

'Kia ita!'

Te Taura Whiri i te Reo Māori

MAORI LANGUAGE COMMISSION



Annual Report

Te Taura Whiri i te Reo Māori

for the year ended

30 June 2010

*Presented to the House of Representatives pursuant to
section 150 of the Crown Entities Act 2004*

Hon Dr Pita Sharples

Minister of Māori Affairs

Tēnā koe e te Minita

In accordance with the Crown Entities Act 2004, I am pleased to present to you the Annual Report of Te Taura Whiri i te Reo Māori (Māori Language Commission) for the year ended 30 June 2010.

Nā māua noa, nā



Erima Henare

Chairman

Board of Te Taura Whiri i te Reo Māori

1 November 2010



Ruakere Hond

Commissioner

Board of Te Taura Whiri i te Reo Māori

1 November 2010

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Chairman's Report

Koto ake a waikamo i te aroha kōingoingō ki ō tātou aituā rātou kua hinga atu i roto i ngā wiki, i ngā marama, i tēnei tau, moe mai rā koutou i te moenga roa. He kura i tangihia, he maimai aroha, haere atu koutou ngā mate, haere, haere, haere. Kāti mō rātou, tēnā anō tātou kei te ao kiko, kei te ao huri, kei te iwi e whakarongo mai nā.

It is my pleasure to present the Annual Report of Te Taura Whiri i te Reo Māori for the year ended 30 June 2010.

Commencing with Māori Language Week is always a positive way to begin a new reporting year and 2009 was no exception. With government's major television broadcaster – TV 1 – leading out extensive coverage of Māori Language Week activities throughout the country, the New Zealand public was reported as having embraced "the language as they once did with the forging of a nation." Comments like these of TV 1 are important as they enhance the profile and status of te reo Māori in the wider society, providing a role for all New Zealanders in the revitalisation of our official language.

Perhaps however, the real opportunity promotional events like Māori Language Week provide is a chance to seize a 'captured audience' attuned to the importance of the language and therefore better able to reflect on the point that 'complacency is our biggest enemy in language revitalisation.' And that despite the increased visibility of reo Māori on television, radio, public promotions and in education (early childhood and schools), the language is not secure. Successive losses of tribal elders mark the further demise of the native Māori tongue and distinctive dialectal references sought by today's generation of language learners and speakers. Much more work is needed. Increased awareness, increased capabilities and supported iwi access to state held repositories of archived Māori and tribal language is certainly a key priority for Te Taura Whiri i te Reo Māori moving forward.

Other highlights for the year was the official recognition (both nationally and internationally) of outstanding leadership for the Māori language: Katerina Te Heikōkō Mataira as the recipient of the international 2009 Linguapax Award, Professor

Timoti Kāretu and Te Ataarangi as the inaugural 2009 Taku Toa Takimano (individual) and Te Tira Aumangea (community) Māori Language Awards recipients, and *He Pātaka Kupu* the monolingual Māori language dictionary published by Te Taura Whiri i te Reo Māori winning the Māori Language category of the *Montana Book Awards*. These achievements acknowledge the significant and specialist effort required for both the sustained preservation and development of our language.

Relationships with Māori, iwi, hapū and key language stakeholders continued as a priority for the Board and Senior Management in 2009–10. The importance of Māori language in the home and community, promoting the language to increase critical awareness and status, connecting total immersion education with iwi dialectical development, and a discussion about the Te Taura Whiri i te Reo Māori (The Māori Language Commission) role with government are just some of the things that were discussed at hui between the Board and representative iwi. The meetings are critical in terms of reflecting on these matters and will certainly continue into the new year.

Finally, I would like to acknowledge the departure of Board Commissioners – Dr Wayne Ngata and Hana O'Regan, and Chief Executive Huhana Rokx. The contribution each has made to the strategic and operational developments of not only Te Taura Whiri i te Reo Māori, but the Māori language revitalisation cause has ensured the seamless integration of new Board Commissioners – Evelyn M Tobin and Te Awanuiārangi Black, and Chief Executive Glenis Philip-Barbara, and future endeavours.



Erima Henare
Chairman
Wellington, November 2010

Chief Executive's Report

Tēnei te mihi ki a tātau katoa i roto i ngā tini tauwhiro tangata kua uhia nei ki runga i a tātau katoa i tēnei mutunga tau putea. Kei te rekareka tōku ngākau ki ngā mana ririki i pōhatu whakapiri, ki te tini, ki te mano tāngata kei te hāpai tonu i te mana o te reo Māori. Ko awau tēnei kua hāpai ake i te rākau ki te āwhina i te hautūtanga o tēnei waka, o tēnei kaupapa – te whakarauoratanga o tō tātau reo rangitira ē!

I am pleased to present the Annual Report of Te Taura Whiri i te Reo Māori for the year ended 30 June 2010.

Having been with Te Taura Whiri i te Reo Māori for barely the last quarter of 2009–10, this report is mostly presented on behalf of my predecessor, Huhana Rokx. Certainly my first acknowledgment must be to her effort and the organisation's staff, for completing a very successful year and work programme.

Māori Language Promotion

Kicking off the year with a full schedule of activities planned, Māori Language Week 2009 was noted as being 'hard to miss.' The iconic week-long event was celebrated at an unprecedented level, with coverage on all television channels, radio stations and print media throughout the country. More than 300 media hits were recorded against the event, and the organisation's office itself was "overwhelmed with positive and encouraging feedback about the coverage afforded Māori Language Week 2009. The challenge next year will be to maintain the level of Māori language broadcasting as the norm for more than a week in a year. Certainly however, congratulations are in order to all media for the fantastic and extensive coverage of Māori language initiatives that happened across the country; From TVNZ's Breakfast programme using Māori language place names, to the *Marlborough Express* featuring their local language champions and listeners on *RadioLIVE* discussing compulsory Māori language education in schools. Seeing the first Māori language editorial in The Herald and TV 3's *Sunrise* programme covering official launch activities at Auckland Airport, from the *Northland Age* to the *Timaru Herald*, *Radio New Zealand* and iwi radio, *Bay of Plenty Times*, *Hawkes Bay Today* and the *Gisborne Herald*, a range of kaupapa have been covered.

Activities and promotion around Māori Language Week are a shared responsibility, and as such I would to also acknowledge our partners, The Human Rights Commission and Te Puni Kōkiri for their continued support and our other contributing stakeholders, Air New Zealand, Wellington City Council, Auckland Airport, Wellington Airport, Manukau City Council, and Māori Television.

Our other signature promotional event – *He Huia Kaimanawa* took place at Te Rauparaha Arena and Event Centre, Porirua, on 15–16 October 2009. The event consisting of three parts including: a symposium 'He Whakairinga Kupu, He Whakapiringa Tangata' (discussed community based te reo Māori revitalisation initiatives); expo – 'Ngā Whetū Koea' (showcasing successful te reo Māori projects), and finally the annual Māori language awards 'Ngā Tohu Reo Māori' (celebrating te reo Māori success and innovation across Aotearoa) was hugely successful with over 500 people attending over the two days.

Outstanding Contribution to the Māori Language

2009 also saw the national and international acknowledgement of Māori language champions and long standing leaders. Kāterina Te Heikōkō Mataira was awarded the 2009 *Linguapax* Award by the Linguapax Institute based in Barcelona, Spain, a non-governmental organisation, established by UNESCO and dedicated to the preservation and promotion of linguistic diversity worldwide. The 2009 Māori Language Awards also saw long standing Māori language and culture academic, Professor Timoti Kāretu awarded the inaugural award for outstanding leadership and contribution by an individual to revitalisation the Māori language; the community equivalent of this award went to inaugural winners Te Ataarangi who has for over 30 years reached in and supported Māori language development in homes and communities around the country.

He Pātaka Kupu, the monolingual Māori language dictionary published by Te Taura Whiri i te Reo Māori (The Māori Language Commission) last year, won the Māori Language category of the Montana Book Awards. Receiving this acknowledgement from New Zealand's preeminent book award platform is momentous.

Supporting language development in homes and communities

A further success of our year has been the ongoing relationship and support of Te Ataarangi Incorporated as national provider of the *He Kāinga Kōrerorero* (mentoring use of Māori language in homes) programme. Reaching out to over 150 homes and families around the country could not have been so intimately achieved without key stakeholder relationships with the likes of Te Ataarangi. Finding ways to improve support for these organisations and programmes that benefit localised language outcomes is an ongoing priority for Te Taura Whiri i te Reo Māori. Similarly with the Mā Te Reo fund which will be into its 10th round, Te Taura Whiri i te Reo Māori will look to spend the next year considering ways to continue our support of community language development.

Supporting iwi dialects

Supporting iwi language development is a critical role of the organisation's and the decision made by the New Zealand Geographic Board Ngā Pou Taunaha o Aotearoa to correct the spelling of Whanganui was a major outcome for both iwi and language last year. In correcting the spelling of the Whanganui name, appropriate acknowledgement of the regions origins and history is achieved, validating and affirming the place of the original authors of those narratives – this is why moving forward, Te Taura Whiri i te Reo Māori will continue to take a lead from iwi to ensure their language and histories are supported to the utmost, where government is concerned. It is also particularly heartening to know that since the 'Whanganui' decision, a number of organisations, public and private, have adopted the correct spelling including the Whanganui District Health Board, the Whanganui National Park and the local UCOL campus.

Looking ahead

Having commenced my role with two new Commissioners – Te Awanuiārangi Black and Evelyn M Tobin on board this year, I feel assured that between our respective iwi, regional and community experience and connections, new and revived views will see their way to a strengthened resolve on the language journey ahead of us. I would like to thank also, Dr Wayne Ngata for his operational guidance as acting Chief Executive for the early part of 2010.

He tau hou te tau – tēnā haere mai!



Glenis Philip-Barbara
Chief Executive
Wellington, November 2010

Introduction

Te Taura Whiri i te Reo Māori as the Government's lead advisor on the Māori language as an official language of Aotearoa, is committed to providing high quality leadership, expertise and advocacy for the Māori language.

