

'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 2011*

*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 2011.

Nā māua noa, nā



Erima Henare

Chairman

Board of Te Taura Whiri i te Reo Māori

31 October 2011



Ruakere Hono

Commissioner

Board of Te Taura Whiri i te Reo Māori

31 October 2011

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Chairman's Report

Ngā mihi mahana, maioha hoki ki runga ki a koutou katoa. Ki ngā mate, tangi hotuhotu te whatumanawa ki a koutou e ngaro nei ki ngā whakatipuranga. Haere pai atu ki ōu mātua tīpuna, ki a Hine-Tītama e pūtiki mai rā, i te kāpunipuni o ngā wairua. Haere atu rā e. Hoki ora mai ki a tātou, tēnā tātou katoa.

I am pleased to present on behalf of my Board and Te Taura Whiri i te Reo Māori, the Annual Report for the year ended 30 June 2011.

"Ko te reo te kākahu o te whakaaro, te huarahi ki te ao tūroa o te hinengaro

*Ko te reo te mauri o te mana Māori
Ko te tangata te kaiwhakapuaki kia tū tangata ai"*

These words spoken by my late father have become somewhat of a decree for the Māori language revitalisation movement, and while they serve to remind us of the critical role the language has in our development as Māori and New Zealanders, what I have observed lately is a tendency to consign the issue of language loss to the 'too hard basket' or to the 'I'll do it later' pile of tasks to attend to in our increasingly busy lives.

The 2007 OAG report (Implementing the Māori Language Strategy) found that even well intentioned public sector departments struggle to find a place of prominence for Māori language matters at a time when the sector itself is under pressure to do much more with less.

While the Māori language sector appears to be complex we run the risk of becoming less effective for the language itself if much more energy and resource is expended in examining the complexity of the sector rather than the ways in which language loss can be addressed.

Many reports in recent times have raised the need for improved leadership and more effective co-ordination of language regeneration and revitalisation efforts. Other reports have talked about the importance of homes and communities in leading the charge for te reo Māori. There has also been debate about the value for money in the current government spend for Māori language and the role of Te Taura Whiri i te Reo Māori past, present and future.

What we do know is that Te Taura Whiri i te Reo Māori occupies a unique position betwixt and between the Government and the communities the government serves. Established as an *autonomous* crown entity by the Crown Entities Act 2004, we are fortunate to have provisions within that Act which safeguard our independence. Te Taura Whiri i te Reo Māori is mandated to meet with communities, hear and ascertain their concerns and/or ideas for the language and advise

the Government accordingly. As an entity responsible for the responsible administration of public funds Te Taura Whiri i te Reo Māori has to account for every dollar spent and expend it in accordance with the law and current policy.

The solution to the apparent confusion and complexity in the Māori language sector seems very clear to me, and Te Taura Whiri i te Reo Māori intends to get on with enacting it. As lead agency and a key advisor to Government on all matters pertaining to the Māori language, I have found it interesting in the extreme that others might assume this role for themselves thus creating the aforementioned confusion.

Good leadership in the Māori language space requires an appropriate approach in a range of spaces. Iwi, hapū, whānau and Māori Language speaker communities all expect to lead themselves which is an approach that should be supported with good information and access to enabling resources and strategies. Private and Public Sector entities are looking for good advice in the main, and some support in order to inform their various plans and actions with regard to the language. Te Taura Whiri i te Reo Māori will continue to provide advice and guidance for the language and looks forward to leading a collaborative approach to a revamped Māori language strategy.

What is clear is that for Māori, and increasingly for all New Zealanders, Māori culture and language are priority areas for action as we search for the national x-factor and a way to engage Māori in a prosperous and productive future. I absolutely concur with the observations of my late father that te reo is indeed the heart and soul of all that is precious to us as Māori people, and remains the primary avenue by which the riches and joys of our proud traditions are accessed, engaged and celebrated.

I thank my Board members for their ongoing commitment to the governance and strategic direction setting of Te Taura Whiri i te Reo Māori, and Chief Executive Glenis Philip-Barbara and staff for a successful year of work.



Erima Henare
Chairman
Wellington, 31 October 2011

Chief Executive's Report

I am pleased to present the Annual Report of Te Taura Whiri i te Reo Māori for the year ended 30 June 2011; a year incidentally, that marks the first full 12 months of my leadership as the organisation's Chief Executive.

Kia ū, kia mau, kia piri ki te reo Rangatira

2010 was of particular significance for the Māori language sector with the release of two key pieces of work – *Te Reo Māori* chapter (from the Waitangi Tribunal report), and *Te Reo Mauriora* – an independent review of the Māori language strategy and sector. Though Te Taura Whiri i te Reo Māori has yet to give a fully considered response to both these reports – we can at the very least remark on the following:

- *That* the Waitangi Tribunal has twice now had reason to investigate the matter of the Māori language;
- *That* despite our efforts (including those outlined in this report), the Māori language remains in a perilous state;
- *That* without effective leadership from those with vested responsibility for the language, the reo Māori revitalisation effort will be hampered;
- *That* a coordinated effort across society with its reach into homes and communities, needs to be the basis of a new strategic agenda for the Māori language;
- *That* as individuals – Māori and New Zealanders – we need to take more responsibility for the language.

These observations are not new. They are in fact probably 25 years old. And although the recent reports of the Tribunal and the independent review panel Te Paepae Motuhake are marked 2011, their observations are a serious reminder that at least a whole generation of supporters and speakers has emerged. This generation includes those engaging or benefiting from the initiatives that have come out of Te Taura Whiri i te Reo Māori. They've possibly attended a kura reo, or been taught by teachers who have. They've enjoyed a Māori language event supported by Mā Te Reo, or picked up an iwi-dialect resource with Mā Te Reo sponsored branding attached. This generation has enjoyed not just the use of newly coined Māori words, but the chance to proclaim 'te reo Māori as being a language capable of keeping with developing times.' They've thumbed 'Kōhinga Kīwaha, Te Matatiki, Māori for the Office and He Pātaka Kupu.

25 years has seen Te Taura Whiri i te Reo Māori despite its size, hold heavyweight with government officials – insisting on the establishment of a Māori language institute responsible for improving the standard of language use amongst those 'using' or 'teaching' the language. Meetings and consultation with marae, iwi, hapū, whānau and community language stakeholders have been held every year since the inception of Te Taura Whiri i te Reo Māori. They provide a culturally appropriate way for our staff and Board members to listen and discuss the concerns of Māori people about their language.

Te Taura Whiri i te Reo Māori was conceived nearly 25 years ago with a mandate to basically do as much as we can to promote the Māori language as a living language and ordinary means of communication. As an autonomous agency able to operate at arms-length from the Government and any one stakeholder, we are focussed exclusively on the language. It's a very unique space to occupy and one that should never be comprised. With that context in mind, I outline for you our 2010–11 year.

Te kai a te rangatira – he kōrero, he kai, he kōrero

A typical year for Te Taura Whiri i te Reo Māori is usually launched by the activities of Māori Language Week. And this year was no exception. Supported by our language week partners – *The Human Rights Commission*, *Te Puni Kōkiri* and contributory stakeholders – Progressive Enterprises, Wellington City Council and Māori Television – ‘*te mahi kai*’ was a wonderful example of how the Māori language can be infused into everyday household activities.

As this country's oldest signature promotional event for te reo Māori, Māori Language Week has come a long way since its inception in 1975. But taking the opportunity to focus the nation on the critical issues affecting the language is no easy task. We must carefully balance ‘sobering’ statistics about the health of the language that run the potential to make our ‘positive promotional give it a go’ messages appear futile. Notwithstanding the challenge, participation in this year's Māori Language Week proves the country is embracing the language. With a ‘promotional’ value in the vicinity of \$1 million plus worth of free media, Māori Language Week is a staple in our arsenal of revitalisation weapons. From Ministers of the Crown (Minister Sharples and Minister Parata), to up and coming sports stars Te Huinga Reo Selby-Rickit and Jacob Ellison – te reo Māori took out the Top Chef spot in our very own ‘Master Chef’ cook off here in Wellington. And while the high-end culinary skills of our celebrity chefs and their associate masters might seem at odds with what's in the average home and community, what the launch of Māori Language Week 2010 did show was that te reo Māori is indeed, a very integral part of what all families do – socialise and dine with reo Māori conversation.

