

Pūrongorongo Ā-Tau Annual Report

2020

*He moana pukepuke e ekengia e te waka
A choppy sea can be navigated*



SERVICEIQ is the transitional Industry Training Organisation (ITO) for the service sectors. We arrange on-job training programmes for businesses keen to provide their staff with relevant skills, training and qualifications, knowing that it's great people who make a great business.



HOSPITALITY



RETAIL & RETAIL
SUPPLY CHAIN



TRAVEL



TOURISM



AVIATION



MUSEUMS

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Rarangi upoko

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Mema o te poari

Board members

Bruce Robertson

BOARD CHAIR

Bruce has been a director of ServiceIQ since 2013. He is one of New Zealand's most experienced advocates who began interacting with Cabinet Ministers while in his early 20s. At that time, he was the Federated Farmers advocate for the arable and transport sectors. In 1995, he joined Hospitality New Zealand, leading a revival of the organisation, resulting in its growth from 700 members covering mostly bars, to 3,200 members representing the breadth of the hospitality industry from cafés to luxury lodges. Bruce left his role as Chief Executive of Hospitality New Zealand after 20 successful years and now undertakes several governance and advisory roles across hospitality, gaming, tourism and industry training.



Des Flynn

RETAIL & RETAIL SUPPLY CHAIN

Des is a lifetime career retailer with over 50 years of retail experience covering large and medium multistore businesses, franchise businesses, and business consultancy. He has had many senior executive and leadership roles, including Chief Executive, General Manager, and Business Director, at Progressive Enterprises, Woolworths, Life Pharmacy Group, and The Warehouse Group. In his current role, he works part time with The Warehouse Group as Head of External Stakeholder Engagement and Public Policy, and is involved in mentoring senior managers. Des is a Retail New Zealand board member, Chair of the Industry Advisory Board for the Massey University Business School, and actively involved with government agencies giving the retail perspective on impact of proposed legislative changes. He is a member of the interim Establishment Board for the Services Workforce Development Council.



Jill Hatchwell

AVIATION, TOURISM, TRAVEL AND MUSEUMS

Jill is a chartered member of the Institute of Directors with over 30 years' experience in financial and corporate management. She is a formation director of NZX-listed Aorere Resources Limited and a director of TSX and NZX-listed Chatham Rock Phosphate Limited. Jill has extensive aviation industry experience having been on the board of Vincent Aviation Limited, formerly one of New Zealand's largest privately owned international airlines. She is a director of aviation consultancy company Air Ops NZ Limited, the Civil Aviation Authority (CAA), and SMW Group Ltd. Jill is a member of the ServiceIQ Audit & Risk Committee and Chair of the interim Establishment Board for the Services Workforce Development Council.



Maryann Geddes

HOSPITALITY

Maryann has held senior HR management positions with Skyline Enterprises based in Queenstown, where she was, until recently, Group Manager Risk and Compliance, responsible for the management of business risk and compliance within the Skyline group of companies. Over the past 25 years Maryann has held a number of director roles within industry organisations and has had a close involvement in tourism and hospitality issues, both at national and international level. She has a Ministerial appointment to the Council of Te Pūkenga (the NZ Institute of Skills and Technology) and is a Director of Ara Christchurch, Otago Polytechnic Dunedin and SIT Invercargill.



Maxine Gay

EMPLOYEE INTERESTS

Maxine is General Manager of the child charity Pillars. She was a Director on the Retail Institute Board, and most recently the Sector Secretary – Retail with FIRST UNION, where she worked from 2007. FIRST UNION is a trade union representing more than 27,000 workers in the Finance, Industrial, Retail, Stores, and Transport sectors. Maxine is a member of the interim Establishment Board for the Services Workforce Development Council.



Trevor Douthett

RETAIL & RETAIL SUPPLY CHAIN

After nearly 35 years at LV Martin & Son, including 10 years as CEO, Trevor led the acquisition of the Baby City chain in 2012, where he is Managing Director. Trevor is a Finance graduate (BCA) from Victoria University and has become a career retailer with a strong interest in training. Trevor is a member of the ServiceIQ Audit & Risk Committee.



John Selby

INDEPENDENT DIRECTOR

John has had an extensive career in PricewaterhouseCoopers where, for 25 years, he was a partner working in the New Zealand, Australian and Asian markets, providing advisory, audit and risk management services to a wide range of organisations and private company Boards, including Shell New Zealand, Sky Television, L&M Group, Downer EDI, and Tenix. John is chairman of MDH Property, Booster Investment Management, Booster Assurance; a director of VicLink and chairs the ServiceIQ Audit & Risk Committee.



Fergus Brown

HOSPITALITY

Fergus Brown has been Chief Executive of Holiday Parks Association of New Zealand (HPNZ) since 2003 and is based in Wellington. Prior to his current role, and running his own accommodation business, Fergus worked for Tourism New Zealand. During his time there, he headed their Asian operation, based in Singapore and Hong Kong. Fergus is also Deputy Co-Chair of the board of Tourism Industry Aotearoa (TIA), representing Holiday Parks, Motels and Other Accommodation, and has experience working with government.



Andrew Olsen

AVIATION, TOURISM, TRAVEL AND MUSEUMS

Andrew joined the ServiceIQ Board in May 2017. He brings extensive leadership and governance experience from his career as an executive in the international travel industry. Andrew was most recently Chief Executive of the Travel Agents Association of New Zealand (TAANZ) where he led the qualification training initiative for over 3000 agents and staff. He was formerly the New Zealand Director for Carlson Wagonlit Travel, and has also held senior positions with American Express and Gulliver's Travel Group, and represented New Zealand interests as a Director of the World Travel Agents Association Alliance (WTAAA). He is a member of the New Zealand Institute of Directors.



Pūrongorongo o te Kaihautū

Chair's report



At this time last year, I noted that we were in the most challenging environment we have experienced. 12 months later, with some ups and downs, the world is slowly getting to grips with COVID-19 and the virus that causes it. However many of our sectors are still faced with major challenges to recovery.

But back to the 2020 calendar year. It was a year where many in our sectors, and in ServicelQ too, were deeply affected. For some in our sectors, the toll was significantly lower than expected; for others – especially aviation, tourism, and many parts of hospitality – things were much less rosy.

With lockdown causing a hiatus in much workplace training, and estimates and market intelligence showing a likely significantly reduced demand for on-job training and qualifications, the organisation prudently embarked on a 'Responding to COVID-19 Impacts' project to ensure financial sustainability.

Unfortunately, one outcome was the need to reduce the number of roles, and 24 were disestablished, which saw good staff leaving ServicelQ. However, it is pleasing to note that, late in the year, some staff were able to be retained within the organisation to work on a TEC-funded COVID-19 project, Hinonga Kōkiri, which has been very well received by industry. Further, in the second quarter of 2021, some new roles were created to deal with increased demand from industry, stimulated by the government's new training and apprentice funding available to employers.

Despite these COVID-related impacts, the work undertaken in 2019 to reset the organisation with the goal of improving funder relations, and customer value and experience, bore fruit in 2020. During lockdown, the organisation was able to pivot to help schools continue to deliver learning, and students gain a Gateway work experience. It was also able to continue arranging some workplace training and assessment. The Board sincerely thanks the ServicelQ staff for their efforts during what was a worrying time for Aotearoa and its people.

It was during the lockdown too that the New Zealand Qualifications Authority undertook an External Evaluation and Review (EER), the first to be done fully online. The reset work mentioned above, along with the accompanying system and process improvements, saw ServicelQ receive a robust Category 2 result.

In addition to all the above, ServicelQ remained deeply involved in the very large and complex Reform of Vocational Education (RoVE) throughout 2020. This work has involved many of ServicelQ's people ensuring service industry employers are informed and their voices heard; contributing to Workforce Development Councils

– and especially the Services one – that will deliver efficient and quality outcomes that will meet employer and learner needs; working with the nascent Te Pūkenga and interested PTEs on transition arrangements; and involvement at many levels with agencies including the Tertiary Education Commission, NZQA and Ministry of Education.

My thanks to my Board colleagues for their input and support during a very tough year. I also thank the people who have given their time and expertise to continue to grow the reach and quality of services sector workplace training: Industry Advisory Group members and many individuals from the high-quality industry associations that Aotearoa's services sectors are lucky to have as their advocates.

There are two other groups that I and the Board recognise as having made major contributions, often in the face of uncertain times and difficult situations. Firstly, the employers, trainees, and schools we work with to arrange on-job and at-school training. Secondly, the group of professional, talented, dedicated people who are the ServicelQ team.

Looking ahead to 2021 (with the advantage of it being early May as I write), it is clearly going to be another challenging year (and already has been). The RoVE work is not only continuing at pace but is accelerating. Workforce Development Councils will be operational by the end of the year, which means that some ServicelQ staff will have transferred to a new organisation. The rest will continue to serve our employers and schools and their learners, all parties secure in the knowledge that the new vocational educational system is being co-designed to ensure success.

