

# ANNUAL REPORT

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2018





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# INTRODUCTION

**The Network for Learning (N4L) exists to help facilitate an improvement in educational outcomes for students at all levels and types of schools, including kura, which in turn will contribute to the social and economic performance of Aotearoa New Zealand.**

Working in partnership with its education and technology sector partners, the Company provides significant benefits to students and educators by delivering a faster, safer, smarter more reliable internet connection. The Company is achieving this by operating and advancing a managed network solution so students and educators can access the internet for learning purposes - no matter where they go to school.

N4L is a Crown company incorporated on 2 July 2012. Ownership is held equally between two shareholding Ministers, the Ministers of Finance and Education, with governance by an independent Board of Directors.

N4L operates in a financially sustainable manner within its Crown-allocated operational budget.



MARK YEOMAN

## ACTING CHAIR'S REPORT

# The Managed Network has become a key part of the Aotearoa New Zealand school landscape.

**Schools are experiencing the benefits of a faster, safer, smarter more reliable internet connection that helps young people leverage the benefits of technology to grow their learning potential, and helps to bridge the digital divide. This was the vision of the business six years ago when N4L was established, in an environment where ambitious public-sector multi-stakeholder technology-based projects were the province of the brave.**

Helen Robinson, N4L's Chair since the establishment of the business in 2012, retired from the Board on June 30 2018, and it is a fitting testament to her hard work and dedication that the original vision has been achieved.

Every school in Aotearoa New Zealand has a faster, safer, smarter more reliable internet connection. N4L has also worked hard on maximising the value of this connection while managing any risks for learners. This means a strong focus on safety and security and ensuring that schools are supported to provide a safe and productive online experience for learners, who now use the Managed Network more and more, reflecting the importance of the digital world to contemporary classroom life.

From the completion of the Managed Network rollout in 2017, N4L has been working to prepare for the next phase of the company's mission, which is to realise the potential of the technology in delivering improved educational outcomes for learners.

**N4L is uniquely positioned to help service providers and schools navigate the many challenges and opportunities presented by technology and is now focused on developing and extending the reach of the Managed Network to meet learners' evolving needs, inside the classroom and in all the contexts where learning takes place.**

2018 saw another transition in the business, we welcomed our new Chief Executive, Larrie Moore. Larrie took over from outgoing CEO John Hanna, and on behalf of the company, I extend my thanks to John for his achievements and wish him well for his future career. I look forward to working with Larrie and his team as he leads the business into the future.





Understanding our customers is a core value for N4L. Being successful as a company means ongoing and open engagement with the people who use our services. N4L's success also relies on the strength of our relationships with our commercial and public sector partners. These relationships help us work effectively as part of the education system, while maintaining a bridge to the commercial world, driving innovation with the best of emerging technology. Central to N4L's purpose is a focus on learners. We value the strong relationship that we have with schools and our partners in the education sector, particularly the Ministry of Education, and look forward to supporting their goals in improving educational outcomes in this country.

Two other long serving Directors retired from the Board on 30 June 2018; Linda Tame and Rick Shera. In my capacity as Acting Chair, I extend my gratitude on behalf of the Board to all three retiring Directors, and acknowledge their tireless commitment, wise counsel, and service. Helen, Linda and Rick have demonstrated an admirable commitment to realising the benefits of technology in education for all young New Zealanders. To the remaining Directors and Management Team I extend my gratitude for their invaluable contributions, and look forward to continuing to build on our success.

The N4L team are excited to be entering the next phase of its journey, keeping in mind the whakatauki - ehara tāku toa i te

toa takitahi, engari he toa takitini, my success is not my own, but from many others.

**Mark Yeoman**

*Acting Chair*



LARRIE MOORE

## CEO'S REPORT

# Mā te huruhuru ka rere te manu Adorn the bird with feathers and it will fly

### Another substantive year for the team at N4L.

I am delighted to report that the Managed Network continues to deliver a faster, safer, smarter more reliable internet connection to the students and teachers attending the 2,438 (equivalent to 99.3%) schools including kura across the country, making the Managed Network the most extensive network of its kind in Aotearoa New Zealand.

In the year ending June 2018, network data usage has increased more than 50% year on year suggesting a general upturn in the use of technology in schools, while N4L's security and filtering services blocked 1.2 terabytes of web traffic and blocked 8 billion requests by users to access blocked websites.

