



Te Puni Kōkiri

Annual Report
for the year ended 30 June 2004



Annual Report of



TE PUNI KŌKIRI

for year ended 30 June 2004

Presented to the House of Representatives Pursuant to
Section 39 of the Public Finance Act 1989

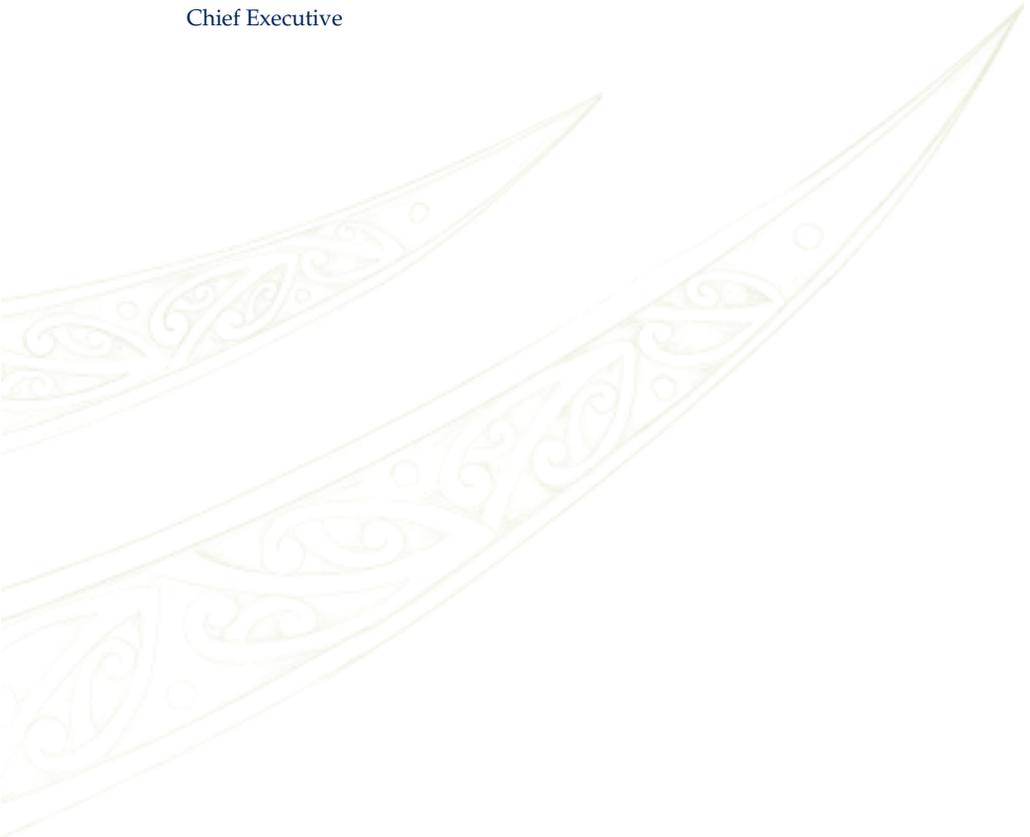


Minister of Māori Affairs

I have the honour to present to you the Annual Report of Te Puni Kōkiri for the year ended 30 June 2004.

A handwritten signature in gold ink, appearing to read "Leith Comer".

Leith Comer
Chief Executive



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Directory

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NEW ZEALAND

Internet Address:

<http://www.tpk.govt.nz>

Auditor:

Audit New Zealand
Wellington
on behalf of the Auditor-General

Bankers:

Westpac

Vision

“Kia tū rangatira ai te ao Māori”

an open ended concept where Māori-framed aspirations are pursued in partnership with others

Outcome

“Ngai Māori e angitu ana hei Māori”

“Māori succeeding as Māori” wherever and in whatever they choose in te ao Māori, New Zealand, and the world

Purpose

“Te whakamana angitu Māori”

“Enabling Māori success” leading and influencing to enable Māori participation and success as Māori

Focus

“Āārahi hononga Kāwanatanga ki a ngai Māori”

Leading and influencing the way government engages with Māori, particularly through policy advice

Approach

“Te Puni Kōkiri”

moving forward together

Chief Executive's Foreword



2003/04 A Year of Change

Tēnei aku mihi ki a koutou ngā iwi katoa o Aotearoa, ki a rātou mā kua whetūrangitia, ki a tātou hoki te hunga ora, puta noa ki te motu. Tēnā koutou me ngā āhuatanga maha, whakahirahira, e pā ana ki a ngai Māori.

As we entered 2003/04 Te Puni Kōkiri was an organisation requiring change. Change has occurred. During the first four months of this year we worked closely with the Minister of Māori Affairs, an External Reference Group and a Central Agency Advisory Group to create a new strategic direction. This work culminated in us agreeing our:

- Outcome, ***Māori succeeding as Māori***.
- Primary focus, ***leading and influencing the way government engages with Māori***, particularly through policy advice.
- Approach to work, ***moving forward together***. An integrated organisation working together with Māori, government, non-government and business.

We then spent time proposing, and consulting staff on, what we needed to look like in order to deliver on the strategic direction. In February 2004, we formally released both our *Strategic Direction* and *Decision Document: Change Programme*. A large part of the decision document was centred on integrating our activities to ensure they all contributed toward our primary focus of leading and influencing policy. The change programme also recognised that we needed to build our capability and improve our systems and processes.

The first phase of our change programme was rolled out via an organisation wide implementation plan. In the plan we agreed the structure and took the first steps of improving capability by appointing three Deputy Secretaries who have joined with me to form the Executive Leadership Team. This team is tasked with leading Te Puni Kōkiri in a collective way and implementing our changed direction.

During the period, I also embarked on a significant stakeholder relationship initiative to ensure that our efforts were aligned with the Minister's and Government's goals, understood and supported by central agencies, understood and accepted by Māori stakeholders and communities, and above all bought into by our staff.

Throughout this time of intense internal review we also continued to deliver on our 2003/04 output plan and service our Ministers. As a result of our efforts in 2003/04, I believe we have a firm foundation from which to move forward. I look forward to moving into the 2004/05 year which I see as a year of consolidation where we will embed the changes and build on the foundations.



Leith Comer
Chief Executive

Introduction

Te Puni Kōkiri has a staff of approximately 330 spread across 9 regions and a Wellington-based head office. It came into existence on 1 January 1992, replacing both The Ministry of Māori Affairs (Manatū Māori) and the Iwi Transition Agency (Te Tira Ahu Iwi), which succeeded the Department of Māori Affairs. Legislation was enacted through the *Ministry of Māori Development Act (1991)*, to provide Te Puni Kōkiri with the responsibility of promoting increases in the level of attainment achieved by Māori, and monitoring and liaising with those agencies that provide services to or for Māori.

In 1999 the Labour/Alliance coalition Government broadened the functions of Te Puni Kōkiri to include auditing the effectiveness of government programmes for Māori, and extending its service delivery role. The aim of all of these changes was to achieve an integrated approach towards the Government's overall objectives for Māori: to reduce inequalities, and improve opportunities and support for Māori development. The emphasis was on facilitating and brokering Māori development at a regional level, and influencing, advising and leading at a central government level by leading key policy initiatives and providing high quality policy advice to government.

It has become increasingly recognised that Māori make a distinctive and positive contribution to the economic, social and cultural growth of New Zealand. To this end, and following on from the development of a new strategic direction released in February 2004, we have reviewed our organisational structure, with a view to aligning Te Puni Kōkiri to better contribute to our principal outcome of *Māori succeeding as Māori*.

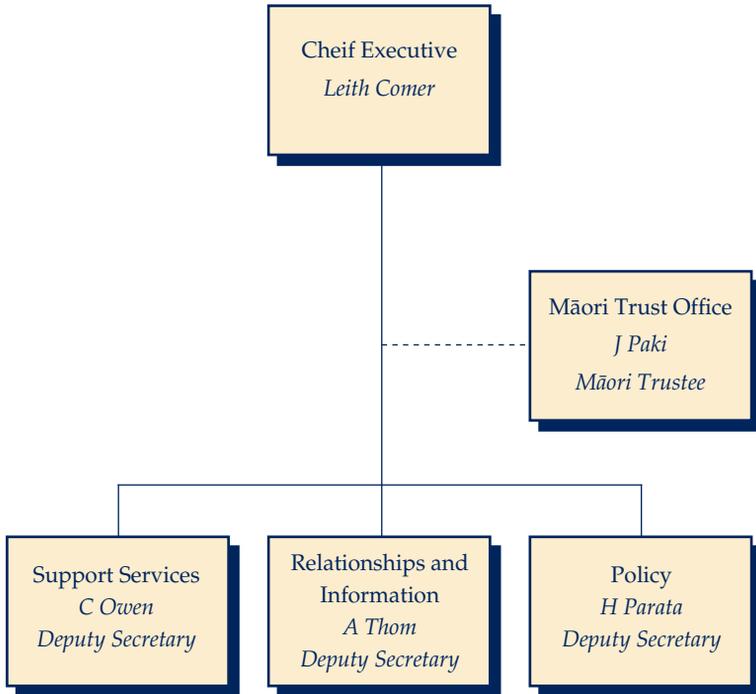
Today, our overarching outcome framework, divides outcomes in two ways: Māori specific – where Māori are responsible for driving initiatives aimed at meeting outcomes primarily of interest to Māori; and Universal - where government agencies are primarily responsible for leading initiatives aimed at the achievement of outcomes of interest to all New Zealanders.

On our journey forward, Te Puni Kōkiri will work collaboratively with government, Māori, non-government and businesses on common streams of work and strategies that ensure policies, programmes and services deliver equitable outcomes for Māori. The focus from 1 July 2004 will see us:

- leading advice to government on policy development aimed at Māori specific outcomes
- working in partnership with other government agencies both to influence policy development and to monitor and evaluate performance
- working alongside Māori at a “flax-roots” level to support Māori participation initiatives
- improving the integration of business practices to support all of our activities.

Organisational Information

Effective from 1 July 2004, our structure has comprised three wāhanga (areas), and the Māori Trust Office. These are illustrated in the following diagram:



Policy

The integrated Policy wāhanga comprises four directorates, three of which (Relationships, Culture and Participation) integrate research, policy development, monitoring and evaluation functions, and a Quality Assurance directorate focused on the capture, development and maintenance of knowledge, research and information. The immediate objective of re-positioning the Policy wāhanga is to ensure a consistent focus on its core business of leading and influencing policy, targeting policy advice to those areas where it can wield the most influence toward achieving *Māori succeeding as Māori* as articulated in our *Statement of Intent 1 July 2004*.

Relationships and Information

The wāhanga is responsible for the networking at “flax-roots” level among the nine regions with a direct link to whānau, hapū, iwi, Māori organisations and Māori communities. This entails building relationships and gathering information to inform Te Puni Kōkiri and government thinking. Our relationships with Māori provide a unique arena for testing that the policy advice we provide is practicable and robust. The wāhanga also administers and coordinates the delivery of services and funding programmes that accelerate the achievement of Māori succeeding as Māori.

Support Services

The wāhanga is responsible for the provision of high quality management support services that enable all parts of Te Puni Kōkiri to operate in an effective and efficient manner. Support Services is responsible for the following corporate functions:

- > Finance
- > Human Resources
- > Information Services
- > Legal Services
- > Ministerial Servicing
- > Risk Management and Assurance.

Office of the Chief Executive

The Office of the Chief Executive (OCE) supports the Chief Executive to perform his roles and functions efficiently and effectively. OCE includes the following:

- > Communications
- > Organisational Strategy.

An important function of OCE is to build, strengthen and maintain relationships with stakeholders.

Māori Trust Office

The Māori Trustee provides a productive and sustainable framework for the development and utilisation of Māori resources to accelerate Māori development. Te Puni Kōkiri provides to the Māori Trustee, services in the form of personnel, accommodation and corporate support.

Highlights from 2003/04

Significant events and achievements for Te Puni Kōkiri over the past 12 months are mentioned throughout this report and include:

The **Māori Television Service** going to air on 28 March 2004. The new channel will play an integral role in bringing Māori heritage, culture, language, and a Māori perspective into all New Zealand homes.

The Crown presented a Letter of Offer for the settlement of all **Te Arawa historical claims to the 14 lakes in the Rotorua area**, and to settle any remaining issues in relation to the annuity paid to Te Arawa Māori Trust Board, to Te Arawa in December 2003. The Trust Board passed a resolution agreeing in principle to the offer. Te Arawa and the Crown are currently developing a Deed of Settlement for Cabinet consideration and subsequent initialling by the parties.

Tūhono, the operating arm of the **Māori Affiliation Service** was formally launched on 2 March 2004. The Service which was established to collect affiliation information from all electors of Māori descent, to pass on to iwi and Māori community organisations will provide members with unprecedented opportunities to be registered with their iwi, and for each iwi to establish and maintain reliable and up-to-date registers of their members.

Playing a vital role in the alignment of the settlement of **aquaculture claims** with the principles of the 1992 Fisheries Settlement, resulting in an allocation to iwi of 20% of all space allocated between 1992 and 2004, and 20% of all new marine farming space opened up in the future, in settlement of all contemporary commercial claims to marine farming space. Both iwi and the aquaculture industry have responded positively to the settlement which provides a basis for significant Māori economic development.

The **Agency Review of the Bay of Plenty District Health Board** (to be released in 2004/05) highlighted very positive relationships between the Board and the Māori Health Rūnanga, which represents the eighteen local iwi. This review focused on the Board's strategic relationships with Māori.