Bruce Robertson
Kaihautū o Te Poari
Board Chair

Tiro Whānui o te Tāhuhu Rangapū

Chief Executive's overview



Heading into 2020, ServiceIQ had a clear strategy: continue to focus on all our customers and key stakeholders; our people; our systems and processes; and our financial sustainability. Secondly, we had to keep working closely with government, as it developed and implemented its Reform of Vocational Education initiatives, to ensure our industry and staff needs were met as best as they could be, while also supporting the change process.

In late 2019, the shortage of, and demand for, qualified staff in New Zealand's retail, hospitality, aviation, travel, tourism, and museum industries was still growing and, accordingly, ServiceIQ expected high demand for growth in trainee numbers in the service sector in 2020.

However, we all know what transpired. The COVID-19 pandemic brought a very changed outlook for each of our sectors, other sectors, and for New Zealand.

The ensuing period in 2020 has seen a significant drop in trainee numbers within the service sector, understandably as many of our customers, particularly in travel, tourism, aviation, and hospitality, focus on surviving the significant impacts of COVID and lockdowns, on their businesses. Within this environment our focus switched to provide as much support as we could to help learners to keep learning, using digital means, rather than in workplace or face to face in schools.

In addition to the significant work to keep industry supported through COVID, later in the year we sadly needed to reduce our workforce given the much lower trainee numbers forecast for 2021 and, unfortunately, this resulted in farewelling 24 staff in September, through no fault of their own. We executed several initiatives to support displaced staff in any way we could. They and their colleagues managed through this change with amazing professionalism and dignity.

As the Chair mentioned, a highlight amongst the COVID gloom was the very pleasing result with NZQA completing its EER, early in the year. ServiceIQ achieved a significantly improved rating. This reflected the systematic continuous progress the organisation had been making in the last few years, and the professionalism and focus from many staff.

The year also saw the need to keep our customers updated regularly with progress in the vocational education reforms, as these developed, and 2021 will see the first of the structural changes with the stand-up of the Workforce Development Councils and, subsequently in 2022, the transfer of arranging of training. We are very committed to ensuring our customers and staff are front of mind during these changes over the next two years.

A key project, Hinonga Kōkiri, to support future workforce planning commenced late in 2020. The project brings together service sector stakeholders from schools, tertiary education providers, industry, employers, and iwi throughout Aotearoa New Zealand to reflect on how COVID-19 has reshaped business, and tell us what people and skills, training, and learning pathways they need for their future success.

From this research, ServiceIQ will deliver a workforce strategy to the newly formed Services Workforce Development Council Board. This gives service sector stakeholders an early opportunity to shape vocational education in Aotearoa New Zealand, and the WDC a head start to progress its mandate for the service sectors.

Lastly, I am pleased to report a better financial result for 2020 than envisaged, mainly due to the TEC underwriting all TITO investment plans (which was greatly appreciated), new revenue initiatives and, as mentioned earlier, lower costs. This gives much-needed breathing space for 2021, which will see a planned operating loss given the lower overall trainee numbers and our need to retain capability.

My thanks go to the Chair and Board for the governance and guidance given over what was a challenging and turbulent 2020 year.

Most importantly though I want to acknowledge and thank the staff at ServiceIQ for their support, commitment, and resilience in 2020. The team's focus on our customers – in the face of the challenges of COVID, our need to restructure, and ongoing uncertainty due to the RoVE changes – was second to none, and unwavering.

Kia kaha to all our customers, colleagues, and friends in the service sector as we navigate the 2021 year and work together to transition ServiceIQ into the new RoVE entities as seamlessly as possible for industry and our staff.

Andrew McSweeney

Tāhuhu Rangapū

Chief Executive

Tauākī

Top chef says apprentices are good for business

With over 30 years' experience, multi-award-winning chef Rex Morgan is a familiar face. He's a New Zealand Beef & Lamb Ambassador, culinary judge, TV personality, and well-known to customers of the popular Boulcott Street Bistro restaurant where he is co-owner, overseeing the kitchen side of the business.



He's also a fan of New Zealand's Cookery Apprenticeships.

"Any good chef should seriously consider taking on an apprentice," says Rex. "You get to hands-on train them your way, with the guidance of ServicelQ. They are internally assessed as you go; no need for lengthy block courses or losing them a day each week for courses.

"An apprentice can become a real asset – your own home-made product. The training, supported by ServicelQ, can adapt to your business. Timing of what is taught, when and how, suits the business. The record-keeping shows where the trainee is at, where they can go next, and what help they might need from their chef or from ServicelQ."

Apprentice is a definite

"I recently had an apprentice. If we needed a new team member, then an apprentice would be a definite. There are so many good things about having a person with the right attitude on a Cookery Apprenticeship, including creating an asset for the company as well as the industry. The government's new Apprenticeship Boost helps an employer, but that 'right attitude' – from both the potential apprentice and the chef – must come first."

Attitude is something Rex mentions a lot. He has some great advice for chefs thinking about taking on an apprentice, whether that be in a restaurant or catering setting.

"You teach the skills and build the passion. That requires the right attitude on both sides. I've done a fair bit of teaching and I love seeing people learn and grow.

"It's just as important that the apprentice is keen. They need to understand the realities of hospitality and working in a kitchen and – despite that – still want to be there. They also need to understand the benefits too – that they are earning and learning, that what they're doing is building a life-long career that offers global opportunities.

"The great thing about the ServicelQ cookery team is that they understand both what the employer and apprentice needs, and what the responsibilities of each are. They are upfront, practical and offer ongoing support to the business and the Apprentice. It helps to have an early conversation with a ServicelQ advisor, whether you're just toying with the idea or already have a person in mind for the Apprenticeship."

Your next apprentice is out there

Rex acknowledges that it's easier to talk about having the right person – with the right attitude – than it can be finding one.

"It can seem a bit 'yeah, right!' but the right people are out there. Over the years, I've given talks to local school hospitality classes and there are kids there that you know are keen. That might change once they get in the kitchen, but a part-time job, for example kitchenhand or basic prepping, will help them and you see if they have what it takes. Chefs need to remember how we started out, and what might have helped or hindered us.

"If it's right for the business, you really should consider an apprentice, and you really should talk to ServicelQ to see if it's right. With Cookery Apprenticeships being fees-free, plus now having access to extra government funding, there's probably never been a better time to consider an apprentice."

"... they are earning and learning ... what they're doing is building a life-long career that offers global opportunities."

Kia pai mai hoki

Doing dishes to making dishes

School wasn't doing it for Brooklyn O'Neil. He wanted to get out into the workforce and start making a go of it. He went looking and landed a job in a restaurant: in the classic starting-out dishwasher role.

You might think there's nothing worse, but Brooklyn saw it as an opportunity. He offered to help with other tasks when the pressure was on. The chef and kitchen staff respected that attitude and passion.

"Chef took me under his wing," says the young cookery apprentice, who is just months away from becoming qualified. "I loved the vibe, creativity and passion. I put in the hours and hard work. I learned a lot and loved it. Chef could see that I was committed to the job and profession, so in turn committed to me by offering a ServiceIQ Cookery Apprenticeship."

Brooklyn is part of the team in the busy kitchen of Flamingo Joe's Bar & Eatery, a popular Wellington waterfront venue. He says that the earn and learn Apprenticeship is a fantastic way to get qualified as a chef but notes it's not for the faint-hearted.

"The upsides really outweigh any negatives though. The ServiceIQ resources are ideal for self-learning, especially since the workplace focuses on hands-on, practical, commercial cookery. For me, it's far better than classroom learning.

"It works because it's real. There's more pressure because you're in a real kitchen, with a real menu, creating real dishes that customers expect to be high quality and worth paying for. Some people might find that hard to deal with but, for me, it means that I learn more, and I learn it faster and better."

Business benefits

Brooklyn has been in the kitchen long enough to see benefits for his employer and the chefs mentoring him in his learning and career.

"It's another advantage of learning in a real workplace. You understand the business part: that it's more than cooking food and creating great meals.

"With apprentices, employers get passionate people and, with ServiceIQ involved, they help transfer jobs into careers for staff. On-job training helps upskill staff the right way: they learn the right processes and techniques, and it is comprehensive and happens as skills are needed.



"I loved the vibe, creativity and passion."

"For staff, they get to understand the make-up of a team and how that works and why. They really understand that mistakes matter and cost money. I've seen people trained in a classroom who come into the kitchen and struggle a bit with commercial realities."

For someone just into their 20s, Brooklyn has some sage advice for anyone thinking about a cookery apprenticeship.

"If it feels right, go for it and do it. Be prepared to start out doing whatever job is offered and show chef that you have passion and a work ethic. Let the kitchen team know you can help out, or start early or work late. Jump in and lend a hand. I was open to the opportunity and took it when it was offered.