Regarding customer satisfaction, I can reaffirm that the N4L team remains wholeheartedly committed to delivering a quality product and placing the needs of schools including kura first; I am delighted to learn, and proud of the fact that 95.1% of respondents (in our latest customer satisfaction survey) rated themselves as satisfied or very satisfied with the overall N4L service.

### Since joining in February 2018, I have consulted widely before finalising the strategy for 2018-2022.

Our Statement of Intent 2018-2022 outlines how N4L can contribute to the Government's goals in education by upgrading the Managed Network by the end of June 2019 and piloting several new products and services, so students

and teachers have the freedom and opportunity to connect to the internet for learning purposes - wherever they learn and live.

The team and I are committed to working with our education and technology sector partners in the years ahead so we can deliver more products and services that enhance both the digital experience for New Zealand's students and teachers and N4L's reputation for providing solutions that 'just work.'

### The year ahead promises to be our most exciting and challenging to date.

In the first half of 2018, we laid the foundations for delivering a new and improved Managed Network that will provide higher levels of protection for students and teachers. We piloted the new





service in a few schools, and the results have been excellent concerning protection from continually evolving threats. Now the goal is to complete the roll-out to all schools by June 2019, this is a considerable undertaking by N4L and its commercial partners.

In the middle of 2018, we undertook a reorganisation of the team, after considered discussion we have raised our focus on face-to-face contact with the education sector and schools including kura. Further, we have committed more technology resources to engage deeper into schools so we can involve the end users in the design of the products and services. I believe that the voice of the customer is essential in the design process, and I am confident that together,

we can create a group of products and services that support the growing digital demands of New Zealand's students and teachers.

**Larrie Moore**

*Chief Executive Officer*

# N4L OBJECTIVES AND OUTCOMES

**N4L contributes to the Government's goals in education by ensuring that all students and educators at all levels and types of schools including kura can enjoy access to a faster, safer, smarter more reliable internet connection.**

The connection of schools including kura to the Managed Network began in November 2013, and at the end June 2018, there were 2,438 schools (the equivalent of 99.3% of all state and state-integrated schools) connected to the Managed Network.

## **Kia hono ngā kura, kia hono ngā akomanga, kia hono ngā ākonga - from connecting schools to connecting learners**

N4L and its partners believe that the long term direction of technology in education is toward deeper connectivity, requiring an evolution from connecting schools including kura (the campus), to connecting classrooms, and to connecting learners. Kia hono ngā kura, kia hono ngā akomanga, kia hono ngā ākonga. In this context, N4L understands its current and future work to fall into three main areas:

- 1. Connected schools - kia hono ngā kura**, operating and advancing the Managed Network to meet changing and growing student and educator needs, with a particular focus on the safety and security of learners, and management and reporting for educators
- 2. Connected classrooms - kia hono ngā akomanga**, working with partners to explore the options to offer schools including kura expert resources, infrastructure, and services that simplify the technology and the management of technology in classrooms
- 3. Connected learners - kia hono ngā ākonga**, working with partners to explore new ways to connect learners and educators and enhance equity of access to technology beyond the campus gate - no matter where people learn and live.

N4L's current work is concentrated in the Connected schools area, with a focus on operating and advancing the Managed Network. N4L is also exploring opportunities with its partners in the areas of *Connected classrooms* and *Connected learners*.

# N4L OBJECTIVES AND OUTCOMES

## MANAGED NETWORK SERVICES

**With the N4L Managed Network, schools including kura have the support of a smarter, safer online environment for their students and educators, and the growing confidence to pursue new teaching and learning opportunities presented by digital technologies.**

### Close to 100% of schools are connected to the Managed Network

At the end of June 2018, there were 2,488 school sites connected to the Managed Network service. Over the past year, N4L connected 35 school sites and disconnected 3 sites due to school closures. With a continuous small stream of new schools, merged schools, or schools being rebuilt, there will continue to be a residual level of connection activity for the company in the year ahead.