As a result of findings reported in the *Māori Knowledge and Development Research Output Class* effectiveness audit, The Ministry of Research Science and Technology is now looking at ways to evaluate the output class. This output class targets investment in research that is 'by Māori for Māori' and is also highly relevant to Māori communities.

Excellent feedback was received from The Ministry of Health on the collaborative approach used while conducting the *Taitamariki Youth Suicide Prevention* effectiveness audit. The key recommendation that The Ministry of Health clearly articulate to all of the pilot providers of which objectives they should be implementing for the 2004/05 financial year, has been implemented.

The effectiveness audit of The Ministry of Education's *Alternative Education* service recommended a number of changes to the way Alternative Education is monitored and evaluated. The Ministry accepted all of these recommendations.

Capability

Throughout the 2003/04 year a number of initiatives were undertaken to improve our future capability. These are listed below.

Employing & Developing Staff

The major initiative for 2003/04 was the work around our new strategic direction announced in February this year. Appointment to the new leadership team was completed in May and already the kaupapa of Māori succeeding as Māori is gaining momentum. With our renewed focus on policy, the Executive Leadership Team's most important task is to lead and influence the way government engages with Māori.

Upon appointment the first step for each of the new Deputy Secretaries was to develop their 2004/05 deliverables, including a wāhanga implementation plan, which confirmed the organisational structure, capability requirements, and systems and process developments to be undertaken in 2004/05. As part of this they will be involved in the appointment process for those positions that report directly to them. Recruitment to these positions will provide the foundation for us to continue to roll out our change programme.

During the year, staff also continued to participate in training and development initiatives, particularly in the areas of performance management, financial management, personnel development via a range of university and other courses, and staff secondments.

Māori perspectives

Specific initiatives that contributed to improving our Māori perspectives throughout the year included:

- attendance at the regional Whānau Development hui and the nationwide Foreshore and Seabed hui
- discussion with our External Reference Group and the Māori Language Strategy Reference Group
- expansion of the Marae Heritage and Sites of Significance work into advice on wāhi tapu generally.

Internal & External Reporting Regimes

A new reporting regime was introduced early in 2003/04 which continued to be bedded down within the organisation throughout the year.

Cross-Sectoral Relationships

We have strengthened our relationships and worked positively to influence other agencies. Specifically, these included:

- *Foreshore & Seabed hui* – where we worked closely with a number of agencies including the Department of Prime Minister and Cabinet, Justice and Police.
- *Fisheries* – where we have signed a Memorandum of Understanding in relation to our upcoming Agency Review of The Ministry of Fisheries.
- Participation in *Reducing Inequalities Officials Committee*, and in particular the assistance we provided to them in their meta-evaluation of Māori programme evaluations.
- *Office of the Auditor General* – where we worked together with other organisations to develop good practice expectations for local governance implementation of a new Local Government Act 2002.
- *Ministry of Economic Development/New Zealand Trade and Enterprise* – where we continue to work closely on Māori regional development.
- *Sustainable Cities* – where we worked with the Department of Prime Minister and Cabinet to develop a plan for Māori participation.
- *Treaty Information Advisory Board* – where the Chief Executive of Te Puni Kōkiri has been appointed to the Board.
- *Youth Development* – where we assisted in the establishment and appointment of a regional development officer.
- *All-Age Suicide Prevention Strategy* – where we were represented on The Ministry of Health Working Group developing the strategy.
- *Ministry of Health* – where we contributed to a workshop on the Ministry's departmental performance indicators.
- *State Services Commission* – where we produced an environmental scan focused on issues for Māori, for the process for appointing a new Chief Executive.
- *Local Government* – where we worked with officials from the Department of Internal Affairs, Local Government New Zealand and the Society of Local Government Managers to ensure that local authorities are provided with guidance material, training and good practice examples relating to the new Māori provisions in the Local Government Act, Local Electoral Act and Local Government (Rating) Act.

- *Marine Resources Bill* – where we worked with other officials on proposals to Cabinet to align the Bill to the Foreshore and Seabed policy.
- *Treaty relationship agreements* also referred to as Crown-Māori relationship instruments – where we worked with The Ministry of Justice, and consulted with other agencies that had complementary work streams to prepare a draft framework.
- Participation on the Mā Te Reo Governance Committee.
- Participation in the Statistics NZ Bilingual Census Forum.
- Our contribution to the joint officials meetings held on a bi-monthly basis with regards to the implementation of the Māori Language Strategy.

Statement of Responsibility

In terms of sections 35 and 37 of the Public Finance Act 1989, I am responsible, as Chief Executive of Te Puni Kōkiri, for the preparation of the Te Puni Kōkiri financial statements and the judgements made in the process of producing those statements.

I have the responsibility of establishing and maintaining, and I have established and maintained, a system of internal control procedures that provide reasonable assurance as to the integrity and reliability of financial reporting.

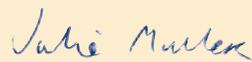
In my opinion, these financial statements fairly reflect the financial position and operations of Te Puni Kōkiri for the year ended 30 June 2004.



Leith Comer
Chief Executive

29 September 2004

Countersigned by:



Julie Muller
Acting Group Manager Finance



Audit New Zealand

Audit Report

To the readers of the Financial Statements of Te Puni Kōkiri

for the year ended 30 June 2004

The Auditor-General is the auditor of Te Puni Kōkiri. The Auditor-General has appointed me, H C Lim, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of Te Puni Kōkiri, on his behalf, for the year ended 30 June 2004.

UNQUALIFIED OPINION

In our opinion the financial statements of Te Puni Kōkiri on pages 23 to 77:

- ▲ comply with generally accepted accounting practice in New Zealand; and
- ▲ fairly reflect:
 - the financial position of Te Puni Kōkiri as at 30 June 2004;
 - the results of its operations and cash flows for the year ended on that date;
 - its service performance achievements measured against the performance targets adopted for the year ended on that date; and
 - the assets, liabilities, revenues, expenses, contingencies and commitments managed by Te Puni Kōkiri on behalf of the Crown for the year ended 30 June 2004.

The audit was completed on 29 September 2004, and is the date at which our opinion is expressed.

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

BASIS OF OPINION

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

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

Our audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- ▲ determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- ▲ verifying samples of transactions and account balances;
- ▲ performing analyses to identify anomalies in the reported data;
- ▲ reviewing significant estimates and judgements made by the Chief Executive;
- ▲ confirming year-end balances;
- ▲ determining whether accounting policies are appropriate and consistently applied; and
- ▲ determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

RESPONSIBILITIES OF THE CHIEF EXECUTIVE AND THE AUDITOR

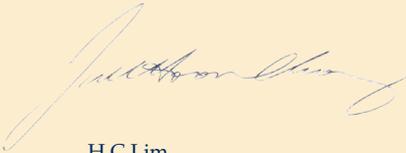
The Chief Executive is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of Te Puni Kōkiri as at 30 June 2004. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. In addition, they must fairly reflect the assets, liabilities, revenues, expenses, contingencies and commitments managed by Te Puni Kōkiri on behalf of the Crown for the year ended 30 June 2004. The Chief Executive's responsibilities arise from the Public Finance Act 1989.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 38(1) of the Public Finance Act 1989.

INDEPENDENCE

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

Other than the audit, we have no relationship with or interests in Te Puni Kōkiri.



H C Lim
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

MATTERS RELATING TO THE ELECTRONIC PRESENTATION OF THE AUDITED FINANCIAL STATEMENTS

This audit report relates to the financial statements of Te Puni Kōkiri for the year ended 30 June 2004 included on the Te Puni Kōkiri website. The Chief Executive is responsible for the maintenance and integrity of the Te Puni Kōkiri website. We have not been engaged to report on the integrity of the Te Puni Kōkiri web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

We have not been engaged to report on any other electronic versions of the Te Puni Kōkiri financial statements, and accept no responsibility for any changes that may have occurred to electronic versions of the financial statements published on other websites and/or published by other electronic means.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 29 September 2004 to confirm the information included in the audited financial statements presented on this web site.

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

Te Puni Kōkiri

Statement of Accounting Policies

for the year ended 30 June 2004

REPORTING ENTITY

Te Puni Kōkiri is a Government Department as defined by section 2 of the Public Finance Act 1989.

These financial statements have been prepared in accordance with section 35 of the Public Finance Act 1989.

In addition, Te Puni Kōkiri has reported the Crown activities that it administers.

STATEMENT OF DEPARTMENTAL ACCOUNTING POLICIES

Measurement System

Measurement and recognition rules applied in the preparation of the Departmental statements and schedules are consistent with generally accepted accounting practice and Crown accounting policies. The financial statements have been prepared on an historical cost basis.

Accounting Policies

The following particular accounting policies that materially affect the measurement of financial results and financial position have been applied.

Budget Figures

The budget figures are those presented in the Budget Night Estimates as amended by the Supplementary Estimates and any transfer made by Order in Council under section 5 of the Public Finance Act 1989.

Revenue

Te Puni Kōkiri derives revenue through the provision of outputs to the Crown and for services to third parties. Such revenue is recognised when earned and is reported in the financial period to which it relates.

Cost Allocation

Te Puni Kōkiri has determined the cost of outputs using the cost allocation system outlined below.

Criteria for direct costs

‘Direct costs’ are those costs that are directly attributed to an output.

Criteria for indirect costs

‘Indirect costs’ are those costs that cannot be identified in an economically feasible manner, to a specific output.

These include depreciation and capital charge which are charged to outputs on the basis of asset utilisation. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output. Personnel costs are allocated to outputs on the basis of budgeted staff hours.

Corporate overheads are allocated to outputs on the basis of staff hours budgeted in each output.

Debtors and Receivables

Debtors and receivables are recorded at estimated realisable value, after providing for doubtful and uncollectible debts.

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the period in which they are incurred.

Fixed Assets

The initial cost of a fixed asset is the value of the consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use. Fixed assets costing more than \$1,000 are capitalised and recorded at historical cost.

The profit or loss on disposal of a fixed asset is the difference between the net disposal proceeds and the net carrying amount. This is credited or expensed to the Statement of Financial Performance.

Depreciation

Depreciation is provided on a straight line basis on all fixed assets, so as to allocate the cost of assets, less any estimated residual value, over their useful lives. The estimated economic useful lives and associated depreciation rates of classes of assets are:

Computer Equipment	4 years	25%
Motor Vehicles	5 years	20%
Office Equipment	5 years	20%
Furniture and Fittings	5 years	20%
Leasehold Improvements	5-12 years	8.3% - 20%
Software Development	3 ¹ / ₃ years	30%

The cost of leasehold improvements is capitalised and amortised over the unexpired period of the building lease or the estimated remaining useful life of the improvement, whichever is shorter.

Employee Entitlements

Provision is made in respect of Te Puni Kōkiri liability for annual leave and long service leave. Annual leave is recognised as it accrues to employees at the greater of current rates of pay or average daily earnings over the previous 52 weeks.

Statement of Cash Flows

Cash means cash balances on hand and held in bank accounts.

Operating activities includes cash received from all income sources of Te Puni Kōkiri and cash payments made for the supply of goods and services.

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

Financing activities comprise capital injections by, or repayment of capital to, the Crown.

Financial Instruments

Te Puni Kōkiri is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the Statement of Financial Position and all revenue and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

All foreign exchange transactions are translated at the rates of exchange applicable in each transaction. Te Puni Kōkiri does not carry any balances in foreign currencies.

Goods and Services Tax (GST)

The Statement of Unappropriated Expenditure and the Statements of Departmental and Non-Departmental Expenditure and Appropriations are inclusive of GST. The Statement of Financial Position is exclusive of GST, except for Creditors and Payables, and Debtors and Receivables, which are GST inclusive. All other statements are GST exclusive.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Creditors and Payables or Debtors and Receivables (as appropriate).

Taxation

Government departments are exempt from the payment of income tax in terms of the Income Tax Act 1994. Accordingly, no charge for income tax has been provided for.

Commitments

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

Contingent Liabilities

Contingent liabilities are disclosed at the point at which the contingency is evident.

Net Operating Surplus

The net operating surplus for the period is repayable to the Crown and a provision for this repayment is shown in the Statement of Financial Position.

Taxpayers' Funds

This is the Crown's net investment in Te Puni Kōkiri.

Changes in Accounting Policies

There have been no changes to the accounting policies. All policies have been applied on a basis consistent with previous years.

Te Puni Kōkiri

Statement of Financial Performance

for the year ended 30 June 2004

The Statement of Financial Performance shows the components of revenue and expenditure (exclusive of Goods and Services Tax) relating to all outputs produced by Te Puni Kōkiri.

30/06/03 Actual		30/06/04 Actual	30/06/04 Main Estimates	30/06/04 Supp. Estimates
\$000s		Notes \$000s	\$000s	\$000s
REVENUE				
43,984	Crown		46,190	43,527
76	Other	1	111	153
44,060	Total Revenue		46,301	43,680
OUTPUT EXPENSES				
20,720	Personnel Costs	2	23,036	22,329
21,767	Operating Costs	3	20,780	19,665
1,226	Depreciation	4	1,262	1,400
329	Capital Charge	5	286	286
44,042	Total expenses		45,364	43,680
18	Net Operating surplus		937	-

The accompanying accounting policies and notes form part of these Financial Statements.
For information on major variances against budget refer to Note 14 on page 44.