"Be prepared to take responsibility for your own learning. That's a key part of the apprenticeship. You do get lots of support from your employer and ServiceIQ, but it's really up to you how you go about getting your experience and qualifications. It is self-managed learning, but it's also getting paid to study since you're earning as you learn. The Cookery Apprenticeship with ServiceIQ is a fantastic way to start your kitchen career."

Haerenga Umanga

Journey from school to career

Hundreds of students gain credits and experience as industry rallies to support schools

During the COVID trials and tribulations that disrupted life for all Kiwis, ServiceIQ worked to ensure that school students relying on a workplace experience and associated Gateway programme NCEA credits were able to continue their learning journey. This was only possible with the support of our industry partners.

With Gateway student access to workplaces impossible for months, and restricted for many more, new partners were found to ensure students were able to complete their work placement. Two new programmes were launched in 2020 – Noel Leeming’s Discovering Passionate Experts (as planned) and, as a response to a plea for help, Mitre 10 helped place Auckland students desperate for placement after multiple lockdowns. This ‘help’ has turned into a new programme for 2021.

This assistance and support from our partners, plus innovative ways developed to keep the learning happening, ensured that it also continued to have real-world validity. From the introduction of digital components, to splitting programme timings, hundreds of young New Zealanders benefitted from these innovations and were not disadvantaged when compared with students who had achieved Gateway programme outcomes in previous years.

2020 Gateway Student Numbers

Blue Shirts in Schools	83
Countdown SEEDS Programme	585
Noel Leeming’s Passionate Experts in Schools	62
Red Shirts in Schools	956
Z Forecourt Concierge	2
Māori Cultural camps	191
Grand Total	1,879

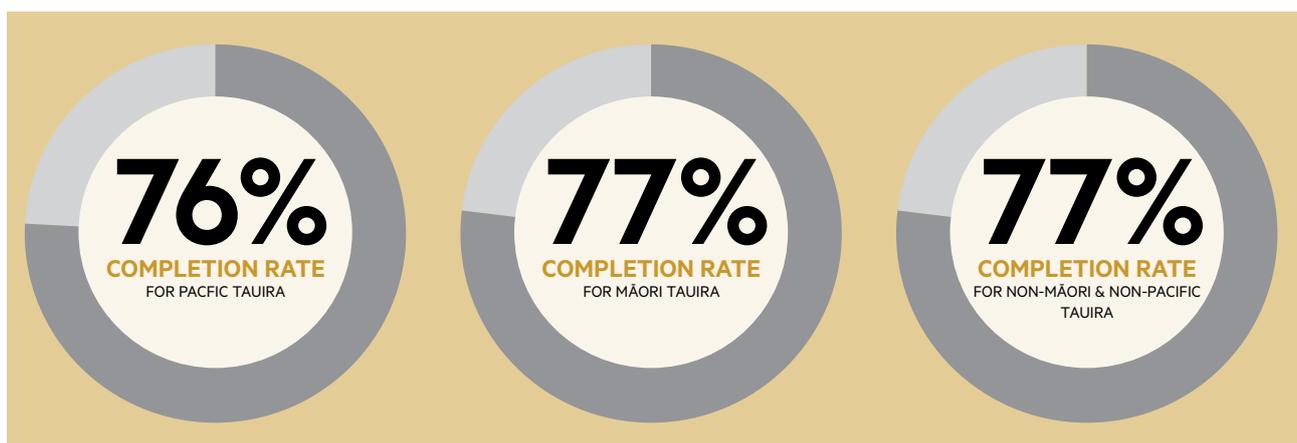
Parity

The schools team is proud to have reached parity of achievement across our learners. The supported gateway model in schools and the cultural camps (marae based learning) are producing wonderful results for all students who participate. In 2020, as in every year since 2017, when this data was first collected, Māori and non-Māori achieved equal completion rates across ServiceIQ School programmes. Together, Māori and Pacific people had a higher participation rate.

Participation rate



Percentages may not add up to 100% due to rounding.





He Rangapū Partnership bolsters tourism student numbers

Near the end of 2020, ServiselQ partnered with Go with Tourism, a government-funded initiative to build the tourism workforce, with the goal of attracting secondary school students into tourism and hospitality careers.

Among the initiatives were Go with Tourism supporting ServiselQ's teaching content in schools, and the creation of two sets of competitions for Year 12 and 13 students, one for hospitality and the other for tourism. Each contest has three challenges, with prizes for each challenge, and two Aotearoa Experience grand prizes.

The partnership between ServiselQ and Go with Tourism will strengthen services offered to students and teachers. Collaboration avoids duplicating resources and programmes within the classroom, amplifies the organisations' offerings and widens reach.

ServiselQ supplies comprehensive classroom resources for hospitality and tourism training that mirror what is learned in the workplace, plus gateway programmes where students can gain real-world experience.

Secondary school students have been identified as a crucial market for the tourism industry rebuild. In the next two to five years, tourism will hope to recruit this generation of workers to fill the skills shortage gap.

Whakatikatika Matihiko

Workplace digital solutions

Food and hospitality workplace safety training online

2020 saw ServiselQ continue to introduce more digital workplace training and upskilling options. Among these was the new fully online Hospo Safe, a high quality, low-cost comprehensive staff induction product to help employers with food and workplace safety training.

Hospo Safe is tailor-made to help meet the requirements of the Health and Safety at Work Act and the Food Act. The training is in two completely online modules, each taking between two and three hours (depending on previous knowledge and experience).

Being online means that staff can complete the training anywhere and at any time, and has been designed so that even new staff can be trained before they start work.

The Food Safety module upskills staff in food-related hazards and pathogens, allergens, temperature, handwashing, cleaning, sanitising, and more. The Health, Safety and Security module includes legal responsibilities and rights, workplace hazards, manual handling, accident and injury, emergencies, and customer and premises security.

LCQ online for employees

By law, every business or organisation that sells or supplies alcohol must always have a properly qualified person in charge.

The prescribed qualification is the Licence Controller Qualification (LCQ), and it must be held by people applying for or renewing their Manager's Certificate to demonstrate recent and relevant training as set out in the Sale and Supply of Alcohol Act (2012).

Now, employers can sign up their eligible people to get their NZQA unit standards 4646 & 16705 online with ServiselQ. Once achieved, they will be awarded the LCQ and can apply for a Manager's Certificate.

A big advantage of the affordable ServiselQ online LCQ@work programme is that staff can access the module at any time and from anywhere.

Our online LCQ@work programme ensures that holders meet legal requirements of the Sale and Supply of Alcohol Act (2012).



Taiwhanga Tākhirangi

Rocket Lab offers New Zealand's first aerospace apprenticeship

Rocket Lab, the global leader in small satellite launch, has worked with ServiceIQ to create a programme that enables apprentices to gain an Aerospace Aeronautical Engineering qualification as they build Electron rockets and test space hardware.

The Electron is the world's only reusable small launch vehicle. Under the supervision of Rocket Lab specialists and engineers, apprentices will learn the specialised trade skills necessary to assemble Electron launch vehicles for missions, as well as test and qualify other space hardware.

Rocket Lab engineers and ServiceIQ experts developed new Aerospace unit standards, which were introduced into the New Zealand Qualifications Authority's (NZQA) framework. This allowed the Aerospace Apprenticeship programme at Rocket Lab to be made available to those in the aviation industry working towards an Aeronautical Engineering certificate, and to those looking to retrospectively cross-qualify their years of industry experience to the space sector, such as former Defence Force or commercial aircraft technicians.

Rocket Lab Director of Production, Jamie France, says: "A qualification like this didn't exist in New Zealand, so we

created one and worked with ServiceIQ, our partners and specialists in aviation industry training, to develop the unit standards to enable New Zealand's incredibly talented, world-leading space hardware technicians to have their experience formally recognised.

"As we weather the impacts of COVID-19 to continue launching missions, further development of our satellite division, and work on our upcoming mission to the Moon for NASA in 2021, it's important to us at Rocket Lab that we play a part in developing careers and fostering talent that supports New Zealand's growing space economy."

The Rocket Lab Aerospace Apprenticeship programme combines on-the-job training and the hands-on experience necessary to complete unit standards specific to Aerospace Engineering and be assessed for a Level 4 New Zealand Certificate in Aeronautical Engineering (Related Technology).

Hinonga Kōkiri

Head Start Project

The Hinonga Kōkiri / Head Start Project is an initiative from ServiceIQ that brings together service sector stakeholders from industry, employers, schools, tertiary education providers and iwi throughout Aotearoa New Zealand to reflect on how COVID-19 has reshaped business, and tell us what people and skills, training, and learning pathways they need for their future success.

