





Table of contents

About Competenz	4	World class skills for New Zealand industry	17
Chairman's report	5	Our performance in 2013	19
Board members	6	We look to the future	21
CEO's report	7	We celebrate achievement	23
Senior Leadership Team	8	Summary financial statements	25
About our learners	9		
Growing skills, careers and businesses	11		
Bringing five ITOs together to build the new Competenz	15		

About Competenz

Competenz has helped 19,410 Kiwi learners and over 3,000 Kiwi companies across New Zealand build their skills in 2013.

We work with our industry partners to understand the skills their employees need and to develop qualifications that will help learners build those skills.

Then we make that learning happen – in the workplace. Our account managers work with learners and companies to help them build their skills. We contract training providers to deliver classroom-based training. We write and produce manuals and training materials, including e-learning tools, to support the learning. We assess whether learners have gained the skills they need. We moderate those assessments to make sure they're valid, fair and consistent across all our learners. And we register learners' credits with the New Zealand Qualifications Authority.

Supporting 37 industries across New Zealand

We carry out this work across 37 industries the length of New Zealand:

- **Engineering and related trades.** Fabrication, mechanical engineering, general engineering, machining, maintenance engineering, toolmaking, metal casting, fire protection, gunsmithing, heating, ventilating and air conditioning, lifts and escalators, locksmithing, refrigeration and air conditioning
- **Food and beverage.** Bakery, butchery, food and beverage manufacturing
- **Forestry.** Harvesting, silviculture
- **Manufacturing.** General manufacturing, steel manufacturing, wood manufacturing, furniture, pulp and paper, solid wood, wood panels
- **Plastics and materials manufacturing.** Glass container manufacturing, laundry and drycleaning, paint and coatings, pharmaceutical and allied products manufacturing, plastics processing, textiles manufacturing

**We help kiwi industry grow skills,
careers and businesses and make
it easy to learn on-the-job.**



**In 2014:
20,091 learners
3,500 companies
37 industries**

- **Communications and media.** Journalism, packaging, printing, signmaking
- **Transport.** Maritime and rail

Getting behind apprenticeships

We believe in the value of apprenticeships to help people learn. In 2013, almost 5,000 learners studied towards apprenticeships in our industries. This number includes 383 engineering apprentices seconded to companies through our contract with Apprentice Training New Zealand (ATNZ).

Chairman's report

A successful year – for companies, learners and Competenz



2013 has been about growth – for the companies and learners we support, and for Competenz too.

It's been a year of consolidation for industry training in New Zealand. Three mergers (and a fourth on 1 January 2014) mean 37 industries across the country now trust Competenz to understand their training needs, work with them to build their employees' skills and, as a result, help them lift their productivity.

In the industries we supported before these mergers, companies enrolled more learners in qualifications to build their skills than in 2012. More apprentices signed on with us in the engineering trades than the previous year. More learners completed their training with us.

From a governance point of view, three activities stand out for 2013.

1. Realising the benefits of our mergers

The work Competenz has done in recent years to lift all aspects of our game has made us an attractive option for four other industry training organisations seeking a partner. The efficient way the mergers have taken place reflects this willingness to partner with us.

Now we need to deliver on the promises we made our merging industries. I'm pleased to report that we are. For example, we're investing money freed up in back office overheads into frontline activities like more visits to our butchery customers and resources like online learning that deliver more value for our companies and learners.

2. Future-proofing our industries

We are leading the way with our industries to review and update New Zealand qualifications. You can read more on page 17.

Our Learning Management System (LMS), launched in April, brings learners in our Level 1 New Zealand Certificate in Engineering and sales qualifications online tools and materials that let them learn when and where they want to. By letting companies track employees' progress online, the LMS also encourages these employers to play a more active role in this learning and introduces many to the benefits of this type of technology.

3. Promoting health and safety

Our role as industry training partner gives us access to workplaces across New Zealand. That brings with it a unique opportunity to influence the companies we work with to improve their workplace safety practices – through training and other means – and we're actively doing this. We're also continuing to work with the Apprentice Training New Zealand (ATNZ) Trust to make health and safety a priority for the companies we second apprentices into.

We helped agree the terms of reference for the government's Forestry Safety Review and at the end of 2013 were preparing to play an active part in the review.

Getting training on the business agenda

Our aim at Competenz is a simple one: we want world class training for New Zealand industries. It's also an ambitious aim – and it needs to be.

New Zealand needs to lift its productivity. (In 2011 we ranked a poor twenty-first out of 34 OECD countries for per capita GDP).

There are three ways we can lift productivity. We need to build a more skilled workforce; we need to manage people and other resources more effectively; and we need to invest more capital in equipment, technology systems and other tools that will lift productivity.

As a business owner and member of several boards, I know that industry training plays a hugely important role in all three of these activities. To encourage more investment in training, boards and management teams across the country need to prioritise, discuss and report on training with the same intensity they do other aspects of their business. Unfortunately this just isn't happening – and it's holding New Zealand back.

So in 2014 you'll see Competenz continue to work with the government and New Zealand companies to make industry training the priority it needs to be. How will we know we've achieved our aim? Training, employee development plans and the productivity gains that result will feature centre-stage in the monthly board reports and management budgets of every company in our 37 gazetted industries.

Thanks

At the end of a busy year, I'd like to acknowledge my fellow board members for their support during a period of significant change. The strategic focus they've brought to the table has played a major part in the results we've achieved.

On behalf of the board, I'd also like to thank John Blakey and his Senior Leadership Team. They've performed admirably, accepted new challenges, and can be proud of the excellent results Competenz has achieved. Thanks, too, to all Competenz employees, for your hard work. You can be proud of what we've achieved this year.



Mike Simm, Chairman, Competenz

Board members



Mike Simm – Chairman

Business owner and professional director. Has a special interest in youth development and transitions from school to work.



