This action plan and report proposed a national foundation training programme of learning to be co-managed between the New Zealand Police and Te Puni Kōkiri and was implemented in 2007/08. It was agreed also that the proposed foundation training programme be reviewed in November 2008 to determine the key components for future training.

Success of this pilot project has been determined from feedback sought directly from Māori wardens and has been managed in the following ways:

- Twenty one presentation hui have been held across the country. Each region has been visited at least 3 times by the Project Team. The purpose of these hui is to update Māori wardens on the project and to allow wardens an opportunity to provide direct feedback and seek clarification on issues. Additional hui were held in Tāmaki Makaurau to ensure coverage of this region.
- The appointment of the six Regional Coordinators in January 2008 has allowed contact to be maintained

with warden groups operating in all regions. Fortnightly reports from Regional Coordinators provide up to date intelligence on issues affecting wardens at the front line.

- Direct feedback is sought from Māori wardens who participate in training provided through the project by way of evaluation forms completed at the conclusion of each module.

In May 2008, the Health Research Services Centre, Victoria University was contracted to provide a 'process' evaluation on the project. This evaluation focused on the effectiveness of the project to date. The findings will assist the Project Team in improving the expansion of the initiative nationally in 2008/09. Interviews were undertaken with Māori wardens, Project Team members, external and internal stakeholders.

The evaluation targets how well the project has been implemented to date and how the project might be improved as it expands into the remaining regions nationally. It is anticipated that an independent and full evaluation will be conducted in the next 12-18 months. The evaluation will concentrate on measuring (qualitative and quantitative) the extent to which capability and capacity has been enhanced for Māori wardens.

PERFORMANCE MEASURES

Quantity

Regular (at least quarterly) proactive reports on all regional issues and/or activities prepared and referred to the Minister.

Weekly status reports were referred to the

Minister of Māori Affairs covering.

- Hot spots;
- Parliamentary issues;
- Cabinet papers;
- Key meetings;
- Public events;
- Key regional events; and
- Significant relationship issues.

Reporting on the status of deliverables in regional work programmes/plans to include information on key priorities and projects, and the number of interventions completed

Monthly reports on the status of deliverables in regional work programmes were provided to the Deputy Secretary – Relationships and Information, and subsequently included in the quarterly wāhanga reports to the Chief Executive.

Information on the number of interventions completed and time spent on interventions conducted by regional offices was captured through the "Engagements Report" and reported to National Office.

Further measures were the number of investment proposals completed; sponsorship of sport and cultural events; implementation of a Māori youth leadership development strategy; and marae database of providers and agencies identified and maintained.

- Of the 638 investment proposals assessed in 2007/08, 499 were approved;
- There were 26 sponsorships for sport and cultural events, and additionally 79 sport and 162 cultural activities were supported;
- Considerable priority work was undertaken in the regions regarding Rangatahi

development; and

- A marae database has been compiled and is included on the Te Kahui Māngai web site www.tkm.govt.nz. A survey of marae is currently under way which will update and expand the database.

QUALITY

Work was to be produced to the increased satisfaction of whānau, hapū, iwi, Māori communities and Māori organisations, with the services provided. Measurement was to be undertaken utilising evaluation reports and stakeholder surveys.

While formal surveys and evaluation reports were not utilised, informal feedback was obtained from the network of Kaiwhakarite (fieldworkers) and other staff in the regions, by way of programme evaluations which informed our working relationships with whānau, hapū, iwi, Māori communities and organisations. Feedback from key stakeholders indicating a general satisfaction of services provided was also gained from meetings in each region, attended by the Chief Executive.

Te Puni Kōkiri plan to use the Common Measurements Tool in 2008/09 (which was used for the Kiwi Count Survey) to measure client satisfaction and more importantly, identify service delivery improvements for service users.

A further measure required the Minister's satisfaction with the services provided "on the ground"/ at a local level to be assessed formally each quarter and randomly in weekly meetings with senior officials.



While there was no formal quarterly reporting, the Minister of Māori Affairs said he was satisfied that good progress had occurred in the quality and timeliness of papers received.

TIMELINESS

The performance required all specified reporting deadlines to be assessed against deadlines set in the regional plans.

The specified deliverables in the Regional plans were assessed by comparison against deadlines set and modified during the course of the year.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/07 Actual \$000		30/06/08 Actual \$000	30/06/08 Supp Estimates \$000	30/06/08 Main Estimates \$000
10,013	Revenue Crown	8,665	8,631	9,192
42	Other Revenue	48	40	40
10,055	Total Revenue	8,713	8,671	9,232
19,922	Total Expenses	8,569	8,671	9,232
133	Net surplus/(deficit)	144	0	0

OUTPUT CLASS 5: OPERATIONS MANAGEMENT

Description

The Minister purchased outputs that were designed to ensure the efficient and effective management of operational programmes that were administered by Te Puni Kōkiri.

Quality, quantity and timeliness performance measures for Ministerial Servicing are reported under Ministerial Servicing Performance in this report.

All work produced was aligned to the Regional plans where our approach was to enable Māori to participate and succeed as Māori. In 2007/08 Te Puni Kōkiri managed investments in the three areas of Whakamana (strengthening of leadership and decision-making); Mātauranga (building of knowledge and skills); Rawa (development and use of resources);

In addition Te Puni Kōkiri delivered a number of funding programmes to groups.

These included:

- Departmental Programmes
 - Kaitātaki-Ā-Rohe (KAR)
 - Special Housing Action Zones (SHAZ)
 - Kapohia ngā Rawa (KNR)
 - Māori Regional Tourism Organisation (MRTO)

Kaitātaki-Ā-Rohe (KAR)

In 2007/08 \$2.204m was expensed (from a departmental budget of \$3.300m).

The KaR programme recognises whānau, hapū, iwi, Māori communities and Māori

organisations as the focal point of Māori development. It acknowledges that Māori know what they want but often lack the human resources to implement projects. The KaR programme allows Māori to identify, select and manage Māori development workers for projects of priority to their community.

Kaitātaki-ā-Rohe responds directly to Māori development by providing for Kaitātaki-ā-Rohe who will:

- be selected from, work with and be accountable to their communities;
- be engaged on community development initiatives and,
- be jointly supported by Te Puni Kōkiri and the community.

Highlights in 2007/08 included:

- The Mana Rangatahi project targeted Rangatahi between the ages of 13 to 18 years into areas of personal development through the medium of sport and culture. Wānanga based kaupapa covered key cornerstones – Oranga Tinana; Oranga Wairua; Oranga Hinengaro; Oranga whānau and offered a range of youth orientated activities. From this learning approach, Rangatahi derived a willingness to further explore areas within their own personal development but gained life skills, improved cultural capability and also increased participant sporting abilities. Such interventions have a profound effect on youth in discovering their cultural heritage/identity, looking at future options, giving back to their community and making a contribution to their Hapū. Rangatahi found value interacting with mentors, facilitators and their peers playing an



integral role in realising Rangatahi potential.

- A Kaitātaki ā Rohe Project Co-ordinator has worked with Rangatahi for a number of years and is involved in a number of community activities around Te Puna, Tauranga. The majority of the role is focussed around sports and cultural activities including rugby, softball, hoe waka, mau rākau and holiday programmes. The "Te Puna I Rangiriri" program is an example of another effective initiative. The KaR was also project co-ordinator of Kai Hoe Waka program as well as a teacher aid and project co-ordinator for a rangatahi health and wellbeing program.
 - The Waipapa Charitable Trust Project offers up to Level 4 in a national certificate in Agriculture and Horticulture providing an opportunity for up to sixteen cadets. The project offers residential based training and employment to all cadets involved. The outcomes of the project are that: young trainees who complete the pre-employment training will be offered full time sustainable employment with the Waipapa 9 Training Trust as a cadet on a 44 week fixed term contract. During this time all cadets will obtain Level 3 in Agriculture. This is an excellent means in which to ensure that cadets are able to achieve the challenges of a Modern Apprenticeship in the sector; upon completion of this partnership all graduates will be offered Modern Apprenticeship placements with the local community. Clearly this will have a direct impact on Māori youth as it offers sustainable outcomes for the
- cadets; it enables key stakeholders and communities to create a local solution to the employment issues facing their communities in a positive manner; and succession planning for Māori owned farms and incorporations.
- A Kaitātaki ā Rohe Project Co-ordinator has 16 years experience working on Farms in the Mokai/Waipapa district. He is a Pakeke and takes an active part in Iwi proceedings. His knowledge and experience brings to this KaR position an ability to develop and instil in the trainees cultural practices that include haka; waiata; karakia; tikanga; and kawa. He is the conduit between the organisation, farms manager's formal training, practical training and individual trainees. He provides a mentoring role to the trainees in their learning of new skills, health and safety, first aid, ATV tuition, horseback riding and general farmhand knowledge.
 - The Te Arawa Farm Cadetship project targets 18-26 year old Māori who are interested in a farming career. The long term vision of the program is to provide a clear pathway in agriculture for young Māori using Te Arawa Trust farms as a learning environment. Design training packages are in place which meets the trainee's needs to progress to their full potential in a supported learning environment across a wide range of farming systems.

- A Kaitātaki a Rohe Project Co-ordinator has spent all his life on the Onuku Block in Rerewhakaaitu which operates a farming mix of dry stock and dairy. He has acquired a very wide range of skills, knowledge and experience. This life experience and knowledge makes a valued contribution to the learning of the trainees on the program attributes. The KaR is the conduit between the organisation, farm managers, formal training, practical training and individual trainees, and who commands huge respect amongst his trainees that he mentors. Knowledge of horses and cattle contributes enormously to developing horse-riding and shepherding skills. He takes care of many of the pastoral issues that trainees have and ensures they are focused and complete duties assigned to them. The contribution thus far is recognised in that of 14 trainees, 13 graduated and all have been placed in permanent positions on farms.

Special Housing Action Zones (SHAZ)

In 2007/08 \$0.455m was expensed (from a \$0.456m departmental budget). Eleven housing projects were supported with SHAZ operational funding.

SHAZ forms the backbone for Te Puni Kōkiri's housing interventions. The programme's success is based on a strong partnership between Te Puni Kōkiri, hapū, iwi and other community based organisations.

Te Puni Kōkiri takes the resources of government to hapū, iwi and Māori organisations and community groups and looks at ways to assist them to develop their own sustainable solutions to housing.

Te Puni Kōkiri also advocates and brokers relationships with key stakeholder agencies, which can assist Māori to realise affordable sustainable solutions.

The activities carried out with SHAZ support have contributed to the outcomes sought from implementing the pilot projects. Hapū, iwi, Māori organisations and community groups are better positioned to develop their own sustained solutions to housing.

Kapohia ngā Rawa (KNR)

In 2007/08 \$2.905m was expensed (from a \$3.836m departmental budget).

Kapohia ngā Rawa (KnR) is a unique programme that places key workers and mentors into Māori communities to achieve shared Government and community objectives.

Kapohia ngā Rawa Māori workers and mentors have specialist expertise and operate in Te Puni Kōkiri's ten regional offices.

Kapohia ngā Rawa workers develop partnerships between Māori and central and local government agencies, and other parties including private sector and international interests. Kapohia ngā Rawa workers assist Māori to access and use existing programmes and opportunities through a coordinated inter-agency approach.

Kapohia ngā Rawa workers are placed in a region and report to the Regional Director. Mentors work across regions and report to Head Office and Regional Directors. Joint oversight of the Mentors enables effective



allocation of their specialist expertise to more than one intervention area.

Highlights in 2007/08 included:

- *Māori Trade Training:* The KnR worker began in Tai Tokerau in April 2007 and has been instrumental in managing, designing and enhancing the delivery of the Tai Tokerau Trade Training programme for Te Puni Kōkiri. The Tai Tokerau Trade Training programme aims to implement pre-trade training for 180 young people over three years at Te Rarawa and Northland College.

Experience in establishing and managing Te Rūnanga O Te Rarawa's housing and trade training programme and extensive knowledge of the housing sector, construction and building industry and project management gives the programme credibility and the opportunity to expand to the next level. The KnR has established the project governance, set up the management and financial support, provided technical advice and support, and facilitated and brokered key relationships across all the stakeholders for both Te Rarawa Trade Training and the Northland College Trades Centre.

The KnR worker has the specific technical and management skills that will ensure the Tai Tokerau Trade Training project can achieve the outcomes for Māori trade trainees and satisfy industry demand for skilled workers.

- *Atamira – Māori in the City Project:* The Kapohia Ngā Rawa worker spearheaded a creative sector project working alongside

Te Puni Kōkiri staff of Tāmaki Makaurau to scope the opportunity of a major event to raise the profile of Māori achievement in the creative sector including film, fashion, food, music, art, culture and design. An important part of the role encompassed an extensive round of consultation and networking with Ngāti Whatua Corporate Ltd, the Employers and Manufacturers Association and the Māori Women's Development Incorporated (MWDI) – the three parties identified as critically important partners to deliver the event. Presentations were made to Auckland Regional Council, Auckland Plus, Mayoral Forum, Auckland Chamber of Commerce, Waitakere City Council, Manukau City Council, AUT Council, and Ports of Auckland along with the regional inter sectoral forum comprising the regional managers of all government agencies in Auckland.