The continued regeneration of te reo Māori must form part of the very fabric that continues to shape and evolve our ever changing society.

That continued change further increases the need for stronger leadership by the Crown, iwi and Māori as a whole, to build upon the gains that have been made in Māori language revitalisation in the last 30 years.

This Annual Report highlights progress Te Taura Whiri i te Reo Māori has embarked on towards the achievement of the vision of Aotearoa as a true and active bilingual nation by 2028 as envisaged in by our overall vision: ka haruru a Aotearoa tangata i tōna reo taketake – the human landscape of Aotearoa will resonate with its indigenous language.

Te Taura Whiri i te Reo Māori Commissioners

Te Taura Whiri i te Reo Māori Board of Commissioners consist of five members including Te Toihau (the Chair, Māori Language Commissioner), appointed by the Minister of Māori Affairs.

Commissioners are appointed because of their Māori language sector experience, expertise, leadership, and revitalisation of the Māori language.

Members as at 30 June 2010

- Mr Erima Henare – Toihau (Chair)
- Dr Dame Iritana Tawhiwhirangi DNZM, MBE – Kaiwhiri (Commissioner)
- Dr Wayne Ngata (to 16 April 2010) – Kaiwhiri (Commissioner)
- Mr Ruakere Hond – Kaiwhiri (Commissioner)
- Ms Hana O'Regan (to 16 April 2010) – Kaiwhiri (Commissioner)
- Mr Awanuiārangi Black (from 16 April 2010) – Kaiwhiri (Commissioner)
- Mrs Evelyn M. Tobin (from 16 April 2010) – Kaiwhiri (Commissioner)

Governance and Accountability

Te Taura Whiri i te Reo Māori adheres to the 'good employers' elements promoted by the Human Rights Commission, as well as being an organisation of choice for future employment.

Role of the Board

The Minister of Māori Affairs is the Minister responsible for Te Taura Whiri i te Reo Māori under the Māori Language Act 1987 and Crown Entities Act 2004. Te Taura Whiri i te Reo Māori is an autonomous Crown Entity, with a Board comprising of five commissioners.

Their governance responsibilities include:

- Confirming the strategic direction of Te Taura Whiri i te Reo Māori
- Communicating with the Minister and other key stakeholders to ensure their views are reflected in planning programme of Te Taura Whiri i te Reo Māori
- Delegating responsibility for achievement of specific objectives to the Chief Executive
- Monitoring organisational performance towards achieving objectives
- Accounting to the Minister on plans and progress
- Maintaining effective internal controls.

Operations

The Board appoints a single employee, the Chief Executive/ Tumuaiki for a set term of three years, to manage all of Te Taura Whiri i te Reo Māori operations.

The Chief Executive / Tumuaiki appoints all other employees of Te Taura Whiri i te Reo Māori to undertake and progress the agreed objectives and outcomes of the Board.

In 2009/2010 Te Taura Whiri i te Reo Māori underwent an internal restructure. This has meant that the organisation has begun to develop and build internal capacity and capability by sharing and utilising the skills of existing teams. Structural changes were necessary to ensure the organisation aligned with the new strategic focus and priorities set out in Te Mahere Rautaki a Te Taura Whiri i te Reo Māori 2008 – 2013.

Governance Philosophy

Board of Commissioners

Commissioners are appointed by the Minister of Māori Affairs. Once appointed, all Commissioners are required to act in the best interest of Te Taura Whiri i te Reo Māori.

Connecting with Stakeholders

The Board acknowledges its responsibility to maintain relationships with Māori language stakeholders. The Board is cognisant of its responsibility for leading Māori language regeneration in accordance with the Minister's expectations.

Division of Responsibility between the Board and Management

A key to the efficient running of Te Taura Whiri i te Reo Māori is that there is a clear division between the roles of the Board and management. The Board concentrates on setting policy and strategy, and monitors progress towards meeting set objectives. Management is concerned with implementing policy and strategy. The Board clearly demonstrates these roles by ensuring that the delegation of responsibility and authority to the Chief Executive / Tumuaki is concise and complete.

Accountability

The Board holds regular meetings to monitor towards its strategic objectives and to ensure that the affairs of Te Taura Whiri i te Reo Māori are being conducted in accordance with the Board's policies.

Conflicts of Interest

The Board maintains an interest register and ensures Commissioners are aware of their obligations to declare interests.

Statement of Responsibility

for the Year Ended 30 June 2010

In the financial year ended on 30 June 2010, the Board and Management for Te Taura Whiri i te Reo Māori was responsible for:

- the preparation of the annual financial statements including; the statement of objectives; the statement of service performance; and the judgements made and performance reports.
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of Te Taura Whiri i te Reo Māori financial reporting.

The opinion of the Board and Management for Te Taura Whiri i te Reo Māori is that, the annual financial statements including, the statement of objectives and statement of service performance for the financial year ended 30 June 2010 is a fair and true reflection of the financial position, operations and performance of Te Taura Whiri i te Reo Māori.



Erima Henare
Commissioner (Chair)
1 November 2010



Ruakere Hond
Commissioner
1 November 2010

Achievements

Te Taura Whiri i te Reo Māori continues to advocate for the development and implementation of government policy to support and promote the regeneration of the Māori language. We have commenced a process of re-aligning internal capacity and capability to ensure Te Taura Whiri i te Reo Māori is shaped appropriately to carry out effective co-ordination of Māori language regeneration over the next 20 years.

PRIORITY 1: Te Reo Kāinga – Māori Language In The Home

Speaking the Māori language as an ordinary means of communication by the whole family within the home, is critical to the ongoing survival of the language.

To support Māori language in the home:

- Te Taura Whiri i te Reo Māori developed relationships with key stakeholders and iwi to discuss ways to promote and support whānau to speak Maori in their homes. One such relationship is our contract with Te Ataarangi to deliver He Kāinga Kōrerorero – a mentoring and language planning programme to provide practical guidance and support to over 150 whānau raising Māori language speaking children. Te Ataarangi and these whānau are also making a significant difference by bringing Māori language speaking whānau together to create Māori language speaking communities.
- Te Taura Whiri i te Reo Māori also produced Maori language resources. During Māori Language Week 2009, based on 'Te Reo i te Kāinga – Māori language in the home' we disseminated resources with useful tips and phrases to encourage people to speak Māori in their homes and communities.
- We also produced and disseminated four editions of He Muka, a 100% Māori language publication targeting Māori language learners and speakers, with high quality language articles about Māori language issues, events and initiatives.
- Te Taura Whiri i te Reo Māori is also mindful that supporting Māori language speaking families and communities in a monolingual English speaking society requires collective support and action across the public, private, community and iwi sectors. To this end, we have engaged with key stakeholders from these sectors to learn about their Māori language needs and aspirations, gain an understanding of the barriers facing Māori language pursuers, learners, speakers and champions, and to identify opportunities to work together to grow and develop Māori language speaking homes, communities and iwi.
- Another significant role is in organising and promoting National events and activities that target all New Zealanders Māori and non-Māori to raise awareness of Māori language issues and encourage people to value the language enough to either support, encourage or join others to learn and speak Māori as a normal everyday living language.

PRIORITY AREA 2:

Te Reo Hapori – Māori Language In The Community

Te Taura Whiri i te Reo Māori recognises the role of communities in supporting families to understand the benefits of the Māori language in our society. Our focus on supporting Māori language community groups to have a direct role in Māori language promotion is therefore underpinned by our desire for homes and families to feel the direct impact of those promotions.

Mā Te Reo

- \$1.82 million (114 individually funded programmes) has been approved for funding by the Mā Te Reo Management Board. All applicants approved for funding from Mā Te Reo were able to show how they met the fund's criteria, particularly the ability to demonstrate strong community linkages and achieve Māori language regeneration outcomes.

National Promotions

- Māori Language Week 2009 promotional activities were based on supporting, encouraging and inspiring Māori language use in the community. Media activity was a highlight of this year's week, with a total of 270 Māori language focussed items (press, radio and television) reported, generating a significant amount of free media. The top five media outlets featuring Māori Language Week 2009 were: Radio LIVE, Radio NZ, One (TVNZ), Newstalk ZB, NZ Herald.
- *He Huia Kaimanawa* – Māori Language Symposium, Expo and Awards was held at Te Rauparaha Arena, Porirua 15-16 October 2009. The event was attended by over 500 people – including Te Ururoa Flavell (MP), 2009 Linguapax recipient Katerina Te Heikōkō Mataira and other leading Māori language specialists.

Māori Language Regeneration Research Project

- Te Taura Whiri i te Reo Māori commissioned a literature review to identify successful promotional methodologies to achieve Māori language outcomes and market research to establish baseline data on barriers and motivators to increasing Māori language learning, use and development.
- Te Taura Whiri i te Reo Māori contracted five iwi/community providers to pilot research in their communities about the effectiveness of their Māori language initiatives in supporting whānau, hapū, iwi or community Māori language learning and use.

PRIORITY AREA 3:

Te Reo Rangatira – National Leadership Of Māori Language Development And Innovation

Te Taura Whiri i te Reo Māori is required by its enabling legislation to initiate, develop, co-ordinate, review, advise upon, and assist the implementation of policies, procedures, measures, and practices designed to give effect to the declaration in section 3 of the Māori Language Act 1987, that the Māori language is an official language of New Zealand.

Review of the government's Māori Language Strategy

- Te Taura Whiri i te Reo Māori has completed working jointly with Te Puni Kōkiri on an internal review of the government's 2003 Māori Language Strategy. This work has informed the broader review of the Māori Language Strategy and Sector being undertaken in 2010/11 by an independent panel selected by the Minister of Māori Affairs.

Māori language corpus development

- A draft framework of standards for Māori language use has commenced and components of the framework (orthographic conventions) published and distributed.
- Te Taura Whiri i te Reo Māori Board and senior management met with four iwi groups during this reporting period where the matter of supporting corpora developments was discussed. In addition, the organisation's Te Mātāpuna team was refocused to practically assist iwi in this specialized field of language regeneration.