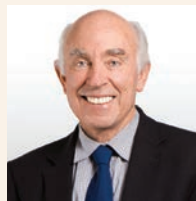
John Blakey – CEO

Competenz CEO since 2007. Has over 20 years' experience in vocational education and training.



Tom Barratt

Managing Director of Degussa Peroxide Ltd. Has a wealth of experience in engineering and manufacturing.



Peter Herbert

Has been involved in industry training for over 20 years. Chair of the Apprentice Training New Zealand Trust. Executive member of NZ Manufacturers and Exporters Association.



Bill Newson

National Secretary for the Engineering, Printing and Manufacturing Union (EPMU). Has played a significant role in developing trades training, including engineering apprentices.



Kelly Smith

Has a strong commercial background in the fast moving consumer goods industry, including food and beverage. Extensive experience in sales, marketing, business planning and development.



Melissa Hodd

Has extensive expertise in the food and beverage, not-for-profit and government sectors. This includes as a board member in the retail meat, packaging and food and beverage industries.



Brian Rhoades

Professional director, involved in the forestry and wood manufacturing industries. Has extensive senior management experience in the manufacturing and food industries.

CEO report

World class skills for New Zealand industry



“World class skills for New Zealand industry”. It’s our Competenz strategic intent and the reason I come to work each day.

We all want a bold and better future for New Zealand. Every day at Competenz, we see the essential role that strong, relevant technical and vocational skills play in building the businesses that can create this future. We also understand how effective workplace training builds skills, careers and businesses in a world that’s competitive and changing quickly.

Good progress against our plans

So I’m pleased to report that we’ve made good progress in 2013 against our strategic intent. New enrolments and qualification completions are up strongly across the engineering, engineering trades, manufacturing and transport sectors that made up Competenz at the start of the year.

To achieve these results we’ve worked closely with industry in a number of areas, so that we meet our statutory requirements and add real value to New Zealand companies and their employees.

- We embarked on a five-year plan of work to review all our training programmes, completing five reviews in 2013. We’re using the information we’ve gained to continue to improve all aspects of our business.
- We’re making good progress with our industry partners to review and update the New Zealand qualifications we’re responsible for. You can read more about this work on page 17.
- We’ve launched an e-learning option for Level 1 New Zealand Certificate in Engineering and

our sales qualifications, bringing our learners interactive, online tools and materials that let them learn where and when they want. Learners and companies have responded well and we’re looking at opportunities to expand the range of e-learning we offer.

- We’ve continued to improve our management reporting, helping us track our learners’ progress, identify struggling learners, and support them through their training.

Bringing our merged businesses together

2013 has been a year of structural change for industry training organisations, with mergers across the industry. During the year we welcomed the Retail Meat Industry Training Organisation, Forest Industry Training and Education Council (FITEC) and Plastics and Materials Processing Industry Training Organisation (PAMPITO) under our Competenz umbrella. Those mergers, plus the merger with the Communications and Media Industry Training Organisation (CMITO) on 1 January 2014, bring the number of industries we support to 37.

We’re managing these mergers carefully, to minimise disruption for our learners and companies and to bring them the benefits of the mergers as soon as we can. We’re seeing benefits already:

- Learner numbers in our butchery qualifications are up 15% percent, with strong completions and positive feedback from the industry.

Senior Leadership Team

- The merger with FITEC is also proving its worth, with back-office savings letting us increase the number of contract assessors available to our forestry learners by ten.

Thanks

2013 has been a busy year for our Competenz employees. I'd like to thank the Senior Leadership Team and all employees for their hard work and commitment to our learners.

In a year of huge change, the results of our 2013 employee engagement survey (completed in November) are encouraging. In a survey of 'best places to work', our employees rate Competenz above the average in five categories.

Why are these results so important? Because engaged employees go out of their way to support their customers. And going out of their way to support our companies and our learners is exactly what's building our Competenz brand and reputation, and delivering the results we've achieved this year. We see the evidence in our customers' feedback.

Looking ahead to 2014

All this work sets us up to continue to perform strongly in 2014. Our big challenge is to bring our five merged organisations into one, with one efficient way of working, a common culture and values, and targets that meet our industries' and learners' needs.

In 2014 we'll also continue to champion the benefits of industry training with employers and the government. New Zealand needs vocational training that's appropriately funded, flexible and accessible. This training must be part of a pathway of lifelong learning that starts at school and takes account of people's different learning histories, experiences and learning styles.

If New Zealand's to get ahead, we need to see training for what it is: an investment in our 'bold and better future'.



John Blakey, CEO, Competenz



John Blakey – CEO

Competenz CEO since 2007



Fiona Kingsford – GM Trades, Strategy & Integration

Industries: engineering, materials manufacturing, forestry, furniture, printing, signmaking, packaging, journalism. ATNZ apprenticeships, strategy, and merger integration.



Jim MacBride-Stewart – GM Traineeships & Business Development

Industries: food and beverage manufacturing, baking, butchery, rail, maritime, manufacturing. Business development.



John McLaughlan – GM Product Development & Quality Assurance

Qualification development, industry leadership, learning and innovation, resource development, quality assurance.



Rachel Hopkins – GM Marketing & Communications

Marketing, brand, stakeholder engagement, communications, customer satisfaction, careers promotion.



Julie Ingram – GM People & Culture

Culture and engagement, health and safety, skills development, people policies and practices, organisation development, payroll, HR and ATNZ support.