Te Puni Kōkiri

Statement of Movements in Taxpayers' Funds

for the year ended 30 June 2004

The Statement of Movements in Taxpayers' Funds shows the reconciliation of funds at the beginning of the year with the funds at the end of the year.

30/06/03		30/06/04	30/06/04	30/06/04
Actual		Actual	Main Estimates	Supp. Estimates
\$000s		\$000s	\$000s	\$000s
3,860	Taxpayers' funds as at 1 July	3,360	3,360	3,360
18	Net Operating Surplus	937	0	0
18	Total recognised revenues and expenses for the year	937	0	0
(500)	Capital Repayments	0	0	0
(18)	Provision for repayment of surplus to the Crown	(937)	0	0
3,360	Taxpayers' funds as at 30 June	3,360	3,360	3,360

The accompanying accounting policies and notes form part of these Financial Statements.
For information on major variances against budget refer to Note 14 on page 44.

Te Puni Kōkiri

Statement of Financial Position

as at 30 June 2004

The Statement of Financial Position shows the major classes of assets and major classes of liabilities and equity of Te Puni Kōkiri. The difference between the assets and liabilities is the taxpayers' funds (net assets).

30/06/03 Actual		30/06/04 Actual	30/06/04 Main Estimates	30/06/04 Supp. Estimates
\$000s	Notes	\$000s	\$000s	\$000s
3,860	TAXPAYERS' FUNDS	3,360	3,360	3,360
	Represented by:			
	ASSETS			
	CURRENT ASSETS			
4,698	Cash	7,680	3,915	4,166
233	Prepayments	315	143	143
43	Short term receivables & advances	182	50	50
4,974	Total current assets	8,177	4,108	4,359
	NON-CURRENT ASSETS			
31	Capital work in progress	6	0	0
4,031	Physical assets	7	3,270	3,312
4,062	Total non-current assets	3,270	3,659	3,312
9,036	Total Assets	11,447	7,767	7,671
	LIABILITIES			
	CURRENT LIABILITIES			
3,659	Creditors & Payables	8	4,410	2,588
0	Provision for Restructuring	9	1,009	0
18	Provision repayment of surplus	10	937	0
1,999	Employee Entitlements	11	1,565	1,723
5,676	Total current liabilities	7,921	4,407	4,311
	NON-CURRENT LIABILITIES			
0	Employee Entitlements	11	166	0
5,676	Total Liabilities	8,087	4,407	4,311
3,360	Net Assets	3,360	3,360	3,360

The accompanying accounting policies and notes form part of these Financial Statements.
For information on major variances against budget refer to Note 14 on page 44.

Te Puni Kōkiri

Statement of Cash Flows

for the year ended 30 June 2004

The Statement of Cash Flows shows the cash received and paid by Te Puni Kōkiri during the year, from its activities.

30/06/03 Actual \$000s		30/06/04 Actual \$000s	30/06/04 Main Estimates \$000s	30/06/04 Supp. Estimates \$000s
CASH FLOWS-OPERATING ACTIVITIES				
Cash was provided from:				
Supply of outputs to				
43,984	Crown	46,190	43,527	46,190
71	Other	(28)	153	210
44,055		46,162	43,680	46,400
Cash was disbursed for:				
Production of outputs				
(20,466)	Personnel	(23,304)	(19,665)	(22,996)
(21,338)	Operating	(19,064)	(22,329)	(22,981)
7	Net GST Paid	(7)		
(329)	Capital Charge	(286)	(286)	(330)
(42,126)		(42,661)	(42,280)	(46,307)
1,929	Net cash flows from operating activities	3,501	1,400	93
CASH FLOWS-INVESTING ACTIVITIES				
Cash was provided from:				
530	Sale of physical assets	70	200	200
Cash was disbursed for:				
(838)	Purchase of physical assets	(571)	(1,100)	(839)
(308)	Net cash flows from investing activities	(501)	(900)	(639)

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30/06/03 Actual	30/06/04 Actual	30/06/04 Main Estimates	30/06/04 Supp. Estimates
\$000s	\$000s	\$000s	\$000s
CASH FLOWS-FINANCING ACTIVITIES			
Cash was provided from:			
(500) Capital Repayments	0	0	0
Cash was disbursed for:			
(83) Repayment of surplus	(18)	0	(18)
(583) Net cash flows from financing activities	(18)	0	(18)
1,038 Net Increase/(Decrease) in Cash Held	2,982	500	(564)
Add opening cash balance	4,698	3,415	4,730
4,698 Closing Cash Balance	7,680	3,915	4,166

The accompanying accounting policies and notes form part of these Financial Statements.
For information on major variances against budget refer to Note 14 on page 44.

Te Puni Kōkiri

Reconciliation of Net Operating Surplus to Net Cash Flows from Operating Activities

for the year ended 30 June 2004

The Reconciliation of Net Operating Surplus to Net Cash Flows from Operating Activities shows the non-cash adjustments and other adjustments applied to the net operating surplus as reported in the Statement of Financial Performance on page 28 to arrive at the net cash flows from operating activities disclosed in the Statement of Cash Flows on page 31.

30/06/03 Actual \$000s		30/06/04 Actual \$000s	30/06/04 Main Estimates \$000s	30/06/04 Supp. Estimates \$000s
18	Net Operating Surplus	937	0	0
	Add: Non-cash items			
1,226	Depreciation	1,262	1,400	1,389
188	Asset write-downs	31		
1,414	Total non-cash items	1,293	1,400	1,389
	Add/(Less) movements in working capital items			
(5)	(Increase)/Decrease in debtors and receivables	(140)	0	(33)
96	(Increase)/Decrease in prepayments	(83)	0	90
113	Increase/(Decrease) in Creditors & Payables	1,759	0	(1,077)
254	Increase/(Decrease) in current employee entitlements	(269)	0	(276)
458	Net movements in working capital	1,267	0	(1,296)
	Add/(Less) investing activity			
39	(Loss)/Gain on sale of fixed assets	4	0	0
39	Total investing activity	4	0	0
1,929	Net cash flow from operating activity	3,501	1,400	93

The accompanying accounting policies and notes form part of these Financial Statements.
For information on major variances against budget refer to Note 14 on page 44.

Te Puni Kōkiri

Statement of Commitments

as at 30 June 2004

The Statement of Commitments shows the future contractual obligations (exclusive of GST) of Te Puni Kōkiri that will become liabilities if and when the terms and conditions of existing contracts are met.

Te Puni Kōkiri has long-term leases on its premises in New Zealand. The annual lease payments are subject to regular reviews, ranging from one year to four years. The amounts disclosed below as future commitments are based on the current rental rates.

Operating leases include lease payments for premises, computer equipment, facsimile machines and photocopiers.

30-Jun-03		30-Jun-04
Actual		Actual
\$000s		\$000s
	Accommodation lease commitments	
2,466	Less than one year	2,807
2,299	One to two years	2,690
6,572	Two to five years	7,336
4,742	More than five years	2,752
16,079	Total accommodation lease commitments	15,585
	Other lease commitments	
477	Less than one year	287
280	One to two years	78
99	Two to five years	10
0	More than five years	0
856	Total other lease commitments	375
16,935	Total commitments	15,960

The accompanying accounting policies and notes form part of these Financial Statements.
 For information on major variances against budget refer to Note 14 on page 44.

Te Puni Kōkiri

Statement of Contingent Liabilities

as at 30 June 2004

The Statement of Contingent Liabilities shows amounts at balance date that could potentially become liabilities depending on the occurrence of one or more uncertain future events after 30 June 2004. It does not include general or unspecified business risks or conditions. This statement is exclusive of GST.

30-Jun-03 Actual \$000s	30-Jun-04 Actual \$000s
-	-
0 Total Contingent Liabilities	0

Te Puni Kōkiri

Statement of Unappropriated Expenditure

for the year ended 30 June 2004

30-Jun-03 Actual \$000s	30-Jun-04 Actual \$000s
-	-
0 Total Unappropriated Expenditure	0

Te Puni Kōkiri

Statement of Departmental Expenditure and Appropriations

for the year ended 30 June 2004

The Statement of Departmental Expenditure and Appropriations shows expenditure against funds appropriated by Parliament. Figures are GST inclusive.

30-Jun-03 Actual \$000s	30-Jun-04 Actual \$000s	30-Jun-04 Supp. Estimates \$000	
VOTE: MĀORI AFFAIRS			
Appropriations for classes of outputs			
11,341	Māori Development Policy	11,856	12,167
7,934	State Sector Performance	8,107	8,408
14,540	Facilitation and Brokerage	14,535	14,835
11,562	Operations Management	12,441	12,501
4,172	Services to the Māori Trustee	4,213	4,225
49,549	Total Appropriations for Classes of Outputs	51,152	52,136

The under-spend in each Te Puni Kōkiri departmental output class relates to the Te Puni Kōkiri Change Implementation programme. This under-spend was always anticipated due to change programme timeframes and accordingly an expense transfer to 2004/2005 has been agreed.

Te Puni Kōkiri

Notes to the Financial Statements

for the year ended 30 June 2004

Note 1: Revenue Other

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
76	Rental on Surplus Properties	67
0	Gain on Sale of Assets	4
0	State Sector Retirement Savings Scheme	40
76	Total Other Revenue	111

Note 2: Personnel Costs

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
20,098	Salaries and Wages	22,661
622	Other Personnel Costs	375
20,720	Total Personnel Costs	23,036

Note 3: Operating Costs

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
97	Audit fees for audit of financial statements	103
66	Other fees charged by auditors	0
2,901	Operating lease rentals	2,798
164	Overseas and Pacific Travel	103
1,615	Domestic Travel	1,677
968	Printing, Books and Publicity	783
2,179	Contract Workers	1,569
2,877	Consultancy Fees	3,137
1,183	MBFS Commission	1,057
3,560	Programmes	3,438
890	Telecommunications	778
392	Iwi Provider Contract	0
340	Computer Related Expense	297
39	Loss on Sale on Assets	0
188	Asset write-downs	31
4,308	Other Operating Costs	5,009
21,767	Total Operating Costs	20,780

Note 4: Depreciation Charge

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
396	EDP Equipment	392
245	Motor Vehicles	205
30	Office Equipment	52
35	Furniture & Fittings	37
231	Leasehold Improvements	217
289	Software Systems	359
1,226	Total Depreciation Costs	1,262

Note 5: Capital Charge

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
329	Te Puni Kōkiri pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2004 was 8.5 percent (2003: 8.5 percent)	286

Note 6: Capital Work in Progress

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
	<i>Opening balance</i>	
1,105	Software development projects	31
0	Refurbishments	0
1,105		31
	<i>Add: Additions during the year</i>	
215	Software development projects	0
0	Refurbishments	0
215		0
	<i>Less: Transferred to fixed assets during the year</i>	
(1,289)	Software development projects	(31)
0	Refurbishments	0
(1,289)		(31)
	<i>Closing balance</i>	
31	Software development projects	0
0	Refurbishments	0
31	Total Capital Work in Progress	0

Note 7: Fixed Assets

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
	EDP Equipment	
2,020	At Cost	2,113
(1,187)	Accumulated depreciation	(1,392)
833	EDP Equipment - net book value	721
	Motor Vehicles	
1,086	At Cost	1,002
(437)	Accumulated depreciation	(557)
649	Motor Vehicles - net book value	445
	Office Equipment	
627	At Cost	628
(505)	Accumulated depreciation	(551)
122	Office Equipment - net book value	77
	Furniture and Fittings	
436	At Cost	472
(285)	Accumulated depreciation	(322)
151	Furniture and Fittings - net book value	150
	Leasehold Improvements	
2,677	At Cost	2,760
(1,326)	Accumulated depreciation	(1,539)
1,351	Leasehold Improvements - net book value	1,221
	Software Development	
3,084	At Cost	3,174
(2,159)	Accumulated depreciation	(2,518)
925	Software Development - net book value	656
	Total Fixed Assets	
9,930	At Cost	10,149
(5,899)	Accumulated depreciation	(6,879)
4,031	Total net book value of fixed assets	3,270

Note 8: Creditors and Payables

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
1,153	Trade Creditors	1,977
2,474	Accrued Expenses	2,416
32	GST payable	17
3,659	Total creditors and payables	4,410

Note 9: Provision for Restructuring

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
0	Opening Balance	0
0	Additional Provisions made during the year	1,009
0	Charged against provision for the year	0
0	Unused amounts reversed during the year	0
0	Discounting changes	0
0	Closing Provision for restructuring	1,009

Note 10: Provision for Repayment of surplus to the Crown

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
18	Surplus for the year as per Statement of Financial Performance	937
18	Total Surplus for the year	937

Note 11: Employee Entitlements

30-Jun-03 Actual \$000s		30-Jun-04 Actual \$000s
	CURRENT LIABILITIES	
1,024	Salaries and Wages	495
975	Annual Leave	1,070
1,999	Total current portion	1,565
	NON-CURRENT LIABILITIES	
0	Long Service Leave	0
0	Retirement Gratuities	166
0	Total non-current portion	166
1,999	Total employee entitlements	1,731

Note 12: Financial Instruments

Te Puni Kōkiri is party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, accounts receivable and accounts payable.

Credit Risk

Credit risk is the risk that a third party will default on its obligations to Te Puni Kōkiri, causing Te Puni Kōkiri to incur a loss. In the normal course of its business, Te Puni Kōkiri incurs credit risk from trade debtors, and transactions with financial institutions and the New Zealand Debt Management Office (NZDMO).