### Usage on the Managed Network is soaring

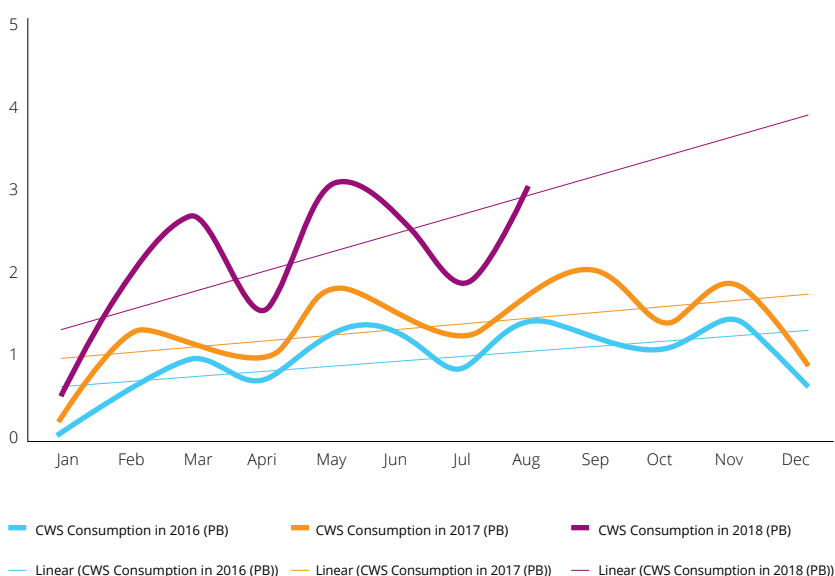
Data usage on the Managed Network has continued to soar over and above the levels seen in 2017 and 2016.

In May 2018 usage peaked above 3 petabytes (or 3m gigabytes) a month. The growth is substantial when compared to previous years and shows no signs of slowing down, and demonstrates increasing confidence to use online resources and tools.

### Schools are demanding more bandwidth

The increase in usage of the Managed Network has driven an increase in the demand for bandwidth. As a result of this, and in line with the agreed allocation policy, a number of schools have had their internet connections upgraded to allow them to continue using online resources confidently, without experiencing problems of unreliability or slower speeds.

### Year-on-year usage trends for the Managed Network (data in Petabytes)



### Bandwidth upgrades completed in the year ending June 2018

From/To	100 Mbps	500 Mbps	1000 Mbps	Grand Total
<b>50 Mbps</b>	<b>25</b>			<b>25</b>
<b>100 Mbps</b>		<b>40</b>		<b>40</b>
<b>500 Mbps</b>			<b>11</b>	<b>11</b>
<b>Grand Total</b>	<b>25</b>	<b>40</b>	<b>11</b>	<b>76</b>



# N4L OBJECTIVES AND OUTCOMES

## MANAGED NETWORK

### Customer satisfaction is high

N4L's Helpdesk team has performed to a high level over the past 12 months, consistently achieving a high level of satisfaction amongst educators, while exceeding the service level agreements of the Ministry of Education.

### % of users are either satisfied or very satisfied

Q1

# 97%

satisfaction rate

Q2

# 98%

satisfaction rate

Q3

# 98%

satisfaction rate

Q4

# 95%

satisfaction rate

Over the previous year, N4L has invested in a new IVR phone system, and an online service channel. The phone system has added capabilities that improve the speed and quality of service for educators, and the online channel - Support Hub, enables educators to search frequently asked questions for solutions, and exchange instant messages (sometimes referred to as chat) with agents on the Helpdesk team.

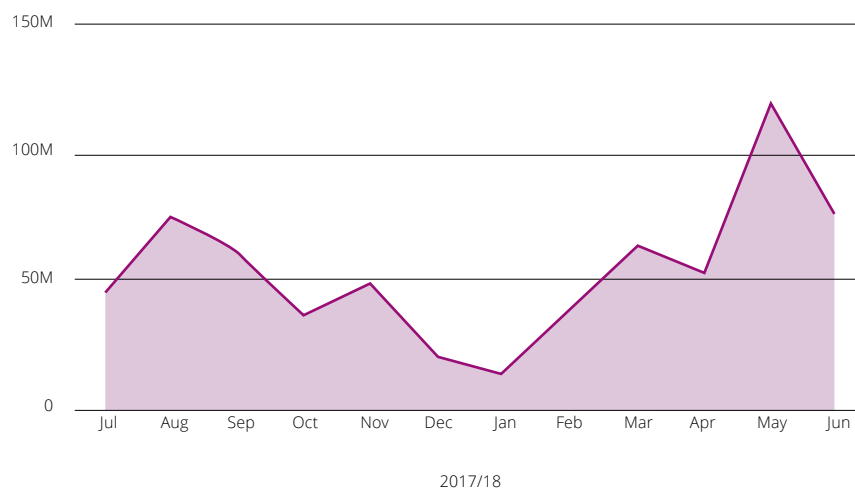
### New service blocks more threats

This past year N4L introduced a new DNS filter, designed to block malicious URLs or unwanted users from locating or accessing our servers. As a result, the number of security blocks across the network increased significantly over the course of the year.

