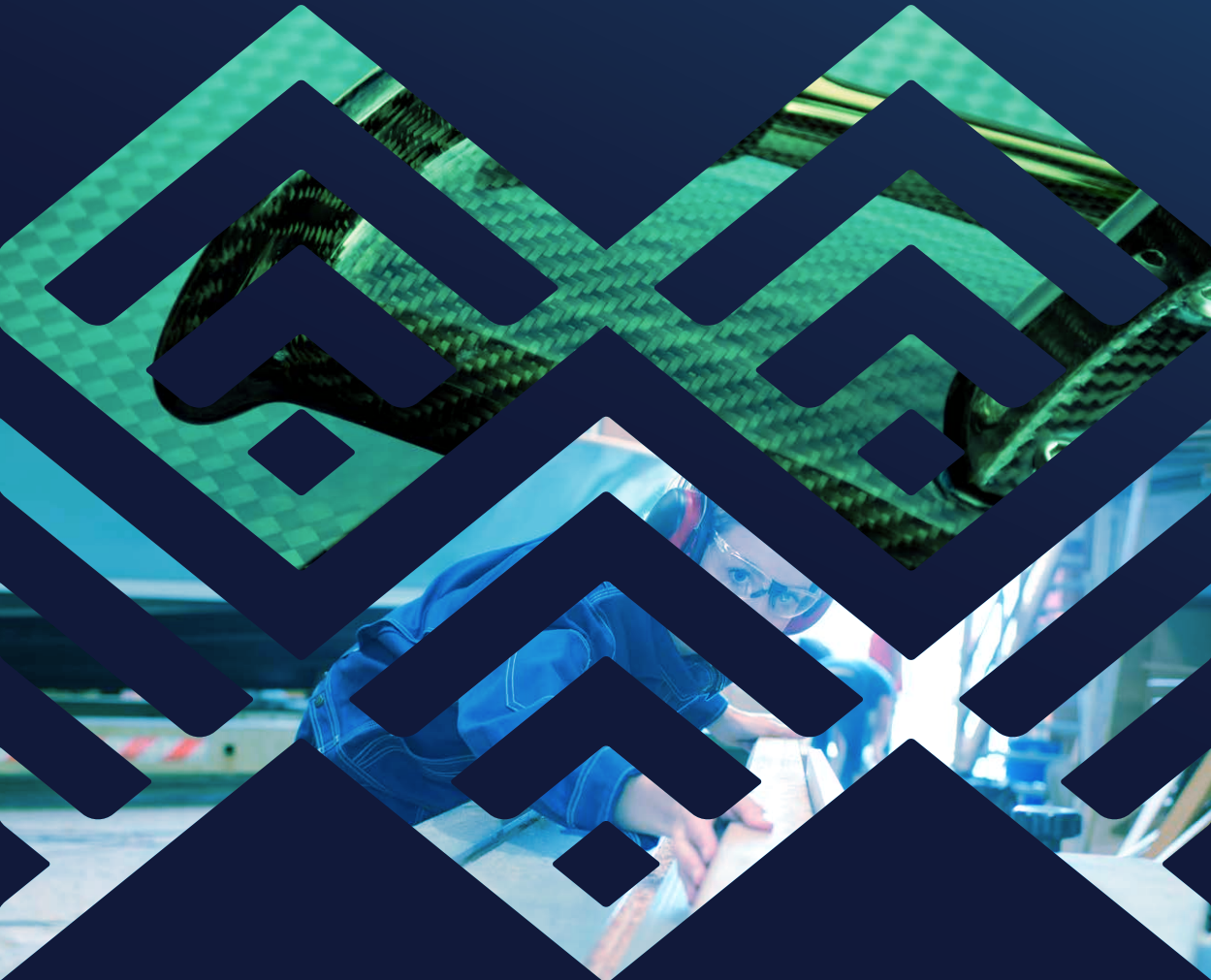




# MAST ACADEMY

NEW ZEALAND

ANNUAL  
REPORT  
2022



## Company Directory

Legal Name:	Marine and Specialised Technologies Academy of New Zealand Limited
Trading as:	MAST Academy
Registered Office:	85 Westhaven Drive, St Mary's Bay, Auckland 1011
Shareholder:	Boating Industries Association of New Zealand Incorporated
Issued Capital:	500,000
Shares:	500,000
Directors:	Tracey Stevenson (Board Chair) Susan Lake, Tommy Honey, David Glen
Registration Number:	8137259
NZBN:	9429048761888
Charity Number:	CC58968
Financial Auditor:	William Buck Audit (NZ) Ltd

## Governance and Purpose Statement

MAST Academy is a private training establishment that was established on August 2nd, 2021. Our purpose is to promote and advance education and training programmes in the marine, composites and industrial textile industries, as well as associated allied trades in New Zealand, for the benefit of apprentices, trainees, students, and other members of the community.

MAST Academy is committed to advancing education, learning, and training in all its forms, with a focus on providing industry-relevant and learner-centric programmes that contribute to the growth and success of New Zealand's industry, commerce and community. Our training programmes encompass all aspects of the marine, composites and industrial textile industries,

including manufacturing, building, repairing, refitting, servicing, chartering, and sale of all types of recreational, commercial, and defence vessels. We also specialise in industrial textile fabrication and other boating related requirements incidental to these industries.

We are governed by a Board of Directors that provides key strategic direction and fosters a learner-centric vision at our core. The board's composition has been thoughtfully selected to bring together industry and education experts who are committed to advancing our purpose and driving our mission. Our dedication to excellence in education and training has led to continued success, and we are proud to share our achievements with you in this Annual Report.



**MAST**  
**ACADEMY**  
NEW ZEALAND

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## Our Vision

Create the New Zealand centre of excellence for marine, composite and specialised technology training.

## Our Mission

Work with learners and employers to ensure people are trained with the necessary Skills and Knowledge to build successful lives and businesses.

## Our Values

Underpinning the vision and mission, the MAST Academy maintains a set of core principles that guide the organisation and help navigate decisions:





# Our Values

## Inclusive Learning & Kaitiakitanga

We strive to provide an inclusive learning environment that fosters diverse talent and recognises all learners' entitlement to a meaningful learning experience. It is also key to recognise the importance of committed and accountable leadership that enables, advocates, and models the 5 key Māori cultural values in the workplace. This includes the importance of business policies and strategic initiatives that are not opposing the 5 key Māori cultural values. This means recognising diversity; encouraging and enabling broad participation; removing and avoiding barriers to learning, anticipation, and considering a variety of learning needs and preferences.

## Learner Centric & Mātauranga

Our approach will enable learners to take responsibility for their learning and make decisions about what and how they learn. We will encourage increased engagement in learning through dynamic relationships between learners and their instructors and by supporting learners to freely express their knowledge with others. It is also imperative that we recognise the importance of on-going professional development for all staff within the organisation. In order to support this core principle, we recognise the importance of ensuring the Treaty of Waitangi is understood by all staff and the principles are embedded and enacted within the core business.

## First-in-Class & Auahatanga

We strive to provide an enviable learning environment through our programme offerings, academic team and student support services. This means having world-class quality standards and aspiring to be world leaders in achieving industry outcomes across marine, composites and specialised trade programmes. This also includes recognising the importance of ongoing Audit & Review activities that evaluate and monitor the business status and form part of core business activities, as well as the importance of investing adequate resourcing to activities that will support sustainability.

## Future Focused & Whakawhanau-ngatanga

We strive to create and deliver programmes that result in student outcomes that are relevant to the future needs of work in marine, composites, and specialised technologies. We aim to do this while also highlighting the importance of adopting an organisational workload model. One that is reflective of a 'collective responsibility' culture and also acknowledges activities that are undertaken by staff, due to cultural obligations within the organisation. This means having strong interpersonal relationships with internal staff as well as strong industry relationships to keep us close to the forefront of new technology and industry changes. As well as having the flexibility to pivot and meet changing needs, as well as acknowledging the importance of Whakapapa connections, by connecting staff and learners to whanau (family) and whenua (the environment).