As with any other year, the challenge is maintaining momentum and keeping society engaged in the language on an everyday basis.

Kua toa ko te reo Māori

The Māori Language Awards were established over five years ago as a way of recognising the tireless effort and outstanding contributions to Māori language revitalisation. The efforts are wide and far reaching across many different sectors both public and private enterprises, and more importantly into ‘homes’ where Māori children reside. This year's awards were held in Rotorua and it was wonderful to acknowledge amongst the 13 category winners, Kāterina Te Heikōkō Mataira for her steadfast leadership and devotion, and the tribes of Te Ati Awa, Ngāti Raukawa and Toa Rangatira for their pioneering initiative Whakatupuranga Rua Mano. That these two initiatives are over 25 years old is testament to the exceptional individual and community leadership shown by both Te Heikōkō and the architects of Whakatupuranga Rua Mano.

As per our legislative function, Te Taura Whiri i te Reo Māori once again called on stakeholders to meet and discuss matters pertaining to te reo Māori. Hosted by the Board of Commissioners, over 300 people from around the country came to share their thoughts, ideas, resources and aspirations for the Māori language. From *Zumba Reo Māori*, to *taonga pūoro* and *Te Kī o Rahi* demonstrations – *Huia Te Reo* provided a two-day occasion whereby te reo Māori was seen, heard and represented. With a focus on ensuring all attendees left the event equipped with advice and resources to support their own Māori language revitalisation initiatives, local iwi Ngāti Rongomai spokesperson Tūkiterangi Curtis' was on hand to speak personally about strategic language planning for homes and communities.

Te Taura Whiri i te Reo Māori is aware that local and regionally based events are those well placed to ‘promote’ the language, and having an audience of over 50,000 was an opportunity not to be missed at this year's national kapa haka championships “*Te Matatini o te Rā*” held in Gisborne. Though ‘performances’ are a domain of exclusive Māori language use, our challenge to the organisers was to ensure the presenters – in their engagement with the crowd – spoke Māori as often as possible. I am pleased to say that having a stall at the event over the full four days, Te Taura Whiri i te Reo Māori observed this to be the case for at least 80% of the time.

He kāinga kōrerorero mō te Reo

For the last ten years Te Taura Whiri i te Reo Māori has contributed nearly \$15 million to 1,035 community and home based projects via the Mā te Reo fund. What is perhaps of note is that over half of the fund's investment has been for wānanga or language learning projects, and the second most featured category is events and promotions. While the reporting data for these initiatives is still being analysed, it is clear that Māori language learning that has a more traditional 'wānanga' format (in homes and communities) is preferred by Māori. Integrating the language into social events is also clearly a 'learning' opportunity sought by Mā te Reo applicants.

A similar favourable theme of 'social' engagement with the language is evidenced by the home language mentoring programme He Kāinga Kōrerorero. Te Ataarangi has successfully established the programme in over 15 regions throughout Aotearoa, and being able to support them with the programme's implementation is important. Of concern for our organisation at this time, is the lack of crown commitment for the sustainability of these home and community based initiative funds. The concern was echoed by attendees of the Māori language strategy and sector review regional meetings, and will be a priority issue for Te Taura Whiri i te Reo Māori until it is resolved.

Iti kōparapara pioi kahikatea!

This past year has seen a re-blending of the old and the new, of a continued focus on language quality, lexicography, solid advice and support, on supporting a specialised Māori language workforce of translators and speakers, on Māori Language week as a highlight in the national calendar through to exploring our impact past in order to understand effective pathways forward. Where required small calibrations have been made in order to improve performance while keeping an eye on big opportunities. All in all Te Taura Whiri i te Reo Māori is in good shape and remains committed to continuously securing gains for the language by working smart and providing sterling advice that enables others to do the same.

I thank my Board of Commissioners for their stewardship at a strategic and governance level, and my staff of less than 20 for their unrelenting effort and commitment to te reo Māori me ngā tikanga Māori. I acknowledge Te Taura Whiri i te Reo Māori for a successful year.



*Glenis Philip-Barbara
Chief Executive
Wellington, October 2011*

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 2011

- Mr Erima Henare – Te Toihau (Chair)
- Dr Dame Iritana Tawhiwhirangi DNZM, MBE – Kaiwhiri (Commissioner)
- Mr Ruakere Hond – Kaiwhiri (Commissioner)
- Mr Awanuiārangi Black – Kaiwhiri (Commissioner)
- Mrs Evelyn M. Tobin – 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 / Tumuaki for a set term of three years, to manage all of Te Taura Whiri i te Reo Māori operations.

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

Te Taura Whiri i te Reo Māori strives to develop, build and maintain internal capacity and capability by sharing and utilising the skills of existing teams inline with the 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.

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.

The following are five priority areas as specified in the *Te Taura Whiri i te Reo Māori Strategic Directions 2008-2013 plan*. They are consistent with the statutory obligations laid down in the Māori Language Act 1987.

TE REO MĀORI I TE KĀINGA – MĀORI LANGUAGE IN THE HOME

Te Taura Whiri i te Reo Māori and the Māori language sector is aware that Māori language use, on a daily basis, by the whole family, in the home, is a critical and necessary component of intergenerational transmission that significantly impacts on Māori language revitalisation. A living language is a spoken language, and this can only ever be achieved through ensuring the use of te reo Māori in the home between parents, grandparents, their children and grandchildren occurs. Nevertheless, actualisation of Māori language being spoken in the home every day, from birth is difficult. We now live in an era that sees more second language speakers than native speakers and the choice to speak Māori to one's children in the home is not easy.

However, Te Taura Whiri i te Reo Māori is a huge supporter and contributor of ensuring Māori language is encouraged as being the first language of the home. Despite all the other decisions that may need to be made on behalf of children including the education sector, despite the decisions and choices of parents in relation to mainstream or kura kaupapa and despite all the external influences that make their way into the home.

Te Taura Whiri i te Reo Māori continued to maintain effective working relationships with key Māori language stakeholders, and iwi to ensure whānau are supported in their quest for the acquisition of te reo Māori. Furthermore, Te Taura Whiri i te reo Māori has endeavoured to support and ensure Māori language and Māori language resources are made more accessible for Māori through a number of key initiatives that seek to increase Māori language use in homes including:

- Providing appropriate, effective and high quality language tips and resources on the "*Kōrero Māori*" website;
- Producing and supplying free resources that are released during Māori language week;
- Providing Mā Te reo funding that provides for Māori language resources and other learning initiatives at a local regional level for iwi, hapū and whānau; and
- Providing free high quality language publications with the production of four editions of He Muka (a Māori language newsletter produced on a quarterly basis). He Muka contains high quality language articles about Māori language issues, events and initiatives and its readership continues to grow annually.
- Te Taura Whiri i te Reo Māori continued its relationship with Te Ataarangi by retaining the He Kāinga Kōrerorero mentoring and language planning programme. This programme provided practical guidance and support to over 150 whānau throughout New Zealand. It encouraged and promoted the increased and improved use of te reo Māori in the home, seeking to grow Māori language speaking families (especially children).

TE REO MĀORI I TE HAPORI – MĀORI LANGUAGE IN THE COMMUNITY

Funding of Hapū and Iwi Driven Māori Language Initiatives

Te Taura Whiri i te Reo Māori recognises the important role of Māori language communities in supporting Māori language revitalisation. To this end, Te Taura Whiri i te reo Māori have continued to support and contribute towards increased and improved Māori language growth and use in communities.