Te Puni Kōkiri does not require any collateral or security to support financial instruments with financial institutions that Te Puni Kōkiri deals with, or with the NZDMO, as these entities have high credit ratings. For its other financial instruments, Te Puni Kōkiri does not have significant concentrations of credit risk.

Fair Value

The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. This could impact on the return on investments or the cost of borrowing. Te Puni Kōkiri has no significant exposure to interest rate risk on its financial instruments.

Under section 46 of the Public Finance Act Te Puni Kōkiri cannot raise a loan without Ministerial approval and no such loans have been raised. Accordingly, there is no interest rate exposure for funds borrowed.

Note 13: Related Party Information

Te Puni Kōkiri is a wholly owned entity of the Crown. The Government significantly influences the roles of Te Puni Kōkiri as well as being its major source of revenue.

Te Puni Kōkiri enters into numerous transactions with other government departments, Crown agencies and state-owned enterprises on an arm's length basis. These transactions are not considered to be related party transactions.

Apart from those transactions described above, Te Puni Kōkiri has not entered into any related party transactions, except for where:

Te Puni Kōkiri staff who work in local communities may in a private capacity hold executive or advisory positions in local organisations. Some of these organisations may receive funding via Te Puni Kōkiri. These organisations are therefore considered related parties of Te Puni Kōkiri.

Te Puni Kōkiri staff are required to declare any real or potential conflicts of interest. Steps are then taken to ensure that staff members with a conflict of interest are not involved in any Te Puni Kōkiri decisions involving a group/organisation they may be involved with in a private capacity.

Note 14: Major Variations between Actual and Main Estimates

This note serves to explain major variances between the budgeted (Main Estimates) and actual financial performance and financial position as set out in the financial statements on pages 28 to 32 of the Annual Report.

	30-Jun-04 Actual \$000s	30-Jun-04 Main Estimates \$000s	30-Jun-04 Variance \$000s
Statement of Financial Performance <i>(refer to page 28 for the full statement)</i>			
Operating Costs	20,780	19,665	1,115

The increase of \$1.115m over the Main Estimates is largely due to the additional funding received through the Supplementary Estimates process. This includes funding for Hui Taumata, the Change Implementation Programme, Locality Case Studies and Foreshore and Seabed initiatives.

	30-Jun-04 Actual \$000s	30-Jun-04 Main Estimates \$000s	30-Jun-04 Variance \$000s
Statement of Financial Position <i>(refer to page 30 for the full statement)</i>			
Cash	7,680	3,915	3,765

The increase in the level of cash is mainly attributed to the increase over the anticipated levels of Creditors and Payables (\$1.755m), Provision for restructuring (\$1.009m) and the Net Operating Surplus (\$0.937m).

Te Puni Kōkiri

Statement of Objectives specifying the Financial Performance Forecast

for the year ended 30 June 2004

Performance Indicators	Unit	2003/2004	
		Budget	Actual
OPERATING RESULTS			
Revenue: other	\$000s	153	111
Output Expenses	\$000s	43,680	45,364
Operating Surplus before Capital Charge	\$000s	286	1,223
Net Surplus	\$000s	0	937
WORKING CAPITAL			
Net Current Assets	\$000s	(297)	(59)
Current Ratio	%	93	97
Average Debtors outstanding	days	60	60
Average Creditors outstanding	days	30	30
RESOURCE UTILISATION			
Physical Assets			
Total Physical Assets at year end	\$000s	3,659	3,270
Value per employee	\$000s	12	10
Additions as % of Physical Assets	%	30	17
Taxpayers' Funds			
Level at year end	\$000s	3,360	3,360
Level per employee	\$000s	10	10
FORECAST NET CASH FLOWS			
Surplus/(deficit) Operating Activities	\$000s	1,100	3,501
Surplus/(deficit) Investing Activities	\$000s	0	(501)
Surplus/(deficit) Financing Activities	\$000s	0	(18)
Net Increase/(decrease) in Cash Held	\$000s	(100)	2,982
HUMAN RESOURCES			
Staff Turnover	%	20	23
Average length of service	Years	5.1	6.6
Total staff	No.	309	337

Te Puni Kōkiri

Non-Departmental Financial Statements and Schedules

30/06/03		30/06/04
Actual		Actual
\$000s		\$000s
5,988	Revenues and Capital Receipts	11,752
67,856	Expenses	102,706
28,316	Assets	32,137
11,323	Liabilities	11,837

The following non-departmental statements and schedules record the expenses, revenue and receipts, assets and liabilities that Te Puni Kōkiri manages on behalf of the Crown.

Te Puni Kōkiri administered \$11.752 million of Non-Departmental Revenue and Receipts, \$102.706 million of Non-Departmental payments, \$32.137 million of assets and \$11.837 million of liabilities.

The Non-Departmental balances are consolidated into the Crown Financial Statements and therefore readers of these statements and schedules should also refer to the Crown Financial Statements for 2003/04.

Te Puni Kōkiri

Statement of Non-Departmental Accounting Policies

Measurement System

Measurement and recognition rules applied in the preparation of the Non-Departmental statements and schedules are consistent with generally accepted accounting practice and Crown accounting policies. The financial statements have been prepared on an historical cost basis.

Accounting Policies

The following particular accounting policies that materially affect the measurement of financial results and financial position have been applied.

Budget Figures

The budget figures are those presented in the Budget Night Estimates as amended by the Supplementary Estimates and any transfer made by Order in Council under section 5 of the Public Finance Act 1989.

Revenue

Te Puni Kōkiri derives revenue through the provision of outputs to the Crown and for services to third parties. Such revenue is recognised when earned and is reported in the financial period to which it relates.

Goods and Services Tax (GST)

The Statements of Non-Departmental Expenditure and Appropriations are inclusive of GST. The Statement of Financial Position is exclusive of GST, except for Creditors and Payables, and Debtors and Receivables, which are GST inclusive.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Creditors and Payables or Debtors and Receivables (as appropriate).

Debtors and Receivables

Debtors and receivables are recorded at estimated realisable value, after providing for doubtful and uncollectible debts.

Commitments

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

Contingent Liabilities

Contingent liabilities are disclosed at the point at which the contingency is evident.

Schedule of Non-Departmental Revenue

for the year ended 30 June 2004

The Schedule of Non-Departmental Revenue shows budgeted revenue against actual revenue.

30/06/03		30/06/04	30/06/04
Actual		Actual	Supp. Estimates
\$000s	Notes	\$000s	\$000
Current Revenue			
<i>Non-Tax Revenue</i>			
272	Interest on Advances	95	175
403	Māori Land Development Interest	232	220
36	Miscellaneous Receipts	46	0
3,703	Māori Trustee	3,749	3,802
	Mortgage Repayments Intended for		
9	Housing Corporation of New Zealand	7	10
4,423	Total Current Revenue	4,129	4,207
Capital Revenue			
465	Māori Land Development Principal	187	210
1,005	Repayment of Advances	424	350
95	Sale of Properties	1 7,012	0
1,565	Total Capital Revenue	7,623	560
5,988	Total Crown Revenue	11,752	4,767

The accompanying accounting policies and notes form part of these Financial Statements and Schedules.

Schedule of Non-Departmental Expenses

for the year ended 30 June 2004

The Schedule of Expenses summarises Non-Departmental Expenses Te Puni Kōkiri administers on behalf of the Crown. Further details are provided in the Statement of Expenditure and Appropriations on pages 51 to 52. Figures are GST inclusive where applicable.

30/06/03 Actual		30/06/04 Actual	30/06/04 Supp. Estimates
\$000s		\$000s	\$000
	Non-Departmental Expenses		
	Total Operating Annual Appropriations		
51,300	Total Non-Departmental Expenses	66,016	66,018
500	Total Benefits and Other Unrequited Expenses	500	500
15,296	Other Expenses incurred by the Crown	34,843	38,364
67,096	Total Operating Annual Appropriations	101,359	104,882
718	Capital Contributions	1,305	1,333
42	Appropriations for Other Expenses	42	42
	<i>Provision for Write Offs</i>		
(93)	Rural Lending	(24)	0
1,394	Māori Land Development	613	0
4,165	Māori Trust Office	4,216	0
5,466	Total Provision for Write Offs	4,805	0
78,788	Total Non-Departmental Expenses	107,511	106,257

The accompanying accounting policies and notes form part of these Financial Statements and Schedules.

Statement of Non-Departmental Expenditure and Appropriations

for the year ended 30 June 2004

The Statement of Non-Departmental Expenditure and Appropriations shows expenditure and capital payments against funds appropriated by Parliament. Te Puni Kōkiri administers these appropriations on behalf of the Crown. Figures are GST inclusive where applicable.

30/06/03 Actual		30/06/04 Actual	30/06/04 Supp. Estimates
\$000s	Notes	\$000s	\$000s
Operating Annual Appropriations			
<i>Non-departmental output classes</i>			
30,591	Māori Television Broadcasting	37,983	37,983
10,325	Māori Radio Broadcasting	10,575	10,575
1,609	Administration of Māori Broadcasting	1,609	1,609
2,371	Promotion of the Māori Language	2,371	2,371
499	Iwi Housing Support	498	500
5,905	Māori Television Channel	12,980	12,980
51,300		66,016	66,018
<i>Benefits and other unrequited expenses</i>			
500	Rangatiratanga Grants	500	500
500		500	500
<i>Other expenses to be incurred by the Crown</i>			
220	New Zealand Māori Council	220	220
200	Māori Wardens	200	200
1,099	Capacity Assessment	1,100	1,100
7,478	Building Capacity in Māori Communities	7,602	7,625
25	Māori Registration Service	2,824	3,006
0	Māori Provider Development	0	0
2,634	Local Level Solutions/Development	2	1,658
3,156	Direct Resourcing of Local Level Solutions	3	4,865
7	Orakei Reserves Board Act	7	7
	Payments to Housing Corporation of		
11	New Zealand	7	40
95	Te Putahi Paoho	95	95
	Māori Reserved Land Amendment Act 1997:		
0	Compensation	0	0
371	Regional Tourism Organisations-Planning	331	338

Continued on next page ...

The accompanying accounting policies and notes form part of these Financial Statements and Schedules.

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30/06/03		30/06/04	30/06/04
Actual		Actual	Supp. Estimates
\$000s	Notes	\$000s	\$000s
0	Te Arawa Lakes	7,300	7,300
0	Disposal of Kokomiko Station	4,122	4,122
0	Settlement of Haparangi A4 Civil Litigation	4,512	4,512
15,296		34,843	38,364
67,096	Total Operating Annual Appropriations	101,359	104,882
	<i>Capital Contributions to other persons or organisations</i>		
668	Māori Land Development	516	527
50	Rural Lending	789	806
718	Total Capital Contributions	1,305	1,333
	<i>Appropriations for Other Expenses</i>		
42	Payments to Trust Boards	42	42
42	Total Other Expenses	42	42
67,856	Total Non-Departmental Appropriations	102,706	106,257

The accompanying accounting policies and notes form part of these Financial Statements and Schedules.

Major Variations between Actual and Supplementary Estimates

Note 1

30/06/03 Actual		Notes	30/06/04 Actual	30/06/04 Supp. Estimates
\$000s			\$000s	\$000s
95	Sales of Properties	1	7,012	0

The Sale of Properties of \$7.012m relates to the following:

- Market values of the 3 classes of shares relating to the Haparangi A4 settlement of \$2.893m.
- Market values of the Kokomiko Station (Land, Stock and Plant) that was transferred to the Tarata Trust of \$4.119m.

Note 2 and 3

30/06/03 Actual		Notes	30/06/04 Actual	30/06/04 Supp. Estimates
\$000s			\$000s	\$000s
2,634	Local Level Solutions/Development	2	1,658	2,799
3,156	Direct Resourcing of Local Level Solutions	3	4,865	7,000

The under-spend of \$1.141m in Local Level Solutions is largely due to unexpected delays in the Ngā Rauru (\$0.380m) work programme and amendments to the Raukawa (\$0.600m) project. An expense transfer into the next two financial years has been approved for the full under-spend.

The under-spend of \$2.135m in Direct Resourcing relates to delays in contracting of approved initiatives in 03/04. An expense transfer into the next two financial years has been approved for the full under-spend.

Schedule of Non-Departmental Assets

for the year ended 30 June 2004

Non-Departmental Assets are administered by Te Puni Kōkiri on behalf of the Crown. As these assets are neither controlled by Te Puni Kōkiri nor used in the production of Te Puni Kōkiri outputs, they are not reported in the Te Puni Kōkiri Statement of Financial Position.

30/06/03 Actual		30/06/04 Actual	30/06/04 Supp. Estimates
\$000s		\$000s	\$000
	Current Assets		
26,516	Cash	29,851	15,841
44	Accounts Receivable	0	0
26,560	Total Current Assets	29,851	15,841
	MĀORI TRUST OFFICE		
43,154	Māori Trust Office - Debt	47,370	46,909
(43,154)	Māori Trust Office - Debt Provision	(47,370)	(46,909)
0		0	0
	Investments		
156	Section 460A Loans	156	0
	RURAL LENDING		
	Investments comprise Loans for -		
426	Dairy farming	494	0
104	Sheep and cattle farming	128	0
271	Horticulture	302	0
744	Other farming purposes	753	0
2,271	Residual farming debts owed by Māori land owners	2,598	0
3,816	Total Loans	4,275	0
(2,215)	Less : Provision for doubtful debts	(2,190)	0
1,601	Net Investments - Rural Lending	2,085	0
	MĀORI LAND DEVELOPMENT		
	Investments comprise Advances to -		
2,536	Māori owned stations	0	0
1,308	Crown owned stations	179	0

Continued on next page ...