PRIORITY AREA 4:

Te Reo Tuku Iho – Enhanced Frameworks And Systems For Māori Language Development

In a normal environment where a language is thriving, day-to-day use provides the necessary opportunities for that language to move and change. Despite increases in use and acquisition, the Māori language continues to rely on support systems to develop for the full range of modern activities.

- Meetings were held with Te Māngai Pāhō, Te Reo Irirangi o Te Upoko-o-te-Ika and Māori Television to discuss how corpora held by these agencies could be uploaded to a national repository.
- Reviewing the Māori language translators and interpreters licence examinations has commenced. This will also include a review of translators and interpreters training needs, including discussions with the education and language sector.
- The database for capturing neologisms being coined by translators and other Māori language exponents has been developed. New words are also developed by Te Taura Whiri i te Reo Māori on request and deposited in the database.
- Work has continued on the use and development of the organisation's Māori corpora collection – Te Mātāpuna with the recent addition of 1901–1920 archived material received from the Auckland Art Gallery recording personal comments and statements from iwi chiefs throughout the country who attended the opening and showing of Gottfried Lindauer's Māori portraits.

PRIORITY AREA 5:

Te Reo Whakatipu – Māori Language Workforce Development

Over the past decade, the exponential growth of Māori language innovation has also increased the demand for Māori language expertise in broadcasting, education, training and social services. This increasing demand draws from a limited workforce able to provide quality Māori language input.

Māori language interpreters and translators

- Paper presented at the annual interpreters and translators conference by Te Taura Whiri i te Reo Māori outlining language workforce issues. The paper highlighted: translation and interpretation skill development issues; the need to segment Māori language translation and interpretation services per sector; training issues; and examination issues. Te Taura Whiri i te Reo Māori also worked with the Ministry of Education on Māori medium education workforce issues by attending officials committees and contributing to relevant papers, research and discussions.
- Review of training, resources and qualification processes for Māori language translators and interpreters were undertaken.
- Te Taura Whiri i te Reo Māori supported the annual NZSTI (Translators and Interpreters) conference and presented a paper to discuss technical issues facing specialist translator and interpreters of the Māori language.
- The examination process for Māori language translators and interpreters was revised resulting in recommended changes that need further consultation with the sector.
- Te Taura Whiri i te Reo Māori referred requests for quality assurance processes to its affiliated specialists. In particular, Te Taura Whiri i te Reo Māori referred the NZ Geographic Board and two district councils.

Māori language proficiency

- Whakamātauria Tō Reo Māori exam administrations were promoted and held by Haemata Ltd, based on its contract with Te Taura Whiri i te Reo Māori to ensure the exams provide accurate levelling for Māori language proficiency in specific sectors.

2009/2010 OUTPUTS

Te Taura Whiri i te Reo Māori published its Statement of Intent (SOI) under the Crown Entities Act 2004, in July 2009. The Statement of Intent sets out the organisation's broad parameter of work and detailed plan for the 2009/2010 financial year.

Achievements against SOI / Outputs

Objectives set in the SOI for the 2009/2010 financial year are reported against below. The Statement of Service Performance on pages 47 to 53 reports details of the activities under each output for the 2009/2010 year.

Outcomes

- promoting the language and, in particular, its use as a living language and as an ordinary means of communication
- granting certificates of competency in the Māori language, and developing and implementing policies and practices to give effect to the declaration in the Māori Language Act 1987 that the Māori language is an official language of New Zealand; and
- carrying out other activities necessary to pursue the outcomes in the 2009/2010 Statement of Intent of Te Taura Whiri i te Reo Māori.

OUTPUT 1

TE REO KĀINGA – MĀORI LANGUAGE IN THE HOME

Objective – The Statement of Intent 2009/2010 states that Te Taura Whiri i te Reo Māori will support activities that increase the use of the Māori language on a day-to-day basis by the whole family in the home.

Specific activities include:

- supporting whānau language development via He Kāinga Kōreroreo (Māori language mentoring programme)
- working with Te Ataarangi to support identified whānau with information and advice about Māori language use within the unique context of their whānau
- producing Māori language resources and promotions that are focused on issues and strategies that affect acquisition and use of Māori language within the home and within communities
- developing strategic relationships with key sector stakeholders and Māori language community groups to promote and support the use of the Māori language by families within their homes
- undertake national events and promotions encouraging Māori language use in the home and community refocus innovative thinking for Māori language promotion.

OUTPUT 2

TE REO HAPORI – MĀORI LANGUAGE IN THE COMMUNITY

Objectives – The Statement of Intent 2009/2010 states that Te Taura Whiri i te Reo Māori will support iwi and Māori language community groups to have a direct role in Māori language promotion so that homes and families feel the direct impact of those promotions.

Specific activities include to:

- distribute funds to community based language initiatives
- undertake promotional activities and events that enhance Māori language development in the community
- undertake a research programme that outlines the impact initiatives have had in Māori communities to support Māori language regeneration.

OUTPUT 3

TE REO RANGATIRA – NATIONAL LEADERSHIP OF MĀORI LANGUAGE DEVELOPMENT AND INNOVATION

Objective – The Statement of Intent 2009/2010 states that Te Taura Whiri i te Reo Māori will work with strategic partners, government agencies, iwi and Māori communities to regenerate and develop the Māori language.

Specific activities include:

- co-reviewing the government's Māori language strategy
- establishing relationships with iwi and Māori language communities that focuses on supporting iwi-based corpora development
- developing a draft standards framework for Māori language use in specific sectors.

OUTPUT 4

TE REO TUKU IHO – ENHANCED FRAMEWORKS AND SYSTEMS FOR MĀORI LANGUAGE DEVELOPMENT

Objective – The Statement of Intent 2009/2010 states that Te Taura Whiri i te Reo Māori will build on existing Māori language corpora (both iwi based, and sector specific) and developments for Māori language vocabulary.

Specific activities include:

- establishing key relationships with iwi and Māori language stakeholders to develop a networked framework of contributions
- reviewing Māori language translator and interpreters licensing examinations
- contributing to Māori language lexical developments
- maintaining the Te Mātāpuna database.

OUTPUT 5

TE REO WHAKATIPU – MĀORI LANGUAGE WORKFORCE DEVELOPMENT

Objective – The Statement of Intent 2009/2010 states that Te Taura Whiri i te Reo Māori will work with relevant sector agencies and Māori to identify key issues for Māori language professions and workforce development; and reviewing existing training, resources and qualification processes for Māori language translators and interpreters.

Specific activities include:

- working with key sector agencies and Māori language stakeholders to identify key issues for Māori language professions
- reviewing training, resources and qualification processes for Māori language translators and interpreters
- administering Māori language proficiency examinations.

Financial Statements

Statement of Comprehensive Income

for the year ended 30 June 2010

2009 Actual \$		Notes	2010 Actual \$	2010 Budget \$
Revenue				
3,204,000	Revenue from Crown	2	3,204,000	3,204,000
55,410	Interest Received		46,217	20,000
477,972	Other income	3	2,433,655	2,246,000
3,737,382	Total Revenue		5,683,872	5,470,000
Expenses				
11,796	Amortisation	9	7,363	12,000
116,559	Depreciation	8	138,697	155,206
1,869,691	Operating expenses	4	3,601,430	3,441,622
1,700,292	Personnel	5	1,930,579	1,861,172
3,698,338	Total Expenses		5,678,069	5,470,000
39,044	Surplus for the year		5,803	
39,044	Total Comprehensive Income		5,803	-

Explanations of significant variances against budget are detailed in note 25.

The accompanying Accounting Policies and Notes to the Financial Statements form an integral part of these Financial Statements.

Statement of Financial Position

as at 30 June 2010

2009 Actual \$		Notes	2010 Actual \$	2010 Budget \$
ASSETS				
CURRENT ASSETS				
1,627,414	Cash and cash equivalents	6	1,477,222	376,036
82,432	Debtors and other receivables	7	55,287	100,000
2,647,518	Mā Te Reo Agency Fund Investment Account	12	1,335,411	1,179,361
6,350	Prepayments		9,273	-
-	GST receivable		12,283	-
4,363,714	Total Current Assets		2,889,476	1,655,397
NON-CURRENT ASSETS				
2,092,690	Mā Te Reo Agency Fund Investment Account	12	2,156,653	2,000,000
495,162	Property, Plant and equipment	8	407,742	418,438
14,921	Intangible assets	9	9,478	5,852
2,602,773	Total Non-Current Assets		2,573,873	2,424,290
6,966,487	TOTAL ASSETS		5,463,349	4,079,687
LIABILITIES				
CURRENT LIABILITIES				
1,173,691	Creditors and other payables	10	1,023,670	50,000
328,833	Mā Te Reo Agency Fund Investment Account	12	341,340	500,000
88,552	GST payable		-	-
165,037	Employee entitlements	11	140,114	100,000
1,756,113	Total Current Liabilities		1,505,124	650,000
NON-CURRENT LIABILITIES				
4,411,375	Mā Te Reo Agency Fund Investment Account	12	3,150,724	2,679,361
9,629	Employee entitlements	11	12,328	-
4,421,004	Total Non-Current Liabilities		3,163,052	2,679,361
6,177,117	TOTAL LIABILITIES		4,668,176	3,329,361
789,370	NET ASSETS		795,173	750,326
CROWN EQUITY				
789,370	Total Investment by the Crown		795,173	750,326
789,370	Total Crown Equity		795,173	750,326

The accompanying Accounting Policies and Notes to the Financial Statements form an integral part of these Financial Statements.

Statement of Changes in Equity

for the year ended 30 June 2010

2009 Actual \$			2010 Actual \$	2010 Budget \$
750,326	Total Crown Equity at 1 July		789,370	750,326
39,044	Total Comprehensive Income		5,803	-
789,370	Total Crown Equity at 30 June		795,173	750,326

The accompanying Accounting Policies and Notes to the Financial Statements form an integral part of these Financial Statements.