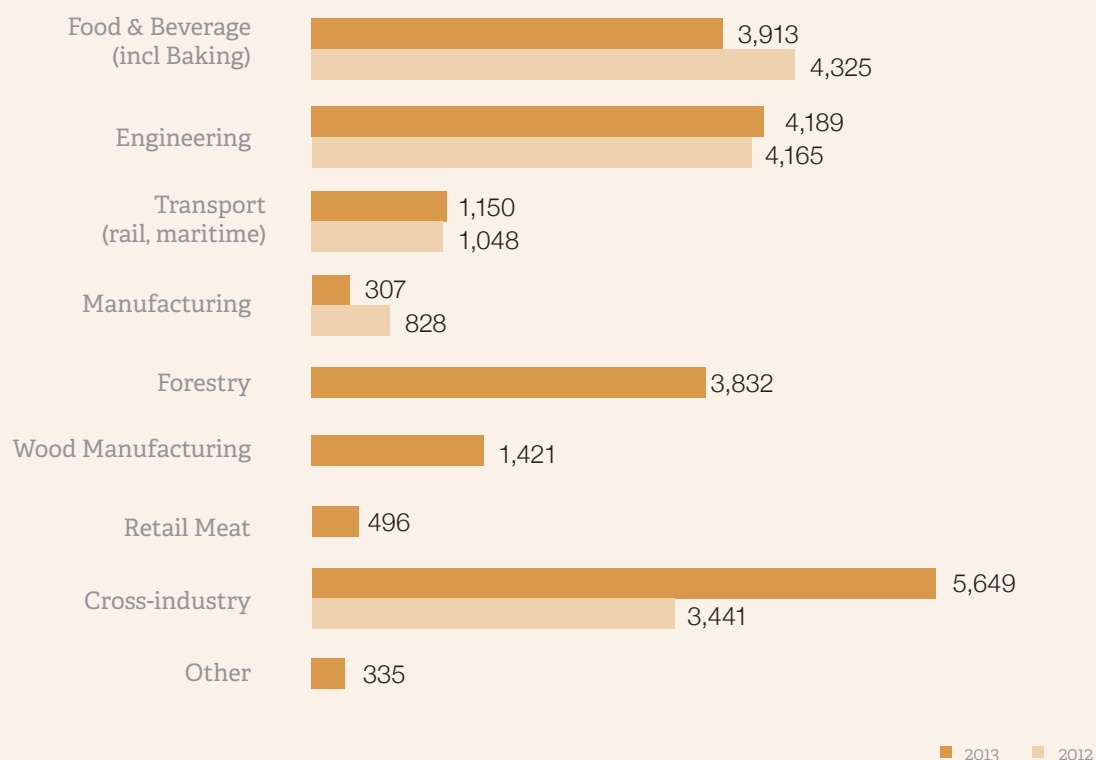


Mark Richardson – GM Finance & Corporate Services

Finance, information technology, communications, customer service, legal, procurement, business process improvement.