The accompanying accounting policies and notes form part of these Financial Statements and Schedules.

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30/06/03 Actual		30/06/04 Actual	30/06/04 Supp. Estimates
\$000s		\$000s	\$000
3,844	Principal (interest bearing)	179	0
(3,892)	Less : Provision for doubtful debts	(179)	0
(48)	Net Investment - Land Development	0	0
1,709	Total Investments	2,241	2,602
	PROPERTY PLANT AND EQUIPMENT		
47	Land	45	47
47	Total Property Plant and Equipment	45	47
28,316	Total Non-Departmental Assets administered by Te Puni Kōkiri	32,137	18,490

Non-Departmental Assets administered by Te Puni Kōkiri on behalf of the Crown include:

Rural Lending

Rural Lending represents the remaining nominal value of the former Rural Loans Portfolio of the Department of Māori Affairs and Iwi Transition Agency programmes.

The only new advances being made under these provisions are those necessary to complete compensation obligations to lessees where compensation is payable in terms of leases issued under the provisions of Part XXIV of the Māori Affairs Act 1953.

Māori Land Development

Māori Land Development provides for the management and operation of the remaining Land Development schemes still being administered in terms of Part II of the Māori Affairs Restructuring Act 1989.

The accompanying accounting policies and notes form part of these Financial Statements and Schedules.

During 2003/04 the Kokomiko Station which was administered under the terms of the Act was transferred to the Tarata Trust. This has resulted in the reduced level of investment (\$3.612m) and related provision (\$3.612m) when compared with the previous year ended June 2003, as indicated in the Schedule of Non-Departmental Assets.

Crown Entities

In addition to the above, the Minister of Māori Affairs receives administration services in respect of the following Crown entities:

- Te Māngai Pāho
- Te Taura Whiri I Te Reo Māori

The investment in these entities is recorded within the crown financial statements on a line by line basis. No disclosure is made in this schedule.

Please refer to the Annual Reports at the following websites:

Te Māngai Pāho at www.tmp.govt.nz and

Te Taura Whiri I Te Reo Māori at www.tetaurawhiri.govt.nz

for information on their financial performance and position.

Schedule of Non-Departmental Liabilities

for the year ended 30 June 2004

30/06/03 Actual \$000s		30/06/04 Actual \$000s	30/06/04 Supp. Estimates \$000
	Current Liabilities		
11,207	Creditors and Payables	10,424	2,867
116	Other Liabilities	1,413	0
11,323	Total Current Liabilities	11,837	2,867

Schedule of Non-Departmental Commitments

for the year ended 30 June 2004

The Schedule of Non-Departmental Commitments shows the future contractual obligations (inclusive of GST) that will become liabilities if and when the terms and conditions of existing contracts are met.

30/06/03 Actual \$000s		30/06/04 Actual \$000s
	Category	
10,699	Direct Resourcing	5,834
2,438	Local Level Solutions	2,366
13,137	Total Crown Commitments by Category	8,200
	Out year Commitments	
6,523	Less than one year	6,043
6,614	One to two years	2,157
0	Two to five years	0
0	More than five years	0
13,137	Total Crown Commitments by Out year	8,200

The accompanying accounting policies and notes form part of these Financial Statements and Schedules.

Schedule of Non-Departmental Contingent Liabilities

for the year ended 30 June 2004

The Schedule of Non-Departmental Contingent Liabilities shows amounts at balance date that could potentially become liabilities depending on the occurrence of one or more uncertain future events after 30 June 2004. It does not include general or unspecified business risks or conditions. This schedule is inclusive of GST.

30/06/03 Actual \$000s	30/06/04 Actual \$000s
6,050 Public Liability Claims	0
6,050 Total Contingent Liabilities	0

The decrease in public liability claims is due to the Haparangi A4 settlement and the transfer of Kokomiko station to the Tarata Trust.

Statement of Service Performance

for the year ended 30 June 2004

Introduction

The Statement of Service Objectives for Te Puni Kōkiri is detailed in the *Statement of Intent – 1 July 2003*. This forms the output objectives for the year against which this service performance statement reports.

Ministerial Servicing Performance

Te Puni Kōkiri met the agreed ministerial servicing timelines, as outlined below, in 86% (target 95%) of cases in 2003/04. This is an improvement on 2002/03 performance where 79% of ministerial documents met the timelines. We expect to continue this upward trend.

Outputs	Delivery Timeframe
Briefings	Individually agreed
Cabinet submissions	Individually agreed
Official Information Act requests	Within 20 working days
Ombudsman complaints	Within 20 working days
Parliamentary questions	Individually agreed
Responses to Ministerial correspondence	Within one month
Speech notes	Individually agreed
Submissions to the Māori Affairs Committee	Individually agreed

Quality Assurance

The Te Puni Kōkiri approach to quality is to ensure that our written and oral policy advice is of a consistent standard which meets the expectations of the Minister of Māori Affairs and the Associate Minister of Māori Affairs.

Te Puni Kōkiri intended to seek formal feedback from the Minister of Māori Affairs, via a survey, on his assessment of the quantity, quality and timeliness of policy advice (including oral advice). This was superseded by regular meetings between the Chief Executive and his officials and the

Minister and Associate Minister of Māori Affairs throughout the year. Oral feedback was obtained at, and detailed discussions on issues or priorities occurred during, these meetings.

In addition, all advice provided was supported by a quality management process listed below:

- internal peer review
- adherence to the standards of the *Te Puni Kōkiri Quality Assurance Handbook* which defines quality standards; describes how the standards are determined, assessed and reported; describes the process of developing quality policy advice; and outlines the corporate support for these practices and processes
- all Cabinet papers complied with the *Cabinet Office Manual*.

External Stakeholder Survey

Following a management review of a number of separate external stakeholder surveys, proposed for 2003/04, identified throughout the output classes, it was agreed that the separate surveys should be set aside in favour of the development of a single survey tool for Te Puni Kōkiri. This survey is expected to be developed and undertaken in early 2004/05.

Performance Agreements

Performance Agreements are developed annually for permanent staff. The performance agreement provides the basis for six monthly (as at December and June) individual performance reviews. The core competencies that are in the agreement have been identified as skills fundamental to the work of Te Puni Kōkiri. This process is an important part of the organisation's evaluation of each individual's contribution to the work of Te Puni Kōkiri, and is an effective vehicle for continuous improvement.

Output Class 1: Māori Development Policy

DESCRIPTION

This output class included the purchase of research, analysis and policy advice, aimed at accelerating Māori social, economic and cultural development. It also included all Treaty policy issues and advice that impacted on new or amendment legislation affecting Māori.

PERFORMANCE

Quantity

Outputs were delivered in accordance with the *Te Puni Kōkiri Output Plan 2003/04* agreed with the Minister of Māori Affairs. The output plan was modified from time to time as discussed and agreed with the Minister.

Specific deliverables included:

- Publication of a Future Directions Report. This project was renamed Decade of Consolidation: Hui Taumata and a series of reports are being prepared for this hui to be held in March 2005.
- Completion of a Whānau Development Action Plan. Formulation of the Strategy and Action Plan has commenced.
- Implementation of the Government's Māori Language Strategy. Work is continuing.
- Development of a Māori Broadcasting Strategy. Te Puni Kōkiri has contributed to a Cabinet paper on the outcome of a Screen Production Review. Further development work has been deferred.
- Research and advice on optimal arrangements for the governance of Māori organisations. Work is ongoing.
- Research and advice on strategies designed to grow the environmental and economic capital of Māori. As intended, this work included advice on Māori land development, development of a Marine strategy, and a report on outcomes for Māori within the regions.
- Ongoing advice on Treaty settlements and emerging Treaty issues.

Other highlights included:

- The organisation by Te Puni Kōkiri, of 11 consultation hui and attendance at 10 with Māori on the **Foreshore and Seabed**.

Approximately 2,500 people attended, and 186 oral and 68 written submissions were received. All submissions were finalised and prepared for distribution to attendees and submitters.

A working group was formed to participate in all elements of the Foreshore and Seabed policy development process and governance. Te Puni Kōkiri led the policy work-stream based on local relationships, and participated in the other two relating to the Māori Land Court and public domain.

- A series of papers to Cabinet, which culminated in decisions on the final transmission platform for the Māori Television Service, the passing of the legislation and the eventual bringing to air of the service in March 2004.
- In December 2003 **Te Arawa Māori Trust Board** passed a resolution accepting the Crown's offer to settle all claims to their lakes, ending a long outstanding issue in regard to the lakes. Te Arawa and the Crown expect to initial the deed in August 2004.
- Ministers agreed to a wide ranging review of the **Antiquities Act**. On advice from Te Puni Kōkiri officials, the Clerk of the House arranged to discharge the **Taonga Māori Protection Bill**. Discharge of the Bill means there is now only one piece of legislation addressing a common objective - the protection of cultural property.
- In January 2004, the Ministers of Treaty Negotiations and Māori Affairs accepted the **Wellington Deed of Mandate**, allowing the claimants to progress towards direct negotiations.
- A Memorandum of Understanding between joint Ministers, the Tautoko Māori Trust, and the Chief Registrar of Electors was executed on 7 January 2004. This memorandum established the **Māori Affiliation Service** to collect affiliation information from all electors of Māori descent to pass on to iwi for the development of their membership registers.

The Māori Affiliation Service, established as Tūhono was launched on 2 March 2004. Tūhono pānui and census forms were mailed to 330,000 Māori electors by early May 2004. More than 100,000 responses have been received representing almost one third of Māori electors and nearly 200,000 affiliates.

- Te Puni Kōkiri in conjunction with other officials have considered how Cabinet decisions to provide for iwi/Māori, are included in the **Aquaculture Bill**, and on further engagement with Māori representatives. Legislative drafting is being advanced.

- The work of the **Governance and Appointments** team saw 142 Māori appointed or re-appointed to statutory boards, committees and advisory groups in the period from 1 July 2003 to 30 June 2004.

In addition, Te Puni Kōkiri was required to prepare four reports for the Minister of Māori Affairs on the progress of Te Māngai Pāho and Te Taura Whiri i te Reo Māori, against their respective Statements of Intent and other purchase arrangements. Based on information received from the agencies, three reports each were forwarded to the Minister of Māori Affairs covering the June, September and December 2003 quarters. Te Puni Kōkiri also prepared such reports on the progress of the Māori Television Service.

The number and type of completed documents for the year, compared to last year were as follows:

Type of Document	Actual 2003/04	Actual 2002/03
Briefings to Minister(s)	725	708
Cabinet submissions prepared for Minister(s)	43	15
OIA requests	68	88
Ombudsman complaints	7	17
Parliamentary questions	139	321
Responses to Ministerial correspondence	631	713
Speech notes	26	46
Submissions to Māori Affairs Committee	2	1

Quality

The quality of written policy advice was to be assessed at least quarterly throughout the year by an independent expert in Public Sector policy. An independent reviewer assessed written policy advice produced by Te Puni Kōkiri on three occasions throughout the year.

The assessment was based on the quality of criteria outlined below. The assessed papers were chosen at random or for their potential significance. Where a policy document received a review of less than satisfactory, the manager responsible was required to provide the Chief Executive with a response or explanation for the quality of the paper.

Characteristic	Criteria
Purpose	The aims of any papers/briefings Te Puni Kōkiri is responsible for have been clearly stated and all the issues addressed.
Logic	The assumptions behind the advice/briefings prepared by Te Puni Kōkiri are accurate and all material facts have been included.
Accuracy	The facts in the papers/briefings prepared by Te Puni Kōkiri are accurate and all material facts have been included.
Options	An adequate range of options have been presented and each option is assessed for benefits, costs, and consequences to the Government and the community.
Consultation	There is evidence of adequate consultation with interested parties and possible objections to the proposals have been identified where appropriate.
Practicality	Problems of implementation, technical feasibility, timing and consistency with other policies have been considered.
Presentation	The format meets Cabinet Office standards or other relevant requirements. The material is effectively and concisely summarised, has short sentences in plain English, and is free of spelling and grammatical errors.
Timeliness	Papers are completed and presented within specified deadlines.

The independent reviewer rated the quality of policy advice on a scale of 1 to 6, where 1 = poor, 2 = adequate, 3 = satisfactory, 4 = good, 5 = very good, and 6 = excellent. The results are reported below:

Assessment Criteria	Target	Score
Purpose	3.00	3.38
Logic	3.00	3.31
Accuracy	3.00	3.31
Options	3.00	2.85
Consultation	3.00	3.23
Practicality	3.00	3.25
Presentation	3.00	3.20
Average	3.00	3.22

Timeliness

The specified deliverables in the *Te Puni Kōkiri Output Plan 2003/04* were assessed by comparison against deadlines set in the output plan as modified during the course of the year. Of the 21 time-bound deliverables, 14 were on time, three were late and extensions were granted for four.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/03 Actual \$000		30/06/04 Actual \$000	30/06/04 Supp Estimates \$000	30/06/04 Main Estimates \$000
9,938	Revenue Crown	10,661	10,661	9,538
77	Other Revenue	111	153	153
10,015	Total Revenue	10,772	10,814	9,691
10,089	Total Expenses	10,509	10,814	9,691
(74)	Net surplus/(deficit)	263	-	-

Output Class 2: State Sector Performance

DESCRIPTION

This output class involved influencing state sector agencies in order to improve their performance for Māori. It included assessing agency and programme/service performance for Māori, working collaboratively to enhance state sector performance, and identifying and informing agencies of best practice approaches.