Over three days the ATAMIRA Māori in the City event was delivered at the ASB Showground, Auckland's largest event centre where successes were:

- Estimated attendance over the three days was between 80 and 100 thousand people;
- On Day One the leading lights of Māori Enterprise participated in Thrive Tangata with a sold out audience of 450;
- More than 120 stalls operated over the three days;
- MWDI delivered a rangatahi evening event with the Minister of Māori Affairs as guest speaker and also delivered a Creative Awards with a stunning fashion show evening for elite Māori artists; and

The Atamira live stage performed to capacity on two nights. Also at the event was Treaty 2 U, a Māori food tent, a Māori arts hall and a Kete Aronui curated Art Gallery.

The primary outcome of the event was the momentum for a new Māori event to occur on an on-going basis in Auckland on a scale to rival Pasifika and at a venue with significant capacity for sustained growth. The vision of ATAMIRA – Māori in the City being a landmark international event for the 2011 Rugby World Cup year is now amply demonstrated as achievable.

- *Rangatahi Development:* A Kapohia ngā Rawa worker was employed to support the rangatahi based initiatives in the Takitimu region to:

- Support the development of a rangatahi compulsory/tertiary transition kit;
- Support the planning and hosting of an inaugural rangatahi conference in the region;
- Support and promote rangatahi development within the region; and
- Complete a stock-take of services available to rangatahi within the region.

Attending rangatahi events in the region is a major part of the role. This has included career expos, kapa haka and performing arts. They also provided hands on support for individuals and whānau needing advice and guidance. This usually resulted in facilitating hui with other agencies/service providers

Māori Regional Tourism Organisation (MRTO):

In 2007/08 \$0.160m was expensed (from \$0.160m appropriated) to support 12 Māori

Regional Tourism Organisations. The purpose of this fund was to assist MRTO to:

- develop business capabilities within Māori tourism businesses;
- enhance the quality of Māori tourism in the regions;
- promote the interests of Māori tourism within key industry organisations; and
- strengthen relationships with existing regional tourism organisations.

The tourism sector has been a key focus for Te Puni Kōkiri. It has shown significant growth over the last three years and developed an infrastructure of 12 Māori regional tourism organisations (MRTOs) – working with and representing Māori tourism businesses – and a national body, which has become involved in developing policy and working closely with government and providing a national strategic oversight to Māori tourism. There are now over 350 Māori tourism businesses registered with the New Zealand Māori Tourism Council (NZMTC).

Quality

The performance standard required all investment proposals to meet the evaluation criteria prescribed in the Operations Manual, and all proposals measured against a risk profile in the manual to determine the scale of funding provided.

Risk assessment is part of the formal procedures required within smart-fund, and all proposals met the evaluation criteria and were measured against the risk profile.

Work was also to be produced to the increased



satisfaction of whānau, hapū, iwi, Māori communities and Māori organisations, with the services provided. Measurement was to be undertaken utilising evaluation reports and stakeholder surveys.

While formal surveys and evaluation reports were not utilised, informal feedback was obtained from the network of Kaiwhakarite (fieldworkers) and other staff in the regions, by way of programme evaluations which informed our working relationships with whānau, hapū, iwi, Māori communities and organisations. Feedback from key stakeholders indicating a general satisfaction of services provided was also gained from meetings in each region, attended by the Chief Executive.

Te Puni Kōkiri plan to use the Common Measurements Tool in 2008/09 (which was used for the Kiwi Count Survey) to measure client satisfaction and more importantly, identify service delivery improvements for service users.

A further measure required the Minister's satisfaction with the services provided at a local level, to be assessed formally each quarter and in weekly meetings with senior officials.

While there was no formal quarterly reporting, the Minister of Māori Affairs said he was satisfied that good progress had occurred in the quality and timeliness of papers received.

Timeliness

The performance required all specified reporting deadlines to be assessed against deadlines set in the work programmes.

The specified deliverables in the work programmes were assessed by comparison against deadlines set and modified during the course of the year.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/07 Actual \$000		30/06/08 Actual \$000	30/06/08 Supp Estimates \$000	30/06/08 Main Estimates \$000
14,823	Revenue Crown	16,929	17,252	17,334
56	Other Revenue	65	52	52
14,879	Total Revenue	16,994	17,304	17,386
14,731	Total Expenses	15,965	17,304	14,317
148	Net surplus/(deficit)	1,029	0	0

OUTPUT CLASS 6: SERVICES TO THE MĀORI TRUSTEE

Description

This output class involved the provision of full office services to the Māori Trustee, including personnel, accommodation and corporate support.

The Māori Trustee (as established by The Māori Trustee Act 1953) exists:

- to protect and enhance the interests of Māori clients and their resources;
- to manage the adverse effects of fragmented and multiple ownership of Māori land; and
- to provide fair, proper and prudent

administration and management of clients' assets within the principles and obligations of trusteeship and agency.

The quality and quantity of services were provided as detailed in the agreement between the Chief Executive of Te Puni Kōkiri and the Māori Trustee.

The Māori Trustee's assessment of the services provided by Te Puni Kōkiri was sought, and he indicated that he was more than satisfied with the level of services provided by and agreed to, with Te Puni Kōkiri. The cost of the services provided exceeded the fee for services negotiated with the Māori Trustee at the beginning of the financial year.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/07 Actual \$000		30/06/08 Actual \$000	30/06/08 Supp Estimates \$000	30/06/08 Main Estimates \$000
4,649	Revenue Crown	6,345	6,920	4,893
42	Other Revenue	48	40	40
4,691	Total Revenue	6,393	6,960	4,933
4,781	Total Expenses	6,101	6,960	4,933
(90)	Net surplus/(deficit)	292	0	0



ENTITY FOR ENHANCING MĀORI ECONOMIC DEVELOPMENT

Description

This output class involved the establishment of the Entity for Enhancing Māori Economic Development EEMED including related transitional costs. The establishment of a new entity is sought through the Māori Trustee and Māori Development Amendment Bill.

Delays in the passage of this Bill through Parliament have limited establishment activity in 2007/08. As a consequence, an in-principle expense transfer was sought to transfer the unspent portion of the budget into 2008/09.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/07 Actual \$000		30/06/08 Actual \$000	30/06/08 Supp Estimates \$000	30/06/08 Main Estimates \$000
0	Revenue Crown	100	903	0
0	Other Revenue	0	0	0
0	Total Revenue	100	903	0
0	Total Expenses	49	903	0
0	Net surplus/(deficit)	51	0	0

MINISTERIAL SERVICING PERFORMANCE

The performance measure set in the *Statement of Intent 2007 - 10* aimed to:

- provide responses on time in 95% or more cases; and
- achieve a ministerial satisfaction rating of "good", "very good", or "excellent" in the four monthly survey of ministerial satisfaction.

Te Puni Kōkiri achieved a ministerial servicing timeline across all output classes of 93.7% in 2007/08. This was 1.3% below the standard set and resulted from an increase of 18% in the volume of official documents processed, which led to additional pressures being placed on staff.

Outputs	Delivery Timeframe Target	Delivery Timeframe Actual 2007/2008	Delivery Timeframe Actual 2006/2007
Responses to Ministerial correspondence	Within one month	94%	96%
Parliamentary Questions	Within 4 working days	95%	95%
Briefings	Individually agreed	95%	96%
Speech notes	Individually agreed	97%	100%
Official Information Act requests	Within 20 working days	79%	95%
Ombudsman Complaints	Within 20 working days	100%	100%
Reports to the Māori Affairs Committee	Individually agreed	100%	100%

QUALITY ASSURANCE

The Te Puni Kōkiri approach to quality is to ensure our written and oral policy advice is of a consistent standard which meets the expectations of the Minister of Māori Affairs.

Te Puni Kōkiri seeks formal feedback from the Minister of Māori Affairs, in a quarterly survey, on his assessment of the quantity, quality and timeliness of policy advice (including oral advice). While there was no formal quarterly survey the Minister said he was satisfied that good progress had occurred in the quality and timeliness of papers received. This was

in addition to the regular meetings between the Chief Executive and his officials and the Minister of Māori Affairs throughout the year, where oral feedback was obtained and detailed discussions on issues or priorities occurred.

In addition, the completion and referral of high quality policy advice (as defined by the quality characteristics) was assessed by an independent expert in Public Sector policy.

The assessment was based on the quality of criteria outlined in the *Te Puni Kōkiri Quality Assurance Handbook*. The assessed papers



were chosen at random or for their potential significance.

The independent reviewer rated the quality of policy advice on a scale of 1 to 6, where 1 = poor, 2 = adequate, 3 = satisfactory, 4 = good, 5 = very good, and 6 = excellent. The results are reported below:

Assessment Criteria	Target	Score 07/08	Score 06/07
Purpose	3.00	4.12	3.00
Logic	3.00	3.75	3.00
Accuracy	3.00	4.25	3.25
Options	3.00	3.33	3.00
Consultation	3.00	5.00	3.25
Practicality	3.00	3.75	3.25
Presentation	3.00	3.75	3.00
Average	3.00	4.00	3.10

In addition, all advice provided was supported by a quality management process listed below:

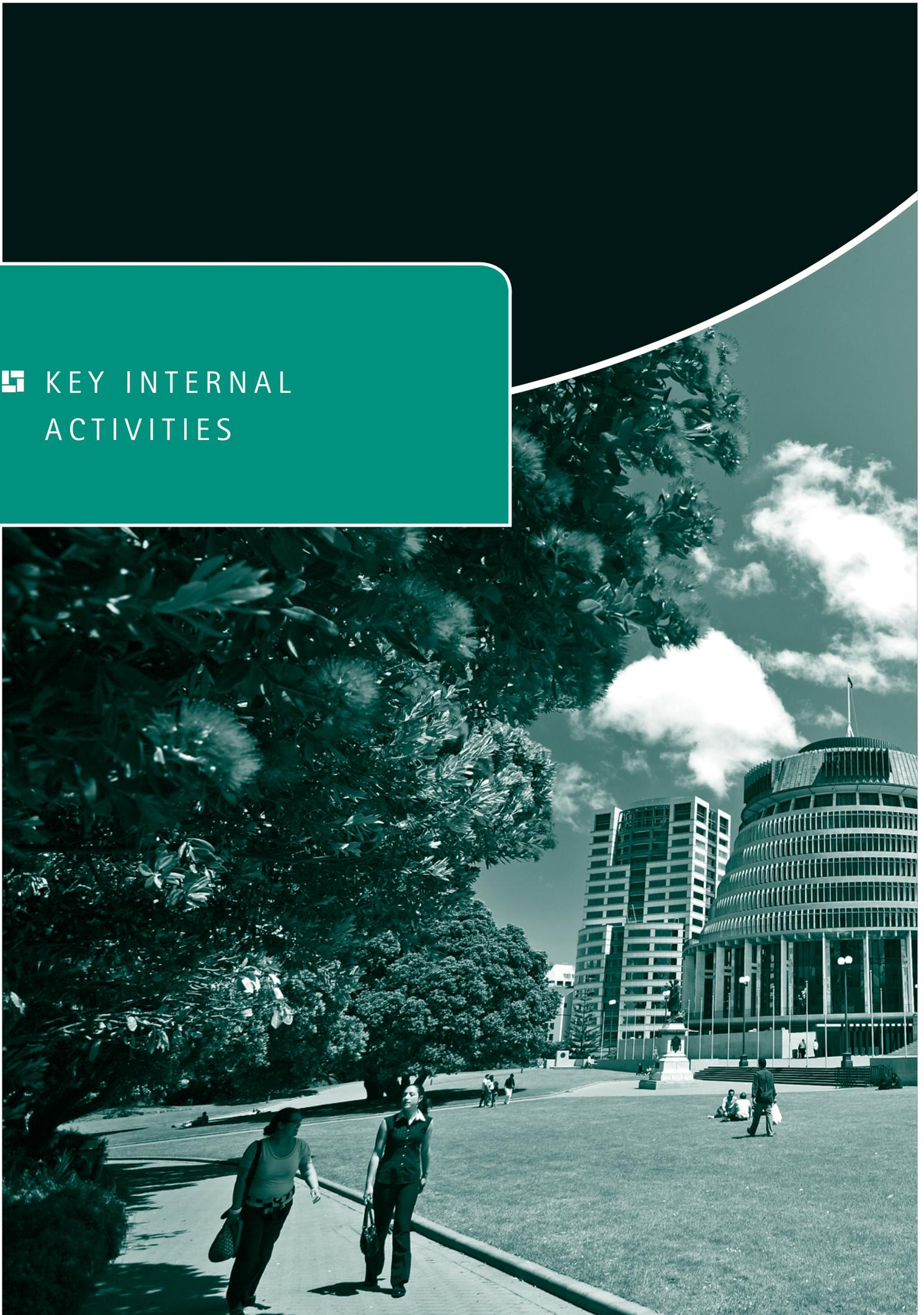
- internal peer review
- adherence to the standards of the *Te Puni Kōkiri Quality Assurance Handbook* which defines quality standards; describes how the standards are determined, assessed and reported; describes the process of developing quality policy advice; and outlines the corporate support for these practices and processes.
- all Cabinet papers complied with the *Cabinet Office Manual*.