Te Taura Whiri i Te Reo Māori have continued to support Māori language innovation, development, and other Māori language resources that promote and encourage the acquisition and proficiency around the use of te reo Māori in the community.

Te Taura Whiri i te reo Māori is grateful that Government funding of \$2.0 million announced in Budget 2011 for the Mā Te Reo fund has again enabled Māori language stakeholders in communities, to invest in Māori language community initiatives that contribute their Māori language aspirations.

Once again the Mā Te Reo fund was well oversubscribed with a total of 215 funding applications received to the value of \$6.5m. Robust fund management committee processes were able to approve a total of 79 community derived language revitalisation projects valued at \$1.7 million across all funding categories including:

- Language planning
- Language resources
- Events/Promotion
- Kura Reo ā-Iwi
- Wānanga Reo

Te Taura Whiri i te Reo Māori acknowledge that all approved language projects demonstrated strong community connectivity that clearly identified and focused on achieving quality Māori language outcomes for their communities in alignment with the Governments' Māori Language Strategy and their own Māori language aspirations. Total grants awarded for contracts commenced totalled \$1.4 million.

During 2010/11, Te Taura Whiri i te Reo Māori undertook an assessment and evaluation of the past ten years funding across all regions of New Zealand that received funding from Mā Te Reo resulting in regional fact sheets.

National Māori Language Promotion

Te Taura Whiri i te Reo Māori in partnership with other key Māori language stakeholders, continues to organise and promote National events and activities that target all New Zealanders to raise awareness of Māori language issues and further encourage people to value the language as a normal everyday living language. Such events included:

- *Māori Language Week 2010* – promotional activities were based around the theme of “*Te Mahi Kai*” – *The Language of Food*. Te Taura Whiri i te Reo Māori believe that Māori language week 2010 was the most significant step forward in relation to promoting te reo Māori to all New Zealanders with the brokerage of what has become an ongoing relationship and partnership with Supermarket leader Progressive Enterprises. That partnership propelled Māori Language week, activities and all that is important about the status and awareness of te Reo Māori to an estimated 2.4 million customers that shop within the family of Progressive Enterprises stores nationwide. This resulted in the largest media activity to date in support of Māori Language week with 350 Māori language focussed items (press, radio and television) reported, generating a significant amount of free media.
- *Huia Te Reo* – National Māori Language Conference, Expo and Awards was held at the Rotorua Energy and Events Centre, 8 – 9 October 2010. The event was attended by over 500 people – including Co-founder of Te Ataarangi and this year's Supreme winner Katerina Te Heikōkō Mataira and other experts in the field of Māori language.
- *Te Matatini o Te Rā* – Te Taura Whiri i te Reo Māori held a booth at this event to distribute resources and promotional material. As a sponsor of the event, organisers agreed to at least 80% te reo Māori use at the event.

Māori Language Regeneration Research Project

A twelve month action research project undertaken by Te Taura Whiri i te Reo Māori to investigate the potential of social marketing initiatives to increase and improve Māori language acquisition, proficiency and use was completed. A significant piece of work, this research project witnessed seven separate pieces of research undertaken simultaneously including:

- Literature Review;
- Market Research Survey;
- Five regional pilots

Mā te Reo – 2001 – 2010

The Mā te Reo Fund (the Fund) was established in 2001 to the value of \$15 million (including GST) to provide financial support to projects that contribute to community based Māori language revitalisation. The fund provides opportunities for iwi, hapū, whānau, Māori communities, Māori organisations and individuals to realise their aspirations in relation to te reo Māori.

The purpose of the Fund is to provide funding assistance to initiatives that contribute to the achievement of the following objectives:

- Increase the number of Māori able to speak Māori to some extent;
- Increase the proficiency levels of Māori with Māori language skills;
- Increase opportunities for Māori to use the Māori language in targeted domains; and
- Support iwi, hapū, and local communities in becoming the leading parties in ensuring local-level language revitalisation.

The fund is administered on behalf of government by Te Taura Whiri i te Reo Māori, who distributes up to \$1.8 million annually in the form of conditional grants to iwi, hapū, whānau, Māori organisations and individuals.

The fund also has a 'Management Committee' – Te Rōpū Tautoko, who makes recommendations to the Board of Te Taura Whiri i te Reo Māori on who should receive funding. Te Rōpū Tautoko membership is made up of representatives from Te Taura Whiri i te Reo Māori, Te Māngai Pāho, Te Tāhuhu o te Mātauranga, Te Puni Kōkiri and four representatives from the Māori community.

Research was undertaken in this period to investigate the impact of Mā te Reo investment on language revitalisation activities in each of the regions, and since the fund's inception. The findings were reported in a series of regional Mā te Reo fact sheets.

Key Findings

- 1035 Māori language revitalisation projects received Mā te Reo funding over a ten year period from 2001 – 2010;
- Over \$14.5 million was provided by the Mā te Reo fund for community driven reo Māori revitalisation initiatives between 2001 – 2010;
- Over half (54%) of the Mā te Reo investment supported wānanga reo¹ projects;
- The second most featured category was events and promotions

¹The wānanga reo category includes Kura Reo Whakapakari Reo, kura reo ā-iwi, language programmes and classes

Outcomes

The following outcomes were identified from a set of 15 outcome-focused themes that demonstrated the impact of the Mā te Reo investment on language revitalisation in each region.

Primary outcomes included:

- The promotion of te reo Māori;
- Increased accessibility to te reo Māori domains and resources;
- Reinforced reo Māori domains within the communities;
- Strengthened community leadership;
- Increased acquisition and use of te reo Māori.

Secondary outcomes included:

- Increased confidence to speak te reo Māori;
- Increased commitment to learn and speak te reo;
- Increased opportunities for whakawhanaungatanga;
- Strengthened Māori identity.

Conclusion

Over \$14.5 million of Mā te Reo funding was invested in community based Māori language revitalisation projects. 1035 projects were completed over a ten year period providing services and resources to its communities for the development of te reo Māori.

Provider responses support the view that the Mā te Reo programme is filling an essential gap that is not covered by other formal language learning options by increasing opportunities for whānau, iwi and communities to learn te reo Māori, tikanga, whakapapa, mātauranga and waiata in an environment and manner appropriate to them.²

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

As one of the Governments lead agencies for the revitalisation of the Māori language, Te Taura Whiri i te Reo Māori is required by legislation 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 declaration in section 3 of the Māori Language Act 1987.

To that effect Te Taura Whiri i te Reo Māori has endeavoured to work effectively with strategic partners, government agencies, iwi and Māori language communities to continue working towards the revitalisation of te Reo Māori in alignment, with the Strategic direction of Te Taura Whiri i te Reo Māori, the Government's Māori Language Strategy and the Māori language aspirations of iwi, hapū and whānau.

Review of the Government's Māori Language Strategy

- During 2010/11, the Māori language sector underwent a review process initiated by the Minister of Māori Affairs. Te Taura Whiri i te Reo Māori set out to provide all necessary assistance where applicable in order for the review process of the Māori Language Strategy Sector was undertaken smoothly. Te Taura Whiri i te Reo Māori endeavoured to work with Te Puni Kōkiri and other Māori Language Strategy lead agencies on matters pertaining to the review.
- As with other government agencies, Te Taura Whiri i te Reo Māori provided a submission to the independent review panel for their consideration.
- In April 2011, Paepae Motuhake (the review panel) released a report of their findings and recommendations as a result of their review. Te Taura Whiri i te Reo Māori sought to analyse and review that report so as to provide comprehensive and coordinated policy advice to the Minister of Māori Affairs on matters contained within the review report (Mauriora), as accorded to Te Taura Whiri i te Reo Māori by the Māori Language Act 1987.

