

Statement of Performance

Expectations

2015/16



Statement of Responsibility

The Statement of Performance Expectations has been prepared in accordance with the requirements of sections 149B–149M of the Crown Entities Act 2004.

The performance to be achieved by Careers New Zealand for the year ending 30 June 2016 that is specified in this Statement of Performance Expectations is as agreed with the Minister of Education.

Pursuant to the Crown Entities Act 2004, we acknowledge responsibility for the preparation of the statements of forecast service performance and forecast financial statements, including the appropriateness of the assumptions underlying the forecast financial statements and all other required disclosures.

We acknowledge the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of Careers New Zealand's performance and financial reporting.

Signed on behalf of the Board of Careers New Zealand.



Dale Karauria
Board Chair
Careers New Zealand

15 June 2015



Murray Ward
Board Deputy Chair
Careers New Zealand

15 June 2015

Presented to the House of Representatives pursuant to section 149L (3) (b) of the Crown Entities Act 2004

ISSN 2463-266X (Print)

ISSN 2463-2678 (Online)

Part One

Statement of Forecast Service Performance

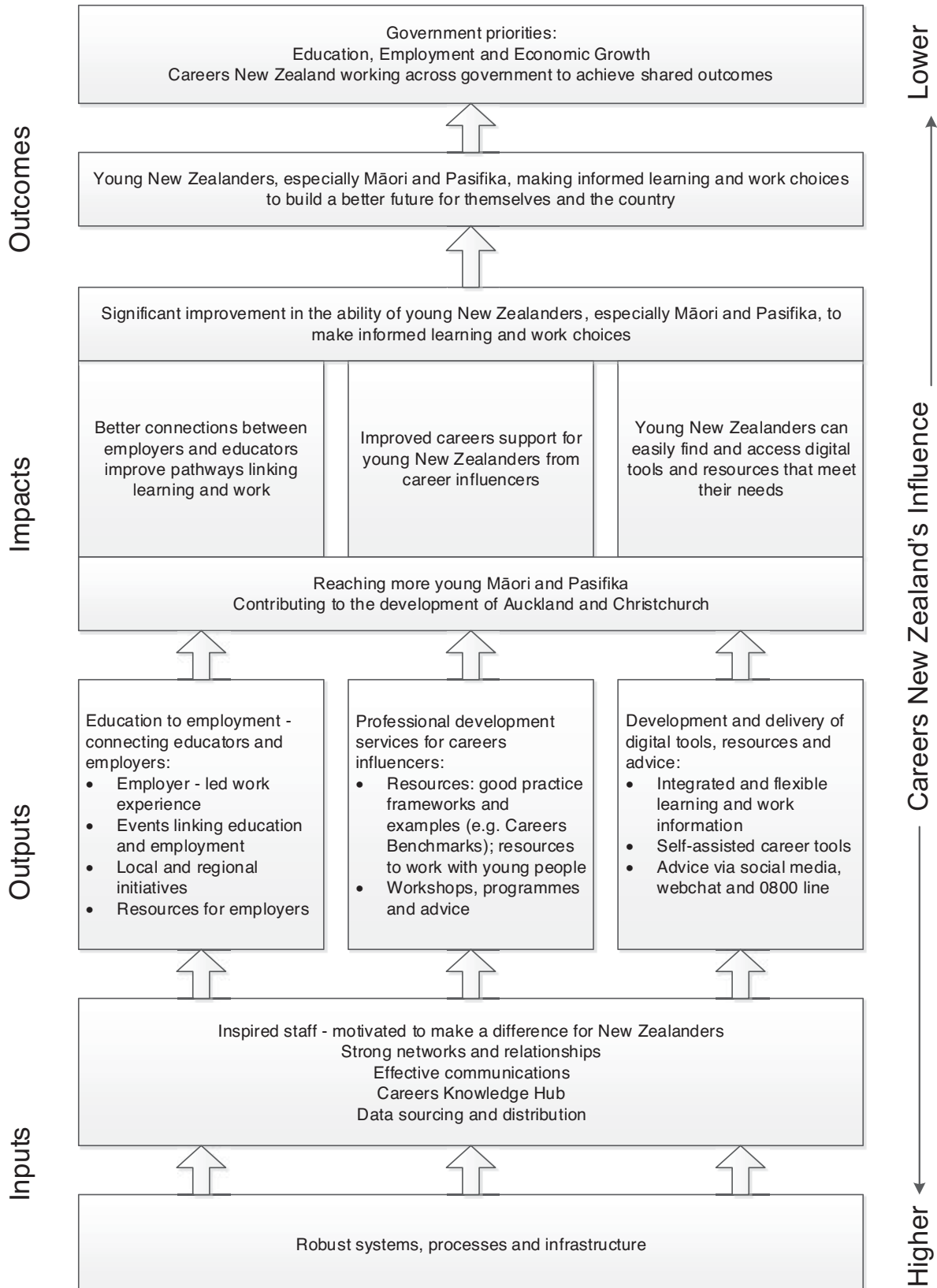
Careers New Zealand appropriations

Careers New Zealand is funded through Vote Education (Non-Departmental Output Expense: Provision of Information and Advisory Services). The table below summarises Careers New Zealand's appropriations. This is defined in the Budget 2015 Estimates of Appropriations for Vote Education.

Statement of cost of services

\$000	Estimated actual 2014/15	Forecast 2015/16
Revenue		
Funding from the Crown	15,082	15,082
Funding from Crown – Skills Transition	400	250
Interest revenue	183	158
Other revenue	222	305
Total revenue	15,887	15,795
Expenditure	15,242	15,545
Expenditure – Skills Transition	150	250
Total expenditure	15,392	15,795
Surplus/(deficit)	495	0

Intervention Logic 2015-2019



Our purpose

Our central purpose is “helping people make informed learning and working choices, so they, and the country, will have a better future”. When young people are making learning and work choices that work for them and help them reach their aspirations, everyone benefits.

Good career decisions have a positive flow-on effect for individuals, families, communities and for businesses productivity and the economy. By ensuring New Zealanders have the information they need about skill gaps, employment growth areas and relevant education opportunities, we in turn support the labour market needs of employers.

In progressing our central purpose over the next four years we want to achieve a significant improvement in the ability of young New Zealanders, especially Māori and Pasifika, to make informed learning and work choices.