Performance Agreements

Performance agreements are developed annually for permanent staff. The performance agreement forms the basis for six monthly (as at December and June) individual performance reviews. The core competencies that are in the agreement have been identified as skills fundamental to the work of Te Puni Kōkiri. This process is an important part of the organisation's evaluation of each individual's contribution to the work of Te Puni Kōkiri, and is an effective vehicle for continuous improvement.



KEY INTERNAL ACTIVITIES



ORGANISATIONAL CAPABILITY



The priorities for the development of our organisational health are set out in three key strategic documents:

People Capability Strategy

Knowledge Management Strategy
and Evaluation Strategy

The success of the People Strategy's focus on recruitment and retention has enabled us to contribute to the State Sector development goal of "Employer of Choice" and has seen staff turnover reduce from a high of 26% in 2005 to 14% by June 2008 which exceeds the target of 15 percent.

Our focus is also on providing learning opportunities to staff that will build the capability of the Ministry, allowing us to retain our institutional knowledge.

Activities in 2007/08 included:

- Completing the Pay and Employment Equity Review commenced in 2006/07, using the findings to develop a management implementation plan linked to our People Capability Strategy;
- Negotiating and settling a collective employment agreement with the Public Service Association, for the first time a single agreement covering all staff including the Māori Trust Office;
- Establishing a formal Partnership for Quality Agreement with the Public Service Association; and
- Continuing to refine our Human Resource framework including improvements to our HR management information system, induction processes and staff awareness of impartiality standards expected of Public Servants.

The implementation of these three strategies will enable Te Puni Kōkiri to better fulfil its role, and thereby, enhancing its contribution to Māori succeeding as Māori. In 2007/08 the implementation of these strategies saw the launch of the People Development website; all staff using the Livelink Electronic Document Management System including a new file structure and with metadata developed; completion of the first evaluation of Māori Potential Fund investments (Rangatahi); and partial completion of the evaluation of investments in the Strengthening Management and Governance Programme.

People Capability Strategy

The People Capability Strategy to 2010 is aimed at attracting, developing and retaining a sustainable supply of highly skilled people who will effectively contribute to Māori succeeding as Māori. A review of people capability identified recruitment and retention of experienced staff as a key focus for Te Puni Kōkiri.

Knowledge Management Strategy

A considerable amount of work has taken place on developing a Knowledge Management Strategy to address information and knowledge requirements critical to the functioning and success of our organisation. Our aim for the Knowledge Management Strategy is to create an environment where staff are encouraged to create and share knowledge. This supports our focus towards the provision of policy advice based on targeted research and evidence, supported by data and information gathered from our regional offices.

At the commencement of 2007/08 the Executive Leadership Team agreed to the implementation of three information management components:

- a new electronic file structure for Livelink based on our functions;
- a document naming convention; and,
- a metadata element set for all electronic documents

Collectively, these components are referred to as the knowledge management infrastructure, and provide the framework for good practice information management of our electronic documentation.

The knowledge management infrastructure has been tested, refined and re-tested by teams from each of the three wāhanga. Implementation was a key priority and resulted through training of all staff in the new information management components. It was critical that all users of the Te Puni Kōkiri

network attended the training to learn the new processes and practices and ultimately the benefits derived from these.

This project has been a true collaboration between wāhanga and a real test of integration across Te Puni Kōkiri to improve not only the quality of our work, but also the effectiveness and efficiency of how we work. In using internal staff to provide training and manage this project, we have both up-skilled our staff and ensured the retention of this knowledge within our organisation – a key driver for our knowledge management strategy.

With the initial training completed, decisions have been made in order that we may transition from 'roll-out' mode to 'business as usual'. Together therefore we must ensure that the:

- momentum and uptake of the infrastructure is maintained for existing and new staff;
- new processes and practices are embedded within the organisation; and
- knowledge management infrastructure is maintained and developed increasing our connectivity with them.

Evaluation Strategy

The evaluation strategy aims to enhance our collective understanding of what evaluation is, how it is applied, and how it contributes to the achievement of strategic outcomes.



The key goals for the evaluation strategy over the next three years are to:

- Create a culture of evaluation – where evaluative thinking takes place across all aspects of Te Puni Kōkiri work;
- Develop a systematic evaluation programme – which provides a “snap shot” of the range of investments through the Māori Potential Fund and demonstrates the overall contribution of the fund to Te Puni Kōkiri high level outcomes; and
- Build a strong evaluation infrastructure – by increasing evaluation capacity, building evaluation capability and developing systems and structures to support evaluation activity at all levels.

Initially, three broad areas were agreed as evaluation priorities:

- Rangatahi – evaluation completed in January 2008;
- Governance – draft report completed July 2008; and
- Commercial Development – to be scoped for evaluation in 2008/09.

Four evaluation projects were completed to inform the overall evaluation of investments in Rangatahi development:

- Rangatahi Development Outcomes Model;
- A Literature Review of Youth Development;
- Review of Te Puni Kōkiri Rangatahi Development Initiatives; and
- Case studies of five typical initiatives:
 - Gisborne Girls' High School Board of Trustees (Gisborne) – to further develop Whānau Career Planning for a group of

Year 10 Māori students

- Te Puna i Rangiriri (Tauranga) – to promote confidence through specific skill training, leadership and mentoring for rangatahi
- Te Rūnanga o Te Rarawa (Kaitaia) – to implement the Tai Tokerau Trade Training Model
- Tū Toa Charitable Trust (Palmerston North) – to provide an alternative educational option for secondary students gifted in sport
- WELTEC (Lower Hutt) – a joint venture pilot project to increase Māori participation and Māori apprenticeships in the electro-technology trade industry.

Overall the evaluation findings were resoundingly positive. The evaluation found that the five case study organisations met or were on track to achieve their short term outcomes. The evaluation identified a range of factors or 'good practices' which underpin programme implementation, the achievement of rangatahi outcomes and good practice when investing in rangatahi development.

The second priority under the evaluation strategy was to provide a report on an outcome evaluation of Te Puni Kōkiri's Strengthening Management and Governance (SMG) programme. This evaluation was completed with the assistance from Te Rūnanga o Whaingaroa, Solomon Group,

Turanga Health, Awarua Social Services, Te Roopu Tautoko ki te Tonga and Wainuiomata Christian Fellowship. Overall the SMG programme was rated positively by organisations and assessors with the following conclusions observed:

- The SMG programme was effective in providing advice and strategies to address key governance issues. Governance was considered by the assessors to be an area that was often neglected, with organisations tending to focus more at an operational level;
- The SMG programme has been instrumental in enhancing the operations and performance of boards;
- The SMG programme also made significant gains in improving organisations' management processes and systems. Improvement in human resources, financial management, business planning and risk management processes enabled organisations to strengthen and consolidate their positions; and
- Overall, the SMG programme has assisted organisations to achieve positive outcomes. There was unanimous agreement among evaluation participants that there was still a demand for the SMG programme (or something similar) and that the SMG programme should continue. More value could be realised if the recommended improvements were made to the programme.

Other notable achievements during the year were the re-launch of Te Puni Kōkiri's website; the introduction of an internal newsletter,

Kōtuitui and an electronic version of Kōkiri – known as "e-Kōkiri".

Also in 2007/08, as part of an ongoing Te Puni Kōkiri information programme, fact sheets were produced covering the following topics:

- The Māori Language Survey;
- Maori Wardens;
- Lance Sergeant Haane Manahi;
- Corporal Bill (Willie) Henry Apiata VC;
- Māori Trustee: Proposed changes;
- Māori in Australia;
- Māori Broadcasting and E-Media;
- Discovering the Māori Edge;
- Summary of Legislative Reforms;
- Māori Asset Base; and
- Māori Self Employment.

These have been made available to the public and placed on the Ministry's website.

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GOVT3

As a result of Te Puni Kōkiri's participation in both the Govt3 and the Carbon Neutral Public Service Programmes, across the organisation there is a growing awareness of the importance of sustainability considerations in relation to use of fuel, electricity and other resources. In 2007/08, Te Puni Kōkiri continued the Head Office waste reduction programme, and this initiative has also been adopted by many of our regional offices. Additionally, and due to efficiencies throughout Te Puni Kōkiri, the number of fleet vehicles was reduced by ten across the country.



Sustainability criteria are considered in procurement decisions, for example thirty-two diesel vehicles were purchased in the fleet replacement programme to replace an equivalent number of petrol-fuelled vehicles, and this fleet replacement programme will be extended in 2008.

DEVELOPMENT GOALS FOR THE STATE SERVICES

Te Puni Kōkiri contributed to the goals set for the state services as follows:

Goal 1:

Employer of Choice

The *People Capability Strategy* to 2010 identified recruitment and retention of experienced staff as a key focus for Te Puni Kōkiri.

A range of initiatives have been used to redress recruitment and retention including:

- rebranding our recruitment;
- defining our core competencies;
- focusing on our values;
- testing our staff's engagement;
- initiating the people development website;
- engaging with staff on Pay and Employment Equity.
- Strengthening our relationship with the PSA; and
- increasing transparency in our core HR Key Performance Indicators.

As a result staff turnover reduced from a high of 26% in 2005 to 14% by June 2008, which exceeds the target of 15%.

Goal 2:

Networked State Services

Like all government agencies, Te Puni Kōkiri is

constantly trying to present our stakeholders with clear and consistent messages about who we are, why we exist, and what we do.

As the state agency solely focused on Māori, we are in a unique position to initiate and influence policies that make a real difference to the social, cultural and economic well being of Māori. To these ends, just over two years ago we changed our visual identity to better reflect our mission and purpose and to help people better understand what we are all about. This repositioning was driven by many of the values that underpin our organisation including:

- Kia tika o mahi - acting with integrity;
- Whaia te iti kahurangi meheamea ka tuohu koe me he maunga teitei - being professional and maintaining high standards;
- Awhinatia i te tangata - respecting people;
- Mahi tahi - working together; and
- He ngakau mahaki - acknowledging the worth of others.

Our website was updated in April 2008 to reflect our new visual identity and to improve the ability of those outside Te Puni Kōkiri to find out more quickly about what we do.

Goal 3:

Value-for-Money State Services

For this relatively new goal it is Te Puni Kōkiri's intention by 2010 to measure the use of resources in an efficient, appropriate and effective way, by establishing common standards for efficiency and cost-effectiveness. These will be made transparent through greater use of measurement techniques and tools. Regular publication of indicator and

benchmark reports will also help us become more evidence-based in policy advice and service design and delivery.

In addition, Te Puni Kōkiri recently signed an agreement with the State Services Commission to use the Common Measurements Tool (which was used for the Kiwi Count Survey) that will enable us to measure client satisfaction and more importantly, identify service delivery improvements for service users. It will allow us to gauge the appropriateness of our work, how it is valued by our stakeholders and to include initiatives to create enhanced public value in the communities.

Goal 4:

Coordinated State Agencies

In 2007/08, Te Puni Kōkiri and the Ministry of Education convened a standing cross-agency Māori Medium Teacher Education Officials Group. Through this group, work has been undertaken to:

- review and update scholarships for people with Māori language skills (Ministry of Education);
- administer proficiency testing for intending teacher trainees (Te Taura Whiri);
- commission research to investigate Māori language proficiency requirements and arrangements in initial teacher education (NZ Teachers Council);
- develop a work programme to review in-service training and support in the Māori medium sector (Ministry of Education and Te Puni Kōkiri); and
- initiate the Māori medium component of the Kiwi Leadership Programme (Ministry of Education & Te Puni Kōkiri).

In addition, Te Puni Kōkiri worked with the Ministry of Social Development to report to Cabinet on achievements against the Māori Employment Policy Framework.

Te Puni Kōkiri has also led a number of cross-agency initiatives with a range of agencies to support improvements in Māori outcomes in the social and criminal justice sectors. This included work within the Effective Interventions, Skills Strategy and Schools Plus work-streams.