²2008, Aatea Solutions, Mā te Reo Outcomes Evaluation Report.

TE REO TUKU IHO – MĀORI LANGUAGE DEVELOPMENT

Corpora held by Government Departments

Te Taura Whiri i te Reo Māori note that in an environment where a language is thriving, daily use provides opportunities for that language to develop. In fact a language must develop as technology develops and as the world around it evolves. Despite reports that Māori language use and acquisition is increasing, Māori language relies on support systems in order to develop and cater for a full range of modern contexts including building on existing corpora.

Key relationships with iwi and Māori language stakeholders continued throughout 2010/11 with a key focus on enabling increased access by iwi to their own corpora held within government departments. As such, meetings with key government departments that hold a significant amount of corpora were undertaken with the National Library regarding specifically the types of Māori language collections currently held by their organisation and how iwi may begin to access these.

In conjunction with building and maintaining effective working relationships with key government agencies, Te Taura Whiri i te Reo Māori continued to value relationships with iwi to assist them in brokering relationships with government agencies to ultimately assist in the repatriation of iwi corpora.

To this end meetings were held with Tainui and Te Arawa respectively regarding ways to define and capture their native/distinctive corpus that may be held by different government agencies. Once Te Taura Whiri i te Reo Māori has assisted iwi in brokering relationships with government agencies and assisted in identifying their iwi corpora, Te Taura Whiri i te Reo Māori then take a step back, allowing iwi to establish robust effective working relationships with agencies that hold corpora belonging to their iwi. Such meetings with iwi and Māori language stakeholders will continue and are ongoing.

Māori language neologisms

An electronic tool to collect neologisms was developed and tested by stakeholders whom are likely to deposit newly coined terms. Feedback from stakeholder was very supportive of the tool and it is now live.

TE REO WHAKATIPU – MĀORI LANGUAGE WORKFORCE DEVELOPMENT

The exponential growth of Māori language innovation has increased the demand for the Māori language expertise in broadcasting, education, training and social services. This increased demand draws from a limited workforce able to provide quality Māori language. As such Te Taura Whiri i te Reo Māori in collaboration with other Māori language sector agencies have identified the need to develop an appropriate and effective targeted workforce development plan.

Te Taura Whiri i te Reo Māori have met with other key government agencies / stakeholders to begin discussions and strategic thinking pertaining to growing a Māori speaking workforce across a range of different mediums. The most significant areas for workforce development planning are education and broadcasting.

Succession planning is a necessity given the current Māori speaking workforce ageing without a significant work development plan in place. Te Taura Whiri i te Reo Māori have highlighted the significant impact the lack of a suitably qualified Māori language speaking workforce would have on the efforts of Māori language revitalisation.

Whakamātauria Tō Reo

Whakamātauria Tō Reo Māori language proficiency testing was again administered by Te Taura Whiri i te Reo Māori. This testing is one avenue that Te Taura Whiri i te Reo Māori believe will drive improved Māori language development across organisations and acts as an exemplar for recognising the importance and benefits of a proficient Māori language workforce.

The Whakamātauria Tō Reo examination framework is also being considered as a preferred proficiency testing tool for the Ministry of Education.

Discussions have also occurred with Te Māngai Pāho in relation to examining the proficiency of the broadcasting industry.

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

For the year ended 30 June 2011

OUTPUT – PROMOTION OF THE MĀORI LANGUAGE

As per the Māori Language Act 1987, this includes:

- promoting the language and, in particular, its use as a living language and as an ordinary means of communication (sec. 7b);
- granting certificates of competency in the Māori language (sec. 8c);
- developing and implementing policies and practices to give effect to the declaration that the Māori language is an official language of New Zealand (sec. 7a); and
- carrying out other activities necessary to pursue the outcomes in the 2010/11 Statement of Intent of Te Taura Whiri i te Reo Māori.

MEASURING PERFORMANCE

Te Taura Whiri i te Reo Māori has five key intermediate sub-outcomes that seek to achieve and contribute to the overarching outcomes and aspirations of Māori for the Māori language.

Te Taura Whiri i te Reo Māori has commenced a number of processes to measure its contribution to the achievement of those intermediate sub-outcomes by reporting against the following indicators:

Intermediate outcomes	Five yearly and Annual Impact Measures	Actual Outcomes 2010/11
1. People are motivated to learn, use and value te reo Māori	<ul style="list-style-type: none">• Increased motivation to engage in co-ordinated reo Māori activities reported (iwi and community based hui and Annual Impact Survey)• Maintenance and/or increase in support of the Māori language (Attitudes and Values Survey)	<ul style="list-style-type: none">• 2500 people enrolled in learning programmes via MTR• 500 people enrolled in He Kāinga Kōrerorero (HKK)• 100 people requested information
2. Māori language initiatives are co-ordinated and whānau, hapū, iwi and reo Māori speaker communities are aware of effective language regeneration strategies	<ul style="list-style-type: none">• Increase in number of whānau, hapū, iwi and reo Māori speaker community led collaborative Māori language activities (Te Taura Whiri i te Reo Māori monitoring data)• Increase in positive media articles about Māori language initiatives (Te Taura Whiri i te Reo Māori media reports)	<ul style="list-style-type: none">• 5 iwi supported via Māori Language Regeneration Research Project• 15 regions where HKK is provided• 501 media requests or generated items• 140,000 resources distributed in 2010• 250 people attended Māori Language Awards 2010

3. Government sector investment in Māori language initiatives is co-ordinated and collaborative	<ul style="list-style-type: none"> Report on government spend on Māori language initiatives (Te Puni Kōkiri) 	<ul style="list-style-type: none"> No new data available regarding this outcome area
4. Government held Māori language corpus is accessible to hapū, iwi and reo Māori speaker communities	<ul style="list-style-type: none"> Increase in corpus held in Te Mātāpuna (Te Taura Whiri i te Reo Māori database) Increased access by hapū, iwi and reo Māori speaker communities to Government held corpus (Te Taura Whiri i te Reo Māori monitoring data) 	<ul style="list-style-type: none"> 5 meetings held with Government Departments 2 deposits to Te Mātāpuna database
5. The Māori language workforce in all sectors is proficient	<ul style="list-style-type: none"> Increased participation in language proficiency examinations across all sectors (Te Taura Whiri i te Reo Māori monitoring data and participation survey across all sectors) 	<ul style="list-style-type: none"> 55 people sat proficiency exams

Independent Auditor's Report

To the readers of the financial statements and statement of service performance of Māori Language Commission for the year ended 30 June 2011

The Auditor-General is the auditor of Māori Language Commission (MLC). The Auditor-General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of MLC on her behalf.

We have audited:

- the financial statements of MLC on pages 26 to 52, that comprise the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of MLC on pages 19 to 24.

Opinion

In our opinion:

- the financial statements of MLC on pages 26 to 52:
 - o comply with generally accepted accounting practice in New Zealand; and
 - o fairly reflect MLC's:
 - financial position as at 30 June 2011; and
 - financial performance and cash flows for the year ended on that date.
- the statement of service performance of MLC on pages 19 to 24:
 - o complies with generally accepted accounting practice in New Zealand; and
 - o fairly reflects, for each class of outputs for the year ended 30 June 2011, MLC's:
 - service performance compared with the forecasts in the statement of forecast service performance for the financial year; and
 - actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

Our audit was completed on 31 October 2011. This is the date at which our opinion is expressed.

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

Basis of Opinion

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

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

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and statement of service performance. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and statement of service performance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to MLC's preparation of the financial statements and statement of service performance that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of MLC's internal control.

An audit also involves evaluating:

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

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board

The Board is responsible for preparing financial statements and a statement of service performance that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect MLC's financial position, financial performance and cash flows; and
- fairly reflect its service performance.