About our learners

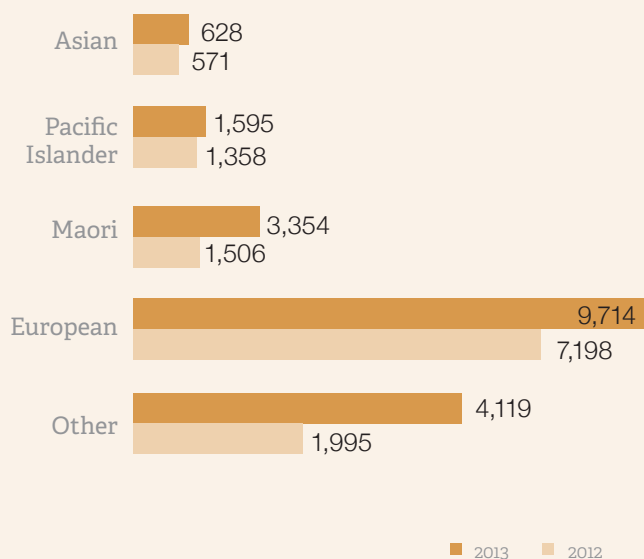
Enrolments by sector



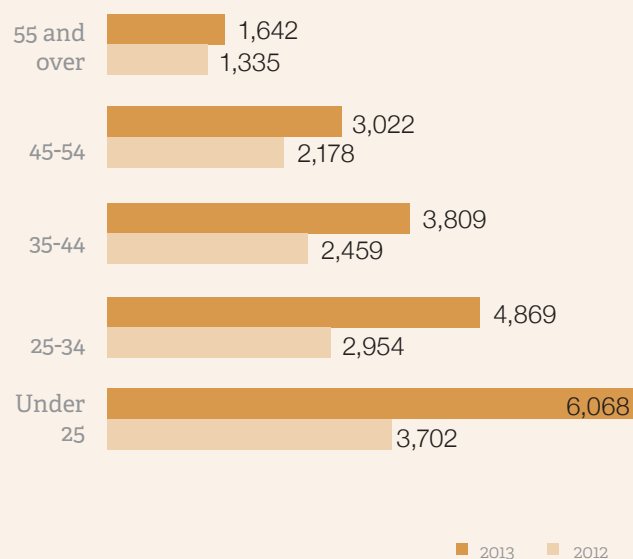
6
5
4
3
2
1

Level

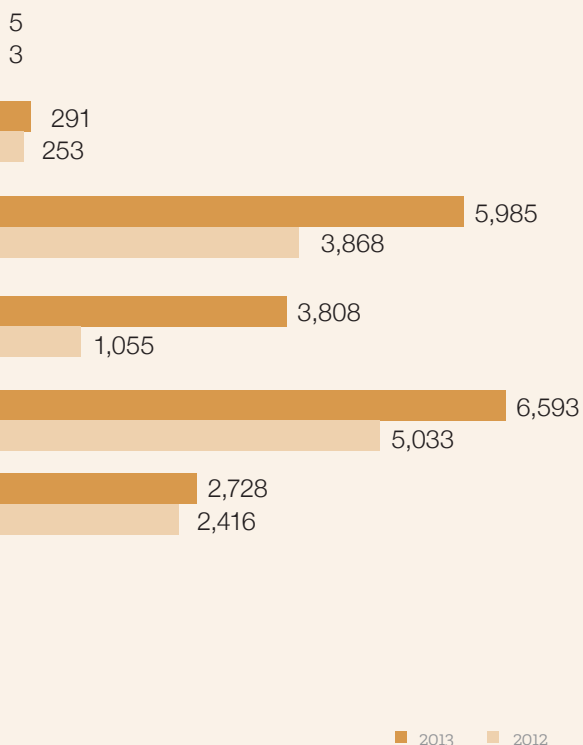
Learners by ethnicity



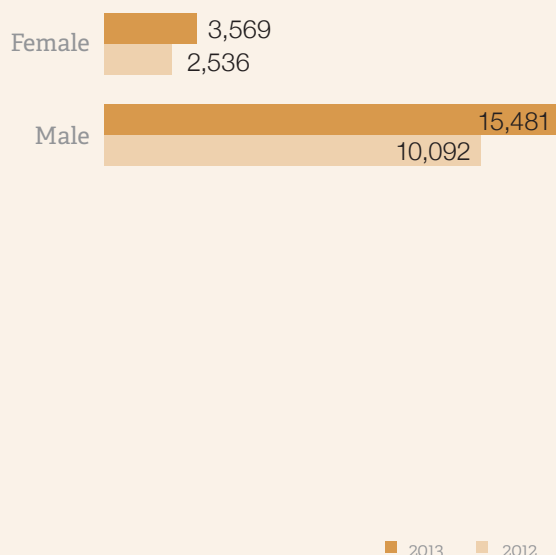
Learners by age



Learners by level



Learners by gender



"I've always had this philosophy and tried to pass it on. Get as qualified as you can in a field, because it's going to pay off - in terms of continued employment, if you want to climb the ladder or for your own personal satisfaction. It's something I've always lived by."

Colin Price, a learner who has completed all his fire protection qualifications and is still training at 66 years of age

Growing skills, careers and businesses



“Now we’ve established a continuous learning culture, the team are asking me ‘when’s the next course coming?’ So to get that feedback from those who were initially ‘not interested’ – it’s fantastic! It really has been a win-win for our staff and the business.”

*Joe Bosnich,
Training Coordinator, Pernod Ricard*

‘When’s the next course coming?’

‘We started like most companies – exploring new ways to engage our team members,’ says Joe Bosnich, Training Coordinator at Pernod Ricard. ‘And after completing a workplace literacy programme we wanted to continue the momentum we’d started.’

So when Competenz offered the chance to gain the National Certificate in Food and Related Products Processing, Pernod leapt at the opportunity.

For some employees, this was the first qualification they had ever achieved and there was initially apprehension about not wanting to ‘go back to school.’

‘Many were hesitant at first, but with the support of our Account Manager Joanne Verry, they quickly realised that retraining and up-skilling was absolutely nothing to fear,’ says Joe.

And Pernod has reaped the benefits. ‘We’ve seen our production staff really grow in confidence and begin to grasp that sense of ownership which is exciting,’ explains Joe. ‘The programme was a great way to refresh and recognise the base knowledge they already had, and it gives staff a platform from which they can complete more courses in future.’

And while Joe feels they have just started, he is delighted with their progress. ‘Now we’ve established a continuous learning culture, the team are asking me ‘when’s the next course coming?’ So to get that feedback from those who were initially ‘not interested’ – it’s fantastic! It really has been a win-win for our staff and the business.’



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“Up-skilling is always going to improve your worth, your take-home pay. I’ve got a mortgage now, something I never had. Gaining skills allows your value to be recognised. It’s definitely worthwhile.”

*Nukumai Jansen,
2013 Forestry Trainee of the Year winner*



Dedication to training wins top award

Nukumai Jansen is one happy man. After 23 years in forestry, the father of three received the Forestry Trainee of the Year Award 2013. ‘To have that recognition after so many years of working hard – it’s really a privilege,’ says Nuk. ‘Each national certificate is a big achievement but to achieve this at a national level is an amazing feeling.’

‘As the crew’s health and safety champion, I’ve got to set a good example,’ says Nuk, who was recently appointed foreman. ‘Logging is an industry where you don’t get a second chance. What keeps me motivated is seeing the guys achieve to a level where they’re going to be safe at work and I don’t have to worry about them getting home each night.’

Drawing on his years of experience in silviculture and logging, Nuk has a lot to offer others. He will soon complete his training to become a Competenz assessor. ‘I love the industry and I’ve always enjoyed passing on my knowledge to the new ones coming through.’

That’s not to say that his own days of training are over. Next on the schedule is completing his digger module, a waratah module, and training on a new feller buncher, which will improve his crew’s safety and productivity.



Darren Meyer, Norm Coffer and Kaleb Vaiioleti from McConnell Dowell



“Gaining a qualification is recognition of your skills – you’ve got better job prospects and you can demonstrate that you’ve got the right training for the job.”

*Natalie Kerwin,
Heating, ventilation and air conditioning apprentice*

Formal qualifications, better job prospects

An engineering workshop may not be the common choice for a young woman leaving school but that’s where nineteen-year-old Natalie Kerwin found herself. ‘My friends thought it was a bit crazy. They went to university. I thought I’d give this a try.’

The gamble paid off. Natalie spent the next two years honing her skills in an engineering environment. ‘When I saw a job advertised with a team at Ohakea, I knew I had the basic skills.’

That team was Tech Mechanical’s Heating, Ventilation and Air Conditioning (HVAC) team. Later they would offer Natalie a chance to complete her apprenticeship, the National Certificate in HVAC, Level 4.

‘You have to be a hands-on person, to like getting out and about, to be a good problem solver. You’ve also got to keep on top of the coursework because managing your workload can be tricky.’

Natalie says HVAC is still a small industry in New Zealand, but a growing one. She’d like to see more young people exploring opportunities in the sector and hopes in a few years to be able to coach new apprentices through the more challenging aspects of the qualification.

Natalie feels lucky to be exposed to such a variety of work for domestic and industrial customers. ‘We install heat pumps right through to commercial heating systems. That’s what I love. HVAC is so diverse.’



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"You've got to be fit and strong. But you also need to be tough with the right attitude. At the beginning you have to do all the jobs that nobody likes."