#### Security Activity

	Month of June 2018	12 months to June 2018
Security blocks (millions)	76	642.6
Viruses & malware blocked (thousands)	19.5	292.7
Adware spyware & unwanted applications blocked (thousands)	33.1	461.1

#### Security Blocks, ending June 2018



# N4L OBJECTIVES AND OUTCOMES

## A FOCUS ON INNOVATION

**The ongoing security and safety of users of the Managed Network is dependent on a continuous programme of innovation by N4L and its partners.**

### Significant upgrade to the Managed Network

N4L has been designing and piloting the next generation of the Managed Network. This upgrade is necessary to keep pace with the growing usage of students and teachers, and to counter new cyber security threats.

Working in partnership with its public, education, and commercial partners, N4L believes that the upgrade to the Managed Network will deliver meaningful improvements in educational outcomes for all students and educators.

Ending June 2018, N4L worked with its partners to develop, test and migrate a handful of schools to the new technical solution, and commercial model, with the intention of completing the rollout for all schools by June 2019.

### Smarter and simpler identity management and reporting

N4L is working on a solution to help schools seamlessly integrate their Student Management Systems with Google and Office 365 (O365). The solution N4L is developing aims to synchronise Student Management Systems with Google and O365 to ensure the availability of the information required to support detailed reporting and group based filtering for students.

### 1Gbps to all schools

N4L has engaged with Chorus and other local fibre companies with a view to offer a minimum 1Gbps service to all schools including kura (where possible). Trial schools are being migrated, with remaining schools to be migrated as part of the Managed Network Upgrade by June 2019.

### Fibre to the classroom

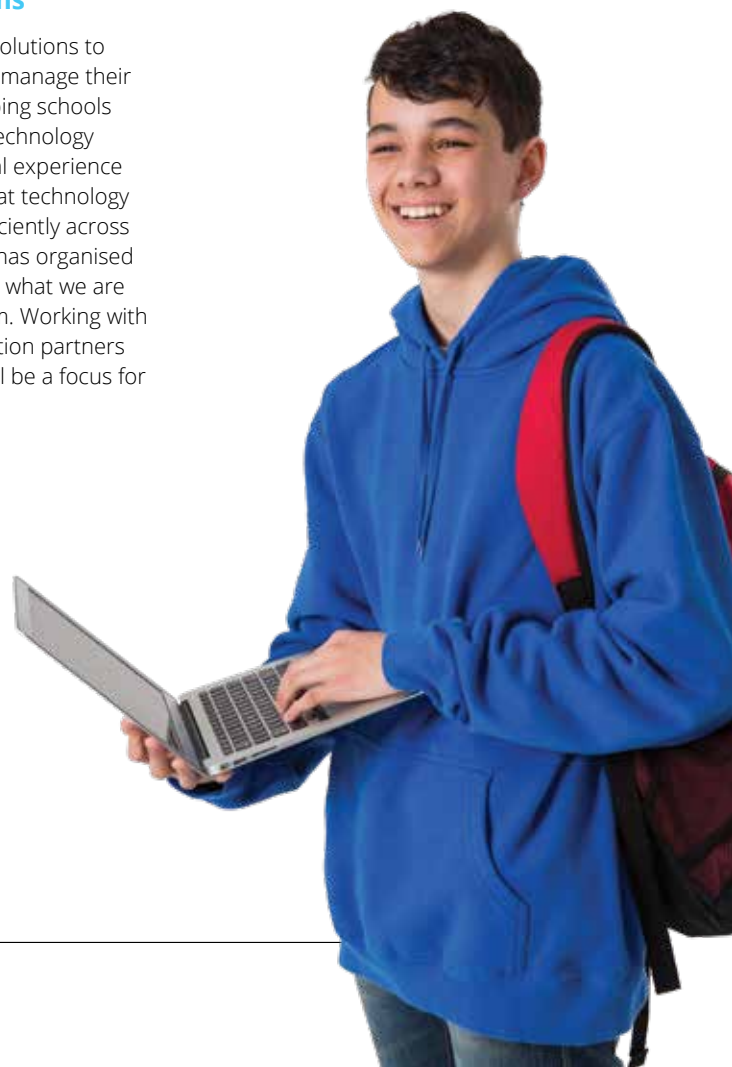
N4L has been working with Chorus and the Ministry of Education to trial a new design for delivering the internet into schools. This will use current Passive Optical Network (PON) technology to deliver the internet connection directly into the classroom. Design work was undertaken during 2017/18 and trials for the PON are planned for the coming year.