The main area of focus was service delivery, for instance, supporting government and Māori to provide services to Māori in ways that enabled Māori to drive their own development.

In addition, some research specifically addressed the area of focus – Being Māori. This was through the provision of timely and robust information about the current situation of Māori.

PERFORMANCE

Quantity

Outputs were delivered in accordance with the *Te Puni Kōkiri Output Plan 2003/04* agreed with the Minister of Māori Affairs. The output plan was modified from time to time as discussed and agreed with the Minister.

Specific deliverables included:

- Two (target was originally nine, revised to four) effectiveness audit and/or agency review topics were approved by Cabinet or the respective Chief Executives.
- Three (target two) progress reports on the Sector Monitoring work programme were completed and submitted to the Minister of Māori Affairs.
- Six (target was originally nine, revised to seven) effectiveness audit and/or agency review reports were submitted to the Minister or the Chief Executive of Te Puni Kōkiri for approval to be released. The release of one agency review report was deferred to October 2004.
- Three effectiveness audit reports and/or agency reviews were approved for public release by Cabinet:

- The *Māori Knowledge and Development Research Output Class: Effectiveness Audit* report was approved for public release by Cabinet on 15 September 2003, and released in October 2003.
- The *Community Development Programme for Taitamariki Suicide Prevention: Effectiveness Audit* report was approved for public release by Cabinet on 10 May 2004, and released in June 2004.
- The *Alternative Education: Effectiveness Audit and Industry New Zealand's BIZ training programme for Māori* reports were approved for public release by Cabinet on 21 June 2004, and released in July 2004.
- The *Follow-up Review of the Contracting Functions of the Department of Child, Youth and Family Services* report was released to the Department on 4 May 2004, and copies were provided to the Central Agencies.
- Six (target four) research reports on aspects of the social, cultural and economic situation for Māori were released as follows:
 - *Iwi and Māori Provider Success: a research report of interviews with successful iwi and Māori providers and government agencies.* The findings in this report further the understanding of what makes Māori and Iwi providers successful and what can be barriers to their success.
 - *Household Labour Force Survey*, a quarterly report on employment and unemployment trends among Māori and non-Māori:
 - June 2003
 - September 2003
 - December 2003
 - March 2004.
 - *Wellbeing and Disparity in Tāmaki-Makaurau*, a report on urban Māori disparity in the Auckland region.
- Four (target four) research reports on the health of the Māori Language were completed as follows:
 - The *Survey of Attitudes, Values and Beliefs towards the Māori Language* research report. This research monitored the progress of the Māori Language Strategy vis-à-vis critical awareness and status of the Māori Language.
- *Media Use of the Māori Language.* This report analysed the visibility of the Māori language in print media. The project provided greater understanding of written Māori language within the print media and internet, and identifies areas for development to support the goals of the Māori Language Strategy.

- o *“Kei Te Ako Tonu Au”*: *Strategies for Second Language Learners of Te Reo Māori*. This research looked at how people can advance their Māori language acquisition.
- o *Māori Language in the Community*. This report identifies some examples of language revitalisation in community settings to provide information and models to develop iwi language plans.
- An aggregated annual report on departmental effectiveness for Māori 2002/03 was presented to Cabinet.
- A report about the *Strategy, Capability and Performance of Departments in respect of Outcomes for Māori* was prepared summarising the advice provided to agencies.

The number and type of completed documents for the year, compared to last year were as follows:

Type of Document	Actual 2003/04	Actual 2002/03
Briefings to Minister(s)	69	54
Cabinet submissions prepared for Minister(s)	15	9
OIA requests	3	11
Ombudsman complaints	5	4
Parliamentary questions	4	10
Responses to Ministerial correspondence	29	88
Speech notes	4	4
Submissions to Māori Affairs Committee	1	1

Quality

- All audit reports complied with the quality standards set out in the Te Puni Kōkiri effectiveness audit standards.
- A planned sample of research reports, to confirm that they met the industry standards and reflected Te Puni Kōkiri frameworks of analysis, was not undertaken.

Timeliness

- The specified deliverables in the *Te Puni Kōkiri Output Plan 2003/04* were assessed by comparison against deadlines set in the output plan as modified during the course of the year. Of the 21 time-bound deliverables, 13 were completed on time, two were completed late, and six were granted extensions.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/03 Actual \$000		30/06/04 Actual \$000	30/06/04 Supp Estimates \$000	30/06/04 Main Estimates \$000
7,055	Revenue Crown	7,474	7,474	7,320
-	Other Revenue	-	-	-
7,055	Total Revenue	7,474	7,474	7,320
7,052	Total Expenses	7,173	7,474	7,320
3	Net surplus/(deficit)	301	-	-

Output Class 3: Facilitation and Brokerage

DESCRIPTION

This output class involved working actively at the local level to strengthen relationships with Māori, with an emphasis on a brokerage, co-ordination and facilitation role, assisting Māori to achieve their economic, social and cultural aspirations.

PERFORMANCE

Quantity

Outputs were delivered in accordance with the *Te Puni Kōkiri Output Plan 2003/04* agreed with the Minister of Māori Affairs. The output plan was modified from time to time as discussed and agreed with the Minister.

Specific deliverables included:

- Provision of regular (at least quarterly) proactive reports on all regional issues to the Minister of Māori Affairs. This was superseded by regular meetings between the Chief Executive and his officials and the Minister and Associate Minister of Māori Affairs throughout the year. Feedback was obtained at, and detailed discussions on issues or priorities, including those identified in weekly status reports, occurred during these meetings.
- Provision of Monthly reports by Regional Directors on regional issues or activities to the General Manager of the Operations and Regions wāhanga. The reports included:
 - o information on the number of interventions completed
 - o key dates when tasks were completed
 - o the time spent on each of the programmes and or services.

Other highlights included:

- Successful completion of the **Regional Whānau Development Hui** in Porirua, Hamilton, New Plymouth, Christchurch, Kaitaia, Whakatane, Auckland, Tokoroa, Invercargill, Gisborne and Hastings by late November 2003. Information from these hui was used to develop a briefing for Ministers on issues raised.

- Successful hosting of the first **National Governance Forum**, held in Wellington in early July 2003.
- Launching of the research report, **Wellbeing and Disparity in Tāmaki-Makaurau** in Auckland. The findings in this report seek to further the understanding of the nature of disparities between Māori and non-Māori and amongst Māori in major urban areas.
- Evaluation of the **Māori Regional Tourism** programme. The evaluation provides a greater understanding of the difference the Māori Regional Tourism project is making and how the programme can be delivered more effectively.
- Re-branding of Targeted Capacity Building to **Strengthening the Management and Governance of Māori Organisations (SMG)** to reflect the focus on management and governance capability. The SMG programme was launched in Auckland at Ngā Whare Waatea Marae, Mangere in January 2004.

The number and type of completed documents for the year, compared to last year were as follows:

Type of Document	Actual 2003/04	Actual 2002/03
Briefings to Minister(s)	25	15
Cabinet submissions prepared for Minister(s)	-	-
OIA requests	2	2
Ombudsman complaints	-	-
Parliamentary questions	21	10
Responses to Ministerial correspondence	57	69
Speech notes	1	2
Submissions to Māori Affairs Committee	-	-

Quality

- A survey and analysis of findings was completed for the national Governance forum. Of those who responded, 82.4% rated the seminar as highly effective in gaining value from attending, and a follow-up phone survey ascertained that the seminars had made a difference to the way that people thought about their governance roles.

Timeliness

- The specified deliverables in the *Te Puni Kōkiri Output Plan 2003/04* were assessed by comparison against deadlines set in the output plan as modified during the course of the year. Two extensions were granted.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/03 Actual \$000		30/06/04 Actual \$000	30/06/04 Supp Estimates \$000	30/06/04 Main Estimates \$000
12,944	Revenue Crown	13,187	13,187	12,623
-	Other Revenue	-	-	-
12,944	Total Revenue	13,187	13,187	12,623
12,922	Total Expenses	12,887	13,187	12,623
22	Net surplus/(deficit)	300	-	-

Output Class 4: Operations Management

DESCRIPTION

This output class, provided services to support Māori development through the design, delivery, management and evaluation of programmes. This class of outputs complemented the facilitation and brokerage services for Te Puni Kōkiri outlined in Output Class 3, by providing programmes, funding, and operational support.

It also included Māori participation in the commercial sector by providing access to a comprehensive range of business services.

Additionally, this output class included the administration of Crown rural lending and land management advances to Māori people and Māori organisations, including the receipt of Crown revenues collected by Te Puni Kōkiri. Administration of advances involved ongoing administration of the residual mortgage agreements.

PERFORMANCE

Quantity

Outputs were delivered in accordance with the *Te Puni Kōkiri Output Plan 2003/04* agreed with the Minister of Māori Affairs. The output plan was modified from time to time as discussed and agreed with the Minister.

Specific deliverables included:

- **Direct Resourcing** - one (target three) new Direct Resourcing project, **Te Korowai Aroha Aotearoa** was approved by Cabinet Committee in February 2004 to implement Mauriora, a reducing whānau violence project. In addition, ten existing projects were also supported.
- **Capacity Building** - \$8,702,000 was allocated to 884 (target 500) project proposals received from whānau, hapū, iwi and Māori organisations. Of these 26 were for Strengthening Management and Governance. This compares to \$8,600,000 appropriated in the Main Estimates and \$8,725,000 in the Supplementary Estimates.
- **Māori Regional Tourism Organisation** - \$331,000 was allocated to support nine (target 12) Māori Regional Tourism Organisations. This

compares to \$338,000 appropriated in both the Main and Supplementary Estimates.

- **Kaitātaki-Ā-Rohe** - \$2,819,000 was allocated to support 57 (target 43) key workers. In addition \$200,000 was allocated to internal evaluation of the programme. This compares to \$3,300,000 (\$3,713,000 GST inclusive) appropriated in the Main Estimates and \$3,064,000 in the Supplementary Estimates. Figures are GST exclusive.
- **Māori Business Facilitation Service (MBFS)** – \$2,687,000 was spent to support approximately 871 clients (target 2,000 referred to initial engagement rather than actual number of clients supported); 112 (target 200) businesses were engaged in a new business start-up intervention. This expenditure compares to \$2,560,000 (\$2,880,000 GST inclusive) appropriated in the Main Estimates and \$2,590,000 in the Supplementary Estimates. Figures are GST exclusive.

Other highlights included:

- Hosting of an **Awards Expo** to celebrate the success of the Wellington MBFS clients in the fashion, food and entertainment industries. The event was well attended by approximately 50-70 Māori business operators and government representatives of New Zealand Trade and Enterprise, Poutama Trust, and the Ministry of Tourism. The event provided MBFS clients an opportunity to network with each other and share their experiences.
- Presenting at the **Tauranga Moana Economic Summit** held on 30 January 2004, which was well received. This presentation informed members of the Tauranga Māori business community and others interested in commercial development, on the direction of the business development group and other subjects, such as, land.
- Launching of a client's business, **Kiwitaka Ltd** on 21 June 2004 with a promotional evening in Queenstown. A large number of guests attended including: rūnanga members, Māori community, dignitaries and the Queenstown community.
- Management of the administration of the Crown Rural Lending and land management advances resulting in 70 loan accounts and 147 Māori land blocks remaining as at 30 June 2004 (30 June 2003: 68 and 155 respectively). During the year the two development schemes were finalised and the accounts were closed in February 2004.

The number and type of completed documents for the year, compared to last year were as follows:

Type of Document	Actual 2003/04	Actual 2002/03
Briefings to Minister(s)	233	83
Cabinet submissions prepared for Minister(s)	8	8
OIA requests	76	83
Ombudsman complaints	2	-
Parliamentary questions	115	85
Responses to Ministerial correspondence	197	93
Speech notes	2	4
Submissions to Māori Affairs Committee	-	-

Quality

- The administration of Capacity Building programmes was completed in accordance with the standards outlined in the *Te Puni Kōkiri Capacity Building Administration Guidelines* manuals.
- The *Capacity Building Evaluation* report was released to the Social Development Committee on 30 October 2003 (target: June 2003).
- A process evaluation of the Kaitātaki-Ā-Rohe programme was undertaken in 2003/04. The evaluation report was completed in June 2004 and is expected to be released by the end of October 2004 (target: June 2004).
- An evaluation of the Local Level Solutions programme is scheduled to be completed in December 2004 (target: June 2004).
- All payment disbursements and revenue flows associated with the Crown Rural lending and land management advances were managed in accordance with the agreed policy criteria.
- Monitoring and quarterly reporting on the progress and achievement of the projects in Direct Resourcing, Local Level Solutions, Capacity Building, Māori Regional Tourism Organisations and Kaitātaki-Ā-Rohe was undertaken prior to the release of funding.
- A telephone poll of former and current Māori Business Facilitation Service clients was conducted to ascertain their trading status. Of those who responded, 80% were still trading.

Informal feedback was obtained from the network of Kaiwhakarite (fieldworkers) and other staff in the regions, through the programme evaluations which informed our working relationships with whānau, hapū, iwi, Māori communities and Māori organisations.