Cash Flows Statement

for the year ended 30 June 2010

2009 Actual \$		Notes	2010 Actual \$	2010 Budget \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from (applied to)				
4,005,000	Receipts from Crown revenue		3,204,000	3,204,000
55,410	Interest received		46,217	20,000
581,567	Receipt from other revenue		1,685,737	2,246,000
(1,978,546)	Payments to suppliers		(3,044,609)	(3,441,622)
(1,622,703)	Payments to employees		(1,952,803)	(1,861,172)
139,875	Payment of GST		(27,625)	-
1,180,603	Net cash flow from operating activities	15	(89,083)	167,206
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from (applied to)				
2,280	Sale of property, plant and equipment			
(510,663)	Purchase of property, plant and equipment		(59,189)	(75,000)
(1,192)	Purchase of intangible assets		(1,920)	(5,000)
(509,575)	Net cash flows from investing activities		(61,109)	(80,000)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from (applied to)				
-	Capital contributions		-	-
-	Net cash flows from financing activities		-	-
671,028	Net (decrease)/ increase in cash and cash equivalents		(150,192)	87,206
956,386	Cash and cash equivalents at beginning of year		1,627,414	288,830
1,627,414	Cash and cash equivalents at end of year		1,477,222	376,036
1,627,414	Represented by: Cash & cash equivalents		1,477,222	376,036

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

The accompanying Accounting Policies and Notes to the Financial Statements form an integral part of these Financial Statements.

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 30 June 2010

Reporting Entity

The reporting entity is Te Taura Whiri i te Reo Māori – the Māori Language Commission, an autonomous Crown entity (as defined by the Crown Entities Act 2004) established under the Māori Language Act 1987 and is domiciled in New Zealand.

The principal activity of Te Taura Whiri i te Reo Māori is to initiate, develop, co-ordinate, review, advise upon and assist in the implementation of policies, procedures, measures and practices designed to give effect to the Māori language as an official language of New Zealand. Accordingly Te Taura Whiri i te Reo Māori 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 for Te Taura Whiri i te Reo Māori are for the year ended 30 June 2010, and were approved by the Te Taura Whiri i te Reo Māori Board on 1 November 2010.

Basis for Preparation

Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with the New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable Financial Reporting Standards as appropriate for public benefit entities.

Measurement Base

The financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars, rounded to the nearest dollar. The functional currency of Te Taura Whiri i te Reo Māori is New Zealand dollars.

Critical Judgements, Estimates and Assumptions in Applying the Entity's Accounting Policies

In the application of NZ IFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. 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

Judgments made by management in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

a) Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable.

Revenue from the Crown

Te Taura Whiri i te Reo Māori is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of Te Taura Whiri i te Reo Māori meeting its objectives as specified in the Statement of Intent.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

Interest

Interest revenue is recognised using the effective interest method.

Provision of Services

Revenue derived through the provision of services to third parties is recognised in proportion to the stage of completion at the Statement of Financial Position date. The stage of completion is assessed by reference to surveys of work performed.

Sale of Resources

Revenue derived through the sale of Māori language resources to third parties.

b) Property, Plant and Equipment

Property, plant and equipment asset classes consist of leasehold improvements, furniture and fittings, office and EDP equipment and are stated at cost less accumulated depreciation and impairment. Cost includes consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use.

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

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Te Taura Whiri i te Reo Māori and the cost of the item can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

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 Comprehensive Income.

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 Te Taura Whiri i te Reo Māori and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as they are incurred.

Depreciation is calculated on a straight line basis on property, plant and equipment once in the location and condition necessary for its intended use so as to write off the cost of the property, plant and equipment over their expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjusted if appropriate.

The following estimated rates are used in the calculation of depreciation:

Leasehold improvements	20.0% SL
Furniture and fittings	20.0% SL
Office equipment	20.0% SL
EDP equipment	25.0% SL
Motor Vehicles	20.0% SL

c) Intangible Assets

Software is a finite life intangible and is recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over the estimated useful life of the intangible asset.

The following amortisation rate is used in the calculation of amortisation:

Software	25.0% SL
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Staff training costs are recognised as an expense when incurred.

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

Costs associated with the development and maintenance of the Te Taura Whiri i te Reo Māori website is recognised as an expense when incurred.

d) Impairment

At each reporting date, Te Taura Whiri i te Reo Māori reviews the carrying amount of the assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is less than its carrying amount, the asset is written down to its recoverable amount. The impairment loss is recognised as an expense in the Statement of Comprehensive Income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

e) Operating Leases

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the Statement of Comprehensive Income in equal instalments over the lease term when the leased items are in use.

f) Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Other financial assets are classified as cash and cash equivalents and receivables and prepayments which are measured at amortised cost using the effective interest method, less impairment. Classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been impacted.

In case of impairment, the carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets, with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance. When a trade receivable is considered uncollectible, it is written off against the allowance. Subsequent recoveries of amounts previously written off are credited against the allowance. Changes in the carrying amount of doubtful debts are recognised in the Statement of Comprehensive Income.

Mā Te Reo fund

Financial assets held by the fund are classified into the following specified categories: financial assets 'at fair value through surplus or deficit' (FVTSD), 'cash and cash equivalents' and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are classified as at FVTSD. The financial assets forms part of a group of financial assets or liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the funds documented investment strategy, and information about the grouping is provided internally on that basis. Financial assets at FVTSD are stated at fair value, with any resultant gain or loss recognised in profit or loss of the fund as per note 12. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

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

g) Employee Entitlements

Short-term employee entitlements

Provisions made in respect of employee benefits expected to be settled within 12 months of reporting date are measured at the best estimate of the consideration required to settle the obligation using the current remuneration rate expected.

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

Te Taura Whiri i te Reo Māori 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 Te Taura Whiri i te Reo Māori anticipates it will be used by staff to cover those future absences.

Te Taura Whiri i te Reo Māori recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or 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 retirement leave have been calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to staff, 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.

The discount rate is based on the weighted average of interest rates for government stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

h) Superannuation Schemes

Defined contribution schemes

Obligations for contributions to Kiwisaver are accounted for as defined contribution superannuation scheme and are recognised as an expense in the Statement of Comprehensive Income as incurred.

i) Goods and Service Tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables, payables and Mā te Reo grants awarded, which are presented 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 is included as part of current assets or current liabilities in the Statement of Financial Position.

The net GST paid to, or received from the Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

j) Income Tax

Te Taura Whiri i te Reo Māori as a public entity, is exempt from income tax.

k) Cash Flow Statement

The Cash Flow Statement is prepared exclusive of GST, which is consistent with the method used in the Statement of Comprehensive Income.

Definitions of the terms used in the Cash Flow Statement are:

'Cash' includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash and includes at call borrowings such as bank overdrafts, used by Te Taura Whiri i te Reo Māori as part of its day to day cash management.

'Investing activities' are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.

'Financing activities' are those activities relating to changes in equity of Te Taura Whiri i te Reo Māori.

'Operating activities' include all transactions and other events that are not investing or financing activities.

l) Budget Figures

The budget figures are those that form part of Te Taura Whiri i te Reo Māori 2009/2010 Statement of Intent as approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by Te Taura Whiri i te Reo Māori for the preparation of the financial statements.

m) Comparative Information

Comparative information has been reclassified, where necessary, to achieve consistency in disclosure with the current year.

n) Mā Te Reo Investment Fund

The funds are managed by Te Taura Whiri i te Reo Māori on behalf of the Mā te Reo fund. The funds are held separately from Te Taura Whiri i te Reo Māori. The detail of the fund is disclosed in note 12.

o) Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Te Taura Whiri i te Reo Māori has adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

- *NZ IAS 1 Presentation of Financial Statements (Revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (Issued 2004).* The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. Te Taura Whiri i te Reo Māori has decided to prepare a single statement of comprehensive income for the year ended 30 June 2010 under the revised standard. Financial statement information for the year ended 30 June 2009 has been restated accordingly. Items of other comprehensive income presented in the statement of comprehensive income were previously recognised directly in the statement of changes in equity.

- Amendments to *NZ IFRS 7 Financial Instruments: Disclosures*. The amendments introduce a three-level fair value disclosure hierarchy that distinguishes fair value measurements by the significance of valuation inputs used, and requires the maturity analysis of derivative liabilities to be presented separately from non-derivative financial liability contractual maturity analysis. This new information is disclosed in note 13. The transitional provisions of the amendments do not require disclosure of comparative information in the first year of application. Te Taura Whiri i te Reo Māori has elected to disclose comparative information.

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted.

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to Te Taura Whiri i te Reo Māori, are:

- *NZ IAS 24 Related Party Disclosures (Revised 2009)* replaces *NZ IAS 24 Related Party Disclosures (Issued 2004)* and is effective for reporting periods commencing on or after 1 January 2011. The revised standard:
 - i) Removes the previous disclosure concessions applied by Te Taura Whiri i te Reo Māori for arms-length transactions between Te Taura Whiri i te Reo Māori and entities controlled or significantly influenced by the Crown. The effect of the revised standard is that more information is required to be disclosed about transactions between Te Taura Whiri i te Reo Māori and entities controlled or significantly influenced by the Crown.
 - ii) Provides clarity on the disclosure of related party transactions with Ministers of the Crown. Further, with the exception of the Minister of Māori Affairs, Te Taura Whiri i te Reo Māori will be provided with an exemption from certain disclosure requirements relating to transactions with other Ministers of the Crown. The clarification could result in additional disclosures should there be any related party transactions with Ministers of the Crown.
 - iii) Clarifies that related party transactions include commitments with related parties.

Te Taura Whiri i te Reo Māori expects it will early adopt the revised standard for the year ended 30 June 2011.

- *NZ IFRS 9 Financial Instruments* will eventually replace *NZ IAS 39 Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. Te Taura Whiri i te Reo Māori has not yet assessed the effect of the new standard and expects it will not be early adopted.

p) Cost Allocation

Te Taura Whiri i te Reo Māori determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner, with a specific output.