*Jack Khosrawi,
Competenz Apprentice Butcher of the Year 2013*



Hard graft leads to success

Jack Khosrawi has come a long way since he arrived in New Zealand from Kurdistan seven years ago, unable to write and with little English. He's the Competenz Apprentice Butcher of the Year 2013.

That's not to say success has come easily to Jack. To win the top prize takes determination and a range of skills. 'I had to study every night to get my theory together. Without that, I wouldn't have won,' says Jack.

While theory is important, apprentices must demonstrate high levels of competency in knife skills and the quality of the cuts they produce. They also need sound knowledge of health and safety, cooking and serving suggestions, and overall presentation.

Presentation is important to Jack. He likes nothing more than organising the gourmet bar at the country's largest supermarket, Pak'n'Save Lincoln Road, where he now works as a fully qualified butcher. Jack enjoys the attention to detail that's needed to produce premium meat cuts. This attention to detail will get a further boost after he completes an industry study tour to the UK in 2014.

Jack's advice:

'Be patient and calm and listen. Listening is the most important skill. Remember what the butchers tell you and watch them when they're cutting. You've only got three years – so you've got to be focused.'



Beni Hall from Rocket Signs with Competenz Account Manager Dave Eagles

Bringing five ITOs together to build the new Competenz



The past three years have seen significant structural change in the industry training sector. At the start of 2011 there were 38 ITOs in the sector, including Competenz. By 1 January 2014 industry mergers had seen this number fall to 12.

Competenz has contributed actively to the debate about industry consolidation, and encouraged 128 of the companies we work with to put forward their views on the proposed changes. We have been the partner of choice for four of the merging ITOs:

- Retail Meat ITO (merged 1 January 2013)
- Forestry Industry Training and Education Council (FITEC) (merged 1 May 2013)
- Plastics and Materials Manufacturing ITO (PaMPITO) (merged 1 October 2013)
- Communications and Media ITO (CMITO) (merged 1 January 2014)

These mergers bring the number of industries we support at the start of 2014 to 37.

Embedding the changes, realising the benefits

The diagram below explains the structured way we've approached all four mergers. This approach:

- is designed to meet the needs of all the stakeholders involved (including our customers, learners, employees, training providers and government agencies);
- covers all the activities involved in running a successful ITO, including managing databases and technology systems, provider contracts, service models, assessment and moderation processes, learning resources, and marketing and communications;
- sets explicit targets for the benefits we want to achieve for each merger and measures our progress in delivering these benefits.

Managing the mergers

TRANSITION PHASE

Meeting legal and Government requirements

- Temporary staffing arrangements
- Management and financial integration

PHASE 1

- Onboarding of employees
- Website integration
- Re-branding of marketing and communications materials
- Database and systems integration

“I am confident that with the professional management that Competenz has applied, we will produce butchers of the highest calibre.”

*Rod Slater,
Chief Executive Officer, Beef & Lamb New Zealand*

At the end of 2013 our mergers with the Retail Meat ITO and FITEC were well advanced. Savings in back office processing are already letting us to deliver benefits to our learners and companies. You can read more about these benefits in the report of our CEO, John Blakey on page 7.

The mergers with PAMPITO and CMITO are both in their early stages. Industry feedback to date has been positive.

Our challenge now

Our challenge now is to continue to bring our five merged organisations into one, with one efficient way of working, a common culture and values, and targets that meet our industries' and learners' needs.



PHASE 2

- Provider contracts
- Service review
- TRoQ management established

PHASE 3

- Service model implementation
- Moderation and assessment practices review
- Resources review

PHASE 4

- Integration into Competenz structure
- Resources integrated
- Customer feedback programme implemented
- Learner outcomes and merger benefits being measured

World class skills for New Zealand industry



Competenz is working closely with our industry and training partners to review all our qualifications. The result will be a suite of qualifications that is smaller, simpler and more relevant to current and future employers and learners than it is now.

About the qualification reviews

The New Zealand Qualifications Authority (NZQA) is reviewing all New Zealand's national and local qualifications. These reviews are called Targeted Reviews of Qualifications (TRoQs).

The resulting qualifications will be easier for:

- learners and employers to use to build the skills they need;
- training providers to support;
- industry training organisations like Competenz to maintain and support.

The role of Competenz

We are working closely with our industry and training partners (e.g. industry associations, employers and training providers) to review existing qualifications and confirm the new qualifications.

The TRoQ roadmap

We are following a five-stage process for each review.

Stages one to three: the review

During the second stage we work with our industry and training partners to review the existing qualifications and confirm the new qualifications. At the end of this stage we apply to the NZQA for approval to develop these qualifications.

During the third stage we work with our partners to develop the detail of the new qualifications. At the end of this stage we apply to the NZQA for approval to list the qualifications on the New Zealand Qualifications Framework.

Stages four and five: making it happen

These stages involve designing the industry training programme and materials needed to support the new qualifications and making them available to employers and learners. During the fourth stage we send the NZQA a training plan to approve.



Involving our industry and training partners

Our industry and training partners are the best source of information about the skills New Zealand companies need to prosper and how to deliver them.

These are industry reviews. So we are encouraging everyone with an interest in this work to get involved. That includes business owners, HR managers, industry associations and training providers.

By contributing to this work these parties are improving the qualifications that will help industries, employers and learners build the skills they need. They can attend meetings to learn about the reviews and give their views; serve as members of the governance group that oversees each TRoQ and the working groups that carry out the technical work involved; comment on draft documents (e.g. draft qualifications); provide feedback at all stages of the review.

TRoQs Competenz is leading

- Apparel • Baking • Competitive manufacturing
- Fire protection • Forestry • Furniture • General food and beverage • General manufacturing • Glass
- Laundry and drycleaning • Maritime • Mechanical engineering • Wine • Pharmaceuticals • Plastics processing • Print • Pulp and paper • Rail infrastructure • Rail passenger services • Refrigeration and air conditioning • Retail meat • Solid wood
- Textiles • Tissue converting • Wood panels

The progress we're making

We are making good progress on the reviews. At the end of April 2014 most of the reviews are at stage three: gain approval to list, with four reviews at stage four. We expect to launch the new qualifications through 2014 and 2015.