Timeliness

- The specified deliverables in the *Te Puni Kōkiri Output Plan 2003/04* were assessed by comparison against deadlines set in the output plan as modified during the course of the year. Of the five time-bound deliverables, two were completed on time, two were late and one was granted an extension.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/03 Actual \$000		30/06/04 Actual \$000	30/06/04 Supp Estimates \$000	30/06/04 Main Estimates \$000
10,291	Revenue Crown	11,112	11,112	10,291
-	Other Revenue	-	-	-
10,291	Total Revenue	11,112	11,112	10,291
10,276	Total Expenses	11,052	11,112	10,291
15	Net surplus/(deficit)	60	-	-

Output Class 5: Services to the Māori Trustee

DESCRIPTION

This output class involved the provision of full office services to the Māori Trustee, including personnel, accommodation, and corporate support.

The Māori Trustee (as established by the Māori Trustee Act 1953) exists:

- To protect and enhance the interests of Māori clients and their resources
- To manage the adverse effects of fragmented and multiple ownership of Māori land
- To provide fair, proper and prudent administration and management of clients' assets within the principles and obligations of trusteeship and agency.

PERFORMANCE

The Māori Trustee's assessment of the services provided by Te Puni Kōkiri was sought, and he indicated that he was more than satisfied (2002/03: satisfied), with the level of services provided by and agreed to, with Te Puni Kōkiri. The cost of the services provided did not exceed the fee for services negotiated with the Māori Trustee at the beginning of the financial year.

FINANCIAL PERFORMANCE

(figures are GST exclusive)

30/06/03 Actual \$000		30/06/04 Actual \$000	30/06/04 Supp Estimates \$000	30/06/04 Main Estimates \$000
3,755	Revenue Crown	3,756	3,756	3,756
-	Other Revenue	-	-	-
3,755	Total Revenue	3,756	3,756	3,756
3,703	Total Expenses	3,743	3,756	3,756
52	Net surplus / (deficit)	13	-	-

Effectiveness in Reducing Inequalities

For more than a decade government has introduced policies and programmes aimed at ensuring equitable outcomes for Māori. The success of this process is shown by improvements for Māori in the cultural, educational and social arenas.

The relative youthfulness and faster growth rates of the Māori population mean that more will need to be done, however, to ensure these gains are maintained and added to in the future. Continued building on the existing foundation of achievement will create an environment where Māori can succeed as Māori.

As part of this, Te Puni Kōkiri contributes to the Government's reducing inequalities policy and work programme by working extensively with Māori in the community to ensure that government policies, programmes and services are informed by those at the local level and ultimately contribute to the wider Te Puni Kōkiri vision of *Māori succeeding as Māori*.

Te Puni Kōkiri is aware that if we concentrated solely on disparities and disadvantage we will fail to address the complexities and systemic causes of disadvantage. Therefore the strategy Te Puni Kōkiri has adopted to reduce inequalities for Māori continues to fit within the wider Te Puni Kōkiri outcome framework of Māori succeeding as Māori.

Though reducing inequalities initiatives commence from a Reducing Inequalities framework, the intended outputs and outcomes of the respective initiatives contribute to the wider outcome framework of Māori succeeding as Māori.

Strategies

The strategies used by Te Puni Kōkiri for addressing the inequalities experienced between Māori and non-Māori and accelerating Māori social, economic and cultural development have been to:

- assist in strengthening whānau, hapū, iwi, Māori, Māori communities and Māori organisations to control their own development and achieve

their own objectives by leading the state sector in the implementation of government’s Māori Capacity Building policy

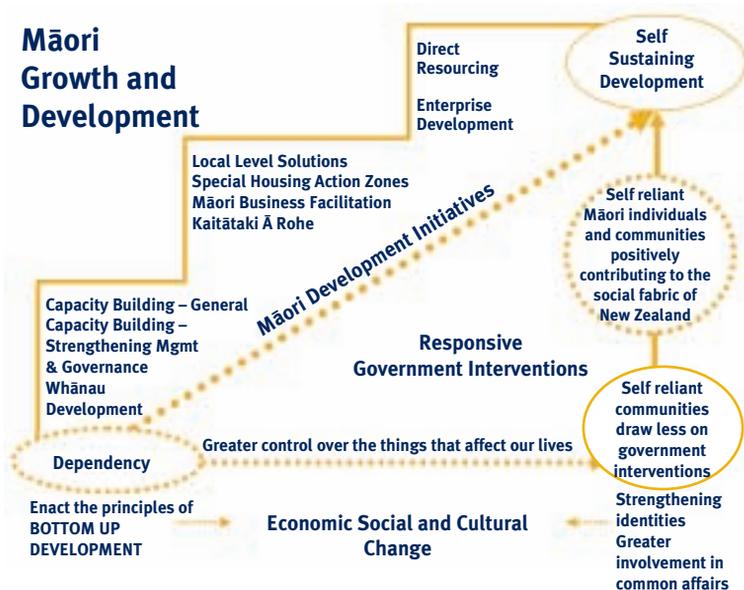
- provide strategic advice to government on the effective use of government resources and the development of strategic interventions, in order to promote Māori development and improve the social, cultural and economic status of Māori relative to non-Māori.

This integrated approach of working with whānau, hapū, iwi, and Māori communities and Māori organisations is achieved by resourcing, supporting, strengthening and accelerating their development and growth. The approach is consistent with the Government’s overall objective for Māori: to reduce inequalities, and to improve opportunities and support for Māori success. The approach also aligns with the whole of government approach and provides a strong foundation for delivering better opportunities for the tangata whenua citizens of New Zealand.

Programmes & Services Aimed at Reducing Inequalities

As part of our approach to enabling Māori to participate and succeed as Māori, in 2003/04 Te Puni Kōkiri delivered a number of funding programmes to groups, and provided Effectiveness Audits of programmes delivered by other government agencies.

The following diagram shows, by way of a staircase approach, how our programme delivery contributes to Māori succeeding as Māori.



In addition, Te Puni Kōkiri has a network of approximately 100 regional staff who work with whānau, hapū, iwi, Māori communities and Māori organisations to broker, facilitate, and co-ordinate opportunities to accelerate Māori development. The specific services are listed below:

- Brokerage of information and resources for Māori
- Brokerage and facilitation of access by Māori to government resources and services
- Development opportunities for local and regional economic, social and cultural development
- Administration of Capacity Building funds
- Convening Regional Intersectoral Fora
- Provision of general information and advice to the public.

Capacity Building Programme

(2003/04 - \$8.205m appropriated Supplementary Estimates, \$8.183m expensed – excluding Strengthening Management & Governance)

The primary objective of Capacity Building is to strengthen the ability of whānau, hapū, iwi, Māori organisations, and Māori communities. A key focus area for the capacity building fund is to support the development of strategies, structures, systems and skills that enable Māori to achieve their own development aspirations.

The capacity that Te Puni Kōkiri is seeking to build is the ability of whānau, hapū, iwi, Māori organisations and communities to prepare for and respond to their own opportunities and challenges.

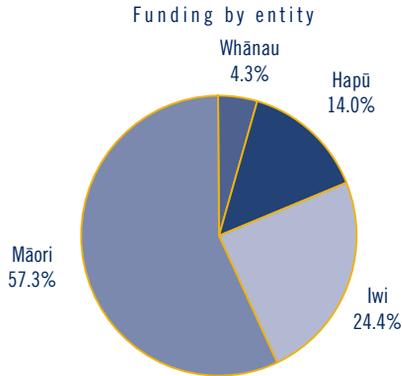
The rōpū seeks out approaches and solutions to economic, social or cultural opportunities and challenges. The role of Te Puni Kōkiri is to find appropriate ways to assist these initiatives.

Capacity Building is grounded in the belief that people and communities can manage their own affairs, and places control of the developmental process in the hands of the rōpū. Key objectives for Capacity Building are to support:

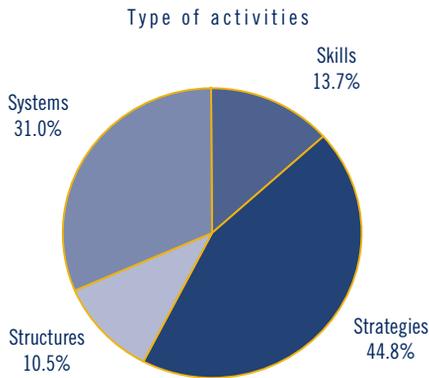
- bottom-up development from the grass roots level
- flexible and innovative solutions for local issues.

A total of 858 projects were funded in 2003/04, 462 were for projects under \$2,000, and 396 projects were funded for between \$2,000 and \$168,000.

Types of entities funded by CB



Activities of funded projects



Evaluation

An impact evaluation was completed in 2003/04. This evaluation looked at the impact of the Capacity Building programme on participants in two funding categories. The evaluation also looked to identify what outcomes had been achieved by participants as a result of their participation in the programme.

The evaluation found that overall, this programme had a positive impact on those whānau, hapū, iwi, Māori organisations and Māori communities interviewed. Over 2,000 rōpū have participated in this programme from 2001/02 - 2002/03. Of all participants, 63% in this programme were part of the \$2,000 or less funding category and accounted for 13% (\$3.3m) of all funding allocated over the two year period.

Table A: Funding allocations and numbers

	Number of rōpū		Amount of funding	
	(No's)	(%)	(\$m)	(%)
Over \$2,000	1,138	37	22.02	87
\$2,000 or less	1,922	63	3.32	13
Totals	3,060	100	25.34	100

Whānau entities were recorded as the largest entity group participating in the programme. This can be attributed to 640 whānau entities participating in the \$2,000 or less funding category. Pan-Māori entities were recorded as the second largest entity group (39%) participating in the programme and receiving the largest amount of funding allocated (\$6.6m).

Table B: Amount of funding received by rōpū according to rōpū entity for 2001/02-2002/03

	Number of rōpū		Amount of funding	
	(No's)	(%)	(\$m)	(%)
Pan-Māori	545	26	6.63	39
Iwi	298	14	4.35	25
Hapū	433	21	2.87	17
Whānau	738	35	2.10	12
Taura Here	82	4	1.18	7
Total	2,096	100	17.13	100

The outcomes achieved by participants in the programme were broadly categorised under Social, Economic, Cultural and Infrastructure. In addition a number of positive outcomes that were not specifically planned for were also achieved. For instance, rōpū reported that they had a sense of improved well-being, increased motivation and a clearer vision for the future.

Strengthening Management and Governance (SMG)

(2003/04 - \$0.520m appropriated Main Estimates, \$0.519m expended)

The SMG programme was implemented in 2003/04 as a discrete subset of the Capacity Building programme. The SMG programme was trialled from December 2003 – June 2004 with 26 Māori organisations.

The primary objectives of the programme are to:

- ensure Māori organisations involved in the delivery of government service contracts achieve high quality outcomes and are accountable to stakeholders
- contribute to the growth of strong Māori organisations able to meet organisation's goals and take advantage of future opportunities.

The target group are those Māori organisations that:

- are in the 'Development', or 'Established' stages of the business life cycle
- have significant responsibilities for service delivery and/or asset management
- have an annual revenue of \$800,000 or more, in service contracts with government.

The programme is made up of three elements:

- an **independent analysis** of each Māori organisation's governance and management arrangements
- **development options** with **tailored strategies** to meet identified needs in the governance and/or management area
- **local Te Puni Kōkiri facilitation and brokerage assistance** to secure appropriate support (where applicable) to meet identified needs.

The SMG programme provides organisations with an independent analysis of their current operating performance in key governance and management areas.

Independent analysts are contracted by Te Puni Kōkiri to conduct the organisational analysis. The key output of the analyses is a confidential report provided to the organisation that:

- highlights their organisational strengths in relation to governance and management
- indicates areas for improvement and recommends specific strategies to address these

- indicates potential areas of risk and suggests interventions for the management of these
- helps inform the organisation's strategic direction and decision making.

The report is strictly confidential with full copies provided only to the organisation. The organisation is responsible for discussing recommendations from the report with a Te Puni Kōkiri regional staff member as the basis for future strategies.

Evaluation

An evaluation of this programme is planned for the 2004/05 financial year.

Kaitātaki-Ā-Rohe (KAR)

(2003/04 - \$3.300m appropriated Main Estimates, \$3.019m expensed)

The KAR programme was implemented in July 2002 as part of the Māori Development Worker fund of Te Puni Kōkiri.

The programme bridges an identified gap in the developmental pathway of Māori organisations and the Capacity Building programme criteria.

The KAR strategy seeks to create an environment where government can work together with whānau, hapū, iwi, Māori communities and Māori organisations to progress their development requirements through the assistance of a Māori development worker.

The programme responds directly to Māori development by providing a Māori development worker who will be:

- selected from, work with, and be accountable to their communities
- engaged on community directed development initiatives
- jointly supported by Te Puni Kōkiri and the community.

During the 2003/04 financial year there were 57 KAR Māori development workers completing projects that advanced Māori development. The following is an example of a KAR project:

Maniapoto Māori Trust Board

(existing specialist advisor)

The key worker has been directly involved in rebuilding the capacity of the Trust Board and an iwi with high social, health and economic needs. The Trust Board has been described as having “gone from being financially bankrupt and mistrusted by the iwi to financially stable and respected by the people”.

The key worker has secured approximately \$4m in service provider contracts for the Trust Board across the spectrum of government services in health, medical, transport, housing and education services.

This funding has allowed the Maniapoto Māori Trust Board to re-establish its structure and role. Included in this has been the support to affiliated

providers with developing applications, monitoring, delivery and meeting the reporting requirements of their service delivery. The key worker is now turning his attention to wider development issues, including establishing the economic base in such things as fisheries.