The Board is also responsible for such internal control as is determined necessary to enable the preparation of financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Māori Language Act 1987.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you based on our audit. Our 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 MLC.



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

Matters relating to the electronic presentation of the audited financial statements

This audit report relates to the financial statements of Te Taura Whiri i te Reo Māori (the MLC) for the year ended 30 June 2011 included on the MLC's website. The Commission is responsible for the maintenance and integrity of the MLC's website. We have not been engaged to report on the integrity of the MLC's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements as well as the related audit report dated 31 October 2011 to confirm the information included in the audited financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Statement of Service Performance

Te Taura Whiri i te Reo Māori has delivered five sub-outputs within the above output and the total income amount of \$5.107 million (budget \$4.892 million).

SUB-OUTPUTS PROVIDED – TOTAL EXPENDITURE

	2009/10 Actual total expenditure	2010/11 Budget total expenditure	2010/11 Actual total expenditure
Sub-Output 1: Te Reo Māori i te Kāinga – Māori Language in the Home	\$2,264,000	\$1,936,000	\$2,108,000
Sub-Output 2: Te Reo Māori i te Hapori – Māori Language in the Community	\$1,950,000	\$1,670,000	\$1,683,000
Sub-Output 3: Te Reo Rangatira – National Leadership of Māori Language Development and Innovation	\$605,000	\$351,000	\$410,000
Sub-Output 4: Te Reo Tuku Iho – Enhanced Frameworks and Systems for Māori Language Development	\$384,000	\$456,000	\$435,000
Sub-Output 5: Te Reo Whakatipu – Māori Language Workforce	\$475,000	\$479,000	\$466,000
Total expenditure assigned to sub- outputs	\$5,678,000	\$4,892,000	\$5,102,000

SUB-OUTPUT 1: TE REO MĀORI I TE KĀINGA – MĀORI LANGUAGE IN THE HOME

Description:

A living language is a spoken language. A spoken Māori language is one that is preferred by grandparents and/or parents when engaging with their children and/or grandchildren in the confines of the home or home orientated activities/relationships. This occurrence is also what's described as 'intergenerational language transmission.' It's the theoretical basis upon which Aotearoa/New Zealand's Māori language revitalisation strategy is based.

Outcome:

The Māori language is an everyday language of interaction in homes and communities.

Measure	2010/11 Actual	2009/10 Actual	2010/11 SOI target
1.1 At least 30 Māori language tips are lodged on the Kōrero Māori website per annum	40+	New	30+
1.2 At least two Māori Language Week resources are produced	7	2	2
1.3 At least two new Māori language resources are produced in each rohe supported by Mā Te Reo funding	12	New	12
1.4 Māori language resources are produced in accordance with Te Taura Whiri i te Reo Māori orthographic conventions and quality assurance standards	100%	100%	100%
1.5 Four editions of He Muka (Māori language newsletter) are published per annum	4	4	4
1.6 At least 2 million website hits are recorded quarterly	3.25 mil (average / qtr)	2.79 mil (average / qtr)	2 mil (average / qtr)
1.7 He Kāinga Kōrerorero (home-based Māori language mentoring programme) is delivered to at least 150 whānau by Te Ataarangi Trust	150	150	150
1.8 Reports are delivered to Te Puni Kōkiri on time in accordance with the He Kāinga Kōrerorero contract	4	4	4

SUB-OUTPUT 2:

TE REO MĀORI I TE HAPORI – MĀORI LANGUAGE IN THE COMMUNITY

Description:

A living language is a thriving language. Thriving languages are ones that enjoy the active support of socially receptive communities and wider society. Home based language transmission relies heavily upon the social 'discourse' or input of the wider community and society which is why their 'leadership' in Māori language revitalisation is pivotal.

Outcome:

- Māori language is an everyday language of interaction in homes and communities
- A range of active self sustainable Māori language domains exist.
- Māori language acquisition is supported and fully promoted through national education, broadcasting, culture, heritage, creative and information technology industries and networks
- The people of Aotearoa recognise the intrinsic value of the Māori language.

Measure	2010/11 Actual	2009/10 Actual	2010/11 SOI target
2.1 At least six Hui ā-iwi held annually	6	2	6
2.2 At least 20 hui held annually to maintain strategic relationships with key sector stakeholders	20+	20+	20
2.3 Huia Te Reo, a two day event (including Māori language expo, symposium and awards) to discuss, showcase and celebrate Māori language excellence	1	1	1
2.4 Approximately \$1.8 million in funding is disbursed to Māori communities to support Māori language regeneration	\$1.4 mil	\$1.5 mil	\$1.8 mil
2.5 At least 60 contracts with community based language initiatives will be negotiated and executed in 2010/11	79	105	60
2.6 300 media items generated regarding Māori Language Week	350	270	300
2.7 The report on the Māori Language Research Regeneration Project is completed	1	New	1
2.8 Future investment options for Māori language development are presented to the Minister of Māori Affairs	1	New	1

Comment on measure 2.4:

The target of \$1.8m was not reached mainly due to the timing of contract executions, contract terminations and withdrawn or declined offers of funding.

SUB-OUTPUT 3: TE REO RANGATIRA – NATIONAL LEADERSHIP OF MĀORI LANGUAGE DEVELOPMENT AND INNOVATION

Description:

Te Taura Whiri i te Reo Māori was established as a standalone autonomous Crown entity under the 1987 Māori Language Act with broad functions and powers to protect and promote the status and use of te reo Māori as an official language of Aotearoa/New Zealand.

Te Taura Whiri i te Reo Māori will guide and support the Māori language sector – a role consistent with our statutory mandate.

Outcome:

Māori language acquisition is supported and fully promoted through national education, broadcasting, culture, heritage, creative and information technology industries and networks

Measure	2010/11 Actual	2009/10 Actual	2010/11 SOI target
3.1 Leadership of Government's Māori Language Strategy is confirmed	-	-	-
3.2 Government investment in Māori language development initiatives is increased	-	-	-
3.3 Attend at least six officials committee hui per year	6	New	6
3.4 Briefings are provided to the Minister on Māori language activities in accordance with policy advice standards	4	11	4

Comment: 3.1 – Te Taura Whiri i te Reo Māori is not reporting performance against this measure as decision making affecting leadership of the Government's Māori Language Strategy is out of the organisation's control.

Comment: 3.2 – Te Taura Whiri i te Reo Māori is not reporting performance against this measure as decision making affecting Government's investment in Māori language development is out of the organisation's control.

SUB-OUTPUT 4: TE REO TUKU IHO – ENHANCED FRAMEWORKS AND SYSTEMS FOR MĀORI LANGUAGE DEVELOPMENT

Description:

Responsible monitoring of Māori language development is a minimum expectation for an official language of Aotearoa/New Zealand. Te Taura Whiri i te Reo Māori will lead this work via the development of a national corpus, research priorities and standards setting frameworks.

Outcome:

Traditional and contemporary Māori language is maintained in an authentic cultural and linguistic framework.

Measure	2010/11 Actual	2009/10 Actual	2010/11 SOI target
4.1 Hui are held with at least four iwi	4	New	4
4.2 Hui are held with at least four government agencies	4	3	4
4.3 Tool for developing Māori language neologisms established	100%	New	100%
4.4 Additional entries made to Te Mātāpuna corpus in accordance with the established criteria	100%	100%	100%

SUB-OUTPUT 5: TE REO WHAKATIPU – MĀORI LANGUAGE WORKFORCE

Description:

Māori language usage in society, particularly via a Māori language speaking workforce (translators and interpreters, broadcasters, educators), makes up a significant proportion of what is actually acquired by current and future Māori language speakers. It is critical therefore that 'standards' for language use and users are developed and maintained.

Outcome:

Traditional and contemporary Māori language is maintained in an authentic cultural and linguistic framework.