## Wairuatanga

The importance of ensuring a recognised sense of identity, uniqueness and belonging, it is the outcome seen by staff and the organisation from their commitment to this kaupapa and the four values mentioned above being enacted by all.

## An overview of our year:

This report aims to provide a clear overview of 2022 for MAST Academy and give an insight into our first full 12 months of trading as a Private Training Establishment, from 1st January to 31st December 2022.

# Board Chair Report

### Tēnā koutou katoa

It is with great pleasure that I write this report following the completion of the first full year of trading as Marine and Specialised Technologies Academy of New Zealand (MAST Academy).

MAST Academy is a registered charity, and is owned by NZ Marine, the industry association representing all marine related businesses in New Zealand. We continue to value this connection with the Marine Industry Executive and members. We are also the chosen training provider for the Composites Association, Marina Operators Association, and the Outdoor Fabric Association of NZ.

Following four years of navigating our way through the RoVe review process, the transition from the NZ Marine and Composites ITO was completed during the year, with the standard setting functions being handed over to Hanga-Aro-Rau, The Manufacturing, Engineering and Logistics Workforce Development Council at a formal event on 11 July 2022, with the NZMAC ITO being disestablished shortly thereafter.

Our core principles are **Inclusive Learning & Kaitiakitanga** (guardianship and protection), **Wairuatanga** (Identity, uniqueness and belonging), **First in Class & Auahatanga** (Creativity, innovation) **Learner Centric & Mātauranga** (knowledge), **Future focused & Whakawhanaungatanga**

(building relationships). These principles underpin our programmes, our relationships with all of our stakeholders, employers, learners and our own team.

I would like to thank my fellow Board Members, Susan Lake, David Glen and Tommy Honey for their mahi and dedication to guiding the organisation through the transition from an industry training organisation to a private training establishment. We have been learning together with the MAST leadership team and have built a strong and supportive relationship that has set up MAST to be a success going forwards. We are currently in the process of seeking additional directors to further strengthen our governance function, particularly with experience in tertiary education governance, tikanga Māori, strong governance skills and learning experience.

The Board is justifiably proud of what has been achieved so far by the MAST leadership team and staff. While there have been some growing pains as we seek to serve a record number of trainees, the team have definitely put in the mahi, diligently focused on the goals and have hit every target set.

**Whāia te mātauranga hei oranga mō koutou  
Seek after learning for the sake of your wellbeing**

**Ngā mihi nui  
Tracey Stevenson  
MAST Board Chair**



Tracey Stevenson  
Board Chair

# Chief Executive Report

It is my pleasure to present the Annual Report of MAST Academy. As we complete our first full year of operations as a Private Training Establishment (PTE), we are pleased to report the return to a more normal business environment, free from the disruptions caused by Covid.

During the past year, our focus has been on two primary objectives. Firstly, we have been addressing the skill need and shortages post-pandemic which has been challenging, as all businesses are now competing for the same talent pool. Our successful 'school to work' programme, which has been operating for several years, is an excellent strategy that has seen more employers looking to participate. This programme provides a pathway for pre-screened high school students to be matched to employers - resulting in employment with an apprenticeship.

Additionally, we have doubled our team's capability, which was necessary in order to cope with the increased workload and to further support learners through their training progression. This is part of our commitment to being a premium training organisation as we continue to build our full capability and functionality as a PTE.

I thank the Board of Directors for their commitment and support to ensuring the industry has a premium training organisation. It is great to have the support from the many employers, including the workplace trainers who our training advisors work closely with, along with the many stakeholders that support MAST Academy.

Overall, I look forward to continuing our vision to provide MAST Academy as a premium training organisation.

**Chris van der Hor**  
**Chief Executive**



Chris van der Hor  
Chief Executive

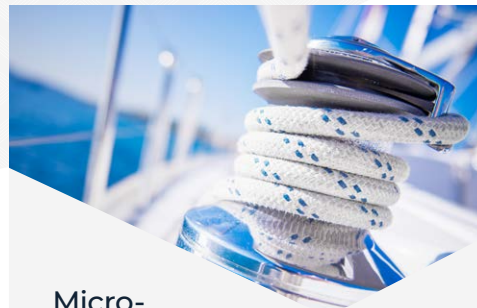
# Hanga-Aro-Rau Workforce Development Council

Hanga-Aro-Rau is the workforce development council that represents the interests of the manufacturing, engineering, logistics, and marine industries. As a prominent marine training establishment, MAST Academy recognises the crucial role played by the Workforce Development Council in ensuring that the vocational education system aligns with industry needs while giving a stronger voice to Māori business and Iwi development. In line with this, we have partnered with Hanga Aro Rau to review, develop and improve several areas, including:



## Review of Industrial Textiles level 3 & 4

We are pleased to report that this project is progressing well, and we expect it to be complete and ready for NZQA by the end of August. Once the content is confirmed, we will be able to develop and review the assessments and workbooks, providing the industrial textile sectors with a full apprenticeship programme for delivery at earliest in mid 2024.



## Micro-credentials

The WDC supports our applications to NZQA for micro-credentials. These new bite-sized learning programmes recognise pre-apprenticeship and post-trade skills on the records of learning.



## Review of Marine Project Management

The level 6 diploma is currently under review to ensure it is relevant across our sectors for all those managing projects, large and small. We expect to deliver this updated diploma in 2024.



## Marine Design Diploma

We are also reviewing the Marine Design Diploma to equip those who aspire to work in the marine industry with the necessary skills to design boats or marine components. We expect to offer this diploma in 2025.

# People and Culture

## New People

During 2022 we recruited additional personnel to fill the following roles:

- 1 Quality Assurance & Learning Development Manager
- 1 Learning Resource Design
- 2 Training Advisors
- 1.5 School Transition Advisors
- 1 Training Administrator
- 1 IT Support & Accounts Receivable
- 1 Office Administrator



## Staff Upskilling

In pursuit of our goal to establish ourselves as a Centre of Excellence, we have placed a significant focus on upskilling our team members. Our Training Advisors are completing their Adult Teaching Certificate (Level 5), while other staff members have received training in moderation and assessor practices to enhance their skillset.

To further strengthen our capabilities, we will undertake several courses with Ako Aotearoa to develop a deeper understanding of Te Tiriti o Waitangi and its application in embedding our values and Treaty values in our daily operations.

This will enable us to identify and understand any barriers that may impede Māori and Pacific peoples' access to, or success in, training programmes in Marine and Specialised Technologies.



## Community Wellbeing

As a charitable organisation, MAST Academy believes in giving back to the community and supporting other organisations associated with the marine industry. Each year, we partner with Sea Cleaners, a non-profit organisation that shares our vision of preserving New Zealand's coastline for the benefit of marine life and all users.

Since 2002, Sea Cleaners has collected over 14 million litres of litter from Auckland and Northland harbours, using a fleet of alloy pontoon vessels and coordinating 170,000 volunteer hours. They also focus on educating people, especially young people, on the importance of eco-friendly waste disposal to prevent harm to the environment.

MAST Academy's team spent a day helping Sea Cleaners collect hundreds of litres of rubbish from Waitemata and Manukau harbours, including old tyres, car parts, toys, crates, plastic and even an abandoned boat. This hands-on experience gave our team a deeper understanding of the environmental impact of marine pollution and the importance of eco-friendly practices.



# Training Statistics

345

We saw a record number of **345 new learners** registered in training due to strong employer demand for more skilled people.

928

Total number of learners enrolled during 2022 was **928**.

128

Total number of completions across all programmes was **128**.