Keeping up-to-date on the TRoQs

Our Competenz webpages will help you understand the TRoQ reviews. This is the place to come for information about each TRoQ: the qualifications each review covers, the progress the review is making, the industry and training partners involved, the proposed 'qualification map' for the new qualifications, meetings and other opportunities to give feedback.

www.competenz.org.nz/troq

The TRoQs in numbers

25

TRoQ projects Competenz is leading

11

TRoQ projects Competenz is contributing to

320

Qualifications under review

324

Industry and training partners involved in governance and working groups

300⁺

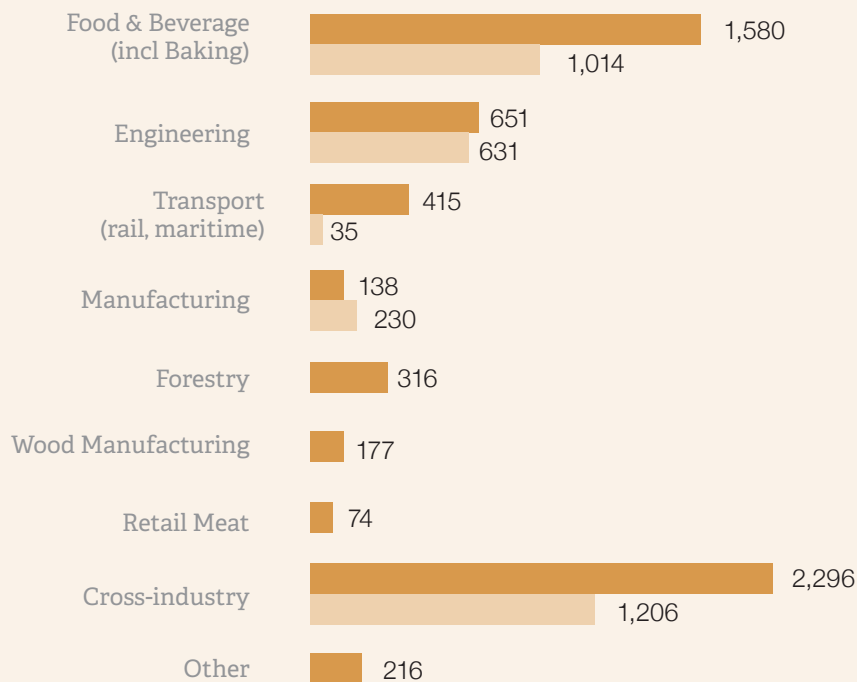
Industry meetings

"Being part of the manufacturing TRoQ is helping me represent the needs of EMA members and learners now and in the future."

Kevin Chambers,
Employers and Manufacturers Association (EMA)

Our performance in 2013

Qualification completions by sector



**Credit
completion
rate**

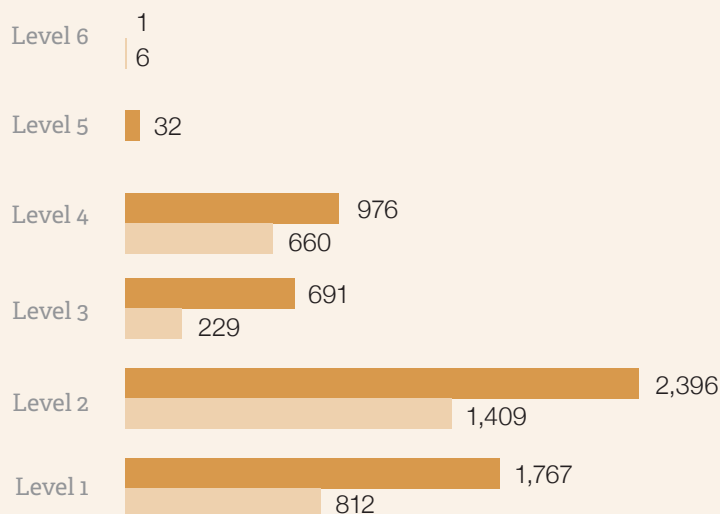
66%

**Programme
completion
rate**

65%

■ 2013 ■ 2012

Qualification completions by level



■ 2013 ■ 2012



We look to the future



Teachers and learners at Auckland's Rosmini College work on a Tools4Work project

Tools4Work: preparing school students for vocational study in the workplace

Our Tools4Work programme gives secondary school students hands-on experience to prepare for a career in engineering, while they achieve national standards. We develop resources so teachers can give students projects that require basic engineering skills. In 2013:

- 243 secondary schools and 5,000 students nationwide used our Tools4Work programme
- 2,500 students completed the Level 1 National Certificate in Mechanical Engineering
- 2,500 students completed the Level 2 National Certificate in Mechanical Engineering
- 170 teachers attended moderation sessions with Competenz moderators.

We are grateful to Blackwoods Protector for supporting the Tools4Work programme. This support lets us offer professional development to teachers and promote the Tools4Work programme to students, schools and careers advisers.

Tools4Work Professional Development Day: helping teachers prepare their students

In November, 75 teachers from secondary schools across the country attended our Tools4Work Professional Development Day.

The day gave Competenz a chance to explain the work underway to review the National Certificate in Mechanical Engineering and develop stronger pathways from school to the workforce. Teachers shared practical case studies about the work they are doing to prepare students for a career in the engineering trades. Feedback from teachers has already helped Competenz develop new tools and materials that let teachers across the country share information and promote a career in the trades with teachers, parents and students.

We're working to prepare young New Zealanders for satisfying, productive jobs in the industries Competenz supports.

TOOLS4WORK



'Competenz Accredited' status: preparing students to industry standards

Six secondary schools across New Zealand have now gained 'Competenz Accredited' status. This accreditation tells prospective employers in the engineering trades that students graduating from that school are being prepared to a level that meets industry expectations.