Measure	2010/11 Actual	2009/10 Actual	2010/11 SOI target
5.1 Policy advice is provided on workforce issues in accordance with policy advice standards	100%	100%	100%
5.2 Attend four inter-departmental hui about Māori language workforce issues for Māori language professionals	4	2	4
5.3 Whakamātauria Tō Reo Māori examinations are promoted to target audiences	100%	New	100%
5.4 Four administrations of Whakamātauria Tō Reo Māori examinations are held	4	7	4
5.5 New license examinations for Māori language translators are completed	0	0	1
5.6 Promotion about Māori language translation and interpretation testing is completed and promoted through Te Taura Whiri i te Reo Māori communication channels	100%	New	100%
5.7 Training programme for potential and existing Māori language translators is delivered	0	1	1

Comment on measures 5.5 and 5.7:

Te Taura Whiri i te Reo Māori planned to review the current translators and Interpreters examination to align with the global trend of licensing interpreters and translators for specific genre as opposed to a 'one size fits all' approach. In addition, most candidates are second language learners and don't have the depth and breadth of language proficiency to pass the current examination format. This year there were 10 candidates and 1 passed. Last year there were 8 candidates and 2 passed.

Due to the lack of resources to review the examination format and hold an examination at the same time it was decided to remain with the status quo.

Statement of Responsibility

The Board is responsible for the preparation of the financial statements and statement of service performance of Te Taura Whiri i te Reo Māori, and the judgements made in them.

The Board of Te Taura Whiri i te Reo Māori has the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting.

In the Board's opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of Te Taura Whiri i te Reo Māori for the year ended 30 June 2011.

Signed on behalf of the Board:



Erima Henare
Commissioner (Chair/Toihau)
Board of Te Taura Whiri i te Reo Māori
31 October 2011



Ruakere Hond
Commissioner
Board of Te Taura Whiri i te Reo Māori
31 October 2011

Financial Statements

Statement of Comprehensive Income for the year ended 30 June 2011

2010 Actual \$		Notes	2011 Actual \$	2011 Budget \$
	REVENUE			
3,204,000	Revenue from Crown	2	3,204,000	3,204,000
46,217	Interest Received		42,997	25,000
2,433,655	Other income	3	1,860,494	1,663,000
5,683,872	Total Revenue		5,107,491	4,892,000
	EXPENSES			
7,363	Amortisation	9	6,050	12,000
138,697	Depreciation	8	141,990	175,927
3,601,430	Operating expenses	4	3,360,660	2,919,072
1,930,579	Personnel	5	1,593,622	1,785,001
5,678,069	Total Expenses		5,102,322	4,892,000
5,803	SURPLUS FOR THE YEAR		5,169	-
5,803	TOTAL COMPREHENSIVE INCOME		5,169	-

Explanations of significant variances against budget are detailed in note 23.

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 2011

2010 Actual \$		Notes	2011 Actual \$	2011 Budget \$
ASSETS				
Current Assets				
1,477,222	Cash and cash equivalents	6	904,555	556,610
55,287	Debtors and other receivables	7	112,773	75,000
1,676,751	Mā Te Reo Agency Fund Investment Account	12	379,366	1,623,284
9,273	Prepayments		5,802	-
12,283	GST receivable		-	-
3,230,816	Total current assets		1,402,496	2,254,894
Non-current Assets				
2,000,000	Mā Te Reo Agency Fund Investment Account	12	2,000,000	-
407,742	Property, Plant and equipment	8	336,697	310,286
9,478	Intangible assets	9	9,928	11,553
2,417,220	Total non-current assets		2,346,625	321,839
5,648,036	TOTAL ASSETS		3,749,121	2,576,733
LIABILITIES				
Current Liabilities				
1,023,670	Creditors and other payables	10	373,398	92,079
341,340	Mā Te Reo Agency Fund Investment Account	12	274,731	500,000
-	GST payable		5,474	-
140,114	Employee entitlements	11	180,430	72,000
1,505,124	Total current liabilities		834,033	664,079
Non-current Liabilities				
3,335,411	Mā Te Reo Agency Fund Investment Account	12	2,104,635	1,123,284
12,328	Employee entitlements	11	10,111	-
3,347,739	Total non-current liabilities		2,114,746	1,123,284
4,852,863	TOTAL LIABILITIES		2,948,779	1,787,363
795,173	NET ASSETS		800,342	789,370
CROWN EQUITY				
795,173	Total Investment by the Crown		800,342	789,370
795,173	TOTAL CROWN EQUITY		800,342	789,370

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 2011

2010 Actual \$		2011 Actual \$	2011 Budget \$
789,370	Total Crown Equity at 1 July	795,173	789,370
5,803	Total Comprehensive Income	5,169	-
795,173	TOTAL CROWN EQUITY AT 30 JUNE	800,342	789,370

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 2011

2010 Actual \$		Notes	2011 Actual \$	2011 Budget \$
	CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash was provided from (applied to)			
3,204,000	Receipts from Crown revenue		3,204,000	3,204,000
46,217	Interest received		42,997	25,000
1,685,737	Receipt from other revenue		1,702,252	1,663,000
(3,044,609)	Payments to suppliers		(3,828,508)	(2,895,972)
(1,952,803)	Payments to employees		(1,555,523)	(1,785,001)
(27,625)	Payment of GST		(60,439)	2,887
(89,083)	Net Cash Flow from Operating Activities	15	(495,221)	213,914
	CASH FLOWS FROM INVESTING ACTIVITIES			
	Cash was provided from (applied to)			
-	Sale of property, plant and equipment		-	-
(59,189)	Purchase of property, plant and equipment		(70,946)	(75,000)
(1,920)	Purchase of intangible assets		(6,500)	(5,000)
(61,109)	Net Cash Flows from Investing Activities		(77,446)	(80,000)
	CASH FLOWS FROM FINANCING ACTIVITIES			
	Cash was provided from (applied to)			
-	Capital contributions		-	-
-	Net Cash Flows from Financing Activities		-	-
(150,192)	Net (decrease)/ increase in cash and cash equivalents		(572,667)	133,914
1,627,414	Cash and cash equivalents at beginning of year		1,477,222	422,696
1,477,222	Cash and cash equivalents at end of year		904,555	556,610

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 2011

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 2011, and were approved by the Te Taura Whiri i te Reo Māori Board on 31 October 2011.

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 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.

Changes in Accounting Policies

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

Early Adopted Amendments to Standards

The following amendments to standards have been early adopted:

- *NZ IAS 24 Related Party Disclosures (Revised 2009)* – The effect of early adopting the revised NZ IAS 24 is:
 - More information is to be disclosed about transactions between Te Taura Whiri i te Reo Māori and entities controlled, jointly controlled or significantly influenced by the crown;
 - Commitments with related parties require disclosure;
 - Information is required to be disclosed about any related party transactions with Ministers of the Crown.

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 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 financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through surplus / deficit. 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.

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) 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.

c) Cash and Cash Equivalents

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

d) 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).

e) Investments

Bank Deposits

Investments in bank deposits are initially measured at fair value.

After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

For bank deposits, impairment 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 deposit. Significant financial difficulties of the bank, probability that the bank will enter into receivership or liquidation, and default in payments are considered indicators that the deposit is impaired.

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 nominal 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 nominal value', and 'cash and cash equivalents'. 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 nominal value. Financial assets at nominal value are stated with any resultant gain or loss recognised in profit or loss of the fund upon disposal of the asset as per note 12.

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

f) 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.

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

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 asset to its estimated residual value over their expected useful life. 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

g) 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.

h) Impairment of Property, Plant and Equipment and Intangible Assets

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.

i) 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.

j) 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.

k) Superannuation Schemes

Defined contribution schemes

Obligations for contributions to Kiwisaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation scheme and are recognised as an expense in the Statement of Comprehensive Income as incurred.

l) 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.

m) Income Tax

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

n) Budget Figures

The budget figures are those that form part of Te Taura Whiri i te Reo Māori 2010/2011 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.

o) 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.