Goal 5:

Accessible State Services

Te Puni Kōkiri particularly in the regions, maintain a key role in linking Māori communities and organisations with other agencies and services. Instrumental to our ability to carry out this role effectively are:

- Networks with Māori and other partners;
- The proportion of staff who have an understanding of Māori aspirations and can build positive relationships with Māori individuals and groups; and
- The public's perception that Te Puni Kōkiri provides a single point of contact for people interested in issues, opportunities and/or information related to Māori.

Additionally, regular stakeholder hui, both nationwide and regionally, provide ideal opportunities to share knowledge and information between other agencies and Māori stakeholders.

Goal 6:

Trusted State Services

The Chief Executive has actively committed to the *Standards of Integrity and Conduct*



effective from 30 November 2007, by encouraging all staff to comply with the code. Regular pānui has been circulated to ensure that all staff act with a spirit of service to stakeholders and that they strive for high standards of integrity and conduct in everything that Te Puni Kōkiri does.

In-house training has been provided for staff in all regional offices and resources put in place to give effect to maintaining and enhancing trustworthy behaviour. In addition, guidance to staff concerning the Electoral Act and the upcoming general elections has been made readily available on two occasions.

Te Puni Kōkiri also has other initiatives that instil confidence of those outside the Ministry in our people, systems and processes, in particular:

- A website for effective governance education;
- Managing conflicts of interest policy;
- Internal Audit function; and
- Evaluation strategy.

Finally, In May 2008 Te Puni Kōkiri signed a Partnership for Quality agreement with the Public Service Association. This is to enable an active relationship based on recognition of a common interest to develop a modern, innovative public service that is highly successful for citizens and for the people who work in the Public Service. Ensuring success relies on the genuine engagement of Government, Public Service employers and the Public Service Association

LEGISLATION ADMINISTERED BY TE PUNI KŌKIRI

As well as complying with general legislation under which Te Puni Kōkiri and other government agencies were required to conduct their affairs, Te Puni Kōkiri and therefore the Minister, were responsible for administering the following 30 Acts of Parliament. This administrative role included responsibility for: monitoring compliance, reviewing the legislation, and enacting required amendments.

- *Hauraki Māori Trust Board Act 1988;*
- *Lake Waikaremoana Act 1971;*
- *Maniapoto Māori Trust Board Act 1988;*
- *Māori Affairs Restructuring Act 1989;*
- *Māori Community Development Act 1962;*
- *Māori Housing Act 1935;*
- *Māori Land Amendment and Māori Land Claims Adjustment Act 1926;*
- *Māori Language Act 1987;*
- *Māori Purposes Act 1926 -1981;*
- *Māori Purposes Act 1991;*
- *Māori Purposes Act 1993;*
- *Māori Purposes (Wi Pere Trust) Act 1994;*
- *Māori Purposes Fund Act 1934 -1935;*
- *Māori Reserved Land Act 1955;*
- *Māori Soldiers Trust Act 1957;*
- *Māori Television Service (Te Aratuku Whakaata Irirangi Māori) Act 2003*
- *Māori Trust Boards Act 1955;*
- *Māori Trustee Act 1953;*
- *Māori Vested Land Administration Act 1954;*
- *Mauao Historic Reserve Vesting Act 2008;*
- *Ministry of Māori Development Act 1991;*
- *Orakei Act 1991;*
- *Tarawera Forest Act 1967;*
- *Tauranga Moana Trust Board Act 1981;*
- *Te Rūnanga O Ngāti Porou Act 1987;*
- *Te Rūnanga O Ngāti Whātua Act 1988;*

- *Te Ture Whenua Māori Act 1993;*
- *Treaty of Waitangi Act 1975;*
- *Whanganui River Trust Board Act 1988;*
- *Broadcasting Act 1989, Part IVA.*

In addition, Te Puni Kōkiri administered the following statutory regulations:

- *Aorangi Māori Trust Board Order 1983*
- *Aorangi Māori Trust Board Order 2005*
- *East Coast Māori Trust Lands Block Committees' Regulations 1936*
- *Licensed Interpreters Regulations 1958*
- *Māori Assembled Owners Regulations 1995*
- *Māori Land Court Fee Regulations 1993*
- *Māori Land Court Rules 1994*
- *Māori Incorporations Constitution Regulations 1994*
- *Māori Occupation Orders Regulations 1994*
- *Māori Reservation Regulations 1994*
- *Māori Purposes Fund Regulations 1937*
- *Māori Trust Office Regulations 1954*
- *Māori Housing Regulations 1960*
- *Māori Land Court Judges' Travelling Allowances Regulations 1960*
- *Māori Community Development Regulations 1963*
- *Māori Land Court (Jurisdiction) Order 1996*
- *Māori Trust Board Regulations 1985*
- *Mawhera Incorporation Order 1976*
- *Maniapoto Māori Trust Board Order 1999*
- *Maniapoto Māori Trust Board Order 2002*
- *Ngāti Whātua of Orakei Māori Trust Board Order 1983*
- *Ngāti Whātua of Orakei Māori Trust Board Order 1990*
- *Ngāi Whātua O Orakei Māori Trust Board Order 1997*
- *Parininihi ki Waitotara Incorporation Order 1976*
- *Tai Tokerau Māori Trust Board Order 1987*
- *Tai Tokerau Māori Trust Board Order 2003*
- *Taranaki Māori Trust Board Order 1987*
- *Taranaki Māori Trust Board Order 1990*
- *Te Arawa Māori Trust Board Order 1988*
- *Te Awapuni Moana Order 1996*
- *Te Rūnanga o Ngāti Awa Order 1999*
- *Te Rūnanga o Ngāti Porou Order 1989*
- *Te Rūnanga o Ngāti Porou Order 1993*
- *Tuhoe Waikaremoana Māori Trust Board Order 2008*
- *Whakatōhea Māori Trust Board Order 1996*
- *Whakatōhea Māori Trust Board Order 2002*
- *Whakatū Incorporation Order 1977*
- *Whanganui River Māori Trust Board Order 1996*
- *Whanganui River Māori Trust Board Order 2001*
- *Whanganui River Māori Trust Board Order 2005*

Te Puni Kōkiri's statutory roles and responsibilities are prescribed by the Ministry of Māori Development Act 1991 and have been further developed by Cabinet. The roles and responsibilities describe how Te Puni Kōkiri does its job in achieving the Government's objectives for Māori.



MONITORING AND LIAISING



Part of Te Puni Kōkiri's role, enabled through the Ministry of Māori Development Act 1991, is to monitor and liaise with each government department and agency that provides services to or for Māori.

In 2007/08, Te Puni Kōkiri began trialling a new monitoring approach. This involves assessing the State Sector's collective effort in particular outcome areas of high priority to Māori development. As a trial project, Te Puni Kōkiri investigated the State Sector's contribution to improving the literacy and numeracy of the Māori workforce. The report will be finalised during 2008/09. New monitoring projects will also be initiated in 2008/09.

The monitoring reports will enhance the knowledge of relevant agencies about the whole State Sector's efforts in particular outcome areas. They will influence the State Sector through the promotion of good practice in the design of services and the policies that support those services.

Te Puni Kōkiri also monitored statistical data on outcomes for Māori. It worked to influence other agencies on the collection and interpretation of that data.

In addition, Te Puni Kōkiri continued to liaise throughout 2007/08 with a wide range of government agencies. It engaged with those agencies on the development of policy that affected the services that they deliver to Maori.

Crown Entity Monitoring

Monitoring of Te Māngai Pāho, Te Taura Whiri I te Reo Māori, and the Māori Television Service was carried out within Te Puni Kōkiri by the Risk and Assurance unit with input from both the Policy wāhanga and Finance unit. Quarterly reports were received from each entity and regular meetings held with them.

In addition Te Puni Kōkiri provided advice about the development of the key planning documents, such as the Statements of Intent. Through this process, Te Puni Kōkiri took active steps to ensure that these entities addressed the goals and functions of the Māori Language Strategy in their planning and reporting.

REPORT ON EQUAL EMPLOYMENT OPPORTUNITIES

The Te Puni Kōkiri People Strategy recognises that it is people who embody our organisation's potential. The Strategy provides a six year road map by identifying targets that will ensure Te Puni Kōkiri has the people with the capabilities to become the driving force for Māori succeeding as Māori in the Public Service. Te Puni Kōkiri recognises that to achieve our vision

of a fully inclusive society we must ensure there is no barrier to individuals achieving their full potential.

In 2007/08 Te Puni Kōkiri completed a Pay and Employment Equity Review. The subsequent management implementation plan provides a timeline over the next three years for actions to be taken. This will form the core of the Equal Employment Opportunities programme over that time.

Action points already completed in the 2007/08 have included updating our harassment policy and creating more transparency into remuneration processes and decisions.

REPORT ON EFFECTIVENESS IN REDUCING INEQUALITIES

Te Puni Kōkiri contributes to the Government's reducing inequalities policy and work programme by working extensively with state sector agencies to ensure that government policies, programmes and services are informed by Māori interests, and hence contribute to the wider vision of Māori succeeding as Māori.

Te Puni Kōkiri recognises that an exclusive focus on disparity and disadvantage will not by itself realise the potential of Māori for self-fulfilment and contribution to New Zealand. During 2006/07 Te Puni Kōkiri established a Māori Potential Fund that is guided by a strategic investment framework that identifies three long-term macro outcomes developed from

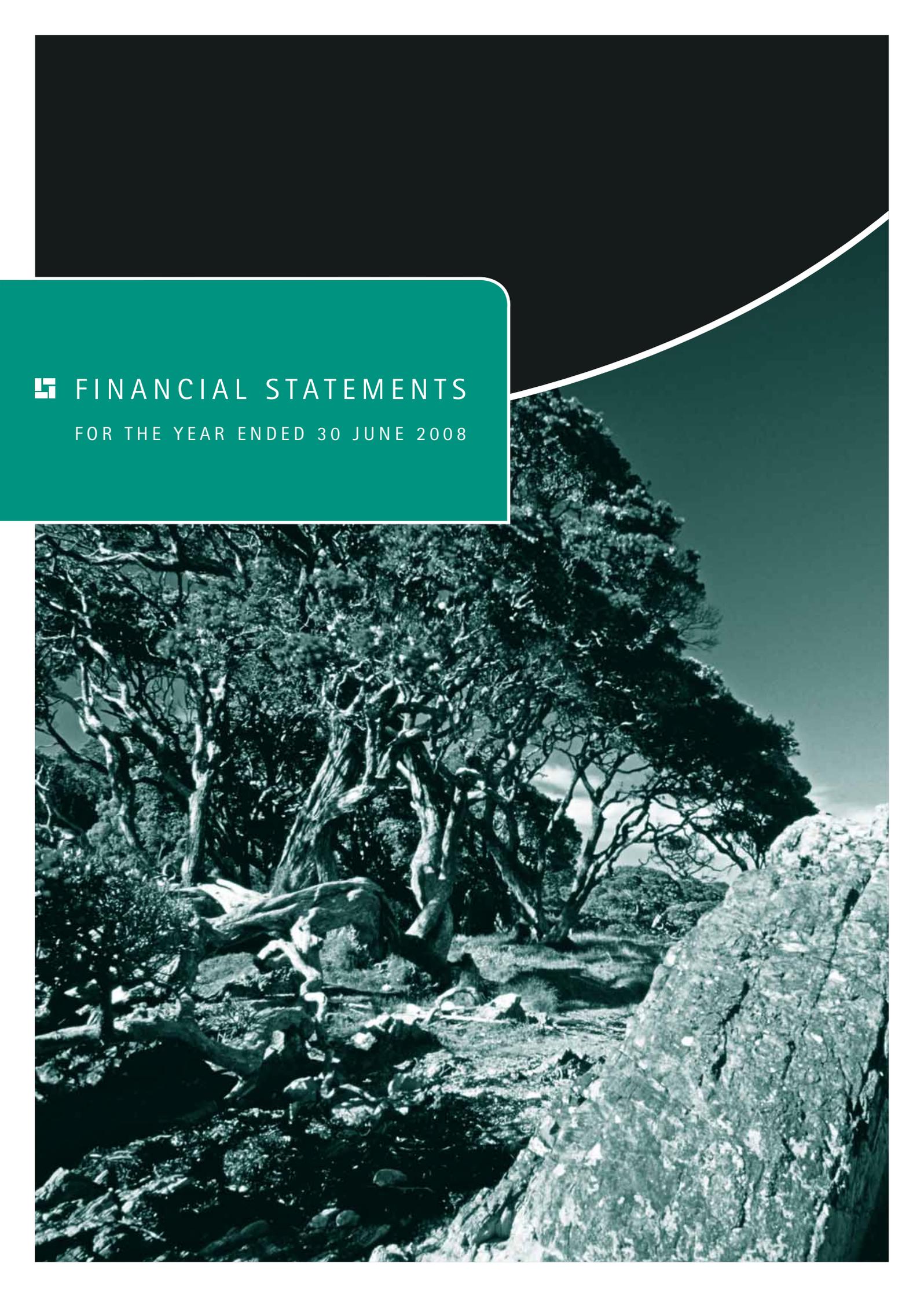
the Māori Potential Approach to Realising Māori Potential:

- Whakamana (Leadership) – Māori are leading, influential and empowering;
- Mātauranga (Knowledge/skills) – Māori are skilled, learned and innovative; and
- Rawa (Resources) – Māori are resourced, wealthy and enterprising.