Evaluation

A process evaluation was undertaken during the 2003/04 financial year. This evaluation aimed to assist Te Puni Kōkiri in assessing the effectiveness of its delivery of the KAR programme to whānau, hapū, and iwi.

A draft report on the interim findings of the evaluation are categorised according to the phases of the KAR process and under the broad headings of *Facilitators of Success*, *Barriers to Success*, *Areas for Improvement*, and *Outcomes of the Programme*. It is expected that the final evaluation report will be released by the end of October 2004.

Special Housing Action Zones (SHAZ)

(2003/04 - \$0.500m appropriated Main Estimates, \$0.498m expended)

The primary objective of the SHAZ Programme is to resolve serious housing need within a designated Special Housing Action Zone by facilitating and resourcing a hapū, iwi, and/or an appropriate community response.

A secondary objective is to ensure that each housing intervention produces at least one parallel intervention relevant to the Government's social policy goals, such as, improved health, employment or training opportunities for hapū, iwi, and local community members.

An important distinction between SHAZ and other Housing programmes is that it targets communities rather than individual households.

Twenty housing projects were supported with SHAZ operational funding for the 2003/04 financial year. Funding provided ranged from \$4,000 to \$48,500. This funding was used to assist communities to develop planning and implementation tools to address serious housing needs within their respective communities.

In the short term the intended outcome sought from SHAZ is a measurable improvement in housing conditions for targeted whānau within each SHAZ area. The longer-term outcome is for hapū, iwi, and/or Māori communities to have an improved capacity to sustain adequate and affordable housing without significant ongoing government intervention. The following is an example of a SHAZ project in the community:

Te Rūnanga o Te Rarawa

The Rūnanga has adopted a strategy which aims to build 200 new homes for its people over five years.

The Rūnanga strategy involves a “whole of government” approach. The new approach was prompted by devastating floods in Hokianga in 1999 and several tragic deaths of whānau in substandard housing.

The Rūnanga used Te Puni Kōkiri Capacity Building funds to restructure its organisation, and to develop its Housing strategy. The Rūnanga has also developed positive relationships with Housing NZ.

Local Level Solutions

(2003/04 - \$2.452m appropriated Main Estimates, \$2.799m appropriated Supplementary Estimates, \$1.658m expended)

The primary objective of Local Level Solutions (LLS) is to develop Māori communities simultaneously by funding initiatives developed at the local level by Māori. LLS responds to whānau, hapū, iwi, Māori communities and Māori organisations self-identified priorities and assists them to continue their work and achieve long term goals for those communities. Five initiatives have been approved as below.

Puao Te Atatu A Tūhoe

(allocated \$0.941m and \$0.925m expended to 30/6/04)

The Puao Te Atatu A Tūhoe Trust is an organisation which represents five sites within Te Rohe Potae o Tūhoe. The establishment of the five sites aims to identify where there are gaps in service provision and strengthen and extend existing services in health, education, employment, care and protection, housing and te reo Māori. All developments are based on the robust information gathered by the Trust who advocate for and facilitate access to necessary resources to respond to the needs, priorities and interests of those living in Te Rohe Pōtae o Tūhoe.

Waiapu Work Trust

(allocated \$0.366m, \$0.366m expended to 30/6/04)

The Waiapu Work Trust was funded to strengthen the activities of the Trust, which operates on the East Coast to provide forestry and farm contracting employment opportunities for Māori.

Rangatahi o Ngāti Hinearo – Ngāti Tuera Information Technology Service Provider

(allocated \$0.165m, \$0.080m expended to 30/6/04)

Rangatahi o Ngāti Hinearo – Ngāti Tuera Information Technology Service Provider was funded to establish a marae-based IT programme covering subjects including web-design, digital editing, graphic design and computer programme design.

Ngā Rauru Iwi Authority Society

(allocated \$0.380m, \$0.000m expensed to 30/6/04)

Ngā Rauru Iwi Authority Society was funded to utilise small blocks of land around marae in Ngā Rauru to produce and market nutraceuticals and horticultural products.

Ngā Rauru has continued to progress the development of their three business units - those being a native plant nursery, traditional herbal products and intensive greenhouse vegetable products.

Te Rūnanga o Ngāti Porou

(allocated \$0.347m, \$0.287m. expensed to 30/6/04)

Te Rūnanga o Ngāti Porou was funded for the following three projects:

Enterprise Development

The preparation of a ten-year strategy aimed at reducing unemployment levels in Ngāti Porou. The report intends to set out a clear path for supporting individuals and whānau to engage more successfully in income generation activities and to break the cycle of economic poverty which has inhibited the prosperity of Ngāti Porou social and economic growth.

Sustainable Environmental Management

This project proposes:

- the formation of a Ngāti Porou Environment Organisation which will be established to prepare a Ngāti Porou Environment Management Plan, and to advocate on environmental issues
- the development of an integrated environmental management strategy for the Ngāti Porou area.

Whānau and Hapū Development

To engage with Ngāti Porou whānau and hapū to identify pathways for development which are based on strengthening the position of whānau and hapū to actively engage in social, economic and cultural development.

Evaluation

An evaluation has been undertaken of the Local Level Solutions programme and a draft report is currently being written. It is expected that the final evaluation report will be released by the end of December 2004.

Special Advisor Fund

(2003/04 - \$2.756m appropriated Main Estimates, \$2.328m appropriated Supplementary Estimates, \$2.331m expensed - GST exclusive)

The Specialist Advisor Fund is a component of the Capacity Building programme. The primary objective of the Special Advisor Fund is to contract specialist advisors and key workers to work alongside Māori organisations and Māori communities, providing expertise and knowledge in support of Māori capacity building initiatives.

In 2003/04, a total of 34 Specialist Advisor positions were funded by the programme. Two examples of key worker projects are listed below:

- A key worker project with Te Rūnanga o Te Whānau in Te Kaha saw Te Puni Kōkiri provide key workers and specialist advisors to assist with building capacity in the rūnanga management systems and information technology capabilities. Several key initiatives, such as, introducing Cisco computer training into Eastern Bay of Plenty schools, establishing academies in other localities, and building industry and state sector partnerships for joint ventures in technology projects has been a visible and tangible outcome for this community.
- A project to assess the feasibility and options for an iwi to meet its substantial environmental management responsibilities in a sustainable manner. The project engaged the assistance of a specialist team to conduct the research, liaise with the iwi, and recommend solutions consistent with the direction, structure, roles and responsibilities of the iwi.

This function was subsumed within the KAR programme in 2003/04.

The above figures include an administration component of \$0.889m GST exclusive.

Effectiveness Audits

(2003/04 - \$2.769m appropriated Main Estimates, \$2.339m Supplementary Estimates, \$2.296m expensed – GST exclusive)

The primary objective of effectiveness audits is to examine the performance of public sector programmes and services with respect to Māori, and to identify opportunities for improving that performance.

Effectiveness audits indirectly contribute to reducing inequalities, by improving:

- the knowledge base of government about what works for Māori
- the transparency of the operations of programmes and services.

In order to effectively manage workflow, Te Puni Kōkiri implements a staggered audit work programme, enabling audit reports to be presented progressively during the course of the year. The table on page 92 identifies key stages in the audit process and the progress of audits undertaken during the year ended 30 June 2004.

Table: Progress of Audits

<p>Audits (completed in 2002/03) that were formally released in 2003/04</p>	<ul style="list-style-type: none"> • Māori Knowledge and Development Output Class (Ministry for Research, Science and Technology) – public release • SHAZ Suspensory Loans for Essential Improvements (Housing New Zealand Corporation) – released to HNZC
<p>Audits completed and formally released in 2003/04</p>	<ul style="list-style-type: none"> • Taitamariki Youth Suicide Prevention (Ministry of Health) – public release
<p>Audits (completed in 2003/04) that are pending release in 2004/05</p>	<ul style="list-style-type: none"> • Alternative Education (Ministry of Education) – public release • BIZ Training Programme (Industry New Zealand) – public release • Sustainable Development Fund (Ministry for the Environment) – public release • Joint Ventures and Partnerships (Ministry of Social Development) – pending submission to Minister of Māori Affairs and subsequently Cabinet.
<p>Audit practices completed and audit reports submitted to audited agency, for comment</p>	<ul style="list-style-type: none"> • School Support Services (Ministry of Education) • District Truancy Services (Ministry of Education)
<p>Audit practices completed</p>	<ul style="list-style-type: none"> • Māori Health Workforce Development (Ministry of Health and the Health Workforce Advisory Committee)

Evaluation

All audits are guided by methodology, and are undertaken in accordance with the Professional Standards, as set out in the *Sector Monitoring Manual*. In addition to conforming with these quality standards, Te Puni Kōkiri seeks independent evaluations of a selection of its audits. The following 2001/02 effectiveness audits¹ were the subject of the 2003/04 evaluation:

- Digital Opportunities Partnerships (Ministry of Education)
- Māori Youth Contestable Fund (Child, Youth and Family).

The evaluation found that the relationships Te Puni Kōkiri had with auditee agencies was exceptional. It found that on-going professional development and mentoring remains critical to maintaining a high level of credibility. Some process issues, including for example, project management disciplines and the level of guidance provided in the audit manual, should continue to be updated to reflect current practice. The *Sector Monitoring Manual* was reviewed and revised in 2003/04.

¹ Both audit reports were released to the auditee agency only.

Legal Responsibilities

Te Puni Kōkiri administers a variety of legislation for which the Chief Executive is directly responsible. As an example, he exercises considerable powers pursuant to Part II of the Māori Affairs Restructuring Act 1989, to assist the occupation of Māori freehold land by Māori for farming purposes.

Under Te Ture Whenua Māori Act 1993, the Chief Executive frequently exercises the power to set aside Māori freehold land and general land as a Māori reservation. Māori reservations may be created for a wide variety of purposes including marae, burial sites, sports grounds and scenic reserves.

Under the Māori Reserved Land Amendment Acts 1997 and 1998 the Chief Executive is required to issue notices and make payments of compensation, due to owners and lessees under the Act. Owners and lessees may elect to have compensation determined by the Land Valuation Tribunal, and in such cases, the Chief Executive of Te Puni Kōkiri must be the other party to such actions.

Additionally, the Chief Executive is required to oversee the affairs of all Māori Trust Boards and to ensure compliance with the Māori Trust Boards Act 1955, particularly in the matter of Board elections and financial reporting.

Acts of Parliament administered by Te Puni Kōkiri

- Broadcasting Act 1989, Part IVA
- Hauraki Māori Trust Board Act 1988
- Lake Waikaremoana Act 1971
- Maniapoto Māori Trust Board Act 1988
- Māori Affairs Restructuring Act 1989
- Māori Community Development Act 1962
- Māori Housing Act 1935
- Māori Land Amendment and Māori Land Claims Adjustment Act 1926
- Māori Language Act 1987
- Māori Purposes Act 1926-1981
- Māori Purposes Act 1991
- Māori Purposes Act 1993
- Māori Purposes (Wi Pere Trust) Act 1994
- Māori Purposes Fund Act 1934-1935
- Māori Reserved Land Act 1955
- Māori Reserved Land Amendment Acts 1997 and 1998
- Māori Soldiers Trust Act 1957
- Māori Television Service (Te Aratuku Whakaata Irirangi Māori) Act 2003
- Māori Trust Boards Act 1955
- Māori Trustee Act 1953
- Māori Vested Land Administration Act 1954
- Ministry of Māori Development Act 1991
- Orakei Act 1991
- Tarawera Forest Act 1967
- Tauranga Moana Trust Board Act 1981
- Te Rūnanga o Ngāti Awa Act 1988
- Te Rūnanga o Ngāti Porou Act 1987
- Te Rūnanga o Ngāti Whātua Act 1988
- Te Ture Whenua Māori Act 1993
- Treaty of Waitangi Act 1975
- Whanganui River Trust Board Act 1988

Statutory regulations administered by Te Puni Kōkiri

- Aupouri Māori Trust Board Order 1985
- Aupouri Māori Trust Board Order 1986
- East Coast Māori Trust Lands Block Committees' Regulations 1936
- Māori Land Court Fee Regulations 1993
- Māori Land Court Rules 1994
- Māori Occupation Orders Regulations 1994
- Māori Reservation Regulations 1994
- Māori Purposes Fund Regulations 1937
- Māori Trust Office Regulations 1954
- Māori Housing Regulations 1960
- Māori Land Court Judges' Travelling Allowances Regulations 1960
- Māori Community Development Regulations 1963
- Maori Land Court (Jurisdiction) Order 1996
- Māori Trust Board Regulations 1985
- Mawhera Incorporation Order 1976
- Maniapoto Māori Trust Board Order 2002
- Ngāti Whātua o Orakei Māori Trust Board Order 1983
- Ngāti Whātua o Orakei Māori Trust Board Order 1990
- Ngāti Whātua o Orakei Māori Trust Board Order 1997
- Parininihi ki Waitotara Incorporation Order 1976
- Tai Tokerau Māori Trust Board Order 1987
- Taranaki Māori Trust Board Order 1990
- Te Arawa Māori Trust Board Order 1988
- Te Awapuni Moana Order 1996
- Te Rūnanga o Ngāti Awa Order 1999
- Te Rūnanga o Ngāti Porou Order 1989
- Te Rūnanga o Ngāti Porou Order 1993
- Whakatōhea Māori Trust Board Order 1996
- Whakatū Incorporation Order 1977
- Whanganui River Māori Trust Board Order 1996