We will measure this ability directly through an assessment methodology and tools that we are piloting in 2015/16. Careers New Zealand bases its approach on helping develop people’s ‘career management competencies’ – the skills, knowledge and attributes they need to make informed learning and work choices, and succeed in education and employment. These career management competencies provide the framework we will use for assessment.

The pilot will be undertaken with priority customers in areas where we are targeting a range of our products and services (e.g. young people, particularly Māori and Pasifika, in Auckland). Following the pilot, and prior to the end of 2015/16, we will establish an overall baseline and separate baselines for key priority groups. Our subsequent emphasis will be on significantly increasing the results for people in the key priority groups, and assessing the impact of Careers New Zealand on these.

Performance measure	Estimated actual 2014/15	2015/16 target
1. Increase in ‘career management competency’, particularly for our priority groups	New measure for 2015/16	Methodology to be piloted in 2015/16 and baselines set. Subsequent focus on targeted improvement for priority groups

We will also assess progress through the following indicators (link to specific measures indicated in brackets):

- More New Zealanders, particularly in priority groups, accessing our digitally delivered products and services (15,17,18,22,23,25)
- More New Zealanders, particularly in priority groups, reached by our work with employers and with career influencers in schools, the community and families/whānau/aiga (2,6,7,8,10,11,13)
- Increased levels of satisfaction with all our products and services by all users, including career influencers and employers (3,4,5,9,12,14,16,19,20,21,24,26)

A diagram showing the links between our strategy and annual performance measures is available on our website at: <http://www.careers.govt.nz/assets/pages/docs/performance-measurement-framework.pdf>

What we do

We have three interlinked strategic intentions guiding our work. These help organise our efforts and resources and contribute to achieving our strategic objectives, impacts and outcomes. Our three guiding strategic intentions are:

- Connecting educators and employers to improve career pathways at important transition points in people's learning and work lives
- Delivering professional development for career influencers - we provide resources and build the capability of career influencers to help them provide informed career support
- Developing and delivering new and existing digital tools and resources to help people make informed learning and work choices.

In enacting these strategic intentions we are making sure that our efforts are focused on assisting young New Zealanders between 11-24 years old, particularly Māori and Pasifika, both directly and through the work of others.

We have set our annual activities and priorities in response to the Minister of Education's expectations as set out in the Letter of Expectations for 2015/16. This is summarised in the Appendix.