It is important that in moving forward we begin to focus on a stronger Māori Potential Investment strategy that connects our policy and investment arrangements to community outcomes.

Our evaluation strategy developed in 2006/7 has provided for evaluation of the Māori Potential Fund at two levels: Firstly, through a programme of one-off evaluations of selected investments and secondly, through an overall evaluation of the Māori Potential Fund in the medium term. An evaluation of investments in Rangatahi outcomes was completed in 2007/08, and results of the Governance investments evaluation were expected soon. These evaluations are crucial to determining successes that Māori organisations are achieving through our support and investments.





 FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

FINANCIAL STATEMENTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2008

REPORTING ENTITY

Te Puni Kōkiri is a Government Department as defined by section 2 of the Public Finance Act 1989. Accordingly, Te Puni Kōkiri has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of the department are for the year ended 30 June 2008. The financial statements were authorised for issue by the Chief Executive of Te Puni Kōkiri on 30 September 2008.

In addition, Te Puni Kōkiri has reported the Crown activities that it administers.

STATEMENT OF COMPLIANCE

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

These financial statements have been prepared in accordance with, and comply with, NZ IFRS as appropriate for public benefit entities.

This is the first set of financial statements prepared using NZ IFRS. The comparatives for the year ended 30 June 2007 have

been restated to NZ IFRS accordingly. Reconciliations of equity and net surplus/ (deficit) for the year ended 30 June 2007 under NZ IFRS to the balances reported in the 30 June 2007 financial statements are detailed in note 15.

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 statement of financial position as at 1 July 2006 for the purposes of the transition to NZ IFRS.

The financial statements have been prepared on an historical cost basis, modified by the revaluation of certain assets and liabilities as identified in this statement of accounting policies.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000s). The functional currency of Te Puni Kōkiri is New Zealand dollars.

JUDGEMENT AND ESTIMATIONS

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income 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.

There are no judgements that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year.

ACCOUNTING POLICIES

The following particular accounting policies that materially affect the measurement of financial results and financial position have been applied. The accrual basis of accounting has been used unless otherwise stated.

REVENUE

Te Puni Kōkiri derives revenue through the provision of outputs to the Crown and for services to third parties. Revenue is measured at the fair value of consideration received.

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

CAPITAL CHARGE

The Capital Charge is recognised as an expense in the period to which the charge relates.

OPERATING LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term.

FINANCIAL INSTRUMENTS

Te Puni Kōkiri is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, debtors and creditors. All financial instruments are recognised in the Statement of Financial Position and all revenue and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

Designation of financial assets and financial liabilities by individual entities into instrument categories is determined by the business purpose of the financial instruments, policies and practices for their management, their relationship with other instruments, and the reporting costs and benefits associated with each designation.

All foreign exchange transactions are translated at the rates of exchange applicable in each transaction. Te Puni Kōkiri does not carry any balances in foreign currencies.

CASH AND CASH EQUIVALENTS

Cash includes cash on hand and funds on deposit with banks.



DEBTORS AND OTHER RECEIVABLES

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate, less impairment changes.

Impairment of a receivable is established when there is objective evidence that the department will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the debt is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial performance. Overdue receivables that are renegotiated are reclassified as current (i.e. not past due).

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of land, buildings, leasehold improvements, furniture and office equipment, EDP hardware, software that are an integral part of running the hardware, and motor vehicles.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Individual assets, or groups of assets, are capitalised if their cost is greater than \$5,000. The value of an individual asset that is less than \$5,000 and is purchased as part of a group of similar assets is capitalised.

ADDITIONS

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

In most instances, an item of property, plant and equipment is recognised at its cost.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

DISPOSALS

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance in the period in which the transaction occurs. When revalued assets are sold, the amounts included in the property, plant and equipment revaluation reserves in respect of those assets are transferred to general funds.

SUBSEQUENT COSTS

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

DEPRECIATION

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost (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 assets have been estimated as follows:

Computer Equipment	4 years	25%
Motor Vehicles	5 years	20%
Office Equipment	5 years	20%
Furniture and Fittings	5 years	20%
Leasehold Improvements	5 - 12 years*	
Software Development	3 1/3 years	30%

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

INTANGIBLE ASSETS

SOFTWARE ACQUISITION AND DEVELOPMENT

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

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the Department, are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred.

AMORTISATION

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases

at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Financial Performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 1/3 years	30%
Developed computer software	3 1/3 years	30%

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. An intangible asset that is not yet available for use at the balance sheet date is tested for impairment annually.

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

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



If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of financial performance.

For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of financial performance.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of financial performance, a reversal of the impairment loss is recognised in the Statement of Financial Performance.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the statement of financial performance.

CREDITORS AND OTHER PAYABLES

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

EMPLOYEE ENTITLEMENTS SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee entitlements that the department expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages

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

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

The department recognises a liability and an expense for performance payments where there is a past practice that has created a constructive obligation.

LONG-TERM EMPLOYEE ENTITLEMENTS

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

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

A weighted average discount rate of 7.5% and a salary inflation factor of 3% were used. The discount rate is based on the current capital charge rate. The inflation factor is based on the expected annual increase in remuneration for employees, using current market information available.

SUPERANNUATION SCHEMES

Obligations for contributions to the State Sector Retirement Savings Scheme, KiwiSaver and the Government Superannuation Fund are accounted for as defined contribution schemes and are recognised as an expense in the statement of financial performance as incurred.

PROVISIONS

The department 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 not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

TAXPAYERS' FUNDS

Taxpayers' funds is the Crown's investment in the department and is measured as the difference between total assets and total liabilities. Taxpayers' funds is disaggregated and classified as general funds and property, plant and equipment revaluation reserves.

COMMITMENTS

Expenses yet to be incurred on non-cancellable contracts that have been entered into on or before balance date are disclosed as

commitments to the extent that there are equally unperformed obligations.

Cancellable commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are included in the statement of commitments at the value of that penalty or exit cost.

GOODS AND SERVICES TAX (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

INCOME TAX

Government departments are exempt from income tax as public authorities. Accordingly, no charge for income tax has been provided for.

CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities are disclosed at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is



probable that the benefits will be realised.

NET OPERATING SURPLUS

The net operating surplus for the period is repayable to the Crown and a provision for this repayment is shown in the Statement of Financial Position.

BUDGET FIGURES

The budget figures are those included in the department's Forecast Financial Statement for the year-ended 30 June 2008 published in the 2007-2010 Statement of Intent. They are consistent with the financial information in the 2007 Main Estimates. In addition, the financial statements also present the updated budget information from the 2007/08 Supplementary Estimates.

STATEMENT OF COST ACCOUNTING POLICIES

Te Puni Kōkiri has determined the cost of outputs using the cost allocation system outlined below.

Criteria for direct costs

'Direct costs' are those costs that are directly attributed to an output.

Criteria for indirect costs

'Indirect costs' are those costs that cannot be attributed in an economically feasible manner, to a specific output.

These include depreciation and capital charge which are charged to outputs on the basis of asset utilisation. The depreciation and capital charge of IT assets are allocated to outputs on the basis of budgeted fulltime equivalents (FTEs) attributable to each output.

Personnel costs (excluding those of Support Services Wāhanga and the Office of the

Chief Executive) are allocated to outputs based on budgeted FTEs attributable to each output. Property and other premises costs, such as maintenance, are charged to wahanga (business units) on the basis of budgeted FTEs.

Corporate overheads are allocated to outputs on the basis of budgeted FTEs attributable to each output.

CHANGES IN ACCOUNTING POLICIES

Accounting policies are changed only if the change is required by a standard or interpretation or otherwise provides more reliable and more relevant information. There have been no changes in accounting policies. All policies have been applied on a basis consistent with the previous year.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements the department has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CRITICAL JUDGEMENTS IN APPLYING THE MINISTRY'S ACCOUNTING POLICIES

Management has not exercised any critical judgements in applying the department's accounting policies for the period ended 30 June 2008.

FINANCIAL INSTRUMENT RISKS

The department's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The department has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments.

These policies do not allow Te Puni Kōkiri to enter into any transactions that are speculative in nature.

MARKET RISK

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Department's foreign exchange management policy requires Te Puni Kōkiri to manage currency risk arising from future transactions and recognised liabilities by covering all material foreign exchange exposures as soon as they arise with approved instruments and counterparties.

The Department considers foreign exchange exposure to be material where the transaction exposure limit for an individual currency exceeds NZ\$100,000.

The Department has two approved instruments that can be used to cover foreign exchange exposure;

- Spot foreign exchange contract for not more than two business day settlements; and
- Forward foreign exchange contract for settlement at a future date.

The Department's policy has been approved by the Treasury and is in accordance with the requirements of the Treasury Guidelines for the Management of Crown and Departmental Foreign-Exchange Exposure.

Te Puni Kōkiri has minimal exposure to currency risk. Foreign exchange exposure are predominantly limited to:

- Personnel based overseas e.g. training and secondments;
- Accommodation and other costs related to international travel (including travel advances paid in foreign currency); and
- Purchasing goods and services from foreign suppliers e.g. international consultants and journal subscriptions.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, due to changes in market interest rates.



Te Puni Kōkiri has no interest bearing financial instruments and, accordingly, has no exposure to interest rate risk.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the department, causing it to incur a loss.

In the normal course of its business, credit risk arises from debtors, deposits with banks and derivative financial instrument assets.

Te Puni Kōkiri is only permitted to deposit funds with Westpac, a registered bank, and enter into foreign exchange spot and forward contracts with the New Zealand Debt Management Office or any counterparty that meets the minimum credit rating criteria. These entities have high credit ratings. For its other financial instruments, the department does not have significant concentrations of credit risk.

The Department's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents, net debtors and derivative financial instrument assets. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

Liquidity risk

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

In meeting its liquidity requirements, the Department closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office. The Department maintains a target level of available cash to meet liquidity requirements.

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

\$000	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years
2008				
Creditors and other payables	6,311	-	-	-
2007				
Creditors and other payables	5,536	-	-	-

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2008

The Statement of Financial Performance shows the components of revenue and expenditure (GST exclusive) relating to all outputs produced by Te Puni Kōkiri.

30-Jun-07 Actual		Note	30-Jun-08 Actual	30-Jun-08 Main Estimates	30-Jun-08 Supp. Estimates
\$000s			\$000s	\$000s	\$000s
	INCOME				
54,518	Crown		59,894	58,291	61,771
572	Department		656	545	545
1	Other Revenue		2	-	-
55,091	Total Income		60,552	58,836	62,316
	EXPENSES				
28,156	Personnel	1	29,870	30,204	29,852
24,495	Operating	2	26,097	26,740	30,889
1,211	Depreciation and amortisation	3	1,249	1,529	1,155
363	Capital Charge	4	363	363	420
54,225	Total Expenses		57,579	58,836	62,316
866	Net Surplus / (Deficit)		2,973	-	-

The accompanying accounting policies and notes form part of these Financial Statements.

For information on major variances against budget refer note 13 on page 89.



STATEMENT OF MOVEMENTS IN TAXPAYERS' FUNDS FOR THE YEAR ENDED 30 JUNE 2008

The Statement of Movements in Taxpayers' Funds shows the reconciliation of funds at the beginning of the year with the funds at the end of the year.

30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Main Estimates	30-Jun-08 Supp. Estimates
\$000s		\$000s	\$000s	\$000s
4,772	Taxpayers' Funds as at 1 July	4,764	4,772	4,764
	Changes in Taxpayers' Funds			
	Income and Expense for the Period			
866	Net surplus / (deficit) for the year	2,973	-	-
866	Total Income and Expense for the Period	2,973	-	-
	Other Changes			
(866)	Repayment of surplus	(2,973)	-	-
(8)	Other		-	-
(874)	Total Other Changes in Taxpayers' Funds	(2,973)	-	-
	Balance at 30 June			
4,764	General funds	4,764	4,772	4,764
4,764	Taxpayers' funds as at 30 June	4,764	4,772	4,764

The accompanying accounting policies and notes form part of these Financial Statements.

For information on major variances against budget refer note 13 on page 89.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2008

The Statement of Financial Position shows the major classes of assets and major classes of liabilities and equity of Te Puni Kōkiri. The difference between the assets and liabilities is the Taxpayers' Funds (net assets).