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. Te Taura Whiri i te Reo Māori has not made any significant changes to the estimates and underlying assumptions during this period.

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.

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 (2010: \$Nil).

3. Other Income

	2011	2010
	\$	\$
Certificate and registration fees	7,000	4,301
Contract income	1,658,453	2,274,658
Other income	195,041	154,696
Total Other Income	1,860,494	2,433,655

4. Operating Expenses

	2011	2010
	\$	\$
Administration	915,286	417,380
Advertising	13,555	43,739
Audit fees – Audit of the financial statements	25,370	22,850
Consultants' fees	14,240	35,980
Contractors	1,937,491	2,526,870
General expenses	13,016	14,959
Motor vehicle expenses	4,532	9,073
Printing costs	76,398	78,406
Rent	208,836	218,052
Travel and accommodation	151,936	226,209
Loss on asset written off	-	7,912
Total Operating Expenses	3,360,660	3,601,430

5. Personnel Expenses

	2011	2010
	\$	\$
Salaries and wages	1,407,289	1,692,811
Other remuneration	120,844	228,478
Employer contributions to defined contribution plans	27,390	28,706
(Decrease)/Increase in employee entitlements (note 11)	38,099	(19,416)
Total Personnel Expenses	1,593,622	1,930,579

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

6. Cash and Cash Equivalents

	2011	2010
	\$	\$
Cash on hand and at bank	38,863	33,852
Cash Equivalents – Call account	865,692	1,443,370
Total Cash and Cash Equivalents	904,555	1,477,222

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

7. Debtors and Other Receivables

	2011	2010
	\$	\$
Debtors and other receivables	112,773	55,287
Allowance for doubtful debt	-	-
Total Debtors and Other Receivables	112,773	55,287

The carrying value of receivables approximates their fair value. As at 30 June 2011, 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

	2011	2010
	\$	\$
Not past due	106,077	54,123
Past due 1-30 days	4,147	307
Past due 31-60 days	-	-
Past due 61-90 days	-	-
Past due > 91 days	2,549	857
Balance at 30 June	112,773	55,287

8. Property, Plant and Equipment

Cost	Balance at 1 July 2009	Additions 2010	Disposals 2010	Balance at 30 June 2010 & 1 July 2010	Additions 2011	Disposals 2011	Other Adjustments	Balance at 30 June 2011
Leasehold Improvements	\$ 676,304	\$ -	756	\$ 675,548	\$ -	\$ -	\$ (330,435)	\$ 345,113
Furniture and Fittings	231,384	14,890	3,163	243,111	14,712	-	(63,071)	194,752
EDP Equipment	363,134	43,065	19,101	387,098	53,927	-	(170,228)	270,797
Office Equipment	32,759	1,233	-	33,992	2,307	-	(15,665)	20,634
	1,303,581	59,188	23,020	1,339,749	70,946	-	(579,399)	831,296

Accumulated depreciation and impairment	Balance at 1 July 2009	Disposals 2010	Depreciation 2010	Balance at 30 June 2010 & 1 July 2010	Disposals 2011	Depreciation 2011	Other Adjustments	Balance at 30 June 2011
Leasehold Improvements	\$ 398,498	756	67,209	\$ 464,951	\$ -	\$ 67,209	\$ (330,435)	\$ 201,725
Furniture and Fittings	104,355	3,164	31,834	133,025	-	32,501	(63,071)	102,455
EDP Equipment	273,881	11,189	38,375	301,067	-	41,783	(170,227)	172,623
Office Equipment	31,685	-	1,279	32,964	-	497	(15,665)	17,796
	808,419	15,109	138,697	932,007	-	141,990	(579,398)	494,599

Carrying amount	At 30 June 2011	At 30 June 2010
	\$	\$
Leasehold Improvements	143,388	210,597
Furniture and Fittings	92,297	110,086
EDP Equipment	98,174	86,031
Office Equipment	2,838	1,028
	336,697	407,742

9. Intangible Assets

Cost	Balance at 1 July 2009	Additions 2010	Disposals 2010	Balance at 30 June 2010 & 1 July 2010	Additions 2011	Disposals 2011	Other Adjustments	Balance at 30 June 2011
	\$	\$	\$	\$	\$	\$	\$	\$
Software	145,440	1,920	-	147,360	6,500	-	(94,620)	59,240
	145,440	1,920	-	147,360	6,500	-	(94,620)	59,240

Accumulated amortisation and impairment	Balance at 1 July 2009	Disposals 2010	Armorti- sation 2010	Balance at 30 June 2010 & 1 July 2010	Disposals 2011	Armorti- sation 2011	Other Adjustments	Balance at 30 June 2011
	\$	\$	\$	\$	\$	\$	\$	\$
Software	130,519	-	7,363	137,882	-	6,050	(94,620)	49,312
	130,519	-	7,363	137,882	-	6,050	(94,620)	49,312

Carrying amount	At 30 June 2011	At 30 June 2010
	\$	\$
Software	9,928	9,478
	9,928	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

	2011	2010
	\$	\$
Trade creditors	277,786	764,991
Income in advance	-	108,253
Accrued expenses	56,192	108,258
Other payables	39,420	42,168
Total Creditors and Other Payables	373,398	1,023,670

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

	2011	2010
	\$	\$
Current employee entitlements		
Accrued salaries and wages	56,766	40,537
Annual leave	93,664	60,577
Other	30,000	39,000
Total Current Portion	180,430	140,114

	2011	2010
	\$	\$
Non-Current employee entitlements		
Sick leave	6,311	10,149
Long service leave	3,800	2,179
Total Non-Current Portion	10,111	12,328
Total Employee Entitlement	190,541	152,442

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 to 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 5.40% (2010: 5.51%) and an inflation factor of 3.5% (2010: 3.0%) 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.

	2011	2010
	\$	\$
Balance of fund on 1 July	3,335,411	4,632,407
Add:		
Interest received	201,269	244,695
Reversal of prior year's Grants	87,690	1,000
Total Income	3,624,370	4,878,102
Less:		
Grants Awarded	1,407,135	1,519,482
Investment Fees Paid	5,766	6,790
Salaries & Wages relating to Monitoring and Evaluation	66,814	-
Administration costs relating to Monitoring and Evaluation	40,020	16,419
Total Expenditure	1,519,735	1,542,691
BALANCE OF FUND ON 30 JUNE	2,104,635	3,335,411
Represented by:		
Investments	2,379,366	3,676,751
Less:		
Grants Payable	227,042	341,340
Administration costs payable	47,689	-
BALANCE OF FUND ON 30 JUNE	2,104,635	3,335,411

The above is split into current and non-current as follows:

Current	104,635	1,335,411
Non-current	2,000,000	2,000,000
BALANCE OF FUND ON 30 JUNE	2,104,635	3,335,411

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:

	2011	2010
	\$	\$
Loans and receivables	-	163,977
Cash and cash equivalents	379,366	1,512,774
Financial assets at Nominal value	2,000,000	2,000,000
Investments	2,379,366	3,676,751
<i>Financial liabilities measured at amortised cost</i>		
Creditors and Other Payables	274,731	341,340

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 2011 the floating on-call rate is 3.15%.

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 2011, 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 \$31,007 lower (2010: \$7,205 higher). The sensitivity is greater in 2011 than 2010 because of a decrease in total cash and cash equivalents held in the later part of 2011.

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:

	2011	2010
	\$	\$
Cash and Cash Equivalents	904,555	1,477,222
Receivables	112,773	76,843
Total Credit Risk	1,017,328	1,554,065

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.