33,703

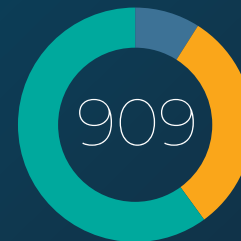
All learners achieved **33,703 credits** in 2022 resulting in a 71% credit achievement rate.

## Ethnicity



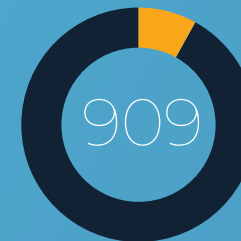
120 Māori  
18 Pasifika  
771 Non-Māori and Pasifika

## Age Group



541 Aged 15-24 years  
284 Aged 25-30 years  
84 Aged 40 and over

## Gender



72 Female  
837 Male

## Workbased or Campus Courses



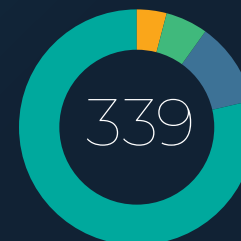
909 enrolled in workbased course  
19 enrolled in campus course

## NZ Apprentices and Trainees



792 New Zealand Apprentices  
117 Trainees

## Number of Employers involved in Training



267 Marine 39 Industrial Textiles  
13 Marina 20 Composites

# Learner Success

## Work-Based Apprentices

To further support our work-based apprentices progressing in their apprenticeship, we have increased the minimum number of learner/employer visits to five per annum, often more depending on location, and have increased the employer-led study groups.

This is designed to ensure learners progress at the required rate as per programme requirements.

## Off-Job Training

MAST Academy provides opportunities for apprentices to hone their skills through attending specialised off-job training block courses as part of their programme requirements.

**We were able to deliver the following block courses to a total of 100 apprentices:**

---

**3x Boatbuilding Scale Drawing/Lofting**  
2-week block course

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**Marine Electrical A, B & C Block courses**  
A & B were 2-week block courses  
C was one week with an exam at the end

---

**2 x General Engineering** 2-week block courses

---

**3 x Welding** 2-week block courses

---





## Workplace Trainer

The role of the workplace trainer at MAST Academy is crucial in supporting the marine and specialised technologies industries. As apprentices work and study, they require guidance and insight from someone within the business to support their learning journey and address their questions. Whether it's a supervisor or a colleague with technical skills and the right attitude, the workplace trainer acts as a mentor to help the apprentice become a successful tradesperson.

Recognising the significance of the workplace trainer, MAST has developed an easy-to-use online support package to equip mentors and supervisors with the necessary skills to guide their apprentices effectively. In today's job market, where there is a shortage of skilled staff across all industries, fostering a strong learning culture can help attract and retain talent.

Communication plays a vital role in building a positive workplace culture, and our workplace trainer workshop in October focused on effective communication. The workshop was attended by 28 workplace trainers, who gained valuable skills in identifying learners with learning difficulties in their workplaces and communicating clearly. We were privileged to have Holly Paterson, a literacy and numeracy specialist from Upskills, share insights on how to identify learning issues in the workplace and how to frame questions to identify potential issues.

The workshop was highly interactive, providing participants with first-hand experience of what it feels like to struggle with understanding, and how as employers and workplace trainers, we can provide support.

Workplace literacy encompasses the skills employees need to perform everyday tasks at work, such as communicating with customers, understanding health and safety information, and maintaining accurate records and production schedules. If team members struggle with following instructions, filling out forms, or reading safety notices, it may indicate a potential learning issue that needs to be addressed.

The workshop also emphasised the importance of verifying learners' work before submitting assessments for signoff. Workplace trainers are in the best position to review assessments and provide guidance if needed. Standard Operating Procedures (SOPs) play a crucial role in this process by providing a standardised approach to carrying out work.

At MAST Academy, we value the role of our workplace trainers as the linchpin to a successful apprenticeship programme. We are committed to providing them with the necessary support and resources, including professional development opportunities like the workshop, to ensure our apprentices receive the best possible training and guidance in their journey towards becoming skilled tradespeople.

Once enrolled as a workplace trainer, you will gain access to exclusive workshop videos that can be utilized to refresh your knowledge and skills. These videos serve as a valuable resource to ensure you stay up-to-date with the latest industry trends and best practices.

Upon completion of the module, we offer free upskilling sessions each year. These sessions are designed to further enhance your capabilities as a workplace trainer and mentor, equipping you with the necessary skills to excel in your role.





## Launch it, School to Work Programme

We are pleased to provide an update on the success of the Launch it, School to Work programme for the year 2022. Despite the challenges posed by the COVID-19 pandemic, particularly in Auckland, we were able to operate in full swing with business as usual, supported by a refreshed MAST website and strong demand from employers for more candidates.

Throughout the year, our Transition Advisors engaged in various transition activities, including marketing the programme to students and parents at careers expos, delivering presentations to students in careers and technology classes, conducting individual meetings with potential trainees, and organizing industry visits. These efforts helped to build on the success of the Launch it, School to Work programme and raise the profile of the trades in the marine and composites industry.

As the year progressed, we observed a resurgence in the popularity of trades training, with practically capable seniors eagerly seeking opportunities to explore work experience and opportunities in our industry after prolonged periods of isolation. This led to a positive impact on registrations and increased interest in the programme, particularly in the first half of the year. However, due to national skills shortages, we also noted that there were more employers willing to offer work experience opportunities than there were students available to participate.

With the programme becoming more established, schools that have been involved in the past and have witnessed successful outcomes for their students have been nominating successive learners to participate. Similarly, employers who have been introduced to quality candidates for mentoring and training have recognised the benefits of being involved in the initiative and are eager to take on more students for work experience. Nationwide marketing efforts have also resulted in raised awareness of MAST opportunities in schools that had not previously been involved, leading to regional growth for the programme in marine hubs across the country.

## School to Work programme for the period 2 March to 8 December 2022:

- 48** learners were matched and placed with marine and composites employers.
- 32** learners achieved assessment credits in the marine and composites workplace, leading to NCEA 2 or 3 awards.
- 20** of these learners are now working full-time and are registered in a level 4 apprenticeship in the marine and composites industry.
- 4** additional learners are still enrolled in School to Work and tracking towards an apprenticeship in the industry.
- 9** learners are now working full-time and registered in a level 4 apprenticeship in an alternative industry.
- 8** learners who completed the School to Work programme have gone on to pursue tertiary studies.
- 6** learners are working full-time but not currently in training.
- 1** learner is not working or studying due to health issues.

Overall, the Launch it, School to Work programme has continued to make a significant impact in providing opportunities for learners to explore and succeed in the marine and composites industry, despite the challenges faced. We are proud of the achievements of our learners and grateful for the support and collaboration of our partner schools, employers, and stakeholders in making this programme a success. We look forward to continued growth and success in the years to come.

**“When I was in my last year of school I was looking at all the trades like plumbing, building and electrical but wanted to do something a bit more niche and specialised and that’s when Tracey came in and talked to us about boatbuilding and it flicked a switch in my head and I was really interested so I came and had a look and now I’m loving it.”**

Quote from Isaac Chaytor, Apprentice in Wooden and Composite Boatbuilding at Lloyd Stevenson Boatbuilders.



## Learner Centric Activity

At MAST, our learners are at the core of everything we do. We are committed to providing strong and sustainable support to help them grow and develop in their chosen pathways.

As part of our ongoing efforts to improve the learning experience, we are updating all our learning resources, including workbooks and assessments, to be more user-friendly and accessible. In 2023, thanks to funding from the Strategic Component Fund in December 2022, we will be developing interactive and immersive learning for work-based training.