30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Main Estimates	30-Jun-08 Supp. Estimates
\$000s	Note	\$000s	\$000s	\$000s
Assets				
Current Assets				
9,015		12,188	5,427	9,321
439		41	50	450
316		267	200	200
9,770		12,496	5,677	9,971
Non-current Assets				
3,194	5	3,193	3,975	3,423
268	6	337	-	144
3,462		3,530	3,975	3,567
13,232		16,026	9,652	13,538
Liabilities				
Current Liabilities				
5,536	7	6,311	3,151	6,200
866		2,973	-	-
2,059	8	1,902	1,563	2,574
8,461		11,186	4,714	8,774
Non-current Liabilities				
7	8	76	166	-
7		76	166	-
8,468		11,262	4,880	8,774
4,764		4,764	4,772	4,764
4,764		4,764	4,772	4,764

The accompanying accounting policies and notes form part of these Financial Statements.

For information on major variances against budget refer note 13 on page 89.



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2008

The Statement of Cash Flows shows the cash received and paid by Te Puni Kōkiri during the year, from its activities.

30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Main Estimates	30-Jun-08 Supp. Estimates
\$000s		\$000s	\$000s	\$000s
Cash Flows from Operating Activities				
Receipts from:				
54,518	Crown	59,894	58,291	61,771
572	Department(s)	656	545	545
(260)	Other	449	-	105
Payments to:				
(24,505)	Suppliers	(25,515)	(26,740)	(30,118)
(28,016)	Employees	(29,958)	(30,204)	(29,570)
(363)	Capital charge	(360)	(363)	(420)
(40)	Goods and services tax (net)	119	-	119
1,906	Net Cash from Operating Activities	5,285	1,529	2,432
Cash Flow from Investing Activities				
Receipts from:				
48	Sale of property, plant and equipment	439	200	-
Purchase of:				
(638)	Property, plant and equipment	(1,559)	(2,170)	(1,260)
-	Intangible assets	(126)	-	-
(590)	Net Cash from Investing Activities	(1,246)	(1,970)	(1,260)
Cash Flow from Financing Activities				
(626)	Repayment of surplus	(866)	-	(866)
(626)	Net Cash from Financing Activities	(866)	-	(866)
690	Net Increase / (Decrease) in Cash	3,173	(441)	306
8,325	Cash at the beginning of the year	9,015	5,868	9,015
9,015	Cash at the end of the year	12,188	5,427	9,321

The accompanying accounting policies and notes form part of these Financial Statements.

For information on major variances against budget refer note 13 on page 89.

RECONCILIATION OF NET OPERATING SURPLUS TO NET CASH FLOWS FROM OPERATING ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2008

The Reconciliation of Net Operating Surplus to Net Cash Flows from Operating Activities shows the non-cash adjustments and other adjustments applied to the net operating surplus as reported in the Statement of Financial Performance on page 75 to arrive at the net cash flows from operating activities disclosed in the Statement of Cash Flows on page 78.

30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Main Estimates	30-Jun-08 Supp. Estimates
\$000s		\$000s	\$000s	\$000s
866	Net Operating Surplus	2,973	-	-
	Add: Non-cash items			
1,211	Depreciation	1,249	1,529	1,155
1,211	Total non-cash items	1,249	1,529	1,155
	Add/(Less) movements in working capital items			
(170)	(Increase)/Decrease in debtors and receivables	398	-	(11)
(91)	(Increase)/Decrease in prepayments	49	-	116
(33)	Increase/(Decrease) in Creditors and other Payables	775	-	664
140	Increase/(Decrease) in current employee entitlements	(88)	-	508
(154)	Net movements in working capital	1,134	-	1,277
	Add/(Less) investing activity			
(17)	Loss/(Gain) on sale of fixed assets	(71)	-	-
(17)	Total investing activity	(71)	-	-
1,906	Net cash flow from operating activity	5,285	1,529	2,432

The accompanying accounting policies and notes form part of these Financial Statements.

For information on major variances against budget refer note 13 on page 89.



STATEMENT OF DEPARTMENTAL COMMITMENTS AS AT 30 JUNE 2008

The Statement of Departmental Commitments shows the future contractual obligations (exclusive of GST) of Te Puni Kōkiri that will become liabilities if and when the terms and conditions of existing contracts are met.

Operating leases include lease payments for premises and motor vehicles.

Te Puni Kōkiri has long-term leases on its premises in New Zealand. The annual lease payments are subject to regular reviews, ranging from one year to four years. The amounts disclosed below as future commitments are based on the current rental rates.

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
Accommodation lease commitments		
3,137	Less than one year	3,164
2,972	One to two years	2,744
3,660	Two to five years	1,204
107	More than five years	20
9,876	Total accommodation lease commitments	7,132
Other operating commitments		
549	Less than one year	179
165	One to two years	16
16	Two to five years	-
-	More than five years	-
730	Total other operating commitments	195
10,606	Total commitments	7,327

The accompanying accounting policies and notes form part of these Financial Statements.

For information on major variances against budget refer note 13 on page 89.

STATEMENT OF DEPARTMENTAL CONTINGENT ASSETS AND LIABILITIES AS AT 30 JUNE 2008

The Statement of Departmental Contingent Assets and Liabilities shows amounts at balance date that could potentially become assets or liabilities depending on the occurrence of one or more uncertain future events after 30 June 2008. It does not include general or unspecified business risks or conditions.

30-Jun-07 Actual \$000s	30-Jun-08 Actual \$000s
- Contingent Liabilities	-
- Contingent Assets	-

STATEMENT OF DEPARTMENTAL EXPENDITURE AND CAPITAL EXPENDITURE APPROPRIATIONS FOR THE YEAR ENDED 30 JUNE 2008

The Statement of Departmental Expenditure and Capital Expenditure Appropriations show expenditure (GST exclusive) against funds appropriated by Parliament.

30-Jun-07 Actual \$000s	30-Jun-08 Actual \$000s	30-Jun-08 Main Estimates \$000s	30-Jun-08 Supp. Estimates \$000s
VOTE: MĀORI AFFAIRS			
Appropriation for classes of outputs			
6,035	6,997	6,693	7,241
11,858	12,837	13,143	13,941
6,898	7,061	7,449	7,296
9,922	8,569	9,232	8,671
14,731	15,965	17,386	17,304
4,781	6,101	4,933	6,960
-	49	-	903
54,225	57,579	58,836	62,316
Total Appropriations for Classes of Outputs			

The accompanying accounting policies and notes form part of these Financial Statements.

For information on major variances against budget refer note 13 on page 89.



STATEMENT OF DEPARTMENTAL UNAPPROPRIATED EXPENDITURE AND CAPITAL EXPENDITURE AS AT 30 JUNE 2008

There was no unappropriated expenditure for the year ended 30 June 2008 (\$0.093 million for the year ended 30 June 2007).

30-Jun-07 Actual \$000s	30-Jun-08 Actual \$000s
93	-
Departmental Output Expenses:	
Services to the Māori Trustee	
<i>Forecasts of salary increases by the Māori Trustee were discovered to be incorrect in the last month of the financial year. This resulted in unappropriated expenditure of \$0.093m.</i>	
<i>Forecasts prepared in May, when final remuneration decisions were taken, indicated that no additional appropriation was required in 2006/07 and therefore no changes were requested in the Supplementary Estimates.</i>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

Note 1: Personnel Costs

30-Jun-07 Actual \$000s	30-Jun-08 Actual \$000s
27,483	29,111
Salaries and Wages	
673	759
Other Personnel Costs	
28,156	29,870
Total Personnel Costs	

The accompanying accounting policies and notes form part of these Financial Statements.
For information on major variances against budget refer note 13 on page 89.

Note 2: Operating Costs

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
136	Audit fees for audit of financial statements	142
9	Other fees charged by auditors	10
2,992	Operating lease rentals	3,123
152	Overseas and Pacific Travel	161
1,866	Domestic Travel	2,151
900	Printing, Books and Publicity	925
1,336	Contract Workers	1,506
4,267	Consultancy Fees	4,337
1,564	MBFS Commission	2,136
4,426	Programmes	4,268
1,231	Telecommunications	1,132
186	Computer Related Expense	243
15	Koha	23
5,415	Other Operating Costs	5,940
24,495	Total Operating Costs	26,097

Note 3: Depreciation Charge

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
288	EDP Equipment	248
296	Motor Vehicles	315
4	Office Equipment	3
126	Furniture & Fittings	119
426	Leasehold Improvements	508
71	Software Systems	56
1,211	Total Depreciation Costs	1,249



Note 4: Capital Charge

30-Jun-07 Actual \$000s	30-Jun-08 Actual \$000s
363	363

Te Puni Kōkiri pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2008 was 7.5% (2007: 7.5%).

Note 5: Property, Plant and Equipment

	EDP Equipment \$000s	Motor Vehicles \$000s	Office Equipment \$000s	Furniture & Fittings \$000s	Leasehold Improvements \$000s	Total \$000s
Cost or valuation						
Balance at 1 July 2006	1,581	1,538	252	724	2,164	6,259
Additions	85	97	-	67	134	383
Disposals	-	(171)	-	-	-	(171)
Balance at 30 June 2007	1,666	1,464	252	791	2,298	6,471
Balance at 1 July 2007	1,666	1,464	252	791	2,298	6,471
Additions	287	1,125	-	105	41	1,558
Disposals	-	(927)	-	-	-	(927)
Balance at 30 June 2008	1,953	1,662	252	896	2,339	7,102
Accumulated depreciation and impairment losses						
Balance at 1 July 2006	974	517	242	171	397	2,301
Depreciation expense	308	296	4	126	424	1,158
Eliminate on disposal	(38)	(144)	-	-	-	(182)
Balance at 30 June 2007	1,244	669	246	297	821	3,277
Balance at 1 July 2007	1,244	669	246	297	822	3,278
Depreciation expense	248	315	3	118	508	1,192
Eliminate on disposal	(2)	(559)	-	-	-	(561)
Balance at 30 June 2008	1,490	425	249	415	1,330	3,909
Carrying amounts						
At 1 July 2006	607	1,021	10	553	1,767	3,958
At 30 June and 1 July 2007	422	795	6	494	1,477	3,194
At 30 June 2008	463	1,237	3	481	1,009	3,193

Note 6: Intangible assets

	Acquired software \$000s	Internally generated software \$000s	Total \$000s
Cost or valuation			
Balance at 1 July 2006	1,125	435	1,560
Additions	153	59	212
Balance at 30 June 2007	1,278	494	1,772
Balance at 1 July 2007	1,278	494	1,772
Additions	90	87	177
Disposals	-	(52)	(52)
Balance at 30 June 2008	1,368	529	1,897
Accumulated amortisation and impairment losses			
Balance at 1 July 2006	1,085	368	1,453
Amortisation expense	40	11	51
Balance at 30 June 2007	1,125	379	1,504
Balance at 1 July 2007	1,125	379	1,504
Amortisation expense	56	-	56
Balance at 30 June 2008	1,181	379	1,560
Carrying amounts			
At 1 July 2006	40	67	107
At 30 June and 1 July 2007	153	115	268
At 30 June 2008	187	150	337



Note 7: Creditors and other Payables

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
1,849	Trade Creditors	2,403
3,565	Accrued Expenses	3,667
122	GST payable	241
5,536	Total creditors and other payables	6,311

Note 8: Employee Entitlements

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
CURRENT LIABILITIES		
1,650	Annual Leave	1,562
317	Salaries and Wages	317
21	Long Service and Retirement Leave	23
1,988	Total current portion	1,902
NON-CURRENT LIABILITIES		
7	Long Service and Retirement Leave	76
7	Total non-current portion	76
1,995	Total employee entitlements	1,978

Note 9: Categories of financial instruments

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
Loans and receivables		
9,015	Cash and cash equivalents	12,188
439	Debtors and other receivables	41
9,454	Total loans and receivables	12,229
Financial liabilities measured at amortised cost		
5,536	Creditors and other payables	6,311

Note 10: Related party transactions and key management personnel

The Department is a wholly owned entity of the Crown. The Government significantly influences the roles of the department as well as being its major source of revenue.

The department enters into transactions with other government departments, Crown entities and state-owned enterprises on an arm's length basis. Those transactions that occur within a normal supplier or client relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the department would have adopted if dealing with that entity at arm's length in the same circumstance are not disclosed.

Transactions with related parties

The Māori Trustee is a member of the Department's Executive Leadership Team. In September 2007, Te Puni Kōkiri entered into a Māori Potential Fund contract with the Māori Trustee to the value of \$3.020 million (GST exclusive) for the period from 10 September 2007 to 30 June 2009. There is a balance of \$2.480 million outstanding as at 30 June 2008.

This contract is to 'develop Māori globally competitive icon businesses in the agribusiness sector, focusing on developing niche products for the world markets, developing the basis for increasing productivity from the natural resources, by adding value through technology, management practices, and market relationships, and thereby contributing to "getting New Zealand back into the top half of the OECD."'