As part of the project, 41 focus groups were held in 10 regions throughout New Zealand between October and December 2020 and were attended by 321 representatives from 226 industry and other stakeholder groups. This data was combined with 488 online survey responses, including 83 responses gathered from these sectors between December 2020 and January 2021.

The consultation provided extremely valuable feedback for Hinonga Kōkiri and resulted in the creation of a Skills Summary for each of the nine sectors represented by ServiceIQ in the future Services Workforce Development Council (WDC), which are Accommodation; Aviation; Cafés, Bars and Restaurants; Catering; Clubs; Quick Service Restaurants; Retail and Retail Supply Chain; Travel; and Tourism.

Originally set to conclude in March 2021 the project was extended until November to include the additional sectors covered by the Services WDC: Cleaning Services; Real Estate; State Sector; Local Government; Contact Centres; Security; and the Financial Services sectors. Engagement with these sectors is supported by The Skills Organisation and Careerforce TITOs.

Key findings

- ▶ COVID-19 changed skills and roles, and employers and staff found multi-skilling and cross-skilling roles a necessity during and after the phases of lockdown, which continue to be important.
- ▶ The importance of skills has changed, and this has varied by sector.
- ▶ The Service Sectors need support to help trainers and managers understand learning needs and barriers to learning, have access to micro-credentials, and attract talent to return to the industry, and upskill them for when they return.



Recommendations

The Skills Summaries will inform the forthcoming Workforce Development Strategy that will be supplied to the Services WDC on 30 November 2021. In the interim, ServiceIQ has shared this research with TEC and supplied the current Skills Summaries to sectors. ServiceIQ has developed an action plan for each sector's summary, identifying what industry has asked for and to scope what actions are in place, or can be begun, by the TITO to support Services WDC initiatives.

KOWHEORI-19

Staff training in a time of COVID-19

“When the borders re-open, workers displaced by COVID-19 who have found work in new sectors may return to their original sector, so a pipeline is required to fill the gaps. Industry training is helping prepare the future workforce for when the numbers of events increase.”

*Mark Bodman
Spotless*

“COVID-19 affected McDonald’s staff and operations. On-job training and career pathways from ServiceIQ help the QSR sector retain staff and build capability from within.”

*Andrew Sutton
McDonald’s*

“Development of short online training modules, that are industry led, will help develop the core competencies of travel advisors after COVID-19.”

*Dennis McEnaney
BCD Travel*

“We have adapted to the changing needs of the business and the impacts of COVID-19 by taking an innovative and flexible approach; with the help of on-job training we have met current demands while at the same time developing capability to ensure we meet future needs.”

*Manon Keating
AirNZ*

“The ServiceIQ Retail Apprenticeship programme helps build the capability and professionalism of the sector, and aids recovery from COVID-19.”

*Marq Holibar
Green Cross Health*

Ngā Tauanga Statistics

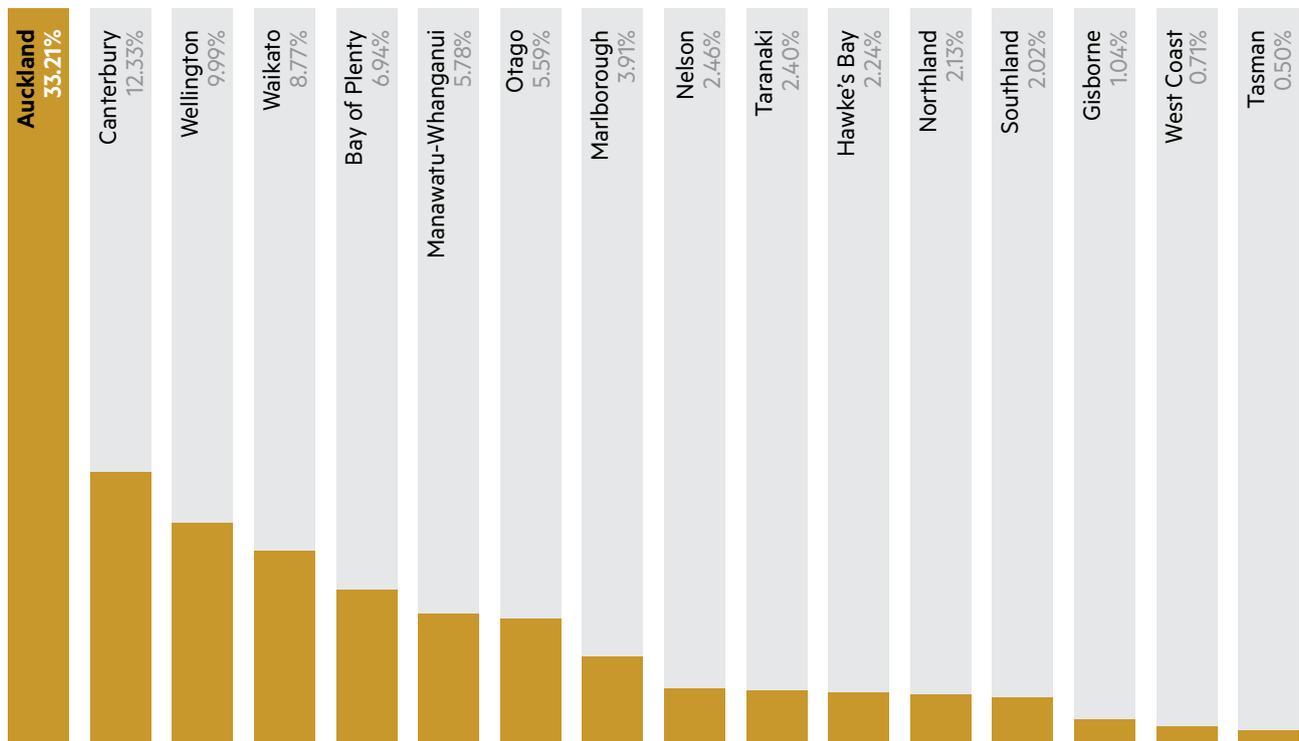
Trainee engagement 2020

Trainees by sector and fund type

Sector	NZ Apprentice	Trainee	Grand Total	Percentage
Accommodation	56	577	633	4
Aviation	245	1,087	1,332	9
Cafés, Bars, Restaurants	500	583	1,083	8
Clubs	13	19	32	0
Food Services	95	1,040	1,135	8
Museums	0	126	126	1
Quick Service Restaurants	0	5,609	5,609	40
Retail and Retail Supply Chain	11	3,023	3,034	22
Tourism	8	484	492	3
Travel	0	608	608	4
Grand Total	928	13,156	14,084	100

Percentages may not add up to 100% due to rounding. Data does not count multiple NSNs.
Datascource: CRM

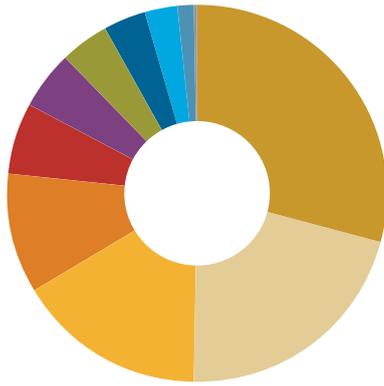
Trainees by region



Gender identification

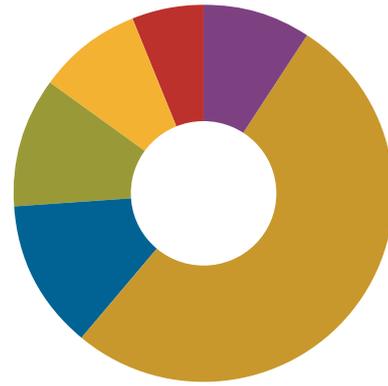


Trainee age group



15-19 29.25%	20-24 20.95%	25-29 15.90%	30-34 10.22%
35-39 6.21%	40-44 4.77%	45-49 4.30%	50-54 3.61%
55-59 2.62%	60-64 1.47%	65 and Over 0.71%	

Trainee ethnicity



European 51.87%	Māori 12.92%	Indian 10.97%
Asian 9.32%	Pasifika 9.01%	Other/Unknown 5.91%

Educational Performance Indicators 2020

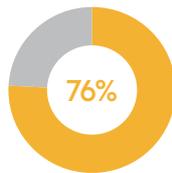
Summary



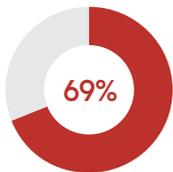
Overall ITO credit achievement rate



Overall ITO cohort-based programme completion rate



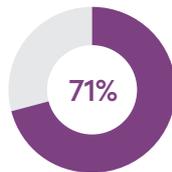
Overall ITO apprentice retention rate



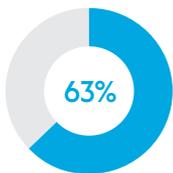
Māori L4+ credit achievement rate



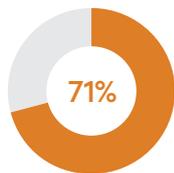
Pasifika L4+ credit achievement rate



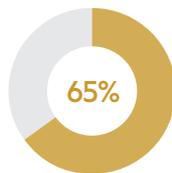
non-Māori and non-Pasifika L4+ credit achievement rate