	2011	2010
	\$	\$
Counterparties With Credit Ratings		
<i>Cash at bank and term deposits</i>		
Te Taura Whiri i te Reo Māori - AA	904,555	1,477,222
Mā te Reo - AA	379,366	1,512,774
Total Cash at Bank and Term Deposits	1,283,921	2,989,996
<i>NZ issued bonds</i>		
Mā te Reo - AA	1,000,000	1,000,000
Mā te Reo - BBB+	1,000,000	1,000,000
Total NZ Issued Bonds	2,000,000	2,000,000

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 2010						
Creditors and other payables	1,023,670	1,023,670	1,023,670	-	-	-
TTW 2011						
Creditors and other payables	373,398	373,398	373,398	-	-	-
MTR 2010						
Creditors and other payables	341,340	341,340	341,340	-	-	-
MTR 2011						
Creditors and other payables	274,731	274,731	274,731	-	-	-

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 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	-	-	-
TTW 2011						
Cash and cash equivalents	904,555	904,555	904,555	-	-	-
Debtors and other receivables	112,773	112,773	112,773	-	-	-
TOTAL	1,017,328	1,017,328	1,017,328	-	-	-
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	2,000,000	2,165,900	165,900	2,000,000	-	-
TOTAL	3,676,751	3,842,651	1,842,651	2,000,000	-	-
MTR 2011						
Cash and cash equivalents	379,366	379,366	379,366	-	-	-
Debtors and other receivables	-	-	-	-	-	-
Other financial assets:						
- NZ Bonds	2,000,000	2,165,900	165,900	2,000,000	-	-
TOTAL	2,379,366	2,545,266	545,266	2,000,000	-	-

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:

	2011 \$	2010 \$
TTW		
Cash and cash equivalents	904,555	1,477,222
Debtors and other receivables	112,773	76,843
Total Cash and Receivables	1,017,328	1,554,065
<i>Financial liabilities measured at amortised cost</i>		
Creditors and Other Payables	373,398	1,023,670

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

		2011 \$	2010 \$
Profit for the year		5,169	5,803
Non cash items:			
Amortisation	9	6,050	7,363
Depreciation	8	141,990	138,697
Loss on fixed assets written off		-	7,912
		148,040	153,972
Movements in net assets and liabilities			
(Increase)/Decrease in trade and other receivables		(54,015)	14,505
Increase/(Decrease) in provisions		38,099	(22,224)
Increase/(Decrease) in income in advance		(108,254)	(772,047)
Increase/(Decrease) in operating trade payable		(542,017)	631,743
(Increase)/Decrease in GST		17,757	(100,835)
		(648,430)	(248,858)
Net Cash Inflow From Operating Activities		(495,221)	(89,083)

16. Employee Remuneration

Five employees (2010: 5) received remuneration of \$100,000 or more during the financial year:

\$'000	2011	2010
100 – 109	2	2
110 – 119	-	1
120 – 129	-	1
130 – 139	1	-
140 – 149	1	-
150 – 159	-	-
160 – 169	-	-
170 – 179	1	1

During the year ended 30 June 2011, no employees received compensation and other benefits in relation to cessation (2010: \$84,924). No board member received compensation or other benefits in relation to cessation (2010: 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.

Significant transactions with government-related entities

During the period, Te Taura Whiri i te Reo Māori received \$3,204,000 (2010: \$3,204,000) of funding from the Crown. There was no balance outstanding as at 30 June 2011 (2010: \$Nil).

Te Taura Whiri i te Reo Māori received funding from Te Puni Kōkiri for the He Kāinga Kōrerorero contract of \$1,525,000 (2010: \$1,525,000). There was no balance outstanding as at 30 June 2011 (2010: \$Nil).

Collectively, but not individually, significant transactions with government-related entities

In conducting its activities, Te Taura Whiri i te Reo Māori is required to pay various taxes and levies (such as GST, FBT, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. Te Taura Whiri i te Reo Māori is exempt from income tax.

Te Taura Whiri i te Reo Māori also purchases goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown. Purchases from these government related entities for the year ending 30 June 2011 totalled \$83,000 (2010: \$135,000). These purchases included the purchase of air travel from Air New Zealand and postal services from New Zealand Post.

Key Management Personnel

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	
		2011	2010	2011	2010
Mā Te Reo Grant:		\$	\$	\$	\$
Ake Associates	(i)	-	55,000	-	10,000
Te Reo o Taranaki	(ii)	-	181,025	-	20,000
Te Ataarangi	(iii)	-	12,190	-	1,220
Te Kapa Haka o Whangarā Mai Tawhiti Trust	(iv)	-	14,726	-	2,000
Kotare Enterprises	(v)	16,000	-	2,000	-
TTW					
<i>Expenditure:</i>		\$	\$	\$	\$
Ake Associates	(i)	-	222	-	-
Te Reo o Taranaki	(ii)	27,500	122,500	-	30,938
Te Ataarangi	(iii)	1,500,000	1,510,000	-	421,875
Iwi Art	(vi)	-	1,987	-	-
<i>Revenue:</i>					
Te Ataarangi	(iii)	802	511	-	-
		1,549,302	1,898,161	2,000	486,033

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

- (i) Ake Associates, in which former 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 Whangarā Mai Tawhiti Trust, of which former Board Member Wayne Ngata is a Trustee
- (v) Kotare Enterprises, in which Board Member Evelyn Tobin is a Director
- (vi) Iwi Art, which is owned by the daughter of Huhana Rokx, former 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 and the Chief Executive.

	2011	2010
	\$	\$
Short-term employee benefits	246,606	412,891
Termination benefits	-	47,325
Total Compensation	246,606	460,216

19. Board Members' Remuneration

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

	2011	2010
	\$	\$
<i>Chairman</i>		
Erima Henare	36,257	57,525
<i>Commissioners</i>		
Iritana Tawhiwhirangi	7,175	13,300
Wayne Ngata (Former)	-	6,887
Ruakere Hond	9,531	10,925
Hana O'Regan (Former)	-	5,700
Te Awanuiarangi Black	11,202	2,613
Evelyn Tobin	12,183	2,138
<i>Former Acting CEO</i>		
Wayne Ngata	-	55,854
Total Board Members Remuneration	76,348	154,942

20. Commitments and Operating Leases

Capital Commitments

There are no capital commitments at reporting date (2010: \$Nil).

Operating Lease Commitments

Operating leases relate to the lease of the following:

- 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).
- 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:

	2011	2010
	\$	\$
Not later than one year	235,765	235,764
Later than one year but not later than five years	654,384	890,149
Later than five years	-	-
Total Operating Lease Commitments	890,149	1,125,913

21. Contingencies

Contingent Liabilities

There are no contingent liabilities at reporting date (2010: \$Nil).

Contingent Assets

There are no contingent assets at reporting date (2010: \$Nil).

22. 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 2011 (2010: Nil).

23. 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

Other Revenue

Other revenue was more than budgeted by \$197,494 because of contracts carried over into this financial year that were expected to be completed in the previous one, increased sponsorship and increased sales of Māori Language Week merchandise for MLW 2010.

Personnel Expenses

Personnel Expenses were less than budgeted by \$191,379 because of vacancies taking longer than expected to be filled.

Amortisation and Depreciation

Amortisation and Depreciation were less than budgeted by \$39,887 as most capital purchases were made in the latter part of the period.

Operating Expenses

Operation Expenses were greater than budgeted by \$441,588 as there were increased revenue balances for the carried over contracts, and increased merchandise costs for free Māori language resources during the lead up to Māori Language Week 2011.

Statement of Financial Position

Cash and Bank

Cash and Bank were more than budgeted by \$347,945 mainly due to the timing of payments at year end of the creditors and other payables balances.

Employee Entitlements

Employee entitlements were more than budgeted by \$108,430 as leave balances accumulated more than expected.

Creditors and Other Payables

Creditors and other payables were more than budgeted by \$281,319 mainly due to a high accounts payable balance relating to Māori Language Week 2011 expenditure.