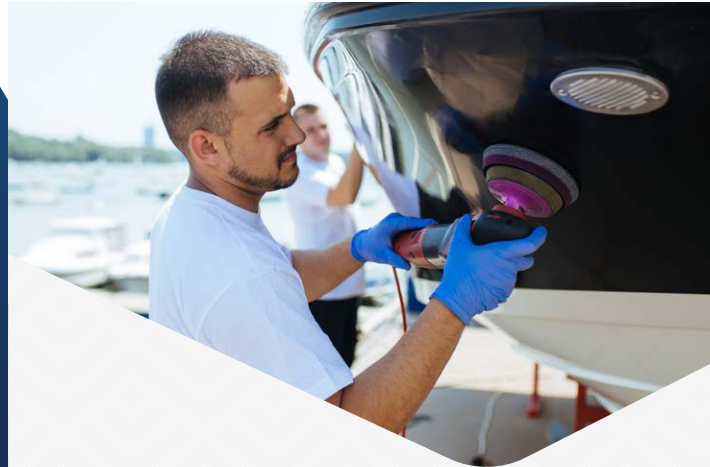
A key focus for MAST Academy is to continually update assessments and learning resources to ensure they are easy to understand and reflect current industry practices. This is an ongoing project that aligns with our commitment to providing high-quality education that prepares our learners for the ever-evolving demands of the marine and composites industry.

# Marketing

To further promote our brand and reach our target audience, we have engaged Fuse Creative as our marketing and brand agency. Fuse works closely with the MAST team to develop our strategic marketing plan.

Our brand vision is to be recognised as the provider of the best marine and specialised technologies trade apprenticeships in the world, and to be known as New Zealand's premier specialist marine training organisation.

As part of our brand awareness efforts, we have redesigned our brochures and marketing collateral to reflect our brand vision and key messages. We are committed to strengthening our brand recognition, building loyalty among our stakeholders, and promoting the unique opportunities that MAST Academy offers to learners in the marine and composites industry.



## Our Brand Objectives are:

- Building brand recognition, understanding, value, and loyalty.
- Creating a community of brand ambassadors for MAST Academy.
- Being seen by employers as good custodians of their employees.
- Being trusted by students and their whanau (family) as providers of high-quality career paths and education in a caring and supportive environment.
- Being seen as a solutions provider for the marine industry, connecting employers with students.
- Upskilling current employees and graduates to build successful career pathways.
- Finalist or Runner Up for World's Best Boatbuilding Apprenticeship Scheme.



## Our Brand Messaging:

Our marketing activity will communicate these key messages to our target markets:

- Providing the opportunity to work in an exciting industry with a worldwide reputation for quality.
- Offering excellent skills that are not only applicable to the job itself but also transferable skills for use throughout life.
- Providing great career opportunities both within New Zealand and internationally.
- Offering the opportunity to travel and work around the world.
- Providing a broad range of pathways and skills to suit various interests.
- Highlighting that a trade is much more than just a job.
- Positioning MAST as an excellent partner in connecting employers with apprentices and facilitating a great learning experience.

# Graduate Awards

After a three-year postponement, it was a momentous occasion to finally recognise the exceptional achievements of 177 eligible graduates over the past two years (2021 & 2022) at the MAST Academy Graduation Ceremony held at the Royal NZ Yacht Squadron in Auckland.



Tyler Williams is congratulated by Kevin Biggar.



Fletcher Bale, Tristram Boats.



Jack Adkins (left), graduate at Ovlov Marine, enjoys the awards dinner with his father.



Cameron Court from Icon Marine is congratulated by Kevin Biggar.

The event was a resounding success, with a full house of 280 attendees, eagerly waiting to hear from our special guest speaker, renowned Kiwi adventurer, Kevin Biggar. Mr. Biggar shared his riveting experiences, inspiring and motivating our graduates and guests alike.

One of the highlights of the evening was the recognition of outstanding graduates who excelled in their respective fields, with three Graduate of the Year awards and the Rotary Scholarship Award being presented.

## The deserving awardees were:

### 2021 Marine Graduate of the Year

Cameron Court from Icon Marine, who completed the NZA Alloy Boatbuilding program

### 2022 Marine Graduate of the Year

Zoe Mason from Hamilton Jets, who completed the NZ Apprenticeship in Exterior Marine Coatings

### 2022 Composite Graduate of the Year

Tyler Williams from Sail GP, who completed the NZ Apprenticeship in Composites

### 2022 Rotary Scholarship Award

Remington Edwards

We congratulate all our graduates for their outstanding achievements and express our deep appreciation to our guests, special guest speaker, and sponsors for their invaluable support in making this event a memorable success.





**MAST**  
**ACADEMY**

NEW ZEALAND

FINANCIAL  
PERFORMANCE

**2022**

## Entity Information

Marine and Specialised Technologies Academy  
of New Zealand Limited.

For the year ended 31 December 2022

Legal Name of Entity	Marine and Specialised Technologies Academy of New Zealand Ltd
Entity Type and Legal Basis	NZ Limited Company and Registered Charity
Registration Number	Company number: 8137259 Charity Registration Number: CC58968 NZBN: 9429048761888

### Entity's Purpose

1. The promotion and advancement of all types of education and training programmes and schemes for the benefit of apprentices, trainees, students, and other persons in relation to all aspects of the marine and composites industries and associated allied trades in New Zealand, which industries include without limitation all activities associated with the manufacturing, building, repairing, refitting, servicing, chartering, and sale of all types of recreational, commercial, and defence vessels and all other boating-related things that are incidental to the marine and composites industries;
2. The promotion and advancement of all types of education and training programmes and schemes for the benefit of apprentices, trainees, students, and other persons in relation to all aspects of industries, trades, and organisations identified by the Board from time to time that are operating in New Zealand in similar different commercial or private fields of benefit to the economy of New Zealand and its community;
3. The advancement of education, learning, and training in all its forms that is beneficial to industry and commerce in New Zealand and the New Zealand community;
4. To do all other acts and things that are incidental or conducive to and will promote and advance (directly or indirectly) the above charitable purposes or any other purposes that are recognised as being charitable under New Zealand laws.

Entity Structure	Tier 2 – Not-For-Profit Entity
Main Sources of Entity's Cash and Resources	Government Grants
Physical Address	85 Westhaven Drive, St. Mary's Bay, Auckland, 1010
Postal Address	PO Box 90 448, Victoria Street West, Auckland, New Zealand, 1142
Accountants	RSM New Zealand (Auckland North)
Auditors	William Buck Audit (NZ) Limited



## 2022 Financial Statements

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# Approval of Financial Report

## Marine and Specialised Technologies Academy of New Zealand Limited For the year ended 31 December 2022

The Directors are pleased to present the approved financial report including the historical financial statements of Marine and Specialised Technologies Academy of New Zealand Ltd for year ended 31 December 2022.

### APPROVED:



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Tracey Edith Stevenson  
Director

Date: **29 May 2023**



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Thomas Howard Honey  
Director

Date: **29 May 2023**

# Independent Auditor's Report to the Shareholders

Marine and Specialised Technologies Academy of New Zealand Limited (MAST).

## Report on the Financial Report

### Report Opinion

We have audited the financial report of Marine and Specialised Technologies Academy of New Zealand Limited ("MAST" or "the entity"), which comprise the statement of financial position as at 31 December 2022, the entity information, statement of service performance, and the statement of comprehensive revenue and expense/financial performance, statement of changes in equity and statement of cash flows for the year then ended, and notes to the performance report/financial report, including a summary of significant accounting policies.

In our opinion:

- a. the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable.
- b. the accompanying financial report gives a true and fair view of:
  - the entity information for the year then ended
  - the service performance for the year then ended
  - the financial position of MAST as at 31 December 2022 and of its financial performance, and cash flows for the year then endedin accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR).

### Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the **performance report/financial report** in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the **performance report/financial report** section of our report. We are independent of the entity in accordance with Professional

and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

### Other Matter

The financial statements of MAST for the 6 month period ended 31 December 2021 were audited by another firm who issued an unqualified opinion dated 10 June 2022 on the financial statements for the period ended 31 December 2021. The information in the financial statements for the period ended 31 December 2021 forms part of the financial statements for the year ended 31 December 2022.

The statement of service performance for the period ended 31 December 2021 was not audited. Our opinion is not modified in respect of this matter.

### Responsibilities of the Board

The Board is responsible on behalf of the entity for:

- a. Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance.
- b. the preparation of a **performance report/financial report** on behalf of the entity that gives a true and fair view, which comprises:
  - the entity information
  - the statement of service performance
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the **performance report/financial report**

in accordance with Public Benefit Entity International Public Sector Accounting

## Independent Auditor's Report to the Shareholders

Standards Reduced Disclosure Regime (IPSAS RDR) issued by the New Zealand Accounting Standards Board, and

- c for such internal control as the Board determines is necessary to enable the preparation of the **performance report/financial report** that is free from material misstatement, whether due to fraud or error.

In preparing the **performance report/financial report**, the Board is responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Performance Report/Financial Report

Our objectives are to obtain reasonable assurance about whether the **performance report/financial report** is as a whole free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this **performance report/financial report**.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the **performance report/financial report**, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of the process applied by the entity to select what and how to report its service performance.

- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with the applicable financial reporting framework.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the **performance report/financial report** or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the entity information, financial statements and service performance information, including the disclosures, and whether the entity information, financial statements and service performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This description forms part of our independent auditor's report.

The engagement director on the audit resulting in this independent auditor's report is Darren Wright.

### Restriction on Distribution and Use

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



William Buck Audit (NZ) Limited  
Auckland

30 May 2023

# Statement of Service Performance

## Marine and Specialised Technologies Academy of New Zealand Limited For the year ended 31 December 2022

MAST Academy vision is to create the New Zealand Centre of Excellence for marine, composites, and specialised technology training, and working with learners and employers to ensure people are trained with the necessary skills and knowledge to build successful lives and businesses. This is underpinned by the key set of values that MAST Academy operates under, these are:

- Inclusive Learning & Kaitiakitanga
- Learner Centric & Mātauranga
- First-in-class & Auahatanga
- Future Focused & Whakawhanaungatanga
- Wairuatanga

### The organisation key outcome strategies include:

1. Promoting career opportunities across the sectors.
2. Ensuring industries have a suitable supply of skilled and qualified people.
3. Ensuring learner success and outcomes.
4. Building capability and delivery.

## OUTCOME 1

Due to the restrictions with having school access to students post COVID during 2021, MAST Academy was able to fully re-engage in 2022 and operate its School to Work, with promoting this initiative to high schools, students, employers, and with attending various career events to market career and placement opportunities for students within its industry sectors.

The statistics show:

Description of Activity	AUG-DEC 2021	JAN-DEC 2022
Learner matched & placed with marine and composites employer	6	48
Learners achieved assessments credits in the marine & composites workplace, leading to NCEA 2 or 3 awards	4	32
Number of learners who are now working full-time and registered in a level 4 apprenticeship in the marine & composites industry	3	20
Number of learners who are working full-time and registered in a level 4 apprenticeship in alternative industry	2	9
Number of learners involved and are tracking towards employment and apprenticeship	1	4
Number of learners working full-time but not currently in training	-	6
Number of learners who completed the School to Work programme that have gone on to pursue tertiary studies	-	8
Number of learners not working or studying due to health reasons	-	1

## Statement of Service Performance

### OUTCOME 2

Due to travel restrictions from the pandemic, industry saw a significant upswing in activity across all sectors, this resulted in a record number of new apprentices in work-based training.

Our statistics show:

Description of Activity	AUG-DEC 2021	JAN-DEC 2022
Number of learners enrolled during the year	690	928
Number of new learners registered in training	84	345
Number of employers involved in training	270	339

### OUTCOME 3

Learner success remains a primary focus for MAST Academy, which saw new initiatives introduced that supports and ensures good learner outcomes. This included:

- The recruitment of two additional FTE training advisors.
- Increased minimum number of learner/employers visits from 4 to 5.
- Increased employer-led study groups from 5 to 7.
- Introduced the Workplace Trainer module to upskill the trainers.
- We undertook an apprentice retention survey.
- Contracted a HR/Psychologist to support our Training Advisors who may have learners with psychological issues.

Description of Activity	AUG-DEC 2021	JAN-DEC 2022
Number of learning resource reviewed and developed	7	46
Number of credits achieved by learners and registered with NZQA	9,893	33,753
Number of learners who completed a programme	55	128

### OUTCOME 4

MAST Academy's future focus is building on its capability as a Private Training Establishment (PTE) to meet the regulatory requirements, while meeting learners' and employers' expectation in being recognised as a Centre of Excellence for marine, composites, and specialised technology training. To support this outcome, we:

- **Recruited the following:**
  - QA & Programme Manager x1
  - Training Advisors x2
  - Training Administrator x1
  - Transition Advisors x1.5

In 2021, due to transitioning from an Industry Training Organisation, there were no new appointments.

**NB:** As MAST Academy was only established on August 2nd, 2021, the 2021 data only reflects four months trading.

# Statement of Comprehensive Revenue and Expense

Marine and Specialised Technologies Academy of New Zealand Limited. For the year ended 31 December 2022

	NOTES	2022	2021
<b>EXCHANGE REVENUE</b>			
Trading Income	2	62,696	116,994
Interest Received	2	13,225	-
Gain on Sale of Fixed Assets	2	-	40,435
<b>Total Exchange Revenue</b>		<b>75,921</b>	<b>157,429</b>
<b>NON-EXCHANGE REVENUE</b>			
Government Funding Received	2	3,246,587	1,059,088
<b>Total Non-Exchange Revenue</b>		<b>3,246,587</b>	<b>1,059,088</b>
<b>TOTAL REVENUE</b>		<b>3,322,508</b>	<b>1,216,517</b>
<b>EXPENSES</b>			
Direct Costs for Trading	3	512,963	102,769
Employee Benefits	3	1,254,050	431,010
Interest and Finance Charges	3	16,651	7,027
Insurance, Communications and Other Operating Overheads	3	114,958	103,786
Marketing, Promotion and Community Programme Costs	3	52,698	25,024
Rent & Utilities	3	167,240	68,091
Depreciation	4	74,653	24,830
Amortisation	6	85,874	34,963
<b>TOTAL EXPENDITURE</b>		<b>2,279,088</b>	<b>797,500</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE TO ACCUMULATED FUNDS</b>		<b>1,043,420</b>	<b>419,017</b>

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.