Māori L4+ programme completion rate



Pasifika L4+ programme completion rate



non-Māori and non-Pasifika L4+ programme completion rate

Participation rate

Level 4 and above	2020 Target	2020 Actual
Māori	12%	14%
Pasifika	7%	8%
Young people	35%	31%

Credit achievement rate

Level 4 and above	2020 Target	2020 Actual
All learners	72%	70%
Māori	83%	69%
Pasifika	87%	62%
Young people	84%	71%

Programme completion rate

Level 4 and above	2020 Target	2020 Actual
Industry training level 4 and above	77%	66%
Māori	77%	68%
Pasifika	77%	73%
Young people	77%	67%

First year retention rate for apprentices

	2020 Target	2020 Actual
Overall	78%	76%
Māori	78%	76%
Pasifika	78%	93%
Young people	78%	79%



Ngā Ahumoni Financials

Service Skills Institute Incorporated Financial Report
for the year ended 31 December 2020

**SERVICE SKILLS INSTITUTE INCORPORATED
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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**SERVICE SKILLS INSTITUTE INCORPORATED
INSTITUTE DIRECTORY
FOR THE YEAR ENDED 31 DECEMBER 2020**

Nature of Business	Transitional Industry Training Organisation for Aviation, Tourism, Travel, Museums, Cafes, Bars, Restaurants, Accommodation, Food Services, Quick Service Restaurants, Clubs, Retail and the Retail Supply Chain.
Business Location	Wellington
Registered Office	Plimmer Towers 2-6 Gilmer Terrace Wellington 6011
Board Members	Fergus Brown Trevor Douthett Des Flynn Maxine Gay Maryann Geddes Jill Hatchwell Andrew Olsen Bruce Robertson (Board Chair) John Selby
Chief Executive Officer	Andrew McSweeney
Bankers	BNZ Wellington
Auditor	Grant Thornton New Zealand Audit Limited 215 Lambton Quay Wellington 6011

**SERVICE SKILLS INSTITUTE INCORPORATED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

		31 Dec 2020	31 Dec 2019
		\$	\$
REVENUE			
Revenue from Non-Exchange Transactions:			
Government funding	8a	15,386,068	13,474,983
Industry income	2	3,354,016	4,349,105
Revenue from Exchange Transactions:			
Industry income	2	444,517	
Other income		270,723	174,858
Interest and investment income		138,765	275,534
TOTAL REVENUE		<u>19,594,089</u>	<u>18,274,480</u>
EXPENSES			
Operating expenses	3	16,895,078	18,365,429
Finance costs		168,078	178,011
Depreciation	4	179,489	240,590
Amortisation	5	150,587	166,641
TOTAL EXPENSES		<u>17,393,232</u>	<u>18,950,671</u>
SURPLUS/(DEFICIT) FOR THE PERIOD		<u>2,200,857</u>	<u>(676,191)</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD		<u>2,200,857</u>	<u>(676,191)</u>

The accompanying notes form part of these financial statements.



**SERVICE SKILLS INSTITUTE INCORPORATED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	31 Dec 2020 \$	31 Dec 2019 \$
Contributed equity		10,527,015	10,527,015
Opening retained earnings		(5,966,727)	(5,290,536)
Total comprehensive income for the period		2,200,857	(676,191)
Closing retained earnings		(3,765,870)	(5,966,727)
Closing balance		6,761,145	4,560,288

The accompanying notes form part of these financial statements.

SERVICE SKILLS INSTITUTE INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	31 Dec 2020 \$	31 Dec 2019 \$
EQUITY			
Contributed Equity		10,527,015	10,527,015
Retained earnings		(3,765,870)	(5,966,727)
		6,761,145	4,560,288
CURRENT ASSETS			
Cash and cash equivalents	6	3,464,261	1,808,300
Short term investments	7	3,564,694	2,892,523
Receivables from non-exchange transactions		67,008	243,862
Receivables from exchange transactions	15	717,426	734,801
Inventory		22,017	25,646
		7,835,406	5,705,132
NON-CURRENT ASSETS			
Property, plant and equipment	4	155,058	273,744
Intangibles	5	283,472	434,059
Long term investments	7	1,167,594	1,592,645
		1,606,123	2,300,447
TOTAL ASSETS		9,441,529	8,005,579
CURRENT LIABILITIES			
Accounts payable		329,747	541,368
Accruals and other payables	8	1,562,172	2,770,268
Provisions	9	788,466	133,656
		2,680,384	3,445,291
TOTAL LIABILITIES		2,680,384	3,445,291
NET ASSETS (LIABILITIES)		6,761,145	4,560,288

For and on behalf of the Board



Bruce Robertson Board Chair Date: 2 June 2021



John Selby Board Member Date: 2 June 2021

The accompanying notes form part of these financial statements.



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**SERVICE SKILLS INSTITUTE INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Note	31 Dec 2020 \$	31 Dec 2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from:		
Revenue from Non-Exchange Transactions:		
Tertiary Education Commission Funding	14,441,661	14,843,350
Sale of Goods & Services	3,494,326	4,320,836
Revenue from Exchange Transactions:		
Sale of Goods & Services	413,327	
Other Income	270,723	174,858
Interest & Investment Income	157,030	185,480
	<u>18,777,067</u>	<u>19,524,524</u>
Cash was disbursed to:		
Payments to suppliers/employees	(16,807,053)	(20,736,109)
Net cash (outflow)/ inflow from operating activities	<u>1,970,014</u>	<u>(1,211,586)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash was disbursed to:		
Sale of investments	-	799,035
Purchase of investments	(240,021)	-
Purchase of Fixed Assets	(74,032)	(184,977)
Net cash (outflow)/ inflow from investing activities	<u>(314,053)</u>	<u>614,058</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Mediasphere NZ Ltd	-	503
Net cash (outflow)/ inflow from financing activities	<u>-</u>	<u>503</u>
Net cash inflow/ (outflow) from investing and financing activities	<u>(314,053)</u>	<u>614,561</u>
Net increase in Cash	1,655,961	(597,025)
Opening Cash Balance 1 January 2020	1,808,300	2,405,325
CLOSING CASH BALANCE FOR THE YEAR ENDING 31 DECEMBER 2020	<u><u>3,464,261</u></u>	<u><u>1,808,300</u></u>

The accompanying notes form part of these financial statements.

**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

These financial statements comprise the financial statements of Service Skills Institute Incorporated ("ServiceIQ") and its subsidiaries ServiceIQ International Limited and ServiceIQ International DMCC for the period beginning 1 January 2020 and ending 31 December 2020. ServiceIQ is an incorporated society, registered and domiciled in New Zealand. ServiceIQ International Limited is a New Zealand limited company fully owned by ServiceIQ. ServiceIQ is an incorporated society under the Incorporated Societies Act 1908 and registered as a charitable entity under the Charities Act 2005.

ServiceIQ is the transitional Industry Training Organisation for the Aviation, Tourism, Travel, Museums, Cafes, Bars, Restaurants, Accommodation, Food Services, Quick Service Restaurants, Clubs, and Retail and the Retail Supply Chain.

The financial statements were authorised for issue by the Board on 2 June 2021.

Basis of Preparation

(a) Statement of Compliance

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR), as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

ServiceIQ's primary objective is to provide goods and services for industry rather than for financial return. Accordingly, ServiceIQ has designated itself as a public benefit entity for the purposes of financial reporting.

ServiceIQ qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

(b) Basis of Measurement

The financial statements are prepared on the historical cost basis except that certain assets and liabilities are stated at their fair value. The accruals basis of accounting has been used unless otherwise stated.

(c) Use of Estimates and Judgments

The preparation of the financial statements in conformity with PBE Standards RDR requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, 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. Subsequent 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 and in any future periods affected.

(d) Presentational Currency

The financial statements are presented in New Zealand dollars (\$) which is ServiceIQ's functional and presentation currency, rounded to the nearest dollar.

(e) Going Concern

These financial statements have been prepared on a going concern basis.



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Significant Accounting Policies

The accounting policies set out below have been applied consistently in the period of these financial statements.

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are recognised at their cash settlement value.

(b) Trade Debtors and Other Receivables

Trade debtors and other receivables are recognised initially at their fair value, and then subsequently measured at amortised cost using the effective interest method less any impairment losses.

A provision for impairment is established where there is objective evidence that ServiceIQ will not be able to collect all amounts due according to the original terms of the receivable. The measurements of the provision is the difference between the assets carrying value and the present value of discounted estimated future cash flows.