Our key priorities

Our focus is on young people and the key transition points they are progressing through. We want to assist them achieve the skills and qualifications that will enable them to secure satisfying, sustainable work. Within this age group we will have a particular emphasis on reaching young Māori and Pasifika and those from lower socio-economic backgrounds.¹ We will also have some geographic prioritisation of our efforts, reflecting the importance of Christchurch and Auckland.

While we will continue to provide a wide and rich range of information about occupations through our digital channels, we will focus particularly on better connecting employers and education in five industry areas: information technology, agribusiness, health, engineering and science.

In measuring our performance, we will collect data in a way that enables analysis against our demographic, ethnic and regional prioritisation, and report against this in our Annual Report.

What we will achieve and how our performance will be assessed

Connecting educators to employers

We help connect educators and employers to improve career pathways at important transition points in young people's learning and work lives. This benefits the young people themselves, by making education and training more relevant and helping them see practical career pathways. It also benefits employers, by helping them find employees with the skills, qualifications and motivation they need.

¹ We will also support those who have become disengaged/are at risk of disengagement from learning and employment; and those with special educational needs.

Our initiatives in 2015/16 will include:

- Employer-led work experience programmes, providing meaningful and inspiring introductions to the world of work for young people
- Events that bring together a range of employers, educators and trainers to enable young people to get a better understanding of the options available to them and how to pursue these, including how Vocational Pathways work and the role of Youth Guarantee
- Local and regional initiatives encouraging co-operation among employers and educators to help meet local labour market needs (e.g. in Christchurch).

Over the next four years we want to see our work leading to better connections and stronger information flows between educators and employers that are supporting improved learning and work transitions. In 2015/16 we will track progress against the following performance measures.

Performance measure	Estimated actual 2014/15	2015/16 target
2. Number of new national initiatives delivered to improve connections between education and employment	New measure for 2015/16	3
3. Percentage of participating schools that agree Careers New Zealand's new national initiatives have been effective in improving connections between education and employment	New measure for 2015/16	75%
4. Percentage of participating employers/employment organisations that agree Careers New Zealand's new national initiatives have been effective in improving connections between education and employment	New measure for 2015/16	75%
5. Percentage of participating young people that agree Careers New Zealand's new national initiatives have improved their ability to make learning and work choices	New measure for 2015/16	75%
6. Percentage of participants in new national initiatives from priority groups	New measure for 2015/16	Indicator reported against annually

Professional development services

We provide professional development to build the skills of those influencing career choices, to help them give informed support to young people.

Young people receive advice and information about their learning and work choices from a range of sources that collectively we refer to as 'career influencers'. Some career influencers are professionals such as school careers advisors, for whom it is their main focus, and teachers and school leaders for whom it is an important aspect of their jobs. Other influencers are informal – key among these for most young people are families, for Māori their whānau and for Pasifika their aiga.

We provide online information and resources for career influencers, and will be continuing to improve these. We support all-of-organisation improvement for professional career influencers through the implementation of the careers education benchmarks. The Career Education Benchmarks are a series of good practice frameworks tailored to different stages of the

transition through education and training, and into the workforce. They are an important tool for lifting quality and consistency across the system, and raising the quality of teaching of career education.

We provide professional development programmes, workshops and advice to career professionals and other ‘formal influencers’. These can be delivered through a variety of means and channels including online one-to-many, self-guided learning using online resources and personalised remote support, and on-site in - person workshops. We also provide support to families, whānau and aiga, often in the context of multi-agency initiatives such as “NCEA & the Whānau”.

Over the next four years we want to see significant improvements in the informed career support educational institutions, communities, whānau groups, families and other influencers are providing to young people. In 2015/16 we will track progress against the following performance measures. In 2018/19 we intend commissioning a third - party review of careers education to thoroughly assess progress in the schools sector.

Performance measure	Estimated actual 2014/15	2015/16 target
7. Percentage of year 7-13 schools actively using Career Education Benchmarks	New measure for 2015/16	Establish baseline
8. Number of education providers participating in Careers New Zealand capability building programmes	250	300
9. Percentage of participating education providers that are satisfied that the capability building programmes have helped improve the quality of their career education provision	82%	85%
10. Number of young people who are reached through our capability building programmes to Year 7-13 schools	New measure for 2015/16	Establish baselines
11. Number of community groups and organisations (including Māori organisations) receiving careers capability building programmes ²	40	50
12. Percentage of community groups and organisations (including Māori organisations) that are satisfied that the programme helped them to better support young people’s success in work and learning	82%	85%
13. Number of families/whānau/aiga supported through capability building programmes	250	275
14. Percentage of families/whānau/aiga that are satisfied that the program helped them to better support young people’s success in work and learning	82%	85%
15. Usage of our online resources for career influencers	New measure for 2015/16	Establish baseline
16. Percentage of career influencers reporting that Careers New Zealand online resources provided tools and activities that are useful for them assisting others	New measure for 2015/16	75%