# Statement of Changes in Equity

Marine and Specialised Technologies Academy of New Zealand Limited. For the year ended 31 December 2022

	2022	2021
<b>EQUITY</b>		
Opening Balance	419,017	-
<b>Increases</b>		
Add Surplus/(Deficit) for the Year	1,043,420	419,017
Share Capital Increases	500,000	-
<b>TOTAL EQUITY</b>	<b>1,962,437</b>	<b>419,017</b>
<b>MOVEMENTS IN RETAINED EARNINGS</b>		
<b>Accumulated Funds</b>		
Opening Balance	419,017	-
Add Surplus/(Deficit) for the Year	1,043,420	419,017
<b>Total Accumulated Surpluses</b>	<b>1,462,437</b>	<b>419,017</b>
<b>Share Capital</b>		
Share Capital	500,000	-
<b>Total Share Capital</b>	<b>500,000</b>	<b>-</b>
<b>BALANCE AT END OF YEAR</b>	<b>1,962,437</b>	<b>419,017</b>

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

# Statement of Financial Position

Marine and Specialised Technologies Academy of New Zealand Limited. As at 31 December 2022

	NOTES	31 DEC 2022	31 DEC 2021
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5	1,620,116	967,308
Accounts Receivable	7	330,453	62,728
Prepayments	8	67,913	10,634
<b>Total Current Assets</b>		<b>2,018,483</b>	<b>1,040,670</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	301,733	259,492
Learning and Assessment Packages		263,541	291,511
<b>Total Non-Current Assets</b>		<b>565,274</b>	<b>551,004</b>
<b>TOTAL ASSETS</b>		<b>2,583,757</b>	<b>1,591,674</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Account Payables and Accruals	9	200,226	295,334
Goods and services tax		53,506	22,429
Deferred Income	10	15,694	3,000
<b>Total Current Liabilities</b>		<b>269,426</b>	<b>320,763</b>
<b>Non-Current Liabilities</b>			
Loans	16	351,894	851,894
<b>Total Non-Current Liabilities</b>		<b>351,894</b>	<b>851,894</b>
<b>TOTAL LIABILITIES</b>		<b>621,320</b>	<b>1,172,657</b>
<b>NET ASSETS</b>		<b>1,962,437</b>	<b>419,017</b>
<b>EQUITY</b>			
Share Capital	17	500,000	-
Accumulated surpluses	19	1,462,437	419,017
<b>TOTAL EQUITY</b>		<b>1,962,437</b>	<b>419,017</b>

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

# Statement of Cash Flows

Marine and Specialised Technologies Academy of New Zealand Limited. For the year ended 31 December 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	3,432,881	1,277,429
Payments to suppliers and employees	(2,618,397)	(591,654)
Interest received	13,225	-
<b>Net Cash Flows from Operating Activities</b>	<b>827,709</b>	<b>685,776</b>
<b>INVESTING ACTIVITIES</b>		
Payment for property, plant and equipment	(174,901)	(610,796)
Sale of Fixed Assets	-	40,435
<b>Net Cash Flows from Investing Activities</b>	<b>(174,901)</b>	<b>(570,361)</b>
<b>FINANCING ACTIVITIES</b>		
<b>Proceeds of long-term loans</b>		
BIA - Current Account	(500,000)	500,000
BIA - Asset Loan	-	351,894
<b>Total Proceeds of long-term loans</b>	<b>(500,000)</b>	<b>851,894</b>
<b>OTHER CASH ITEMS</b>		
Share Capital	500,000	-
<b>Total Other cash items</b>	<b>500,000</b>	<b>-</b>
<b>Net Cash Flows from Financing Activities</b>	<b>-</b>	<b>851,894</b>
<b>NET CASH FLOWS</b>	<b>652,808</b>	<b>967,308</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents at beginning of period	967,308	-
Net change in cash for period	652,808	967,308
Cash and cash equivalents at end of period	1,620,116	967,308

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

# Notes to the Financial Statements

Marine and Specialised Technologies Academy of New Zealand Limited. For the year ended 31 December 2022.

## 1. Statement of accounting policies

These are the financial statements of Marine and Specialised Technologies Academy of New Zealand Ltd ('the company').

The company is incorporated in New Zealand registered under the Companies Act 1993. The company is engaged in the business of Industry Training for the marine and composites sector.

The financial statements of the company are for the year ended 31 December 2022.

### Statement of compliance and basis of preparation

The company has prepared these financial statements in accordance with the requirements of Companies Act 1993 and the Financial Reporting Act 2013. The company is a not-for-profit entity.

The company is a registered charity in New Zealand. The company is a public benefit entity for the purposes of financial reporting as the underlying principle of any registered charity is the carrying out of a charitable purpose. The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR') as appropriate for Tier 2 not-for-profit public benefit entities, and disclosure concessions have been applied.

The company qualifies and has elected to report under Tier 2 standards as it is not considered to have public accountability and not large. All available disclosure concessions have been adopted in these financial statements. The financial statements have been prepared on a historical cost basis.

### Measurement Basis

These financial statements have been prepared under the historical cost basis, as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies.

### Changes in Accounting Policies

There have been no changes in accounting policies. The periods reported vary in that this period's figures are for the twelve months, whereas the previous period covers six months. There are no accounting policies previously employed which could have changed.

### Functional and Presentation Currency

These financial statements are presented in New Zealand Dollars (NZD), which is the functional and presentation currency, rounded to the nearest dollar.

There has been no change in the functional currency or any significant foreign operations during the year.

### Key estimates and judgements

In preparing these financial statements, the company has made significant judgements, estimates and assumptions that impact on the carrying value of certain assets and liabilities, revenue and expenses as well as other information reported in the notes.

The judgements made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the financial statements, and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are identified:

- Classification of non-financial assets as cash generating or non-cash generating assets for the purposes of assessing impairment indicators and impairment testing.
- Revenue recognition – non-exchange revenue (conditions vs. restrictions).
- Useful lives of property, plant and equipment.
- Going concern – refer to the going concern assumption policy note.

### Specific accounting policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

#### (a) Property, plant and equipment

##### Owned assets

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses.

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

## Notes to the Financial Statements

### Subsequent costs

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

### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over its useful economic life as follows:

Computer Equipment	30% – 67% SL
Fixtures & Fittings	6.5% – 20% SL
Plant & Equipment	6% – 67% SL
Motor Vehicles	21% SL
Website	40% SL

The residual value of property, plant and equipment is reassessed annually.

### (b) Financial instruments

Financial instruments are recognised in the statement of financial position when the Company becomes party to a financial contract. They include the following individual classes of assets and liabilities:

#### Loans and receivables

Bank deposits, bank overdrafts, trade and other receivables, and intercompany balances, investments in unlisted debt securities are classified as loans and receivables. All of the above financial instruments are initially recorded at fair value and subsequently carried at amortised cost using the effective interest rate method. Due allowance is made for impaired receivables (expected credit losses).

#### Other financial liabilities

These include trade and other payables, bank loans, finance leases and intercompany payables. These are all carried at amortised cost using the effective interest rate method.

### (c) Impairment

The carrying amounts of the Company's assets other than deferred tax assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the statement of comprehensive income.

Estimated recoverable amount of investments and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at their original effective interest rate. Receivables with a short duration are not discounted. The estimated recoverable amount of other assets is the greater of their fair value less costs to sell and value in use.

Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the assets.

### (d) Borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income over the period of the borrowings on an effective interest rate basis.

### (e) Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability.

#### Onerous contracts

A provision for an onerous contract is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

### (f) Employee entitlements

Liabilities for annual leave and long-service leave are accrued and recognised in the statement of financial position.

For long-service leave the liability is equal to the present value of the estimated future cash outflows as a result of employee services provided at balance date.

## Notes to the Financial Statements

### (g) Revenue

Exchange revenue from contracts with customers is recognised when performance obligations are satisfied, and services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services.

For any project or “pass-through” revenue, the Company has generally concluded that it is the agent in its revenue arrangements because it typically does not control the method in which services are rendered before performance obligations are satisfied.

For “Other inter-company revenue”, the Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the method in which services are rendered before performance obligations are satisfied.

Non-exchange revenue from Government funding is recognised upon receipt unless any conditions attached to the inflow of resources received are yet to be completed, which then creates a liability.

The Company has segregated its revenue streams by the type of contract and on whether it is the principal. This has allowed for the following specific recognition criteria to be met before revenue is recognised:

#### Other inter-company revenue

Other inter-entity services rendered to the ultimate parent comprise of administrative, research functions and general support.

The contract(s) with the parent are defined within the inter-entity pricing arrangements between BIA (ultimate parent) and the company. The method for measuring progress towards the complete satisfaction of performance obligations over time are calculated through input methods that are defined by labour hours expended. The transaction price for services rendered is defined by inter-entity pricing arrangements. Billing for satisfied performance obligations is performed monthly with a contract asset being recognised over the period-end for services rendered but not settled by the ultimate parent.