Receivables with a short duration are not discounted.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is based on the weighted average principle and includes expenditure in acquiring the inventories and bringing them to their existing location and condition.

(d) Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

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 will flow to ServiceIQ 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 disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Comprehensive Income.

Subsequent Costs

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when the cost is incurred if it is probable that the future economic benefits embodied with the item will flow to ServiceIQ and the cost of the item can be measured reliably. All other costs are recognised in the Statement of Comprehensive Income as an expense when incurred.

Depreciation

Depreciation is provided on a straight-line ("SL") basis on all property, plant and equipment over the estimated useful life of the asset. Depreciation is charged to the Statement of Comprehensive Income.

The estimated useful life of each class or property, plant and equipment is as follows:

ICT Hardware	3 years
Office Equipment	3 years
Office Furniture & Fixtures	5 years
Work in Progress	Not Applicable

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining lives of the improvements, whichever is shorter. An asset is only recognised where ServiceIQ has the unencumbered right to the asset.

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



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

(e) Intangible assets

Intangible assets acquired by ServiceIQ, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in the Statement of Comprehensive Income on a straight-line basis over the estimated useful life of the intangible asset, from the date that they are available for use. The estimated useful life of each class of intangible assets is as follows:

Acquired computer software	3 years
Internally Developed Software	2-7 years

Computer software licenses are capitalised on the basis of the cost incurred to acquire and bring to use the specific software. Cost associated with maintenance of computer software are recognised as an expense when incurred.

(f) Financial Instruments

Financial instruments are recognised in the Statement of Financial Position initially at fair value plus, for instruments not at fair value through the Statement of Comprehensive Income, any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below.

A financial instrument is recognised when ServiceIQ becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised if ServiceIQ's contractual rights to the cash flows from the financial assets expire, or if ServiceIQ transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

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

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in shares, trade and other receivables, cash and cash equivalents (including bank overdrafts), and trade and payables.

ServiceIQ has no off-balance sheet financial instruments.

Recognition and de-recognition of financial assets and liabilities

Financial assets and financial liabilities are recognised when ServiceIQ becomes a party to the contractual provisions of the financial instruments. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and bank overdrafts.

Trade and other payables

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

Subsequent Measurement of Financial Assets

The subsequent measurement of financial assets depends on their classification based on the purpose for which financial assets were acquired.

Subsequent Measurement of Financial Liabilities

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

Classification of Financial Instruments:

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. The quoted market price used is the current bid price.

(i) Financial Assets held at "Fair Value through Statement of Comprehensive Income"

Financial assets held at fair value are shares which are held in ServiceIQ's name. After initial recognition these assets are measured at quoted market prices as at balance date. Gains and losses when asset is revalued are recognised in the Statement of Comprehensive Income.

(ii) Held to Maturity Investments

Held to maturity investments are bank deposits and corporate bonds with fixed or determinable payments and fixed maturities that ServiceIQ has the positive intention and ability to hold to maturity. These are classified as long and short term investments on the statement of financial position. After initial recognition these assets are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired are recognised in the Statement of Comprehensive Income.

(iii) Loans and receivables

Trade and other receivables are measured at amortised cost, using the effective interest method, less impairment losses. Trade receivables of a short-term nature are not discounted. Discounting is omitted where the effect of discounting is immaterial.

(iv) Financial liabilities measured at amortised cost

Accounts payable and other payables are measured at amortised cost, using the effective interest method.



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

(g) Impairment

Impairment of Financial Assets

All financial assets are subject to review for impairment at least once each reporting date. Accounts receivable are reviewed for impairment when accounts are past due or when other objective evidence is received that a specific counterparty will default. Impairment of trade receivables are presented in the Statement of Comprehensive Income, within expenses.

All impairment losses are recognised in Statement of Comprehensive Income and reflected in an allowance account against receivables.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted.

For trade receivables, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default in payments are considered indicators that the receivable is impaired.

When the receivable is uncollectible, it is written off against the allowance account for receivables.

Impairment of Non-financial Assets

The carrying amounts of ServiceIQ's assets other than inventories are reviewed at each reporting date to determine whether there is any objective evidence of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in Statement of Comprehensive Income.

The estimated recoverable amount of non-financial assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

A cash-generating unit is the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of the other assets or groups of assets. In the case of ServiceIQ the cash generating unit is the entire entity.

(h) Employee Benefits

Short-term employee benefits

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

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

Long service leave

The provision for long service leave is calculated using the projected unit credit method, bringing to account the current estimate of future payments in respect of service that employees have accumulated at balance date.

Defined contribution pension plans

Obligations for contributions to defined contribution pension plans (including KiwiSaver) are recognised as an expense in Statement of Comprehensive Income when they are due.

(i) Provisions

A provision is recognised when ServiceIQ has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability. Provisions are not recognised for future operating losses.

Reinstatement Provision for Operating Leases

The estimated cost of reinstatement for the Wellington Auckland and Christchurch leased properties will be provided for over the life of the lease up to the first right of renewal option date based on an estimated current cost based on a square metre rate for a reinstatement in accordance with the Deeds of Lease.

Provision for Employee Termination Entitlements

This is the estimated cost of the termination entitlements that will be paid when staff cease employment with ServiceIQ.



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

(j) Revenue

Revenue is identified as either exchange or non-exchange. A transaction is classified as an exchange transaction if it has all of the following three components otherwise it is classified as non-exchange:

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

Government Funding

ServiceIQ receives funding from the Tertiary Education Commission based on Standard Training Measures (STMs). The income is recognised when received in accordance with contracted delivery and when conditions of the agreement are met. Any potential repayment of funding is an end of year clawback adjustment due to over-funding by TEC, and is recognised as a liability in the Balance Sheet. This revenue is considered non-exchange on the basis that TEC does not receive a direct benefit from the funding.

Industry Income

Industry income consists of resource sales and course registration fees, which is considered non exchange revenue, and NZQA Moderation Rebate revenue, which is considered exchange revenue. Resource sales and course registration fee are recognised when the fees are charged, or income is due. This revenue is considered non-exchange on the basis that the fees, and by extension, resources, are significantly subsidised by TEC, so the transaction is not of approximately equal value. NZQA moderation rebate is recognised when received, in the year which the related moderation occurs. This revenue is considered exchange on the basis that this is essentially a full cost recovery subcontracting arrangement with NZQA, who holds ultimate responsibility for moderation of tertiary level qualifications. From 1 July the Government introduced the Targeted Training and Apprenticeship Fund (TTAF) which has meant some fees revenue has been received via this fund, rather than collected from employers or apprentices.

Other income

Other income is related to sundry income. Revenue is recognised when fees are charged, or income is due. This revenue is considered exchange on the basis that it is made of a number of miscellaneous sales agreements.

Interest income

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

(k) Income Tax

ServiceIQ is registered under the Charities Act 2005 and has been granted exemption from income tax under section CW41 and 42 of the Income Tax Act 2007. As such no provision has been made for current or deferred tax.

(l) Goods and Services Tax

With the exception of trade payables and receivables, all items are stated exclusive of Goods and Services Tax.

(m) Associates

Mediasphere New Zealand Limited is an Associate, as ServiceIQ holds 50% of the shares in Mediasphere New Zealand Limited.

Associates are those entities in which ServiceIQ has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when ServiceIQ holds between 20% and 50% of the voting power of another entity. Investments in are accounted for using the equity method and are recognised initially at cost, including directly attributable transaction costs.

The consolidated financial statements include ServiceIQ's share of the surplus or deficit and other comprehensive revenue and expense of its equity accounted associates and jointly-controlled-entities, after adjustments to align the accounting policies with those of ServiceIQ, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When ServiceIQ's share of losses exceeds its interest in its equity accounted associates and jointly-controlled-entities, the carrying amount of the investment, including any long-term investments that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that ServiceIQ has an obligation or has made payments on behalf of the investee.

(n) Leases

Payments made under operating leases are recognised in the statement of comprehensive income on a straight line basis. Lease inducements are recognised over the term of the lease. Operating leases are not recognised in the statement of financial position.

(o) Changes in Accounting Policies

There have been no changes in accounting policies.

(p) Comparative Figures

Certain comparatives have been reclassified for disclosure purposes.