There are benefits for everyone involved. Learners, schools and companies can be confident learners are receiving high quality engineering training that meets industry standards. Schools receive professional development and support for their technology teachers, and support for industry placements under the Gateway scheme. Companies gain access to a pool of school leavers with the National Certificate in Mechanical Engineering Level 2 and apprentices with high potential.

Our Competenz accredited schools

- Waitakere College, Auckland
- Gisborne Boys High School, Gisborne
- Awatapu College, Palmerston North
- Linwood College, Christchurch
- Hornby High School, Christchurch
- Taieri College, Dunedin



"What Competenz brings is a nationally recognised qualification that reflects the effort of every employee."

*Jeff Tuffnell,
training provider for Tru-Test Group*

WorldSkills: giving talented young tradespeople the chance to hone their skills



Every two years, Competenz sponsors one or more talented young tradespeople at WorldSkills (also known as the Trade Olympics). New Zealand is one of 66 countries that take part in this international competition where young people from across the globe compete to become the best in their chosen skill.

Reece Gerrits from Thorburn Engineering in Hamilton (front right) was one of 13 talented up-and-coming tradespeople who represented New Zealand at the most recent WorldSkills, held in Germany in July 2013. Over 1,100 competitors from more than 60 countries attended the event.

Reece received a Medallion for Excellence and finished fourth in the world in the sheet metal category, behind Taipei, Brazil and Korea, all countries which give their competitors funding to train full-time for the competition.

'My family is really proud of me, and I guess there's a bit of heritage there, with my dad also working in the sheet metal industry,' says Reece.

Reece's manager Len Guilford recognises the value of competitions like WorldSkills. 'Being involved in a competition like this definitely accelerates a young tradesperson's development,' says Len.

'Goals and challenges really stimulate people into gaining confidence and growing their skills. Reece recently did a job from design to completion, pushing himself to a very high level of achievement. I don't think he would have been capable of doing this before training for WorldSkills, so it is a bonus for us.'



Competenz Industry Manager Steve Brooks (above) is an experienced WorldSkills judge, and coached Reece to prepare him for the 2013 competition.

'Sponsoring talented people like Reece to attend WorldSkills is about promoting excellence in all our industries,' says Steve. 'Over 200,000 visitors attend, and the event's a great opportunity for learners to display and build their skills. The competition is tough, but it's a hugely rewarding experience, a once-in-a-lifetime opportunity.'



We celebrate achievement

New website: showcasing diverse careers in the forestry and wood processing industries

This new website, launched in June, is the place to come for anyone who wants to learn about career opportunities in the forestry and wood processing industries. It includes information on study and training options for each type of job, plus advice on how to hunt for a job.

www.woodcareers.co.nz



Furniture Trainee of the Year 2013

Alex Rau
from Molloy Furniture



Fonterra sales graduation

Leigh Parker,
Sharon Mitchell and
Baden Ngankee



PaMPITO graduation, Christchurch



Pranesh Nand, Plastics Apprentice of the Year, with basketballer Dillon Boucher



Hayley Devoy, CPIT's Trades Innovation Manager, receives CPIT's award as Training Provider of the Year for their work in 2013



Trainee of the Year Bakery apprentice Tamate Eggers (right) from Countdown Lower Hutt

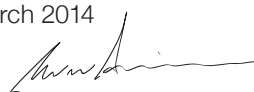
Summary financial statements

Summary statement of financial position

As at 31 December 2013

	Consolidated	Competenz	Consolidated	Competenz
	2013	2013	2012	2012
	\$000s	\$000s	\$000s	\$000s
ASSETS				
Current assets				
Cash and cash equivalents	7,677	5,983	5,903	4,726
Trade and other receivables	2,128	1,159	1,481	363
Government grants due	267	267	479	479
Prepayments	332	312	468	267
Intercompany receivable	-	996	-	981
Total current assets	10,404	8,717	8,331	6,816
Non-current assets				
Property, plant and equipment	2,382	2,382	1,874	1,874
Intangibles	2,057	2,057	2,131	2,127
Total non-current assets	4,439	4,439	4,005	4,001
Total assets	14,843	13,156	12,336	10,817
LIABILITIES				
Current liabilities				
Trade and other payables	3,064	2,697	2,103	1,795
Government grants payable	612	612	2,374	2,374
Goods and services tax payable	508	162	382	57
Income received in advance	186	186	16	16
Employee leave benefits	1,175	564	1,018	400
Lease incentive	57	57	98	98
Provisions	80	80	-	-
Total current liabilities	5,682	4,358	5,991	4,740
Non-Current liabilities				
Provisions	205	205	-	-
Total Non-Current liabilities	205	205	-	-
TOTAL LIABILITIES	5,887	4,563	5,991	4,740
NET ASSETS	8,956	8,593	6,345	6,077
ACCUMULATED FUNDS				
Accumulated funds	8,956	8,593	6,345	6,077
Total accumulated funds	8,956	8,593	6,345	6,077

For and on behalf of the Board who authorise the issue of the financial statements on 26 March 2014


Mike Simm, Chairman

Summary statement of comprehensive income

For the year ended 31 December 2013

	Consolidated	Competenz	Consolidated	Competenz
	2013	2013	2012	2012
	\$000s	\$000s	\$000s	\$000s
REVENUE				
Government grants	18,940	18,940	12,957	12,957
Other revenue	25,741	11,723	19,655	6,538
Total revenue	44,681	30,663	32,612	19,495
EXPENSES				
Employee entitlements	23,870	10,174	20,031	7,222
Other expenses from ordinary activities	18,199	17,973	11,974	11,756
Total expenses	42,069	28,147	32,005	18,978
Net surplus / (Deficit)	2,612	2,516	607	517
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income / (loss) for the year	2,612	2,516	607	517