#### Financial income

Interest income is recognised in the statement of comprehensive income as it accrues, using the effective interest method.

Dividend income is recognised in the statement of comprehensive income on the date the entity’s right to receive payments is established.

### (h) Expenditure

#### Operating lease payments

Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives are recognised in the statement of comprehensive income over the term as an integral part of the total lease expense.

#### (i) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to NZD at the foreign exchange rate ruling at that balance date. Foreign exchange differences arising on their translation are recognised in the statement of comprehensive income.

#### (j) Taxation

Marine and Specialised Technologies Academy of New Zealand Ltd is an approved charitable organisation and recognised by the Inland Revenue Department. The company is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

#### (k) Goods and services tax

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

#### (l) Government Funding Income

Government funding income is recognised when monies are received or receivable and any conditions of the funding have been met.

#### (m) Employee Benefits

##### Short-Term employee benefits

Short-term employee benefit liabilities are recognised when the company has a legal or constructive obligation to remunerate employees for services provided with 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

##### Long-Term employee benefits

Long-term employee benefit obligations are recognised when the company has a legal or constructive obligation to remunerate the employees for services provided beyond 12 months of reporting date. The company did not have any long-term employee benefits during the current financial period.

## Notes to the Financial Statements

### (n) Learning & Assessment Packages

Acquired Assessment and Learning Packages – Assessment & Learning Packages are initially capitalised at cost, which includes the directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs, which enhance or extend the performance of the assessment/learning packages beyond its specifications and which can be reliably measured, is added to the original cost. Costs associated with maintaining the Assessment/Learning

Packages are recognised as an expense when incurred. Assessments/Learning Packages are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of four to six years. The amortisation period and amortisation method of intangible assets is reviewed at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

## 2. Analysis of Revenue

	2022	JUL-DEC 2021
<b>GOVERNMENT FUNDING INCOME</b>		
TEC Fees Free – Programme Fee	1,059	326
Fees Free – Assessment Services	2,768	575
TEC Equity Funding	69,128	-
TEC Funding – Approved Investment	2,141,518	763,581
TEC Programme Development – Strategic Component	54,000	-
TTAF Support & Assessment Services	900,914	168,761
TTAF Learning Resources	-	95,845
Schools to Work Pathways	77,200	30,000
<b>Total Government Funding Income</b>	<b>3,246,587</b>	<b>1,059,088</b>
<b>TRADING INCOME</b>		
Off-Job Training	-	66,639
Completion Fees	24,471	7,800
MAST Programmes – Consulting – Sales	5,611	17,695
Export Offshore Licensing	25,500	5,000
Other income (e.g TEC Data Transfer Fund, Hardship Fund)	7,114	19,860
<b>Total Trading Income</b>	<b>62,696</b>	<b>116,994</b>
<b>INTEREST AND OTHER SUNDRY REVENUE</b>		
Gain on Sale of Fixed Assets	-	40,435
Interest Received	13,225	-
<b>Total Interest and other Sundry Revenue</b>	<b>13,225</b>	<b>40,435</b>
<b>Total Analysis of Revenue</b>	<b>3,322,508</b>	<b>1,216,517</b>

## Notes to the Financial Statements

### 3. Analysis of Expenses

	2022	JUL-DEC 2021
<b>TRADING EXPENSES</b>		
Accommodation & Travel Subsidy for Apprentices	8,554	1,443
Computer Licensing	64,659	38,404
Consultancy & Contracting	20,072	7,030
Events & Graduation	4,333	-
Export Offshore Licensing expenses	15,700	-
Field Officers Vehicles - Running Costs	61,161	13,966
Graduate Completion Costs	10,187	-
Learning Package Development (Maintenance)	57,543	-
NZQA Charges (Data transfer, credit reporting)	48,134	12,033
Purchase Third Party Training	132,148	25,543
Travel Expenses	90,470	4,350
<b>Total Trading Expenses</b>	<b>512,963</b>	<b>102,769</b>
<b>EMPLOYEE BENEFITS</b>		
ACC Levies	2,103	-
Board of Directors	34,000	-
HR Reviews & Support	16,040	4,650
Recruitment/Temping/HR	5,707	-
Salaries	1,175,832	415,847
Staff Development and Welfare	20,369	10,514
<b>Total Employee Benefits</b>	<b>1,254,050</b>	<b>431,010</b>
<b>INTEREST AND FINANCE CHARGES</b>		
Bank Fees	631	359
Interest	16,020	6,668
<b>Total Interest and Finance Charges</b>	<b>16,651</b>	<b>7,027</b>



## Notes to the Financial Statements

	2022	JUL-DEC 2021
<b>INSURANCE, COMMUNICATIONS AND OTHER OPERATING EXPENSES</b>		
Accounting Fees	19,290	10,480
Audit Fees	13,375	7,500
Computer Maintenance	24,899	8,878
Freight, Courier, Cartage, Postage	1,974	290
General Expenses	3,540	1,139
Insurance	7,540	3,286
Legal expenses	672	-
Office Expenses (assets <\$1,000)	6,613	-
Printing & Stationery	5,598	2,545
Trust and Charity Fees	6,372	60,057
Subscriptions & Memberships	16,890	5,167
Telephone & Internet	8,196	4,445
<b>Total Insurance, Communications and Other Operating Expenses</b>	<b>114,958</b>	<b>103,786</b>
<b>MARKETING, PROMOTION AND COMMUNITY PROGRAMME COSTS</b>		
Marketing/Promotions – Incentives	3,047	-
Marketing/Promotions – All Activities	10,883	25,024
Marketing/Promotions – Publications	4,702	-
Marketing/Promotions – Digital	9,282	-
Marketing/Promotions – Design & Print Material	24,784	-
<b>Total Marketing, Promotion and Community Programme Costs</b>	<b>52,698</b>	<b>25,024</b>
<b>RENT AND UTILITIES</b>		
BIA Lease Agreement Costs	167,240	68,091
<b>Total Rent and Utilities</b>	<b>167,240</b>	<b>68,091</b>
Amortisation	85,874	34,963
Depreciation	74,653	24,830
<b>Total Analysis of Expenses</b>	<b>2,279,088</b>	<b>797,500</b>

## Notes to the Financial Statements

### 4. Property, Plant & Equipment

	2022	JUL-DEC 2021
<b>COMPUTER EQUIPMENT</b>		
Cost	51,638	15,064
Accumulated Depreciation	(14,553)	(2,511)
<b>Book Value</b>	<b>37,085</b>	<b>12,553</b>
<b>PLANT &amp; EQUIPMENT</b>		
Cost	17,089	9,251
Accumulated Depreciation	(5,474)	(1,324)
<b>Book Value</b>	<b>11,615</b>	<b>7,926</b>
<b>FIXTURES &amp; FITTINGS</b>		
Cost	3,491	3,491
Accumulated Depreciation	(424)	(125)
<b>Book Value</b>	<b>3,067</b>	<b>3,366</b>
<b>MOTOR VEHICLES</b>		
Cost	321,847	246,318
Accumulated Depreciation	(79,031)	(20,870)
<b>Book Value</b>	<b>242,815</b>	<b>225,448</b>
<b>WEBSITE</b>		
Cost	15,119	12,119
Accumulated Depreciation	(7,968)	(1,920)
<b>Book Value</b>	<b>7,151</b>	<b>10,198</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>301,733</b>	<b>259,492</b>

### 5. Cash and Cash Equivalents

	2022	JUL-DEC 2021
<b>CASH AND CASH EQUIVALENTS</b>		
ANZ Bank – Bank and Call Deposits	620,116	967,308
ANZ Bank – Term Deposits	1,000,000	-
<b>Total Cash and Cash Equivalents</b>	<b>1,620,116</b>	<b>967,308</b>

## Notes to the Financial Statements

### 6. Intangibles and Amortisation

Amortisation expenses are included in the following line items of the statement of comprehensive revenue and expense:

	2022	JUL-DEC 2021
<b>LEARNING &amp; ASSESSMENT PACKAGES</b>		
Learning Resource Development – Work In Progress	54,701	7,345
Learning Packages – at cost	321,709	317,209
Learning Packages – Accumulated Amortisation	(112,870)	(33,043)
<b>Total Learning &amp; Assessment Packages</b>	<b>263,541</b>	<b>291,511</b>

The Learning and Assessment Packages are amortised over its useful life which has been determined by Management as 4 years.