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. INDUSTRY INCOME	31 Dec 2020	31 Dec 2019
The following are included within industry income:	\$	\$
Moderation & Credit Reporting	444,517	496,960
Resource & Training	3,288,584	3,790,779
Assessment & Casual Trainee	65,433	61,366
Balance as at 31 December 2020	<u>3,798,534</u>	<u>4,349,105</u>

3. OPERATING EXPENSES	31 Dec 2020	31 Dec 2019
The following are included within operating expenses:	\$	\$
Audit fee	30,857	27,030
Premises Rental	801,354	937,299
Operating lease costs	257,506	312,759
Premises fit out amortisation	-	2,302
Legal fees	33,434	18,525
Bad debts expense	6,337	8,137
Employee benefit expenses:		
Wages and salaries	9,796,564	10,253,242
Contributions to defined contribution plans	271,643	272,431

4. PROPERTY, PLANT AND EQUIPMENT				
	ICT Hardware	Equip; Furn &Fittings	Office Fit Out	Total
Cost or Valuation				
Balance as at 1 January 2020	399,433	262,535	345,135	1,007,103
Additions	70,071	3,960	-	74,031
Disposals	(2,855)	(212,542)	-	(215,397)
Balance as at 31 December 2020	<u>466,649</u>	<u>53,953</u>	<u>345,135</u>	<u>865,737</u>
Accumulated depreciation and impairment				
Balance as at 1 January 2020	275,171	234,043	224,145	733,359
Depreciation	93,555	13,024	72,910	179,489
Disposals	(2,617)	(199,552)	-	(202,169)
Balance as at 31 December 2020	<u>366,109</u>	<u>47,515</u>	<u>297,055</u>	<u>710,679</u>
Net Book Value	100,540	6,438	48,080	155,058
Cost or Valuation				
Balance as at 1 January 2019	410,048	288,067	293,619	991,734
Additions	86,674	6,982	91,324	184,980
Disposals	(97,289)	(32,514)	(39,808)	(169,611)
Balance as at 31 December 2019	<u>399,433</u>	<u>262,535</u>	<u>345,135</u>	<u>1,007,103</u>
Accumulated depreciation and impairment				
Balance as at 1 January 2019	254,317	237,447	146,801	638,565
Depreciation	115,965	24,723	99,902	240,590
Disposals	(95,111)	(28,127)	(22,558)	(145,796)
Balance as at 31 December 2019	<u>275,171</u>	<u>234,043</u>	<u>224,145</u>	<u>733,359</u>
2019 Net Book Value	124,262	28,492	120,990	273,744



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. INTANGIBLE ASSETS

	Software	Work in Progress	Total
Cost or Valuation			
Balance as at 1 January 2020	1,223,279	-	1,223,279
Additions	-	-	-
Disposals	-	-	-
Balance as at 31 December 2020	1,223,279	-	1,223,279

	Software	Work in Progress	Total
Accumulated amortisation			
Balance as at 1 January 2020	789,220	-	789,220
Amortisation	150,587	-	150,587
Disposals	-	-	-
Balance as at 31 December 2020	939,807	-	939,807
Net Book Value	283,472	-	283,472

	Software	Work in Progress	Total
Cost or Valuation			
Balance as at 1 January 2019	1,223,279	-	1,223,279
Additions	-	-	-
Disposals	-	-	-
Balance as at 31 December 2019	1,223,279	-	1,223,279

	Software	Work in Progress	Total
Accumulated amortisation			
Balance as at 1 January 2019	622,579	-	622,579
Amortisation	166,641	-	166,641
Disposals	-	-	-
Balance as at 31 December 2019	789,220	-	789,220
2019 Net Book Value	434,059	-	434,059

6. CASH AND CASH EQUIVALENTS

	31 Dec 2020 \$	31 Dec 2019 \$
Operating Bank Accounts and Cash on Hand	3,403,471	1,764,589
Bank Deposit Accounts with 90 days or less maturity	-	-
Cash Management Account with Craigs Investments	60,790	43,711
Total Cash and Cash Equivalents	3,464,261	1,808,300



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. SHORT AND LONG TERM INVESTMENTS

	31 Dec 2020	31 Dec 2019
	\$	\$
Short term investments		
Bank Term deposits	3,146,743	2,892,523
Bonds, Notes and Debentures	417,951	-
Total Current Investments	<u>3,564,694</u>	<u>2,892,523</u>
Long term investments		
Bonds, Notes and Debentures	1,167,594	1,592,645
Equities	-	-
Total Non-current Investments	<u>1,167,594</u>	<u>1,592,645</u>
Total Short and Long-term investments	<u><u>4,732,288</u></u>	<u><u>4,485,168</u></u>

NB. Bank Term Deposits are held for Guarantees of \$534,726 (2019: \$396,300) for tenancy lease agreements, and a \$386,100 (2019: \$386,100) letter of credit over the payroll.

8. ACCRUALS AND OTHER PAYABLES

	31 Dec 2020	31 Dec 2019
	\$	\$
Employee Benefits		
Liability for unpaid salary (current)	-	268,709
Liability for long-service leave (current & non-current)	28,333	43,774
Liability for annual leave (current)	476,414	444,305
Total Employee Benefits	<u>504,747</u>	<u>756,788</u>
Other payables		
Tertiary Education Commission under delivery provision	-	1,533,067
TEC Targeted Training and Apprenticeships Fund	588,660	-
GST Payable	295,740	302,540
Other payables	173,025	177,873
Total Other Payables	<u>1,057,425</u>	<u>2,013,480</u>
Total Accruals and Other Payables	<u><u>1,562,172</u></u>	<u><u>2,770,268</u></u>

8a. Tertiary Education Commission under delivery provision

	31 Dec 2020	31 Dec 2019
	\$	\$
The TEC funding summary for 2020 was as follows:		
Funding received	15,386,068	15,008,050
Under delivery provision	-	(1,533,067)
	<u>15,386,068</u>	<u>13,474,983</u>

9. PROVISIONS

	31 Dec 2020	31 Dec 2019
	\$	\$
Premises Reinstatement Provision	128,466	133,656
Provision for Employee Termination Entitlements	660,000	-
Total Provisions	<u>788,466</u>	<u>133,656</u>

The provision of \$128,466 for the reinstatement of the leased premises in Auckland, Wellington and Christchurch is estimated based on recent make good expenditure. The provision for employee termination entitlements is the estimated cost of payments when staff cease employment with ServiceIQ.

Reconciliation of provisions

	Reinstatement Provision	Employee Entitlement Provision
Opening Balance	133,656	-
Provision utilised	(41,855)	-
	91,801	-
Increase in Provision	36,665	660,000
Closing Balance	<u>128,466</u>	<u>660,000</u>



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. RELATED PARTY TRANSACTIONS

Key Management Personnel

The following Board members of ServiceIQ worked for companies which entered into training agreements with and purchased resources from ServiceIQ during the year. All transactions are undertaken in the normal course of business on standard terms and conditions.

Board Member	Organisation	Nature of Transaction	Paid to ServiceIQ	Paid by ServiceIQ	As at 31 Dec 2020 Balance owed to/(by) ServiceIQ
			\$	\$	\$
Fergus Brown	Holiday Parks New Zealand	Sponsorship	-	4,020	-
Fergus Brown / Bruce Robertson	Tourism Industry Aotearoa	Membership Fees	-	24,025	-
Trevor Douthett	Baby City	Training Fees	1,575	-	190
Des Flynn	Retail NZ	Sponsorship	-	23,000	-
Maxine Gay	Victoria University	Staff Training	-	2,237	-
Maryann Geddes	Queenstown Resort College	Training Fees	567	-	-
Maryann Geddes	Southern Institute of Technology	Training Fees	7,279	-	-
Maryann Geddes	Otago Polytechnic	Staff Training	-	2,174	-

Board Member	Organisation	Nature of Transaction	Paid to ServiceIQ	Paid by ServiceIQ	As at 31 Dec 2019 Balance owed to/(by) ServiceIQ
			\$	\$	\$
Trevor Douthett	Baby City	Training Fees	6,210	-	1,673
Des Flynn	The Warehouse Limited	Training Fees	15	-	17
Des Flynn	Retail NZ	Sponsorship	-	20,000	-
Maryann Geddes	Skyline Enterprises Ltd	Training Fees	4,670	-	-
Maryann Geddes	Queenstown Resort College	Training Fees	3,664	-	222
Andrew Olsen	Travel Agents Assn	Subscription	-	460	-
Bruce Robertson	Tourism NZ Trust	Conference	-	560	-
Bruce Robertson	Tourism Industry Aotearoa	Membership Fees	-	23,525	-

Terms of trade are settlement month following invoice. No guarantees or securities are given and no bad debts or bad debts provision have been recorded during the period.

Key management personnel remuneration

Key management personnel are classified as either:

- ServiceIQ Board
- Executive Team

ServiceIQ board members are paid monthly directors' fees. The executive team are employed as employees of ServiceIQ, on normal employment terms.

The aggregate level of remuneration paid and number of persons (measured in 'people' for board members, and 'full-time equivalents' (FTEs) for the executive team) in each class of key management personnel is presented below:

	31 Dec 2020		31 Dec 2019	
	Remuneration	Number of individuals	Remuneration	Number of individuals
ServiceIQ Board	304,000	9	304,000	10
Executive Team	1,465,886	6.9 FTEs	1,068,519	5.2 FTEs
	<u>1,769,886</u>		<u>1,372,519</u>	

There were no loans made to key management personnel or close family members during this period.