Although the Māori Potential Fund contract is with the Māori Trustee, the project is a joint partnership between the Māori Trustee, Federation of Māori Authorities and the Poutama Trust.



Te Puni Kōkiri staff who work in local communities may in a private capacity hold executive or advisory positions in local organisations. Some of these organisations may receive funding via Te Puni Kōkiri. These organisations are therefore considered related parties of Te Puni Kōkiri.

Te Puni Kōkiri staff are required to declare any real or potential conflicts of interest. Steps are then taken to ensure that staff members with a conflict of interest are not involved in any Te Puni Kōkiri decisions involving a group/organisation they may be involved with in a private capacity.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

Key management personnel compensation

2007 Actual \$000		2008 Actual \$000
1,330	Salaries and other short-term employee benefits	1,448
-	Post-employment benefits	-
3	Other long-term benefits	3
18	Termination benefits	-
1,351	Total key management personnel compensation	1,451

Key management personnel include the Chief Executive and the four members of the Executive Leadership Team (ELT).

Note 11: Capital Management

Te Puni Kōkiri's capital is its Taxpayers' Funds, which is represented by net assets.

The Department manages its revenue, expenses, assets, liabilities and general financial dealings prudently. Its equity is largely managed as a by-product of managing the above, as well as compliance with the Government budget processes and Treasury instructions.

The objective of managing the Ministry's equity is to ensure the Ministry effectively achieves its goals and objectives for which it has been established, whilst remaining a going concern.

Note 12: Explanation for Significant Budget Changes

Refer to "The Supplementary Estimates of Appropriations for the year ending 30 June 2008" for an explanation of significant budget changes between the 2007 Main Estimates and 2007/08 Supplementary Estimates for Vote Māori Affairs (B.7 – Pages 499 and 504).

Note 13: Explanation for Significant Variances

The following notes explain significant variances between Main Estimates and Actuals.

Statement of Financial Performance (page 75)

	30-Jun-08 Actual \$000s	30-Jun-08 Main Estimates \$000s	Variance \$000s
Depreciation and amortisation	1,249	1,529	(280)

The variance relates to delays in delivery and postponement of purchase of assets.

Statement of Financial Position (page 77)

	30-Jun-08 Actual \$000s	30-Jun-08 Main Estimates \$000s	Variance \$000s
Cash and cash equivalents	12,188	5,427	6,761
Creditors and other payables	6,311	3,151	3,160

Cash and cash equivalents – the increase in cash is largely due to more than anticipated levels of Creditors and other payables and the Net Operating surplus.

Creditors and other payables – the variance is mainly due to larger year end accruals than originally forecast.



Statement of Departmental Expenditure and Capital Expenditure Appropriations

	30-Jun-08 Actual \$000s	30-Jun-08 Main Estimates \$000s	Variance \$000s
Policy - Social and Cultural	6,997	6,693	(304)
Policy - Crown Māori Relationships	7,061	7,449	388
Relationships and Information	8,569	9,232	663
Operations Management	15,965	17,386	1,421
Services to the Maori Trustee	6,101	4,933	(1,168)
EEMED Establishment	49	-	(49)

Policy - Social and Cultural: The increase relates to reallocation of resources (\$0.214m) to recognise increased activity, particularly in relation to the Department's contribution to the Effective Interventions and Youth Potential Programmes.

Policy - Crown Māori Relationships: The decrease is due to the relocation of resources to other outputs during the year (\$0.384m). There has been no impact on the provision of Crown Māori Relationships policy advice.

Relationships and Information: The decrease is largely due to the reallocation of resources to other outputs during the year (\$0.394m). There has been no impact on the provision of regional relationship and information services as a result.

Operations Management: The variance is largely due to underspend in the KaR/KNR (\$0.840m) and Māori Wardens (\$0.399m) programmes. An in-principal expense transfer of up to \$0.389m has also been agreed in relation to the Māori Wardens programme.

Services to the Maori Trustee: The increase relates to additional funding for transition activities of the Māori Trustee to implement the work programme required in 2008/09 and outyears, including the establishment of a new stand-alone Māori Trustee entity.

EEMED Establishment: Cabinet approved the establishment of this new appropriation, with one-off funding to support the establishment of an Entity for Enhancing Māori Economic Development (EEMED). Due to delays in the legislative amendments required to establish EEMED, an in principle expense transfer into 2008/09 of up to \$0.803m has been agreed.

Note 14: Forecast Human Resources Levels

30-Jun-07 Actual			30-Jun-08 Actual	2007-10 Statement of Intent
HUMAN RESOURCES				
11	Staff Turnover	%	14.2	15
5.9	Average Length of Service	Years	6.3	6
384	Total Staff	No.	386	347

Note 15: Explanation of transition to NZ IFRS

Transition to NZ IFRS

The Department's financial statements for the year ended 30 June 2008 are the first financial statements that comply with NZ IFRS. Te Puni Kōkiri has applied NZ IFRS 1 First-time Adoption of NZ IFRS (NZ IFRS 1) in preparing these financial statements. The Ministry's transition date is 1 July 2006. The Ministry prepared its opening NZ IFRS balance sheet at that date. The reporting date of these financial statements is 30 June 2008. The Ministry NZ IFRS adoption date is 1 July 2007.

Exemptions from full retrospective application elected by the Ministry

In preparing these consolidated financial statements in accordance with NZ IFRS 1, Te Puni Kōkiri has applied the mandatory exceptions from full retrospective application of NZ IFRS.

Te Puni Kōkiri is required to make the following mandatory exception from retrospective application:

- Estimates exception – Estimates under NZ IFRS as 1 July 2006 are consistent with estimates made for the same date under previous NZ GAAP.

Te Puni Kōkiri has not elected to apply any optional exemptions from full retrospective application.



RECONCILIATION OF EQUITY

The following table shows the changes in equity, resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2006 and 30 June 2007.

	Previous NZ GAAP	Effect on transition to NZ IFRS	NZ IFRS	NZ GAAP	Effect on transition to NZ IFRS	NZ IFRS
	1-Jul-06	1-Jul-06	1-Jul-06	30-Jun-07	30-Jun-07	1-Jul-07
	\$000	\$000	\$000	\$000	\$000	\$000
TAXPAYERS' FUNDS	4,835	(63)	4,772	4,835	(71)	4,784
Represented by:						
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	8,325		8,325	9,015		9,015
Prepayments	225		225	316		316
Short term receivables & advances	269		269	439		439
Total current assets	8,819		8,819	9,770		9,770
NON-CURRENT ASSETS						
Property, Plant and Equipment	4,066		4,066	3,462		3,152
Intangible assets	-		-	-		310
Total non-current assets	4,066		4,066	3,462		3,462
Total Assets	12,885		12,885	13,232		13,232
LIABILITIES						
CURRENT LIABILITIES						
Creditors & Payables	5,569		5,569	5,536		5,536
Provision for repayment of surplus	626		626	866		866
Employee Entitlements	1,848	63	1,911	1,988	71	2,059
Total current liabilities	8,043	63	8,106	8,390	71	8,461

NON-CURRENT LIABILITIES				
Employee Entitlements	7	7	7	7
Total Liabilities	8,050	8,113	8,397	8,468
Net Assets				
	4,835	4,772	4,835	4,764

EXPLANATORY NOTES – RECONCILIATION OF EQUITY

Employee entitlements – Sick leave

Sick leave was not recognised as a liability under previous NZ GAAP. NZ IAS 19 requires Te Puni Kōkiri to recognise employees' unused sick leave entitlement that can be carried forward at balance date, to the extent that the Department anticipates it will be used by staff to cover future absences.

Reconciliation of surplus

There have been no impact on the operating surplus on transition to NZ IFRS.

Statement of cash flows

There have been no material adjustments to the statement of cash flows on transition to NZ IFRS.

STATEMENT OF NON-DEPARTMENTAL ACCOUNTING POLICIES

The following non-departmental statements and schedules record the expenses, revenue and receipts, assets and liabilities that Te Puni Kōkiri manages on behalf of the Crown.

The Non-Departmental balances are consolidated into the Financial Statements of the Government and therefore readers of these statements and schedules should also refer to the Financial Statements of the Government for 2007/08.

Statement of Compliance

These financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with NZ IFRS and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

These are the first set of financial statements complying with NZ IFRS for Te Puni Kōkiri, and NZ IFRS 1 has been applied.



Measurement System

Measurement and recognition rules applied in the preparation of the Non-Departmental statements and schedules are consistent with generally accepted accounting practice and the Financial Statements of the Government's accounting policies. The financial statements have been prepared on an historical cost basis.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Te Puni Kōkiri is New Zealand dollars.

Accounting Policies

The following particular accounting policies that materially affect the measurement of financial results and financial position have been applied.

Budget Figures

The budget figures are those presented in the 2007 Main Estimates as amended by the 2007/08 Supplementary Estimates and any transfer made by Order in Council under section 26A of the Public Finance Act 1989.

Revenue

Te Puni Kōkiri derives revenue through the provision of outputs to the Crown and for services to third parties. Revenue is measured at the fair value of consideration received.

Revenue from supply of services is recognised at balance date on a straight line basis over the specified period for the services, unless an alternative method better represents the stage of completion of transaction.

Goods and Services Tax (GST)

The Statements of Non-Departmental Expenditure and Appropriations are exclusive of GST. The Statement of Financial Position is exclusive of GST, except for Creditors and other Payables, and Debtors and other Receivables, which are GST inclusive.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Creditors and other Payables or Debtors and other Receivables (as appropriate).

Commitments

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

Contingent Assets and Liabilities

Contingent assets and liabilities are disclosed at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Financial Instruments

Te Puni Kōkiri is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the Statement of Financial Position and all revenue and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

Designation of financial assets and financial liabilities by individual entities into instrument categories is determined by the business purpose of the financial instruments, policies and practices for their management, their relationship with other instruments and the reporting costs and benefits associated with each designation.

All foreign exchange transactions are translated at the rates of exchange applicable in each transaction. Te Puni Kōkiri does not carry any balances in foreign currencies.

Liquidity risk

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

In meeting its liquidity requirements, the Department closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office. Te Puni Kōkiri maintains a target level of available cash to meet liquidity requirements.



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

\$000	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years
2008				
Creditors and other payables	1,932	-	-	-
2007				
Creditors and other payables	7,127	-	-	-

Financial Assets

Cash and cash equivalents include cash on hand, cash in transit, bank accounts and deposits with a maturity of no more than three months from date of acquisition.

Other financial assets have been designated as loans and receivables. These include Māori Trustee debt, Section 460A and Rural Lending loans.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Loans and receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired. Interest, impairment losses and foreign exchange gain and losses are recognised in the Statement of Financial Performance.

A provision for impairment of receivables is established when there is objective evidence that Te Puni Kōkiri will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial Liabilities

Financial liabilities are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using effective interest rate method. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value. Amortisation and, in the case of monetary items, foreign exchange gains and losses, are recognised in the Statement of Financial Performance as is any gain or loss when the liability is derecognised.

Changes in Accounting Policies

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

There have been no changes in accounting policies. All policies have been applied on a basis consistent with the previous year.

SCHEDULE OF NON-DEPARTMENTAL REVENUE FOR THE YEAR ENDED 30 JUNE 2008

The Schedule of Non-Departmental Revenue shows budgeted revenue against actual revenue. Figures are GST exclusive.

30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Supp Estimates
\$000s	Note	\$000s	\$000s
Current Revenue			
<i>Non-Tax Revenue</i>			
73	Interest on Advances	21	155
26	Miscellaneous Receipts	(13)	-
4,741	Māori Trustee	1	3,802
3	Mortgage Repayments Intended for Housing Corporation of New Zealand	1	10
4,843	Total Current Revenue	6,111	3,967
Capital Revenue			
1,069	Repayment of Advances	538	325
-	Revaluation of Crown Land	2	-
-	Gain on Sale of Properties	3	-
1,069	Total Capital Revenue	5,133	325
5,912	Total Crown Revenue	11,244	4,292

The accompanying accounting policies and notes form part of these Financial Statements.



STATEMENT OF NON-DEPARTMENTAL EXPENSES FOR THE YEAR ENDED 30 JUNE 2008

The Schedule of Expenses summarises Non-Departmental expenses that Te Puni Kōkiri administers on behalf of the Crown. Further details are provided in the Statement of Expenditure and Capital Expenditure Appropriations on pages 99 to 100. Figures are GST exclusive.

30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Supp Estimates
\$000s	Note	\$000s	\$000s
Non-Departmental Expenses			
Operating Annual Appropriations			
85,179	Non-Departmental Output Expenses	98,171	98,327
480	Benefits and Other Unrequited Expenses	478	480
9,817	Other Expenses to be Incurred by the Crown	12,474	13,350
95,476	Total Operating Annual Appropriations	111,123	112,157
664	Capital Expenditure	1,840	3,682
24	Appropriations for Other Expenses	24	37
<i>Provision for Write Offs</i>			
(34)	Rural Lending	(131)	-
96,130	Total Non-Departmental Expenses	112,856	115,876

The accompanying accounting policies and notes form part of these Financial Statements.