### Connected classrooms

N4L has been considering solutions to help schools including kura manage their technology challenges. Helping schools successfully manage their technology delivers a better educational experience for learners and ensures that technology resources are managed efficiently across the education system. N4L has organised its efforts in this area under what we are calling Connected classroom. Working with our government and education partners to progress this initiative will be a focus for N4L over the coming year.

### Connected learners

N4L supports the Ministry of Education's Equitable Digital Access for Students (EDA4S) project. This includes N4L supporting the community wireless trials at Haeata Community Campus and Rata St School. The Haeata trial has progressed to the stage where WiFi access points have been deployed on Chorus poles in Aranui, and initial testing of student access from home undertaken.



# N4L OBJECTIVES AND OUTCOMES

## SECTOR ENGAGEMENT

N4L continues to enjoy a positive relationship with the education sector. Schools value N4L's approach of providing a fast and reliable fibre connection that "just works". We constantly receive positive feedback about the way N4L proactively identifies safety and security threats and helps schools navigate these challenges. We work closely with our education and technology partners, including Netsafe, CERT and the Ministry of Education to ensure that N4L's Web Filtering is ready for emerging safety and security issues.

Findings from N4L's customer surveys indicate the sector has a positive view of N4L's products, services and people, with an overwhelming

# 95%

satisfaction rate



From left to right: Nicola Ngarewa, Charles Newton, Claire Amos, Mike Williams, Jen Rodgers, Dorothy Burt, Sose Annandale. Absent: Sarah Martin, Richard Newton.

### Education sector initiatives

N4L has continued to provide input into various working groups, and has also continued to support sector agencies and peak bodies around the growing impact of digital technologies on education. This included attending the NZPF and SPANZ conferences, engaging with Evaluation Associates about supporting their Beginning Principals programme, and regular discussions with education peak bodies.

Both the school-facing and education sector engagement teams continue to regularly visit schools including kura, either to seek input on product development or relationship building. Schools are very generous with their time as they appreciate the opportunity to tell us about their needs in order to ensure products developed are fit for purpose.

N4L has been present at many of the sector conferences either with trade stands and/or workshop and plenary presentations, and have also supported, where possible, ground-level initiatives such as Educamps, as our way of helping the innovation happening at the edges of the system.

### The invaluable voice of the Leadership Advisory Group

N4L receives invaluable support from its Leadership Advisory Group, which is made up of senior leaders from the education sector. The Leadership Advisory Group meets at least four times a year and lends their expertise to help N4L engage with the big questions in education and technology.

The membership of this group is:

- **Nicole Ngarewa**  
Spotswood College
- **Claire Amos**  
Albany Senior High School
- **Dorothy Burt**  
Manaiakalani Education Programme
- **Sarah Martin**  
Stonefields School
- **Charles Newton**  
Education Consultant
- **Richard Newton**  
University of Auckland Centre for Educational Leadership
- **Jen Rodgers**  
St Clair School, Dunedin
- **Mike Williams**  
Pakuranga College
- **Sose Annandale**  
Russell School



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# N4L OBJECTIVES AND OUTCOMES

## RESEARCH 2017/18

**N4L uses its research findings to improve existing services, learn where opportunities are emerging, and provide well-evidenced reports to Government on N4L service delivery.**

We are focused on research that helps us understand our customers and identify solutions to their needs. The inclusion of Design Thinking into our product planning and development has allowed deeper insight into the technology challenges facing schools.

We have introduced new tools and techniques to improve our research capabilities. This includes the introduction of the business insights tool Qlik Sense to help better explore our data. We have begun reviewing our data collection processes in preparation for the upgrade to the Managed Network, which brings with it added opportunities to conduct research that supports schools, including kura.