Other related parties

ServiceIQ does not have any further related party transactions.



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. FINANCIAL INSTRUMENTS

Financial instruments are classified into the following categories:

As at 31 December 2020:	Held to Maturity	Fair Value through Statement of Comprehensive Income	Loans and Receivables	Financial Liabilities at Amortised Cost	Total Carrying Amount	Total Fair Value
	\$	\$	\$	\$	\$	\$
Cash and cash equivalents			3,464,261		3,464,261	3,464,261
Short term investments	3,564,694				3,564,694	3,564,694
Trade receivables			67,008		67,008	67,008
Other receivables			717,426		717,426	717,426
Trade payables				329,747	329,747	329,747
Other payables				769,774	769,774	769,774
Long term investments	1,167,594				1,167,594	1,167,594
	4,732,288	-	4,248,695	1,099,521	10,080,504	10,080,504

There were no financial instruments classified in the 'Available for sale' category. (2019: none)

As at 31 December 2019:	Held to Maturity	Fair Value through Statement of Comprehensive Income	Loans and Receivables	Financial Liabilities at Amortised Cost	Total Carrying Amount	Total Fair Value
	\$	\$	\$	\$	\$	\$
Cash and cash equivalents			1,808,300		1,808,300	1,808,300
Short term investments	2,892,523				2,892,523	2,892,523
Trade receivables			243,862		243,862	243,862
Other receivables			734,801		734,801	734,801
Trade payables				541,368	541,368	541,368
Other payables				1,710,939	1,710,939	1,710,939
Long term investments	1,592,645				1,592,645	1,592,645
	4,485,168	-	2,786,963	2,252,307	9,524,438	9,524,438

12. SERVICEIQ INTERNATIONAL LIMITED

Service Skills Institute Incorporated registered ServiceIQ International Limited on 4 November 2014. Service Skills Institute Incorporated owns 100% of the shares of ServiceIQ International Limited. Other than an initial grant in 2015, from Education New Zealand, ServiceIQ International Limited has not generated trading income. ServiceIQ International Limited did not trade in 2020.

ServiceIQ International Limited is consolidated into these group financial statements although as it has not traded there is no impact on these group financial statements.

13. SERVICEIQ INTERNATIONAL DMCC

Service Skills Institute Incorporated registered ServiceIQ International DMCC on 19 April 2017. ServiceIQ International Limited owns 100% of the shares of ServiceIQ International DMCC. In December 2018 the Board resolved to wind up operations for ServiceIQ International DMCC and a liquidator was appointed 18 December 2018. ServiceIQ International DMCC was de-registered in March 2020.

ServiceIQ International DMCC is consolidated into these group financial statements although as it has not traded there is no impact on these group financial statements other than some wash-up transaction included in the 2019 comparatives.



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. OPERATING LEASES

	31 Dec 2020	31 Dec 2019
	\$	\$
Leases as lessee		
Non-cancellable operating lease rentals are payable as follows:		
Less than one year	861,659	979,102
Between one and five years	677,363	744,544
More than five years	-	72,108
	<u>1,539,022</u>	<u>1,795,754</u>

Operating leases comprise office rental costs up to the first renewal date (or surrender date) and motor vehicle lease contracts. The operating lease commitments disclosed above are based on the expectation that the Christchurch lease opt out option will be exercised at December 2022. Finance leases comprise printer and photocopier rental and service agreements.

15. OTHER RECEIVABLES

	31 Dec 2020	31 Dec 2019
	\$	\$
NZQA Moderation income	268,255	299,445
Prepayments	316,388	383,232
Other receivables	132,783	52,124
	<u>717,426</u>	<u>734,801</u>

16. ASSOCIATES

In November 2019 the decision was made to write off ServiceIQ's investment in Mediasphere New Zealand Ltd. As at 31 December 2020, ServiceIQ's investment in Mediasphere New Zealand Limited was \$nil (2019: \$nil). No revenue was received in 2020.

There are no contingent liabilities in relation to Mediasphere New Zealand Limited as at 31 December 2020 (2019: nil).

17. COMMITMENTS

ServiceIQ has no major forward commitments as at 31 December 2020 (2019: nil).

18. CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2020 (2019: nil).

19. REVIEW OF VOCATIONAL EDUCATION (RoVE)

The Review of Vocational Education (RoVE) has meant that ServiceIQ became a Transitional ITO on 1 April 2020. ServiceIQ's functions will be split into two, with the arranging training and Gateway functions to be transferred to Te Pūkenga (or to other providers), and the qualifications development, standard setting, and moderation functions to be transferred to a Workforce Development Council (WDC). ServiceIQ, as a TITO, will continue to operate as it currently does until its functions can transition to the Services WDC in 2021, and to Te Pūkenga (or other providers) before December 2022.

The decisions on how the arranging training functions are going to be transferred should be finalised in 2021, and the transfers are expected to be completed late 2022. Our goals with respect to arranging training are to ensure our employer relationships are merged with Te Pūkenga (or other providers) seamlessly and without disruption, and employers see no deterioration in current service or quality, and continue to enrol the same or more staff, in undertaking vocational workplace qualifications. Also, to ensure that our learners' (trainees and apprentices) relationships are merged with Te Pūkenga (or other providers), seamlessly and without disruption, and learners see no deterioration in support or quality, and continue to complete their current vocational workplace qualifications. It is likely that will mean that many of our ServiceIQ staff delivering our arranging training functions and related activities will be employed with Te Pūkenga (or other providers), to provide the capability they need, and give confidence to employers and learners their needs will be met during transition up to the point of full integration and beyond.

ServiceIQ has over \$6.5m in reserves and has sufficient current assets, which exceed current liabilities, so is able to meet all obligations (including leases) as they fall due, therefore meeting all liquidity and solvency tests. Lease commitments for Wellington and Christchurch office leases at the expected time of transition are valued at \$468,790. However if the Christchurch lease opt-out option is exercised this would be reduced to \$170,840. The financial implications of RoVE cannot yet be fully determined, however it is not expected to have any material impact within the next twelve months. Based on this, the going concern basis of accounting is deemed to be appropriate. There has been no decision made as to how any remaining reserves will be distributed upon disestablishment.

(2019: On 13 February 2019, the Minister of Education announced a plan to reform vocational education which will affect the roles of ITOs, like Service Skills Institute Inc., in vocational education. Although the proposed reforms will affect Service Skills' current operating model, there is no certainty regarding the timing. Accordingly, these financial statements do not reflect the impact of any changes which might result from the government's announcement due to lack of certainty.)



**SERVICE SKILLS INSTITUTE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. EVENTS OCCURRING AFTER THE REPORTING DATE

ServiceIQ is in discussions to extend the lease of its Auckland office by one year (to 24 March 2023). There is continued uncertainty regarding the timing and the manner of transition under the Review of Vocational Education (RoVE). Otherwise, there were no significant events after balance date requiring adjustment in these financial statements. (2019: On 11 March the WHO declared a global pandemic in respect to the COVID 19 virus outbreak. Following establishment of a foothold within the New Zealand population, the New Zealand Government initiated a full societal lockdown with significant isolation and movement restrictions imposed on citizens (with essential services permitted to operate). The countrywide lockdown commenced on 26 March 2020 and is initially forecast to run for a 4 week period. The countrywide lockdown is expected to have significant economic impact on New Zealand, with flow through to the organisation's financial results considered to be highly likely. Due to the nature of the countrywide lockdown and flow on economic impacts it is not practicable to estimate the financial impact on the organisation at this time. It is also likely the timelines regarding the reform of Vocational education will be delayed.)

Independent Auditor's Report

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To the Members of Service Skills Institute Incorporated ("ServiceIQ")

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ServiceIQ on pages 3 to 18 which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ServiceIQ as at 31 December 2020 and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards (Not-For-Profit) Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

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

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

Emphasis of Matter

We draw attention to Note 19 of the financial statements, which describes the effects of the Reform of Vocational education (RoVE) on ServiceIQ. Our Opinion is not modified in respect of this matter.

Other Information Other than the Financial Statements and Auditor's Report thereon

The Board is responsible for the other information. The other information comprises the Annual Report, but does not include the financial statements and our Auditor's Report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request remediation thereof.



Board Members' Responsibilities for the Financial Statements

The Board is responsible on behalf of ServiceIQ for the preparation and fair presentation of these financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards (Not-For-Profit) Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance are responsible for assessing ServiceIQ's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate ServiceIQ or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

Restriction on use of our report

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

Grant Thornton New Zealand Audit Limited

A handwritten signature in blue ink that reads "Grant Thornton".

B Kennerley
Partner
Wellington

02 June 2021

Service IQ

HELPING OUR CUSTOMERS SUCCEED
BY GROWING THEIR TALENT



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