Direct costs are charged directly to outputs. Indirect costs are assigned to outputs based on the proportion of full-time equivalents for each output.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

q) 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.

r) 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.

s) Cash and Cash Equivalents

Cash includes cash on hand and funds on deposit with banks and is measured at its face value.

t) Debtors and Other Receivables

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

Impairment of a receivable is established when there is objective evidence that Te Taura Whiri i te Reo Māori 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 debtor 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 a provision for impairment account, and the amount of the loss is recognised in the surplus or deficit. Overdue receivables that are renegotiated are reclassified as current (that is, not past due).

2. Revenue from the Crown

Te Taura Whiri i te Reo Māori has been provided with funding from the Crown for the specific purposes as set out in its founding legislation and the scope of the relevant government appropriations. Apart from these general restrictions, there are no unfulfilled conditions or contingencies attached to government funding (2009: \$Nil).

3. Other Income

	2010	2009
	\$	\$
Consultancy income	-	1,199
Certificate and registration fees	4,301	18,950
Contract Income	2,274,658	375,095
Other income	154,696	82,728
Total Other income	2,433,655	477,972

4. Operating Expenses

	2010	2009
	\$	\$
Administration	417,380	660,208
Advertising	43,739	60,567
Audit fees – Audit of the financial statements	22,850	22,624
Consultants' fees	35,980	8,529
Contractors	2,526,870	545,645
General expenses	14,959	13,987
Motor vehicle expenses	9,073	5,570
Printing costs	78,406	167,271
Rent	218,052	144,281
Travel and accommodation	226,209	232,700
Loss on asset written off	7,912	8,309
Total Operating expenses	3,601,430	1,869,691

5. Personnel Expenses

	2010	2009
	\$	\$
Salaries and wages	1,692,811	1,520,920
Other remuneration	228,478	82,336
Employer contributions to defined contribution plans	28,706	19,447
(Decrease)/Increase in employee entitlements (note 10)	(19,416)	77,589
Total Personnel expenses	1,930,579	1,700,292

Employer contributions to defined contribution plans include contributions to Kiwisaver which commenced in April 2008.

6. Cash and Cash Equivalents

	2010	2009
	\$	\$
Cash on hand and at bank	33,852	946,544
Cash Equivalents - Call account	1,443,370	680,870
Cash Equivalents - Term deposit	-	-
Total Cash and Cash Equivalents	1,477,222	1,627,414

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

7. Debtors and Other Receivables

	2010	2009
	\$	\$
Debtors and other receivables	55,287	82,432
Allowance for doubtful debt	-	-
Total Debtors and other receivables	55,287	82,432

The carrying value of receivables approximates their fair value. As at 30 June 2010, all overdue receivables have been assessed for impairment and appropriate provisions applied. Te Taura Whiri i te Reo Māori is not exposed to any concentrations of credit risk other than from the Crown.

Debtors and Other Receivables

	2010	2009
	\$	\$
Not past due	54,123	78,202
Past due 1-30 days	307	940
Past due 31-60 days	-	356
Past due 61-90 days	-	1,004
Past due > 91 days	857	1,930
Balance at 30 June	55,287	82,432

8. Property, Plant and Equipment

Cost	Balance at 1 July 2008	Additions 2009	Disposals 2009	Balance at 30 June 2009 & 1 July 2009	Additions 2010	Disposals 2010	Balance at 30 June 2010
	\$	\$	\$	\$	\$	\$	\$
Leasehold Improvements	374,059	310,507	8,262	676,304	-	756	675,548
Furniture and Fittings	96,509	143,034	8,159	231,384	14,890	3,163	243,111
Office Equipment	33,353	-	594	32,759	1,233	-	33,992
EDP Equipment	342,199	57,122	36,187	363,134	43,065	19,101	387,098
Motor Vehicles	-	-	-	-	-	-	-
	846,120	510,663	53,202	1,303,581	59,188	23,020	1,339,749

Accumulated depreciation and impairment	Balance at 1 July 2008	Disposals 2009	Depreciation 2009	Balance at 30 June 2009 & 1 July 2009	Disposals 2010	Depreciation 2010	Balance at 30 June 2010
	\$	\$	\$	\$	\$	\$	\$
Leasehold Improvements	348,288	6,505	56,715	398,498	756	67,209	464,951
Furniture and Fittings	88,150	2,534	18,739	104,355	3,164	31,834	133,025
Office Equipment	29,579	495	2,601	31,685	-	1,279	32,964
EDP Equipment	268,456	33,079	38,504	273,881	11,189	38,375	301,067
Motor Vehicles	-	-	-	-	-	-	-
	734,473	42,613	116,559	808,419	15,109	138,697	932,007

Carrying amount	At 30 June 2009	At 30 June 2010
	\$	\$
Leasehold Improvements	277,806	210,597
Furniture and Fittings	127,029	110,086
Office Equipment	1,074	1,028
EDP Equipment	89,253	86,031
Motor Vehicles	-	-
	495,162	407,742

9. Intangible Assets

Cost	Balance at 1 July 2008	Additions 2009	Disposals 2009	Balance at 30 June 2009 & 1 July 2009	Additions 2010	Disposals 2010	Balance at 30 June 2010
	\$	\$	\$	\$	\$	\$	\$
Software	150,358	2,793	7,711	145,440	1,920	-	147,360
	150,358	2,793	7,711	145,440	1,920	-	147,360

Accumulated amortisation and impairment	Balance at 1 July 2008	Disposals 2009	Amortisation 2009	Balance at 30 June 2009 & 1 July 2009	Disposals 2010	Amortisation 2010	Balance at 30 June 2010
	\$	\$	\$	\$	\$	\$	\$
Software	124,833	6,110	11,796	130,519	-	7,363	137,882
	124,833	6,110	11,796	130,519	-	7,363	137,882

Carrying amount	At 30 June 2009	At 30 June 2010
	\$	\$
Software	14,921	9,478
	14,921	9,478

There are no restrictions over title of Te Taura Whiri i te Reo Māori intangible assets, nor are any intangible assets pledged as security for liabilities.

10. Creditors and Other Payables

	2010	2009
	\$	\$
Trade creditors	764,991	195,953
Income in advance	108,253	880,300
Accrued expenses	108,258	53,057
Other payables	42,168	44,381
Total Trade and other payables	1,023,670	1,173,691

Trade creditors and other payables are non-interest bearing and are normally settled on 30-day terms. The carrying value of creditors and other payables approximates their fair value.

11. Employee Entitlements

	2010	2009
	\$	\$
Current employee entitlements		
Accrued salaries and wages	40,537	47,374
Annual leave	60,577	87,664
Other	39,000	29,999
Total current portion	140,114	165,037

	2010	2009
	\$	\$
Non-Current employee entitlements		
Sick leave	10,149	7,868
Long service leave	2,179	1,761
Total non-current portion	12,328	9,629
Total Employee entitlement	152,442	174,666

The present value of the long service leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

In determining the appropriate discount rate Te Taura Whiri i te Reo Māori considered the interest rates on NZ government bonds which have terms to maturity that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been based on the historical salary inflation patterns for the public sector. A discount rate of 5.51% (2009: 2.74%) and an inflation factor of 3.0% (2009: 2.9%) were used.

If the discount rate were to differ by 1% from Te Taura Whiri i te Reo Māori estimates, no material change is noted. If the salary inflation factor were to differ by 1% from Te Taura Whiri i te Reo Māori estimates, no material change is noted.

12. MĀ TE REO FUND

The Mā Te Reo fund was established by the Government with \$15 million (GST inclusive) for the promotion of opportunities for Māori development through language. The overall objective of the Fund is to provide financial assistance to whānau, hapū, iwi and Māori organisations to develop community originated Māori language projects, programmes and activities that contribute to Māori language revitalisation. Preference is given to applicants working towards the same general ends as the Māori Language Strategy and Māori language revitalisation in general.

The funds managed on behalf of the Mā Te Reo fund are held separately from Te Taura Whiri i te Reo Māori investments. Administration fees are not incurred by the fund, they are incurred by Te Taura Whiri i te Reo Māori. The allocation of funds for grants is treated as expenditure in the year the allocation is made. Prior to the end of the financial year, the grant must have received approval from the Fund Management Committee.

	2010	2009
	\$	\$
Balance of fund on 1 July	4,740,208	6,102,839
Add:		
Interest received	244,695	433,351
Reversal of prior year's Grants	1,000	100,641
Total Income	4,985,903	6,636,831
Less:		
Change in market value of investments at fair value through surplus or deficit	(48,852)	(147,564)
Grants Awarded	1,519,482	1,830,905
Investment Fees Paid	6,790	11,367
Salaries & Wages relating to Monitoring and Evaluation	-	107,978
Administration costs relating to Monitoring and Evaluation	16,419	93,937
Total Expenditure	1,493,839	1,896,623
Balance of fund 30 June	3,492,064	4,740,208
Represented by:		
Investments	3,833,404	5,069,041
Less		
Grants Payable	341,340	308,558
Administration costs payable	-	20,275
Balance of fund on 30 June	3,492,064	4,740,208

The above is split into current and non-current as follows on the next page:

	2010	2009
	\$	\$
Current	1,335,411	2,647,518
Non-current	2,156,653	2,092,690
Balance of fund on 30 June	3,492,064	4,740,208

The carrying values of the financial assets of the Mā Te Reo fund as per note 12 in each of the NZ IAS 39 categories are as follows:

	2010	2009
	\$	\$
Loans and receivables	163,977	-
Cash and cash equivalents	1,512,774	1,093,117
Financial assets at Fair value through surplus or deficit	2,156,653	3,975,924
Investments	3,833,404	5,069,041
<i>Financial liabilities measured at amortised cost</i>		
Creditors and other payables	341,340	328,833

13. Financial Instrument Risks

Te Taura Whiri i te Reo Māori does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market Risk

Interest rate Risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates expose the Te Taura Whiri i te Reo Māori to cash flow interest rate risk.

Te Taura Whiri i te Reo Māori is exposed to interest rate risk as it has cash on call at floating interest rates and manages its interest risk by investing in on-call and short-term deposits with high credit-rated financial institutions. As of 30 June 2010 the floating on-call rate is 3.44%.