Digital tools and resources

We will use the most effective channels to directly provide people with independent information, digital tools, resources and advice to help them make informed learning and work

² These may include Careers New Zealand programmes or inter-agency programmes that Careers New Zealand delivers in co-operation with others.

choices. Our digital and online services are cost-effective channels connecting with our customers. They are critical to improving our reach and influence. Our website currently receives over four million New Zealand-based visits annually. An increasing number of users access these services via a range of mobile devices including smartphones, tablets and gaming consoles.³ Higher needs users are able to access direct advice from trained career advisors through a range of channels.

Our website includes easy-to-follow job summaries and the ability to compare employment outcomes and earning potential of investing in tertiary education. It is supported by other digital channels including web-chat, social media platforms and an Advice Line phone service.

We have a range of online quizzes and tools to help young people explore their options and build their careers skills and knowledge. One of the most popular of these is Career Quest which asks young people a range of questions about their interests to help them build an idea of which study and career paths might be right for them. We have chosen usage of this tool as a good indicator of engagement.

Careers New Zealand has also been allocated additional funding to develop an online skills self-assessment tool: the 'Skills Transition Tool'. This will support the career development aspirations and needs of a target audience of 25-34 year olds, but will be available to all. We will roll this out in 2015/16.

Over the next four years we want to see that people, especially young people aged between 11-24, Māori and Pasifika, can easily find and access the tools and resources they need, and these tools meet their needs. We will improve the impact of our digital tools and resources and extend our reach by:

- delivering timely information and advice to assist the learning and work choices of our audiences
- effectively using modern digital channels, such as mobile, to increase customer engagement, making our information mobile ready and able to be accessed in ways that best meet our customers' needs
- collating, analysing, translating, personalising and packaging our products and services for different audiences
- gaining improved insights into our customers and the usability of resources to inform further development and improve access to information
- working with stakeholders on the evaluation of specific tools and resources.

³ Mobile devices now make up approximately 35% of all visits to the Careers New Zealand website; the numbers of mobile device visits in 2014/15 are up approximately 10% from the previous financial year.

In 2015/16 we will track progress against the following performance measures.

Performance measure ⁴	Estimated actual 2014/15	2015/16 target
17. Number of New Zealand-based web visits to the Careers New Zealand website	4.0 million	4.2 million
18. Availability of the Careers New Zealand website per quarter	New measure for 2015/16	≥99.5% of time each quarter
19. Percentage ⁵ of users who agree that the Careers New Zealand website is easy to use	75%	75%
20. Percentage of users who agree that the Careers New Zealand website is relevant to their needs	75%	75%
21. Percentage of users from priority groups who agree that the Careers New Zealand website is relevant to their needs	New measure for 2015/16	75%
22. Skills Transition Tool launched on the Careers New Zealand website	New measure for 2015/16	By 31 December 2015
23. Number of completions of Career Quest	110,000	150,000
24. Percentage of Career Quest users who complete the tool	58%	≥65%
25. Total advisory services delivered through phone, web-chat, social media and text message	30,000	30,000
26. Percentage of individuals who say the advisory services met their career-related needs	82%	85%

⁴ Where a measure mentions the Careers New Zealand website it is specifically referring to www.careers.govt.nz

⁵ Our website performance measures will be determined by responses to an online satisfaction questionnaire completed by visitors to the website.

Part Two

Forecast Financial Statements

Part Two contains the information required by section 149E(2)(b) and section 149G of the Crown Entities Act 2004, to be reported against in Careers New Zealand's Annual Report for 2015/16.

Financial management in Careers New Zealand

Careers New Zealand's financial management is based on the following key elements:

- a robust budgeting process with regular forecast updates three times each year
- a conservative investment strategy for term investments with established financial institutions
- established and documented internal controls including policy and procedures, financial delegations and a planned internal audit programme
- regular reporting and monitoring through cost-centre managers to our Senior Leadership Team, the Finance and Risk Committee of the Board, the Board, the Ministry of Education (as monitoring agent) and the Minister of Education
- a capital expenditure management framework including planning, budgeting and reporting
- continually looking for opportunities for collaboration across government to ensure ongoing efficiencies and operating savings - for example co-locating with other government agencies.