STATEMENT OF NON-DEPARTMENTAL EXPENDITURE AND CAPITAL EXPENDITURE APPROPRIATIONS FOR THE YEAR ENDED 30 JUNE 2008

The Statement of Non-Departmental Expenditure and Capital Expenditure Appropriations shows expenditure and capital payments incurred against funds appropriated by Parliament. Te Puni Kōkiri administers these appropriations on behalf of the Crown. Figures are GST exclusive.

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30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Supp Estimates	
\$000s	Note	\$000s	\$000s	
Operating Annual Appropriations				
<i>Non-Departmental Output Expenses</i>				
40,332	Māori Television Broadcasting	4	40,332	40,332
11,169	Māori Radio Broadcasting	5	10,744	10,744
1,608	Administration of Māori Broadcasting	6	1,608	1,608
3,204	Promotion of the Māori Language	7	3,204	3,204
456	Iwi Housing Support		455	456
11,538	Maori Television Channel	8	16,506	16,506
-	Treaty of Waitangi Touring Exhibition		530	530
Māori Potential Funds				
6,202	Mātauranga (Knowledge)	9	6,734	6,832
4,749	Whakamana (Leadership)	9	10,569	10,618
5,921	Rawa (Resources)	9	7,489	7,497
16,872	Total Māori Potential Funds		24,792	24,947
85,179	Total Non-Departmental Output Expenses		98,171	98,327
<i>Benefits and Other Unrequited Expenses</i>				
480	Rangatiratanga Grants		478	480
480	Total Benefits and Other Unrequited Expenses		478	480
<i>Other Expenses to be Incurred by the Crown</i>				
4,741	Provision for Māori Trustee Debt	1	6,102	6,920
196	New Zealand Māori Council		196	196
178	Māori Wardens		178	178
626	Māori Registration Service	10	626	626

The accompanying accounting policies and notes form part of these Financial Statements.



30-Jun-07 Actual		30-Jun-08 Actual	30-Jun-08 Supp Estimates
\$000s	Note	\$000s	\$000s
2	Payments to Housing Corporation of New Zealand	1	36
131	Te Putahi Paoho	131	131
160	Regional Tourism Organisations-Planning	160	160
-	Re-erection of Mataatua Whare	11 2,000	2,000
-	S460A Loans Write-off	156	156
-	Te Ariki Trust	-	23
1,867	Māori Women's Development Fund	12 1,867	1,867
1,909	Beyond Hui Taumata	1,000	1,000
-	Loss from sale of Mauao Reserve	50	50
7	Orakei Act 1991	7	7
9,817	Total Other Expenses to be Incurred by the Crown	12,474	13,350
95,476	Total Operating Annual Appropriations	111,123	112,157
	<i>Capital Contributions to other persons or organisations</i>		
164	Rural Lending	13 80	1,922
-	Administration of Māori Broadcasting	6 160	160
-	Māori Television Channel	8 1,600	1,600
500	Promotion of the Māori Language	7 -	-
664	Total Capital Contributions	1,840	3,682
	<i>Appropriations for Other Expenses</i>		
24	Payments to Trust Boards	24	37
24	Total Other Expenses	24	37
96,164	Total Non-Departmental Appropriations	112,987	115,876

The accompanying accounting policies and notes form part of these Financial Statements.

STATEMENT OF NON-DEPARTMENTAL UNAPPROPRIATED EXPENDITURE AND CAPITAL EXPENDITURE AS AT 30 JUNE 2008

There was no unappropriated expenditure for the year ended 30 June 2008 (\$0.093 million for the year ended 30 June 2007).

30-Jun-07 \$000s	30-Jun-08 \$000s
Other Expenses to be Incurred by the Crown	
93 Provision for Māori Trustee Debt	-

Forecasts of salary increases by the Māori Trustee were discovered to be incorrect in the last month of the financial year. This resulted in unappropriated expenditure of \$0.093m in the Departmental Output Expenses – Services to the Māori Trustee.

SCHEDULE OF NON-DEPARTMENTAL ASSETS AS AT 30 JUNE 2008

Non-Departmental assets are administered by Te Puni Kōkiri on behalf of the Crown. As these assets are neither controlled by Te Puni Kōkiri nor used in the production of Te Puni Kōkiri outputs, they are not reported in the department's Statement of Financial Position.

Non-Departmental Assets administered by Te Puni Kōkiri on behalf of the Crown include:

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
	Note	
Current Assets		
49,692	Cash	61,106
15,002	Prepayments	142
64,694	Total Current Assets	61,248
Non Current Assets		
<i>Māori Trust Office</i>		
55,241	Māori Trustee - Debt	61,343
55,241	Māori Trustee - Debt Provision	(61,343)

The accompanying accounting policies and notes form part of these Financial Statements.



30-Jun-07 Actual \$000s		Note	30-Jun-08 Actual \$000s
-	Total Non Current Assets		-
	Investments		
156	Section 460A Loans		-
	Rural Lending		
2,641	Total Loans	13	1,672
(795)	Less : Provision for doubtful debts		(646)
1,846			1,026
	Māori Land Development		
	<i>Investments comprise Advances to -</i>		
179	Crown owned stations		179
(179)	Less : Provision for doubtful debts		(179)
-			-
2,002	Total Investments		1,026
	Property Plant and Equipment		
40	Land	2	3,802
40	Total Property Plant and Equipment		3,802
66,736	Total non-departmental assets administered by Te Puni Kōkiri		66,076

SCHEDULE OF NON-DEPARTMENTAL LIABILITIES AS AT 30 JUNE 2008

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
	Current Liabilities	
6,315	Creditors and other Payables	1,890
812	Other Liabilities	42
7,127	Total Current Liabilities	1,932

The accompanying accounting policies and notes form part of these Financial Statements.

SCHEDULE OF NON-DEPARTMENTAL COMMITMENTS AS AT 30 JUNE 2008

The Schedule of Non-Departmental Commitments shows the future contractual obligations (exclusive of GST) that will become liabilities if and when the terms and conditions of existing contracts are met.

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
	Category	
14,428	Māori Potential Fund	12,223
62,134	Crown Entities & Non-Government Organisations	78,517
76,562	Total Crown Commitments by Category	90,740
	Out year commitments	
73,832	Less than one year	88,539
2,245	One to two years	2,201
485	Two to five years	-
-	More than five years	-
76,562	Total Crown Commitments by out year	90,740

STATEMENT OF NON-DEPARTMENTAL CONTINGENT ASSETS AND LIABILITIES AS AT 30 JUNE 2008

The Statement of Non-Departmental Contingent Assets and Liabilities shows amounts at balance date that could potentially become assets or liabilities depending on the occurrence of one or more uncertain future events after 30 June 2008. It does not include general or unspecified business risks or conditions. This schedule is exclusive of GST

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
2,358	Income Tax and GST indemnity	2,358
270	Public Liability Claims	278
2,628	Total Contingent Liabilities	2,636

The accompanying accounting policies and notes form part of these Financial Statements.



Where contingent liabilities have arisen as a consequence of legal action being taken against the Crown, the amount included is the amount claimed and thus the maximum potential cost. It does not represent either an admission that the claim is valid or an estimation of the possible amount of any award against the Crown.

NOTES TO THE NON-DEPARTMENTAL FINANCIAL STATEMENTS AND SCHEDULES FOR THE YEAR ENDED 30 JUNE 2008

Note 1: Māori Trustee

The Crown incurs expenditure via the Te Puni Kōkiri departmental appropriation under the output class "Services to the Māori Trustee". There is an expectation that this expenditure will be repaid by the Māori Trustee to the Crown at some future date. A 100% provision against the Māori Trustee's debt is shown to reflect that the debt has not yet been "called".

Note 2: Revaluation of Crown Land

Te Puni Kōkiri holds a number of Crown land blocks which are intended for disposal. The revised values are based on independent valuations from Veitch Morison Valuers Ltd, Garton and Associates, E.I. Clissold and QV Valuations which were carried out between 7 February 2007 to 24 September 2008.

Note 3: Gain on Sale of Properties

This reflects the gain on sale of 5 Crown owned land blocks which were disposed of during the period.

Note 4: Māori Television Broadcasting

Promotion of Māori language and Māori culture through television broadcasting by Te Mangai Paho.

Note 5: Māori Radio Broadcasting

Promotion of Māori language and Māori culture through radio broadcasting by Te Mangai Paho.

Note 6: Administration of Māori Broadcasting

Purchase of administration services from Te Mangai Paho to meet its statutory functions and deliver on the Government's Maori broadcasting policy.

Note 7: Promotion of the Māori Language

Purchase of initiatives to revitalise and develop the Māori language in New Zealand. This includes outputs from Te Taura Whiri I Te Reo Māori (Māori Language Commission) and involves the promotion of the Māori language in New Zealand.

Note 8: Māori Television Channel

Ongoing administration costs of the Māori Television channel for the Māori Television Service.

Note 9: Māori Potential Funds

Classified as three Non-Departmental Output Expenses; Whakamana (leadership), Matauranga (knowledge/skills) and Rawa (resources). The Māori Potential Funds provide funding to accelerate Māori development through directly investing in community programmes and activities and are a direct link to the three strategic investment areas which were identified through the Māori Potential Approach.

Note 10: Māori Registration Service

Contribution towards the establishment of a national Māori registration service, which will assist in linking Māori with their tribes and tribal groups and compiling comprehensive and accurate registers of their members.

Note 11: Re-erection of Mataatua Whare

This is limited to the erection of the Mataatua Whare at Whakatane, and the establishment of related facilities to support cultural tourism and development opportunities.



Note 12: Māori Women's Development Fund

This reflects administration funding for the Māori Women's Development Fund .

Note 13: Rural Lending

Rural Lending represents the remaining nominal value of the former Rural Loans Portfolio of the Department of Māori Affairs and Iwi Transition Agency programmes.

The only new advances being made under these provisions are those necessary to complete compensation obligations to lessees where compensation is payable in terms of leases issued under the provisions of Part XXIV of the Māori Affairs Act 1953 and now administered by Te Puni Kokiri under Part II of the Māori Affairs Restructuring Act 1989.

Note 14: Explanation for Significant Budget Changes

Refer to "The Supplementary Estimates of Appropriations for the year ending 30 June 2008" for an explanation of significant budget changes between the 2007 Main Estimates and 2007/08 Supplementary Estimates for Vote Māori Affairs (B.7 – Pages 499 to 504).

Note 15: Explanation for Significant Variances

The following notes explain significant variances between the Main Estimates and Actuals for Non-Departmental Expenditure.

	30-Jun-08 Actual \$000s	30-Jun-08 Main Estimates \$000s	Variance \$000s
Total Non-Departmental Output Expenses			
Whakamana (Leadership)	10,569	9,558	(1,011)
Mātauranga (Knowledge)	6,734	7,168	434
Other Expenses to be Incurred by the Crown			
Provision for Māori Trustee Debt	6,102	4,893	(1,209)
Re-erection of Mataatua Whare	2,000	-	(2,000)
Capital Contributions to other persons or organisations			
Rural Lending	80	1,922	1,842

Whakamana (Leadership): The variance largely relates to an expense transfer of \$1.6 million from 2006/07. This was partially offset by a reduction in appropriation agreed to during Budget 2008 (\$0.384m) to support the Māori Wardens programme.

Mātauranga (Knowledge): The decrease is largely due to a reduction in appropriation agreed to during Budget 2008 (\$0.384m) to support the Māori Wardens programme.

Provision for Māori Trustee Debt: The increase relates to additional funding for transition activities of the Māori Trustee to implement the work programme required in 2008/09 and outyears, including the establishment of a new stand-alone Māori Trustee entity.

Rural Lending: The variance is due to a decrease in the number of advances being made to landowners.

Note 16: Categories of financial instruments

30-Jun-07 Actual \$000s		30-Jun-08 Actual \$000s
	Loans and receivables	
49,692	Cash and cash equivalents	61,106
16,848	Debtors and other receivables	1,168
66,540	Total loans and receivables	62,274

Note 17: Crown Entities

The Minister of Māori Affairs also receives administration services from the following Crown Entities:

- Te Māngai Pāho
- Te Taura Whiri I Te Reo Māori

The investment in these entities is recorded within the Financial Statements of the Government on a line by line basis. No disclosure is made in this schedule.



Please refer to the Annual Reports at the following websites:

Te Māngai Pāho at www.tmp.govt.nz

Māori Television Service at www.maoritelevision.com and

Te Taura Whiri I Te Reo Māori at www.tetaurawhiri.govt.nz

for information on their financial performance and position.