Currency Risk

Te Taura Whiri i te Reo Māori is not exposed to currency risk as there are no investments held in foreign currencies.

Sensitivity Analysis

As at 30 June 2010, if the interest rates earned on cash and cash equivalents had been 1% higher or lower, with all other variables held constant the surplus / deficit for the year would have been \$7,205 higher (2009: \$58,000 lower). The sensitivity is lower in 2010 than 2009 because of a decrease in total cash and cash equivalents held in the later year.

Fair Value of Financial Instruments

Te Taura Whiri i te Reo Māori considers that the carrying amount of assets and financial liabilities recorded in the financial statements approximates their fair values.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to Te Taura Whiri i te Reo Māori, causing Te Taura Whiri i te Reo Māori to incur a loss.

Financial instruments which potentially subject Te Taura Whiri i te Reo Māori to credit risk principally consist of bank balances and accounts receivable. Te Taura Whiri i te Reo Māori does not extend credit and places its cash with high credit quality financial institutions.

Te Taura Whiri i te Reo Māori maximum credit exposure for each class of financial instrument is detailed below. There is no maturity date on the cash at bank and call accounts as these represent cash held in transactional and cash management accounts. There is no collateral held as security against these financial instruments.

Te Taura Whiri i te Reo Māori has no significant concentrations of credit risk, as it has a small number of credit customers and only invests funds with registered banks with specified Standard and Poor's credit ratings.

Maximum exposure to credit risk at reporting date are:

	2010	2009
	\$	\$
Cash and Cash Equivalents	1,477,222	1,627,414
Receivables	76,843	88,782
Total Credit Risk	1,554,065	1,716,196

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

	2010	2009
	\$	\$
Counterparties With Credit Ratings		
<i>Cash at bank and term deposits</i>		
Te Taura Whiri i te Reo Māori – AA	1,477,222	1,627,414
Mā te Reo – AA	1,512,774	1,093,117
Total cash at bank and term deposits	2,989,996	2,720,531

	2010	2009
	\$	\$
<i>NZ issued bonds</i>		
Mā te Reo – AA	1,076,975	1,907,666
Mā te Reo – BBB+	1,079,678	2,068,258
Total NZ issued bonds	2,156,653	3,975,924

Liquidity Risk

Liquidity risk is the risk that Te Taura Whiri i te Reo Māori will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash.

All of Te Taura Whiri i te Reo Māori commitments owing at balance date, comprising trade and other payables, have a contractual maturity of less than 6 months. Te Taura Whiri i te Reo Māori has sufficient cash on hand to meet these commitments as they fall due.

Contractual Maturity Analysis of Financial Liabilities

The table below analyses Te Taura Whiri i te Reo Māori financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount	Contractual cash flows	Less than 6 months	6 months – 1 year	1–5 years	More than 5 years
	\$	\$	\$	\$	\$	\$
TTW 2009						
Creditors and other payables	1,173,691	1,173,691	1,173,691	-	-	-
TTW 2010						
Creditors and other payables	1,023,670	1,023,670	1,023,670	-	-	-
MTR 2009						
Creditors and other payables	328,833	328,833	328,833	-	-	-
MTR 2010						
Creditors and other payables	341,340	341,340	341,340	-	-	-

Contractual Maturity Analysis of Financial Assets

The table below analyses Te Taura Whiri i te Reo Māori financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

	Carrying amount	Contractual cash flows	Less than 1 year	1–2 years	2–5 years	More than 5 years
	\$	\$	\$	\$	\$	\$
TTW 2009						
Cash and cash equivalents	1,627,414	1,627,414	1,627,414	-	-	-
Debtors and other receivables	88,782	88,782	88,782			
Total	1,716,196	1,716,196	1,716,196	-	-	-
TTW 2010						
Cash and cash equivalents	1,477,222	1,477,222	1,477,222	-	-	-
Debtors and other receivables	76,843	76,843	76,843			
Total	1,554,065	1,554,065	1,554,065	-	-	-
MTR 2009						
Cash and cash equivalents	1,093,117	1,093,117	1,093,117	-	-	-
Debtors and other receivables	-	-	-	-	-	-
Other financial assets:						
– NZ Bonds	3,975,924	4,362,000	2,071,350	165,900	2,124,750	-
Total	5,069,041	5,455,117	3,164,467	165,900	2,124,750	-
MTR 2010						
Cash and cash equivalents	1,512,774	1,512,774	1,512,774	-	-	-
Debtors and other receivables	163,977	163,977	163,977	-	-	-
Other financial assets:						
– NZ Bonds	2,156,653	2,290,650	165,900	2,124,750	-	-
Total	3,833,404	3,967,401	1,842,651	2,124,750	-	-

Categories of Financial Assets and Liabilities

The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

	2010	2009
	\$	\$
TTW		
<i>Loans and receivables</i>		
Cash and cash equivalents	1,477,222	1,627,414
Debtors and other receivables	76,843	88,782
Total loans and receivables	1,554,065	1,716,196
<i>Financial liabilities measured at amortised cost</i>		
Creditors and other payables	1,023,670	1,173,691

Fair Value Hierarchy Disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets
- Valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

	Total	Quoted market price	Valuation technique	
			Observable inputs	Significant non-observable inputs
	\$	\$	\$	\$
30 June 2009				
Financial assets				
NZ Bonds	3,975,925	3,975,925	-	-
30 June 2010				
Financial assets				
NZ Bonds	2,156,653	2,156,653	-	-

There were no transfers between the different levels of the fair value hierarchy.

14. Capital Management

Te Taura Whiri i te Reo Māori capital is its equity, which comprises accumulated funds. Equity is represented by net assets.

Te Taura Whiri i te Reo Māori is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

Te Taura Whiri i te Reo Māori manages its equity as a by-product of prudently managing income, expenses, assets, liabilities, investments, and general financial dealings to ensure Te Taura Whiri i te Reo Māori effectively achieves its objectives and purpose, whilst remaining a going concern.

15. Reconciliation of Net Surplus to the Net Cash Flow from Operating Activities

		2010	2009
		\$	\$
Profit for the year		5,803	39,044
Non cash items:			
Amortisation	9	7,363	11,796
Depreciation	8	138,697	116,559
Loss on fixed assets written off		7,912	8,309
		153,972	136,664
Movements in net assets and liabilities			
(Increase)/Decrease in trade and other receivables		14,505	23,528
Increase/(Decrease) in provisions		(22,224)	77,588
Increase/(Decrease) in income in advance		(772,047)	880,300
Increase/(Decrease) in operating trade payable		631,743	(127,529)
(Increase)/Decrease in GST		(100,835)	151,008
		(248,858)	1,004,895
Net cash inflow from operating activities		(89,083)	1,180,603

16. Employee Remuneration

Five employees (2009: 3) received remuneration of \$100,000 or more during the financial year:

\$'000	2010	2009
100 – 109	2	-
110 – 119	1	1
120 – 129	1	-
130 – 139	-	1
140 – 149	-	1
150 – 159	-	-
160 – 169	-	-
170 – 179	1	-

During the year ended 30 June 2010, three employees received compensation and other benefits in relation to cessation totalling \$84,924 (2009: Nil). No board member received compensation or other benefits in relation to cessation (2009: Nil).

17. Related Party Transactions

Te Taura Whiri i te Reo Māori is a wholly owned entity of the Crown. The Government significantly influences the role of Te Taura Whiri i te Reo Māori as well as being its major source of revenue.

Te Taura Whiri i te Reo Māori has entered into a number of transactions with government departments, Crown agencies, and state-owned entities on an arm's length basis and in the course of their normal dealings. 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 Te Taura Whiri i te Reo Māori would have adopted if dealing with that entity at arm's length in the same circumstances have not been disclosed as related party transactions.

During the period, Te Taura Whiri i te Reo Māori received \$3,204,000 (2009: \$3,204,000) of funding from the Crown. There was no balance outstanding as at 30 June 2010 (2009: \$Nil).

The following transactions were carried out with related parties other than those described above. All related party transactions have been entered into on an arm length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

		Transactions value year ended 30 June		Balance outstanding year ended 30 June	
		2010	2009	2010	2009
Mā Te Reo Grant:	Ref	\$	\$	\$	\$
Ake Associates	(i)	55,000	108,412	10,000	41,612
Te Reo o Taranaki	(ii)	181,025	7,500	20,000	1,000
Te Ataarangi	(iii)	12,190	4,000	1,220	-
Te Kapa Haka o Whangara Mai Tawhiti Trust	(iv)	14,726	-	2,000	-
TTW:					
<i>Expenditure:</i>	Ref	\$	\$	\$	\$
Ake Associates	(i)	222	444	-	-
Te Reo o Taranaki	(ii)	122,500	-	30,938	-
Te Ataarangi	(iii)	1,510,000	-	421,875	-
Iwi Art	(v)	1,987	1,044	-	-
<i>Revenue:</i>	Ref	\$	\$	\$	\$
Te Ataarangi	(iii)	511	613	-	-
Iwi Art	(v)	-	360	-	360
		1,898,161	122,373	486,033	42,972

During the year Te Taura Whiri i te Reo Māori made arms length transactions with:

- (i) Ake Associates, in which Board Member Hana O'Regan is a Director
- (ii) Te Reo o Taranaki Trust, in which Board Member Ruakere Hond is a Trustee
- (iii) Te Ataarangi, in which Board Member Ruakere Hond is a member of the National Body
- (iv) Te Kapa Haka o Whangara Mai Tawhiti Trust, of which Wayne Ngata is a Trustee
- (v) Iwi Art, which is owned by the daughter of Huhana Rokx, Tumuaki, Te Taura Whiri i te Reo Māori.

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

18. Key Management Personnel Compensation

The compensation of key management personnel of Te Taura Whiri i te Reo Māori is set out below. Key management personnel include all Board members, the Chief Executive and Deputy Chief Executive.