Forecast statement of comprehensive revenue and expenditure

\$000	Estimated actual 2014/15	Forecast 2015/16
Revenue		
Funding from the Crown	15,082	15,082
Funding from Crown – Skills Transition Project	400	250
Interest revenue	183	158
Other revenue	222	305
Total revenue	15,887	15,795
Operating expenditure		
Personnel costs	9,591	10,181
Depreciation and amortisation expense	488	556
Other expenditure	5,163	4,808
Total operating expenditure	15,242	15,545
Skills Transition expenditure		
Skills Transition Project	150	250
Total expenditure Skills Transition Project	150	250
Total expenditure	15,392	15,795
Operating surplus/(deficit)	245	0
Operating surplus/(deficit) – Skills Transition Project	250	0
Operating surplus/(deficit) and total comprehensive revenue and expenditure	495	0

Note: the forecasted surplus of \$495,000 includes \$250,000 of revenue received for the development of an online skills assessment tool. The tool is currently under development at 30 June 2015.

Forecast statement of changes in equity

\$000	Estimated actual 2014/15	Forecast 2015/16
Taxpayers' equity as at 1 July	3,665	4,160
Net surplus/(deficit) and total comprehensive income	495	0
Taxpayers' equity as at 30 June	4,160	4,160

Forecast statement of financial position

\$000	Estimated actual 2014/15	Forecast 2015/16
Assets		
Current assets	5,100	3,557
Non-current assets	802	2,246
Total assets	5,902	5,803
Liabilities		
Current liabilities	1,742	1,643
Total liabilities	1,742	1,643
Closing equity	4,160	4,160

Forecast statement of cash flow

\$000	Estimated actual 2014/15	Forecast 2015/16
Cash flows from operating activities		
Operating receipts	15,704	15,637
Receipts from interest	183	158
Operating payments	(14,758)	(15,340)
Net cash flows from operating activities	1,129	455
Cash flows from investing activities		
Purchase of property, plant and equipment	(397)	(2,000)
Net cash flows from investing activities	(397)	(2,000)
Net increase/(decrease) in cash and cash equivalents	732	(1,545)
Cash and cash equivalents at the beginning of the year	4,215	4,947
Cash and cash equivalents at the end of the year	4,947	3,402

Notes to the forecast financial statements

The forecast financial statements are based on policies and approvals in place as at April 2015 and are GST exclusive. The forecast for 2015/16 is prepared in accordance with New Zealand GAAP and comply with Public Benefit Entity Standards.

The forecast financial statements set Careers New Zealand's activities and planned performance. Use of this information for other purposes may not be appropriate.

Actual results may vary from the information presented here and the variations may be material.

These forecast financial statements have been prepared on the basis of assumptions as to future events that Careers New Zealand reasonably expects to occur, associated with the actions Careers New Zealand reasonably expects to take, as at the date that this information was prepared.

A breakeven position is forecasted for 2015/16.

The statements have been prepared with the following assumptions:

1. The \$2 million investment in fixed assets is the forecast possible spend for the capital programme. The main capital investment will be focused on our digital and online services.
As in previous years, there is no undertaking or guarantee that capital purchases will meet this level. Actual capital expenditure will be based on specific business cases approval by the Chief Executive and Senior Leadership Team.
2. Other revenue may vary. During 2015/16 we will be actively exploring new revenue opportunities.
3. Personnel costs reflect the new organisation structure implemented in April 2015.
4. Increased investment in marketing costs in relation to our website and online products to support and increase our reach and effectiveness.
5. Other expenditure is based on the assumption efficiency savings will continue to be realised during the year.

Statement of accounting policies

Reporting entity

Careers New Zealand is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. Careers New Zealand's ultimate parent is the New Zealand Crown.

Our functions and responsibilities are set out in the Education Act 1989 and are funded primarily by government through Vote Education. The primary objective of Careers New Zealand is to provide services that support government's key priority areas, as opposed to that of making a financial return. Accordingly, Careers New Zealand is designated as a public

benefit entity (PBE) for the purposes of the New Zealand equivalents to the International Public Sector Accounting Standards (NZ IPSAS).

Basis of preparation

Statement of compliance

The forecast financial statements have been prepared in accordance with the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The forecast financial statements have been prepared in accordance with Tier 2 PBE accounting standards. This includes Public Benefit Entity Financial Reporting Standard 42: Prospective Financial Statements (PBE FRS-42).