### Annual survey of all school Principals

N4L conducts an annual survey, called Touchpoint, that serves as an important channel for gaining information and understanding of schools and their needs. The next iteration of this survey is planned for September 2018.

The last survey was run in September 2017. It included a subset of questions on schools' internet safety practices.

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**Principals report that they are grappling with a number of issues relating to cyber safety and digital citizenship, primarily in relation to cyberbullying and controlling access to inappropriate content**

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**The most prevalent way schools approached internet safety was to ensure that their policies and procedures explicitly reference ICT use and cyber safety**

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**The next most common way of approaching internet safety was to have internet safety awareness programmes for students**

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**Few schools had evaluated the effectiveness of their cyber safety and digital citizenship efforts**

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**Principals indicated that they were looking for additional support to tackle complex and changing cyber safety issues.**

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### NCEA Online

During 2017/18 we helped the New Zealand Qualifications Authority (NZQA) with its NCEA Online programme. NZQA has goals regarding the implementation of new digital examinations. Over the year we worked with NZQA on a project to explore how to assess schools' readiness for digital assessment, and to support NZQA for the delivery of a governance model and vendor management office (VMO) for the delivery of digital assessment following the successful outcomes of the bid process.

## MANAGEMENT TEAM

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**Larrie Moore**  
**CHIEF EXECUTIVE OFFICER**

Larrie is an experienced business leader with a focus on building winning teams and partnerships, having held country, regional and global business leadership roles with 2degrees, Orcon, Vodafone, Fujitsu, GlaxoSmithKline and Mars. He joined N4L in February 2018.

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**Heidi Stenhouse-Allen**  
**HEAD OF FINANCE AND PEOPLE**

Heidi is a Chartered Accountant with over 10 years post qualified financial experience and comes from an auditing background having previously worked at Ernst & Young. She has also worked at other high profile companies in the UK such as JP Morgan, Travelex and BBC Worldwide.

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**Gavin Costello**  
**CHIEF PRODUCT OFFICER**

Gavin is an accomplished senior business leader with experience of leading product development and product management in senior country and international roles for Spark, Alcatel, Vodafone and 2degrees.

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**Susannah Winger**  
**CHIEF MARKETING OFFICER**

Susannah brings over 12 years of marketing experience across education and telecommunication industries, in both NZ and Australia. Prior to joining N4L, Susannah held a Senior Manager role at Open Universities Australia, responsible for the Marketing and Advertising across their multiple brands.



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**Will Graham****CHIEF CUSTOMER OFFICER**

Will brings over 17 years of information and communications technology experience to N4L. Will previously held senior management roles at Spark Ventures, Vodafone and Spark Digital, in sales, services and operations.

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**Alexander Brown****DEPUTY CHIEF EXECUTIVE, GOVERNANCE AND ADVISORY**

Before joining N4L Alexander (Sandy) spent three years at the Ministry of Education as Chief Advisor, Education Sector Leadership. Prior to this he held several senior management and policy roles in Education New Zealand, the Tertiary Education Commission and the Ministry of Justice.

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**Carolyn Stuart****DEPUTY CHIEF EXECUTIVE, EDUCATION**

Carolyn comes to N4L from an extensive career in the Education sector, including 13 years as a principal. Her passion for the use of technology in schools and her specialisation in educational leadership has seen her involved in many initiatives working with educators across New Zealand.

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**CONTRIBUTORS**

During 2017/18, a number of members of the management group either left N4L or vacated acting roles. These included:

- John Hanna, CEO (October 2017)
- Greg Woolley, contract CPO (October 2017), contract CEO (February 2018)
- Gerald Masters, acting CPO (June 2018)
- Pete Weaver, contract CFO (August 2017)
- Susan Harkin, contract CFO (March 2018)
- Jenna Woolley, Head of Strategy and Planning (August 2017)





# BOARD OF DIRECTORS

There have been a number of governance changes on the board at the end of the fourth quarter of 2017/18, with the terms of Helen Robinson (Chair), Linda Tame and Rick Shera concluding in June 2018. Mark Yeoman has assumed the role of acting Chair. There are now four directors on the Board.

## **Mark Yeoman** **CHAIR (Acting)**

An experienced leader within the ICT industry, having held a number of executive roles in a range of technology-based companies. Mark is currently Group Chief Financial Officer and Chief Operations Officer of the Warehouse Group Limited.