	2010	2009
	\$	\$
Short-term employee benefits	412,891	365,539
Termination benefits	47,325	-
Total Compensation	460,216	365,539

19. Board Members' Remuneration

The total value of remuneration paid or payable to each Board member during the year was:

	2010	2009
	\$	\$
<i>Chairman</i>		
Erima Henare	57,525	55,250
<i>Commissioners</i>		
Iritana Tawhiwhirangi	13,300	9,263
Wayne Ngata	6,887	9,263
Ruakere Hond	10,925	6,650
Hana O'Regan	5,700	4,037
Te Awanuiarangi Black	2,613	-
Evelyn Tobin	2,138	-
<i>Acting CEO</i>		
Wayne Ngata	55,854	-
Total Board Members Remuneration	154,942	84,463

Wayne Ngata was the Acting CEO between 1 December 2009 and 16 April 2010.

20. Commitments and Operating Leases

(i) Capital Commitments

There are no capital commitments at reporting date (2009: \$Nil).

(ii) Operating Lease Commitments

Operating leases relate to the lease of the following:

(iii) Photocopier Agreement

A photocopier is leased by Te Taura Whiri i te Reo Māori finishing in November 2012 with a monthly rental of \$1,073 (GST exclusive).

(iv) Rental Agreement

The rental of office accommodation situated at Level 14 & 15, Investment House, Wellington is for a term of 6 years, expiring 1 June 2015. The annual rental for the office space and car parks is \$222,889 (GST exclusive).

The future aggregate minimum lease payments under non cancellable operating leases are as follows:

	2010	2009
	\$	\$
Not later than one year	235,764	236,827
Later than one year but not later than five years	890,149	921,600
Later than five years	-	204,315
Total Operating Lease Commitments	1,125,913	1,362,742

21. Contingent Liabilities

There are no contingent liabilities at reporting date (2009: Nil).

22. Contingent Assets

There are no contingent assets at reporting date (2009: Nil).

23. Events after Balance Sheet Date

There are no events subsequent to reporting date, that Te Taura Whiri i te Reo Māori is aware of, that would have a material impact on the financial statements for the period ended 30 June 2010 (2009: Nil).

24. Accounting Estimates and Judgements

There are no accounting policy and estimates in these financial statements that have had a significant effect on the amounts recognised in the financial statements.

25. Explanation of Significant Variances against Budget

Explanations for significant variations from the organisation's budgeted figures in the statement of intent are as follows:

Statement of Comprehensive Income

Interest Received

Interest received was more than budgeted by \$26,217 because of higher carrying balances in our interest bearing accounts.

Other Revenue

Other revenue was more than budgeted by \$187,655 because of additional contracts awarded, increased sponsorship and increased sales of Māori language week merchandise.

Personnel Expenses

Personnel Expenses were more than budgeted by \$69,407 because of higher than expected board and other remuneration costs.

Statement of Financial Position

Cash and Bank

Cash and Bank were more than budgeted by \$1,101,186 mainly due to creditors and other payables.

Creditors and Other Payables

Creditors and other payables were more than budgeted by \$973,670 mainly due to a high accounts payable balance containing some large contract payments.

AUDIT REPORT

To The Readers of Te Taura Whiri i te Reo Māori/The Māori Language Commission's Financial Statements and Statement of Service Performance

For The Year Ended 30 June 2010

The Auditor-General is the auditor of Te Taura Whiri i te Reo Māori/The Māori Language Commission. The Auditor-General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand to carry out the audit on her behalf. The audit covers the financial statements and statement of service performance included in the annual report of Te Taura Whiri i te Reo Māori/The Māori Language Commission for the year ended 30 June 2010.

Unqualified opinion

In our opinion:

- the financial statements of Te Taura Whiri i te Reo Māori/The Māori Language Commission on pages 16 to 44:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - Te Taura Whiri i te Reo Māori/The Māori Language Commission's financial position as at 30 June 2010; and
 - the results of its operations and cash flows for the year ended on that date.
- the statement of service performance of Te Taura Whiri i te Reo Māori/The Māori Language Commission on pages 47 to 53:
 - 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 audit was completed on 1 November 2010, 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 Board 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 Board;
- 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 Board and the Auditor

The Board 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 Taura Whiri i te Reo Māori/The Māori Language Commission as at 30 June 2010 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, Te Taura Whiri i te Reo Māori/The Māori Language Commission's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Board's responsibilities arise from the Crown Entities Act 2004 and the Māori Language Act 1987.

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 the Crown Entities Act 2004.

Independence

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

Other than the audit, we have no relationship with or interests in Te Taura Whiri i te Reo Māori/The Māori Language Commission.



Ajay Sharma
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

STATEMENT OF SERVICE PERFORMANCE

Performance Standards and Measures for the Outputs of Te Taura Whiri i te Reo Māori

For the year ended 30 June 2010

Promotion Of The Māori Language

This output class includes:

- promoting the language and, in particular, its use as a living language and as an ordinary means of communication;
- granting certificates of competency in the Māori language, and developing and implementing policies and practices to give effect to the declaration in the Māori Language Act 1987 that the Māori language is an official language of New Zealand; and
- carrying out other activities necessary to pursue the outcomes in the 2009/2010 Statement of Intent of Te Taura Whiri i te Reo Māori.

Te Taura Whiri i te Reo Māori has delivered five outputs within the above output class.

Summary of Costs and Revenue – Statement of Service Performance

	2010 Actual (\$)	2010 Budget (\$)	2009 Actual (\$)
Revenue			
Crown	3,204,000	3,204,000	3,204,000
Interest Received	46,217	20,000	55,410
Other Revenue	2,433,655	2,246,000	477,972
Total Revenue	5,683,872	5,470,000	3,737,382
Expenditure			
Amortisation	7,363	12,000	11,796
Depreciation	138,697	155,206	116,559
Operating expenses	3,601,430	3,441,622	1,869,691
Personnel	1,930,579	1,861,172	1,700,292
Total Expenditure	5,678,069	5,470,000	3,698,338
Surplus/(Deficit)	5,803	-	39,044

STATEMENT OF FORECAST SERVICE PERFORMANCE SPECIFYING THE PERFORMANCE FORECAST

For Output Classes for the year ended 30 June 2010

Output Class – Promotion of the Māori Language

This output class includes:

- promoting Māori language and, in particular, its use as a living language and as an ordinary means of communication;
- granting certificates of competency in the Māori language, and developing and implementing policies and practices to give effect to the declaration in the Māori Language Act 1987 that the Māori language is an official language of New Zealand;
- carrying out other activities necessary to pursue the outcomes in the 2009/10 Statement of Intent of Te Taura Whiri i te Reo Māori; and
- ensuring activities undertaken are delivered cost effectively.

Te Taura Whiri i te Reo Māori will deliver five outputs within the above output class and the total income amount of \$5.470 million (GST exclusive).

OUTPUT 1: Te Reo Kāinga – Māori Language in the Home

Description

This output relates to activities that increase the use of the Māori language on a day-to-day basis by the whole family in the home.

PERFORMANCE MEASURES		
Detail	Measure	Performance Report
Whānau language support	<i>Quality Measure:</i> Identified whānau are provided with information and advice about Māori language use within the unique context of their whānau.	<p><i>Achieved.</i> Te Taura Whiri i te Reo Māori supported whānau language development in the home by contracting Te Ataarangi to deliver '<i>He Kāinga Kōrerorero – a mentoring programme that supports Māori language use in the home.</i>'</p> <p>The Māori language mentoring programme was provided to 150 whānau identified as having resident children in the household. These whānau (family) were also identified as having demonstrated a commitment to increasing their language (by being engaged in a language learning programme), and having at least one adult in the household who has conversational proficiency.</p> <p>Te Ataarangi (the contracted provider) regional mentors provided support, information and networking opportunities to these whānau – including advice/strategies about maintaining language use, where or what resources/support where available locally and regionally.</p>

Resources	<p><i>Quality Measure:</i> Māori language resources and promotions are focused on issues and strategies that affect the acquisition and use of Māori language within the homes and by families within communities.</p> <p><i>Quantity Measure:</i> Four editions of He Muka published.</p>	<p><i>Achieved.</i> Māori language resources about 'Te Reo i te Kāinga - Māori language in the home' were developed and distributed for Māori Language Week 2009, to help families speak Māori in their homes and communities.</p> <p>During the 2009/10 year, the resources for Māori Language Week 2010 were developed about 'Te Mahi Kai - the Language of Food' to encourage Māori language acquisition and use in homes and communities.</p> <p><i>Achieved.</i> Te Taura Whiri i te Reo Māori produced four editions of He Muka.</p>
Strategic relationships	<p><i>Quality Measure:</i> Strategic relationships with key sector stakeholders and Māori language community groups promote and support the use of the Māori language by families within their homes.</p>	<p><i>Achieved.</i> Te Taura Whiri i te Reo Māori engaged with a range of key stakeholders from iwi and Māori language speaker communities, Māori language organisations, educational institutions and public and private sector partners. Partners supported Māori Language week activities and events; Iwi undertook Māori language regeneration research (Ngāi Tahu, Tūhoe, Te Arawa, Taranaki and Tamaki Makaurau), and providers (Te Ataarangi and Mā Te Reo providers) implemented Māori language initiatives. The Board also continued to meet with iwi and Māori language speaker communities to discuss their needs and aspirations and the Commission's role in supporting Māori language speaking communities.</p>
National events and promotions	<p><i>Quantity Measure:</i> National events and promotions encouraging Māori language use in the home and community are undertaken.</p>	<p><i>Achieved.</i> National events included Māori Language Week 2009 and He Huia Kaimanawa. Māori Language Week 2009 themed 'Te Reo i te Kāinga - Māori language in the home' was co-launched by the Prime Minister and Minister of Māori Affairs on national television broadcasting into homes and communities throughout New Zealand. MLW activities included distributing resources by post and promotional stands, presentations by the Chief Executive at various public and private sector functions/meetings, and Board members' attending community-based events in the regions. Media statements, interviews and press releases were also used to profile Māori language leading up to, and post Māori Language Week (July-August).</p>
Output 1 Cost	Actual	Budget
Te Reo Kāinga - Māori Language in the Home	\$2,264,000	\$ 2,148,288 (GST exclusive)

OUTPUT 2: Te Reo Hapori – Māori Language in the Community

Description

This output focuses on supporting iwi and Māori language community groups to have a direct role in Māori language promotion so that homes and families feel the direct impact of those promotions.