Summary statement of changes in accumulated funds

For the year ended 31 December 2013

	Consolidated	Competenz	Consolidated	Competenz
	2013	2013	2012	2012
	\$000s	\$000s	\$000s	\$000s
Opening balance	6,344	6,077	5,737	5,560
Total comprehensive income for the year	2,612	2,516	607	517
Closing balance	8,956	8,593	6,344	6,077

Summary cash flow statement

For the year ended 31 December 2013

	Consolidated	Competenz	Consolidated	Competenz
	2013	2013	2012	2012
	\$000s	\$000s	\$000s	\$000s
Net cash flows from / (used in) operating activities	(1,773)	(2,250)	(1,078)	(1,147)
Net cash flows from / (used in) investing activities	3,547	3,507	(779)	(825)
Net cash flows from / (used in) financing activities	-	-	-	150
Net increase / (decrease) in cash and cash equivalents	1,774	1,257	(1,857)	(1,822)
Cash and cash equivalents at beginning of year	5,903	4,726	7,760	6,548
Cash and cash equivalents at end of year	7,677	5,983	5,903	4,726

Notes to the summary financial statements

The summary financial statements for Competenz and its subsidiary (collectively “the group”) for the year ending 31 December 2013 were authorised for issued by the Directors on 26 March 2014. The summary financial statements have been extracted from the audited full financial statements and are presented in New Zealand dollars. All values are rounded to the nearest thousand dollars. The summary financial statements have been prepared in accordance with FRS-43: Summary Financial Statements.

The summary financial statements cannot provide as complete an understanding as the full financial statements can. A copy of the full financial statements can be obtained by emailing info@competenz.org.nz. The full financial statements for the year ended 31 December 2013 were authorised for issue by the Directors on 26 March 2014. An unqualified audit opinion was issued for the full financial statements. The full financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. The full financial statements comply with New Zealand equivalents to International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for not for profit entities.

Events After the Statement of Financial Position Date

On 1st January 2014, the Group acquired the Communications & Media ITO for no consideration. The provisional net assets acquired is \$600k.

Business Combinations

On 1st January 2013, the Group acquired the operating assets of the Retail Meat ITO. The purpose of the organisation was to develop industry qualifications, define training standards, provide support for industry training, assessment and moderation processes to the Retail Meat industry. The total funds introduced was \$125k.

On 1st May 2013, the Group acquired the operating assets of FITEC. The purpose of the organisation was to develop industry qualifications, define training standards, provide support for industry training, assessment and moderation processes to the Forestry, Wood Manufacturing and Furniture industries. The total funds introduced was \$897k.

On 1st October 2013, the Group acquired the operating assets of PaMPITO. The purpose of the organisation was to develop industry qualifications, define training standards, provide support for industry training, assessment and moderation processes to the Plastics and Materials Processing Industry. The total funds introduced was \$1,044k.

In each of these instances the assets and liabilities were acquired for no consideration. Merged entities have been absorbed into the Competenz business hence no separate disclosure for their profit and loss has been made.

	Retail Meat	FITEC	PaMPITO	Total
	2013	2013	2013	2013
	\$000s	\$000s	\$000s	\$000s
Cash	116	3,135	1,227	4,478
Accounts receivable	9	571	158	738
Other current assets	-	478	30	508
Plant & equipment	-	152	109	261
Intangible assets	-	11	3	14
Liabilities	-	(3,450)	(483)	(3,933)
Funds Introduced/Gain on acquisition	125	897	1,044	2,066

Independent Auditor's Report

To the Members of New Zealand Engineering Food & Manufacturing Industry Training Organisation Incorporated (Competenz)

The summary financial statements of Competenz and its subsidiary (together "the group") on pages 25 to 27, which comprise the summary statement of financial position as at 31 December 2013, the summary statement of comprehensive income, summary statement of changes in accumulated funds and summary cash flow statement for the year then ended, and related notes, are derived from the audited financial statements of Competenz and the group for the year ended 31 December 2013. We expressed an unmodified audit opinion on those financial statements in our report dated 26 March 2014. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Competenz and the group.

This report is made solely to the incorporated society's members, as a body, in accordance Competenz's constitution. Our engagement has been undertaken so that we might state to the incorporated society's members those matters we are required to state to them in our report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the incorporated society and the incorporated society's members as a body, for our work, for this report, or for the opinions we have formed.

Directors' Responsibilities

The directors are responsible for the preparation of summary financial statements in accordance with FRS-43: Summary Financial Statements.

Auditor's Responsibilities

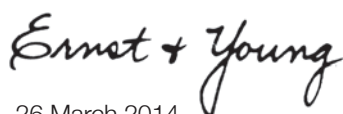
Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA(NZ)) 810, "Engagements to Report on Summary Financial Statements."

Other than in our capacity as auditor we have no relationship with, or interest in, Competenz or its subsidiary.

Partners and employees of our firm may deal with the incorporated society on normal terms within the ordinary course of trading activities of the business of the incorporated society.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Competenz and the group for the year ended 31 December 2013 are consistent, in all material respects, with those financial statements, in accordance with FRS-43.



26 March 2014

Auckland

We help kiwi industry grow skills, careers and businesses

Engineering



Fabrication



General Engineering



Machining



Maintenance Engineering



Mechanical Engineering



Toolmaking



Metal Casting

Forestry



Harvesting



Silviculture

Transport



Maritime



Rail

Manufacturing



General Manufacturing



Steel Manufacturing



Wood Manufacturing



Furniture



Pulp & Paper



Solid wood



Wood Panels

Trades



Fire Protection



Gunsmithing



Heating, Ventilating & Air Conditioning



Lifts & Escalators



Locksmithing



Refrigeration & Air Conditioning

Plastics and Materials Manufacturing



Glass Container Manufacturing



Laundry & Dry Cleaning



Paint & Coatings



Pharmaceutical & Allied Products Manufacturing



Plastics Processing



Textiles Manufacturing

Food & Beverage



Bakery



Butchery



Food & Beverage Manufacturing

Communications and Media



Journalism



Packaging



Printing



Signmaking