The Learning and Assessment Packages were purchased in August 2021 with a useful life of 4 years and amortised for 5 months of its 4 year useful life. For 2022, the Learning and Assessment Packages have another 2 years and 7 months of its 4 year useful life remaining to be amortised.

### 7. Accounts Receivable

As at 31 December 2022 all overdue receivables have been assessed for impairment and irrecoverable amounts. The carrying value of receivables approximates their fair value.

	2022	JUL-DEC 2021
<b>FOR EXCHANGE TRANSACTIONS</b>		
Trade Receivables	7,306	8,744
Sundry Debtors	104	194
Interest Accrual	11,873	-
<b>Total For Exchange Transactions</b>	<b>19,283</b>	<b>8,938</b>
<b>FOR NON-EXCHANGE TRANSACTIONS</b>		
Trade Receivables	311,170	53,790
Sundry Debtors	-	-
<b>Total For Non-Exchange Transactions</b>	<b>311,170</b>	<b>53,790</b>
<b>Total trade and other receivables</b>	<b>330,453</b>	<b>62,728</b>

## Notes to the Financial Statements

### 8. Prepayments

PREPAYMENTS	2022	JUL-DEC 2021
Prepayments - trading expenses	67,913	10,634
<b>Total Prepayments</b>	<b>67,913</b>	<b>10,634</b>

### 9. Accounts Payable

	2022	JUL-DEC 2021
<b>FOR EXCHANGE TRANSACTIONS</b>		
Trade Payables	41,797	58,066
Sundry Creditors	8,940	8,923
Employment Entitlements	126,489	103,786
Accruals	23,000	17,500
<b>Total For Exchange Transactions</b>	<b>200,226</b>	<b>188,275</b>
<b>FOR NON-EXCHANGE TRANSACTIONS</b>		
Accruals	-	107,059
<b>Total For Non-Exchange Transactions</b>	<b>-</b>	<b>107,059</b>
<b>Total Accounts Payable</b>	<b>200,226</b>	<b>295,334</b>

### 10. Deferred Income

DEFERRED INCOME	2022	JUL-DEC 2021
Export Offshore Licensing Revenue	7,500	3,000
Graduation Revenue	8,194	-
<b>Total Deferred Income</b>	<b>15,694</b>	<b>3,000</b>

## Notes to the Financial Statements

### 11. Employee Entitlements

EMPLOYEE ENTITLEMENTS	2022	JUL-DEC 2021
Annual Leave	61,120	62,217
Salary and Wages Accrual	28,539	19,938
<b>Total Employee Entitlements</b>	<b>89,659</b>	<b>82,155</b>

### 12. Capital Commitments

At year end the company had not entered into any capital commitments.

### 13. Contingent Liabilities

At balance date there are no contingent liabilities.

### 14. Classification of Financial Instruments

The carrying value of financial instruments are as follows:

	2022	JUL-DEC 2021
<b>LOANS AND RECEIVABLES</b>		
Cash and Cash Equivalents	1,620,116	967,308
Accounts Receivables	330,350	62,728
<b>Total Loans and Receivables</b>	<b>1,950,466</b>	<b>1,030,037</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts Payable and other payables	200,227	295,334
<b>Total Financial Liabilities</b>	<b>200,227</b>	<b>295,334</b>

The Company is a party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, receivables and payables.

#### Credit Risk

In the normal course of business, the Company incurs credit risk from receivables and from transactions with financial institutions. The Company has no significant concentrations of credit risk other than the funding it receives from Tertiary Education Commission (TEC). The company receives funding from TEC for the facilitation of apprenticeship training. Without this funding there would be a greater reliance on payments from the respective apprentices and their employers which in this environment could be difficult.

No collateral or security is held or given to support financial instruments.

## Notes to the Financial Statements

### Interest Rate Risk

The Company has minimal interest risk, as all cash funds that earn interest are with a registered bank.

There is an unsecured loan between MAST and BIA and this loan is subject to interest which is set and agreed by the Board.

### Fair Value

The estimated fair values of all financial assets and liabilities are equivalent to the carrying amounts disclosed in the statement of financial position.

### Accounts Payable and Other Payables

Accounts payable and other payables are non-interest bearing and are normally settled on 30 day terms. The carrying value of accounts payable and payables approximates their fair value. All accounts payable and other payables are from exchange transactions.

## 15. Related Parties

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship or terms and conditions no more or less favourable than those that it is reasonable to expect the company would have adopted in dealing with the party at arm's length in the same circumstances.

As at 31 December 2021 New Zealand Marine Export Group Incorporated was the controlling entity of Marine and Specialised Technologies Academy of New Zealand Limited.

As at 19 August 2022 ownership of Marine and Specialised Technologies Academy of New Zealand Limited transferred from New Zealand Marine Export Group Incorporated to Boating Industries Association of New Zealand Incorporated. Please refer to Note 16 (Loans).

The Company classifies its key management personnel as follows:

KEY MANAGEMENT PERSONNEL REMUNERATION	2022	JUL-DEC 2021
Members of the governing body	34,000	-
Leadership Team	320,938	112,131
<b>Total Key Management Personnel Remuneration</b>	<b>354,938</b>	<b>112,131</b>

## 16. Loans

On 31 May 2021 the Company entered in to an agreement with Boating Industries Association of New Zealand (BIA) Incorporated to purchase assets from BIA for \$351,894. The loan to be a commercial transaction, interest to be charged at commercial bank rates, the first year was agreed to be set at 4.55% interest, to be paid at the end of each quarter. The interest rate is to be reviewed annually. The loan principal can be repaid at any time by mutual agreement.

It was further agreed the BIA would make a capital injection of \$500,000 to be held on 'current account' until such time the shares held in trust by New Zealand Marine Export Group Incorporated transferred to BIA.

LOANS	2022	JUL-DEC 2021
BIA - Current Account	-	500,000
BIA - Asset Loan	351,894	351,894
<b>Total Loans</b>	<b>351,894</b>	<b>851,894</b>

## Notes to the Financial Statements

### 17. Share Capital

All 500,000 shares with par value of one dollar (\$1) were fully paid up on 19 August 2022.

SHARE CAPITAL	2022	JUL-DEC 2021
Share Capital	500,000	-
<b>Total Share Capital</b>	<b>500,000</b>	<b>-</b>

### 18. Going Concern

The company has adequate resources to continue operations for the foreseeable future. For this reason the Board of Directors continues to adopt the going concern assumption in preparing the financial statement for the year ended 31 December 2022.

### 19. Accumulated Funds

ACCUMULATED FUNDS	2022	JUL-DEC 2021
Opening Balance	419,017	-
Current Year Earnings	1,043,420	419,017
<b>Total Accumulated Funds</b>	<b>1,462,437</b>	<b>419,017</b>

### 20. Events after balance date

Since the end of the financial year and to the date of this report, the directors are not aware of any matter or circumstances not otherwise dealt with in this report or the financial statements that has significantly affected the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Management is confident that the company can pay debts as they fall due within 12 months of the date of signing of these financial statements.



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