PERFORMANCE MEASURES		
Detail	Measure	Performance Report
Community based language support	<p><i>Quality Measure:</i> Approximately \$1.8 million in funding is disbursed to Māori communities to support Māori language regeneration.</p> <p>Funding is provided to community based initiatives that have strong linkages to both their community and Māori language priorities.</p>	<p><i>Achieved.</i> 105 individually funded programmes were funded by Mā Te Reo. All approved applicants were able to show how they met the fund's criteria, particularly the ability to demonstrate strong community linkages and achieve Māori language regeneration outcomes.</p>
Māori language community Initiative promotions	<p><i>Quality Measure:</i> Māori Language Week promotions support Māori language in the community.</p> <p><i>Quantity Measure:</i> Māori Language Symposium, Expo and Awards held.</p>	<p><i>Achieved.</i> Māori Language Week 2009 promotional activities were based on supporting, encouraging and inspiring Māori language use in the community. Media activity resulted in a total of 270 Māori language focussed items (press, radio and television) reported, generating a significant amount of free media.</p> <p><i>Achieved.</i> He Huia Kaimanawa – Māori Language Symposium, Expo and Awards was held at Te Rauparaha Arena, Porirua 15–16 October 2009. The event was attended by over 500 Māori language supporters and experts.</p>
Māori Language Research	<p><i>Quality Measure:</i> Establish an evidence base that outlines the impact initiatives have had in Māori communities to support Māori language regeneration, and informs Māori language development in communities.</p> <p><i>Quantity Measure:</i> Five Iwi/Community Māori Language Regeneration Research pilots are supported.</p>	<p><i>Achieved.</i> Te Taura Whiri i te Reo Māori established an evidence base by commissioning: a Literature Review to identify successful promotional methodologies for achieve Māori language outcomes and Market Research to establish baseline data on barriers and motivators to increasing Māori language learning, use and development.</p> <p><i>Achieved.</i> Te Taura Whiri i te Reo Māori contracted five iwi/ community providers to pilot research in their communities about the effectiveness of their Māori language initiatives in supporting whānau, hapū, iwi or community Māori language learning and use.</p>
Output 2 Cost	Actual	Budget
Te Reo Hapori – Māori Language in the Community	\$1,950,000	\$ 1,598,891 (GST exclusive).

OUTPUT 3: Te Reo Rangatira – National Leadership of Māori Language Development and Innovation

Description

This output focuses on working with strategic partners, government agencies, iwi and Māori communities to regenerate and develop the Māori language.

PERFORMANCE MEASURES		
Detail	Measure	Performance Report
Review of Māori Language Strategy	<i>Quality Measure:</i> An improved approach to planning and implementation of the government's Māori Language Strategy is developed.	<i>Achieved.</i> Te Taura Whiri i te Reo Māori has completed working jointly with Te Puni Kōkiri on an internal review of the government's 2003 Māori Language Strategy. This work has informed the broader review of the Māori Language Strategy and Sector being undertaken in 2010/11 by an independent panel selected by the Minister of Māori Affairs.
Māori language research and leadership initiatives	<i>Quality Measure:</i> Māori language research and initiatives contribute to new or enhanced Māori language regeneration strategies.	<i>Achieved.</i> The Māori Language Research Regeneration Programme comprised seven research projects – a Literature Review, Market Research and five Iwi/Community research pilots. These iwi/community research pilots will be completed in 2010/11 and as such, will contribute to the overall project findings (i.e. understanding motivators and barriers to Māori language use, and tried strategies to grown Māori language use in homes and communities).
Māori Language standards	<i>Quality Measure:</i> A draft framework of standards for Māori language use in specific sectors is developed, and a process for ensuring the standards are met is implemented (monitoring).	<i>Partially Achieved.</i> A draft framework of standards for Māori language use has commenced and components of the framework (orthographic conventions) published and distributed.
Reo ā-iwi	<i>Quality Measure:</i> Relationships with iwi and Māori language communities focused on supporting iwi-based corpora development are established.	<i>Achieved.</i> Te Taura Whiri i te Reo Māori Board and senior management met with four iwi groups during this reporting period where the matter of supporting corpora developments was discussed. In addition, the organisation's Te Mātāpuna team was refocused to practically assist iwi in this specialized field of language regeneration.
Output 3 Cost	Actual	Budget
Te Reo Rangatira – National Leadership of Māori Language Development and Innovation	\$605,000	\$ 837,553 (GST exclusive).

OUTPUT 4: Te Reo Tuku Iho – Enhanced Frameworks and Systems for Māori Language Development

Description

This output continues to build on existing Māori language corpora (both iwi based, and sector specific) and developments for Māori language vocabulary.

PERFORMANCE MEASURES		
Detail	Measure	Performance Report
Māori language (lexical) networks	<i>Quality Measure:</i> Key relationships with iwi and Māori language stakeholders to develop a networked framework of contributions and ensure accessibility to a national repository is commenced.	<i>Achieved.</i> Meetings were held with Te Māngai Pāhō, Te Reo Irirangi o Te Upoko-o-te-Ika and Māori Television to discuss how corpora held by these agencies could be uploaded to a national repository.
Te Taura Whiri i te Reo Māori – Māori language proficiency and licensing	<i>Quality Measure:</i> Planning for an accreditation system and associated delegation process for translator and interpreter training and Māori language proficiency examinations, to approved tertiary institutions is commenced.	<i>Achieved.</i> This project has commenced with plans to revise translators and interpreters training needs, including discussions with the education and language sectors.
Māori language lexical developments (new words)	<i>Quality Measure:</i> Process for developing Māori language neologisms/new words in specific sectors is confirmed.	<i>Achieved.</i> The database for capturing neologisms being coined by translators and other Māori language exponents has been developed. New words are also developed by Te Taura Whiri i te Reo Māori on request and are also deposited in the database.
Te Mātāpuna database	<i>Quality Measure:</i> Ongoing maintenance of the Te Mātāpuna database.	<i>Achieved.</i> Work has continued on the use and development of the organisation's Māori corpora collection – Te Mātāpuna with the recent addition of 1901–1920 archived material received from the Auckland Art Gallery recording personal comments and statements from iwi chiefs throughout the country who attended the opening and showing of Gottfried Lindauer's Māori portraits.
Output 4 Cost	Actual	Budget
Te Reo Tuku Iho – Enhanced Frameworks and systems for Māori Language Development	\$384,000	\$ 397,856 (GST exclusive).

OUTPUT 5: Te Reo Whakatipu – Māori Language Workforce Development

Description

This output involves working with relevant sector agencies and Māori to identify key issues for Māori language professions and workforce development; and reviewing existing training, resources and qualification processes for Māori language translators and interpreters.

PERFORMANCE MEASURES		
Detail	Measure	Performance Report
Māori language workforce development	<p><i>Quality Measure:</i> Work with key sector agencies and Māori language stakeholders to identify key issues for Māori language professions.</p> <p><i>Quantity Measure:</i> Review of training, resources and qualification processes for Māori language translators and interpreters is undertaken.</p>	<p><i>Achieved.</i> Paper presented at the annual interpreters and translators conference by Te Taura Whiri i te Reo Māori outlining language workforce issues. The paper highlighted: translation and interpretation skill development issues; the need to segment Māori language translation and interpretation services per sector; training issues; and examination issues. Te Taura Whiri i te Reo Māori also worked with the Ministry of Education on Māori medium education workforce issues by attending officials committees and contributing to relevant papers, research and discussions.</p> <p><i>Partially Achieved.</i> Review of training, resources and qualification processes for Māori language translators and interpreters is undertaken. Planning for this project has commenced with a draft paper under development.</p>
Māori language services	<p><i>Quality Measure:</i> Affiliated specialists provide high quality Māori language services that meet Te Taura Whiri i te Reo Māori quality standards and principles.</p>	<p><i>Achieved.</i> Te Taura Whiri i te Reo Māori refers requests for quality assurance processes to its affiliated specialists. In particular, Te Taura Whiri i te Reo Māori referred local government to our affiliated specialists for advice regarding Māori place names (i.e. use of our orthographic standards in the redevelopment of these names).</p> <p>Affiliated specialists are licensed Māori language translators and interpreters, and also have significant experience in the fields of translation, substantive Māori language editing and quality assurance editing.</p> <p>Sample quality assurance of the work provided by these specialists confirmed their services met Te Taura Whiri i te Reo Māori standards.</p>
Whakamātauria Tō Reo Māori <ul style="list-style-type: none"> • Level Finder Examination • Public Sector Māori • Teaching Sector Māori 	<p><i>Quality Measure:</i> Examinations provide accurate levelling for Māori language proficiency in specific sectors.</p>	<p><i>Achieved.</i> Whakamātauria Tō Reo Māori exam administrations were promoted and held by Haemata Ltd (on behalf of Te Taura Whiri i te Reo Māori). The exams provide accurate levelling for Māori language proficiency in specific sectors.</p>
Translators and Interpreters <ul style="list-style-type: none"> • Hui Kaiwhakamāori • Examinations 	<p><i>Quality Measure:</i> National hui is held to provide guidance, advice and professional support for aspiring and/or certified translators and interpreters.</p> <p><i>Quality Measure:</i> Examination and licensing processes for Māori language translators and interpreters are revised.</p>	<p><i>Achieved.</i> Te Taura Whiri i te Reo Māori supported the annual NZSTI (Translators and Interpreters) conference and presented a paper to discuss technical issues facing specialist translator and interpreters of the Māori language.</p> <p><i>Achieved.</i> The examination process for Māori language translators and interpreters was revised and resulted in recommended changes. These changes will need further consultation with the sector before the examination process is finalised.</p>
Output 5 Cost	Actual	Budget
Te Reo Whakatipu –Māori Language Workforce Development	\$475,000	\$ 487,412 (GST exclusive).