The following are general disclosures of interest given by Mr Yeoman pursuant to s140 (2) of the Companies Act 1993 and also entered into N4L's interests register:

- Director of The Warehouse Limited
- Director of The Warehouse Group Investments Limited
- Director of TWP No6 Limited
- Director of Diners Club (NZ) Limited
- Director of BOYE Developments Limited
- Director of M.D.Y. Trustee Limited
- Group CFO of The Warehouse Group
- COO The Warehouse Group
- Member of NZ Cricket Digital Advisory Board



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**Jeremy Banks**  
**DIRECTOR**

Jeremy is a software development specialist with experience growing software startups. Currently a board member of Wakatū Incorporation, Ngāti Rārua Ātiawa Iwi Trust and Te Rūnanga o Te Ataarangi, Jeremy has whakapapa links to the top of the South Island through Ngāti Rārua, Rangitāne ki Wairau and Ngāti Kuia.

The following are general disclosures of interest given by Mr Banks pursuant to s140 (2) of the Companies Act 1993 and also entered into N4L's interests register:

- Director & Shareholder, Whakatū Incorporation
- Trustee, Ngāti Rārua Ātiawa Iwi Trust
- Trustee, Te Rūnanga o Te Ataarangi
- Technician, Data Iwi Leaders Group
- Director, Plink Software Ltd
- Children at Nelson Central School
- Children at Nelson Intermediate School

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**Jack Matthews**  
**DIRECTOR**

Until April 2013, Jack was the CEO of Fairfax Media Metro Division and prior to that, CEO of Fairfax Digital. Jack has over 30 years experience in the technology, telecommunications and media industries and has extensive international business experience having worked in the United States, New Zealand, Japan and Australia.

In New Zealand he was the founding CEO of Saturn Communications (later TelstraSaturn) which was among the first broadband networks in the world.

Jack holds dual New Zealand and US citizenship and currently resides in Queenstown, NZ.

The following are general disclosures of interest given by Mr Matthews pursuant to s140 (2) of the Companies Act 1993 and also entered into N4L's interests register:

- Director, Chorus
- Director, APN & Outdoors
- Chair & Director, Mediaworks

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**Karen Poutasi**  
**DIRECTOR**

Dr Karen Poutasi is currently Chief Executive of the New Zealand Qualifications Authority, an education sector crown entity, being appointed to that role in 2006. Previously she was the Director General of Health and has worked in senior management roles across the health sector.

Karen is a medical graduate and her area of specialisation is public health. She holds both Otago and Harvard University management qualifications.

Karen is the Chair of the New Zealand Committee for Harkness Fellowships. She received a CNZM for services in health in 2006.

The following are general disclosures of interest given by Dr Poutasi pursuant to s140 (2) of the Companies Act 1993 and entered in N4L's interests register:

- CEO, New Zealand Qualifications Authority
- Member External Advisory Board to Victoria University Faculty of Health
- Chair of the NZ Committee Harkness Fellowships
- Board member, Pasifika Foundation Trust
- Member of Health Ministerial Advisory Group

# STATEMENT OF CORPORATE GOVERNANCE

## Organisational form

The Network for Learning Limited was incorporated on 2 July 2012 under the Companies Act 1993. It is a Crown-owned Company, listed under Schedule 4A of the Public Finance Act 1989.

The Company is subject to certain provisions of the Crown Entities Act 2004 ("CEA"), and to the Official Information Act 1982 and the Ombudsmen Act 1975. The Company's day-to-day operations are primarily governed by the Companies Act 1993 regime.

N4L's shareholding is 100% vested in the Crown. Its shareholders are the Minister of Finance and the Minister of Education in their capacities as Ministers, with each holding 50% of the issued share capital.

## Accountability

N4L is accountable to its shareholding Ministers. Treasury will assist shareholding Ministers in monitoring the Company's performance against the financial and non-financial measures set out in the Company's Statement of Intent ("SOI") and Statement of Performance Expectations ("SPE").

## Crown Entities Act 2004

Under section 45OA of the Public Finance Act 1989, some of the provisions of the CEA apply to the Company by virtue of it being listed in Schedule 4A of that Act. These include sections 139, 149, 150 and 153 of the CEA, relating to preparing an SOI, SPE, Annual Report, and Statement of Performance respectively.

In addition, N4L's constitution requires it to report to its shareholding Ministers, when requested by those Ministers, any activities which would be restricted under sections 161 - 164 of the CEA.