These financial statements comply with PBE accounting standards.

Measurement basis

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

Functional and presentation currency

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

Judgement and estimations

The preparation of financial statements in conformity with PBE accounting standards requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting policies

Revenue

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

Interest income is recognised using the effective interest rate method.

Leases

Careers New Zealand leases office premises. As all risks and ownership are retained by the lessor, these leases are classified as operating leases. Operating lease costs are expensed in the period in which they are incurred.

Cash and cash equivalents

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

Debtors and receivables

Debtors and other receivables are initially measured at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

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

Investments

Investments represent term deposits held with banks with maturities of three months or less.

Property, plant and equipment

Property, plant and equipment asset classes consist of the following asset classes: office equipment, computer equipment, motor vehicles and leasehold improvements.

Property, plant and equipment are recorded at cost less accumulated depreciation and impairment losses.

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 Careers New Zealand and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive revenue and expense.

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 Careers New Zealand and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

- Office equipment – three to five years (33%-20%)
- Computer equipment – three to four years (33%-25%)
- Motor vehicles – four years with estimated residual value (25%)
- Leasehold improvements – over the useful life of the lease.

Fixed assets costing more than \$2,500 are capitalised. All other assets costing less than \$2,500 are to be expensed as minor assets in the year of purchase.

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

Intangible assets

Software acquisition and development

Intangible assets consist of acquired and internally developed software.

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

The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. Expenditure incurred on research of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred.

Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment losses. Amortisation is charged to the statement of comprehensive revenue and income on a straight-line basis over the useful life of the asset.

The useful lives and associated amortisation rates of intangible assets have been estimated at three to four years (33%-25%).

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Publications inventories are valued at the lower of cost and net realisable value.

The write-down from cost to current replacement cost or net realisable value is recognised in the statement of comprehensive revenue and expenditure.

Employee entitlements

Short-term employee entitlements

Employee benefits that Careers New Zealand expects to be settled within 12 months after the end of the period in which the employee renders the service are measured nominal values based on accrued entitlement at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date and sick leave.

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

Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis.

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

Commitments and contingencies are disclosed exclusive of GST.

Taxation

Careers New Zealand is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

Commitments

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

Other liabilities and provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Contingent assets and contingent liabilities

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

Taxpayers' funds

This is the Crown's net investment in Careers New Zealand.

Changes in accounting policies

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

Comparatives

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impractical to do so.

Appendix: Careers New Zealand Letter of Expectations for 2015/16 – key excerpts

Strategic focus for CNZ

CNZ is an important contributor to goals and priorities for the education system as well as those focused on improving New Zealand's economic performance. My Letter of Expectations for 2014/15 outlined the connections between government priorities and CNZ's work. These connections remain relevant and I expect CNZ to continue supporting these goals and priorities, particularly in the following areas:

- Better Public Services;
- The Tertiary Education Strategy (TES); and
- The Skilled and Safe Workplaces workstream of the Business Growth Agenda.

Improving transitions between levels of study and from study to employment

CNZ's core functions in providing careers information, advice and guidance can make a significant contribution to improving pathways and transitions. I expect CNZ to focus on ensuring that people can access accurate and relevant information that will inform their decisions about learning and work.

CNZ continues to have a role in connecting educators and employers and I would like CNZ to consider how its work can better connect schools, tertiary education providers, and employers to encourage smooth transitions for learners.

Delivering more effectively for Māori, Pasifika and people from lower socio-economic backgrounds

As CNZ creates information resources and establishes its work programmes, CNZ must ensure that these address the needs of these groups.

I expect that CNZ will continue to support the Māori education strategy, *Ka Hikitia Accelerating Success 2013-2017*, *Tau Mai Te Reo – The Māori Language in Education Strategy 2013-2017*, the *Pasifika Education Plan 2013-2017*, and consider how it supports Priority 3 of the TES – *Boosting achievement of Māori and Pasifika*. CNZ should ensure that it is well connected to other agencies' work in these areas and that its work for Māori and Pasifika is informed by these guiding documents.

Supporting quality teaching

A significant focus for the education system is supporting and improving the quality of teaching to deliver better outcomes for students. As part of this broader initiative, I expect that CNZ will use its careers knowledge and expertise to build careers capability and practice in schools.

Operating expectations for CNZ

- Responding to the Performance Improvement Framework review results;
- Effective strategic planning and information on results; and
- Consider opportunities for commercialising CNZ's work that may emerge.