## Companies Act 1993

Under this Act, the Board, each Director and each shareholding Minister have the rights, power, duties and obligations set out in the Act, except to the extent that they are negated or modified, in accordance with the Act by the Company's Constitution.

## Other statutory requirements

Under the Public Audit Act 2001, the Controller and Auditor General is to be the auditor of the Company.

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## Operations

N4L is required to operate within the functions, powers and constraints outlined above. Within this framework, the Company has considerable discretion how it goes about its day-to-day operations.

The earlier reports from the Chair and Chief Executive of the Company, together with the Statement of Performance, contain information concerning the operations and performance of the Company for the financial year covered by this report, including an assessment against the intentions, measures, and standards set out in the Statement of Intent prepared at the beginning of the financial year.

## Board of Directors

The Board currently comprises of four non-executive Directors. The Directors are appointed by the shareholding Ministers. All decisions about N4L's operations are made under the authority of the Board. The Board is responsible for agreeing outputs with the shareholding Ministers and ensuring expectations of N4L are met.

During the 2017/18 year, the Board had two standing committees. These subcommittees have since been merged into the Board as a whole, reflecting the reduction in size of the Board from seven to four.

## Audit and Risk Committee

The Audit and Risk Committee assists the Board in fulfilling its responsibilities by providing recommendations, advice and information concerning its:

- Accounting; financial and statutory reporting, and responsibilities under the Companies Act 1993 and other legislation; and
- Identification and management of all material risks, both financial and non-financial, through the operation of a robust internal control environment.

## Remuneration Committee

The Remuneration Committee assists the Board in fulfilling its responsibilities by providing recommendations, advice and information concerning:

- N4L's remuneration and human resources policies;
- The performance and remuneration of the Chief Executive Officer; and
- The recruitment of members of the Senior Management Team.





# STATEMENT OF PERFORMANCE

In the Statement of Intent 2015-2019 ("June 2015 SOI"), which covers this period, the Company indicated that it would provide services and outputs under one output class, being a managed network service.

N4L is pleased that all SPE targets for 2017/18 have been met.

## Managed technology services

N4L provides an affordable, reliable, secure, and safer internet service to all schools including kura across Aotearoa New Zealand. The service includes connection to the internet, firewall and filtering services, performance monitoring, helpdesk support and visits. The service, including all its elements, is funded by the Government.

## Number of School sites Connected to the Managed Network

### Measure

The number of schools including kura that wish, and are able, to connect to the Managed Network are either connected or are in the process of being connected

### (A-B)/A

**A** = Number of schools including kura connected to the Managed Network or in the process of being connected

**B** = Number of schools including kura that indicated to N4L that they would like to be connected to the Managed Network and can be, but are not connected or in the process of being connected

### Performance to date

**99.9 %** (A=2,488, B=2)

### Target 2017/18

100%

## Helpdesk timelines and satisfaction

### Measure

Percentage of users that lodged a Service Request or Incident that are satisfied or very satisfied with the Tier 1 Service Desk Services

### Performance

#### Q1

**97 %**

#### Q2

**98 %**

#### Q3

**98 %**

#### Q4

**95 %**

### Target

At least 92% of users are either satisfied or very satisfied

### Measure

The number of minutes to fulfill a service request – measured per month

### Performance

#### Q1

**92 %**

#### Q2

**87 %**

#### Q3

**87 %**

#### Q4

**82 %**

### Target

80% of all requests under 8 Support Hours

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### Measure

Percentage of total calls taken within 30 seconds

### Performance

Q1

**87** %

Q2

**89** %

Q3

**97** %

Q4

**96** %

### Target

At least 85%

---

### Measure

The number of minutes to resolve an incident – measured per month

### Performance

Q1

**89** %

Q2

**88** %

Q3

**91** %

Q4

**93** %

### Target

P1: 85% less than 4 Support Hours  
P2: 85% less than 8 Support Hours  
P3: 85% less than 16 Support Hours  
P4: 85% as agreed

---

### Love the customer

N4L recognises that it is critical that all schools including kura have excellent, second-to-none service delivery. Feedback from customers is actively sought at all key touchpoints.

---

### The N4L Experience

#### Measure

Percentage of schools connected, who are 'satisfied' or 'very satisfied' with the Managed Network services provided by the Network for Learning

#### Performance

**95.1** %

#### Target

'Satisfied' or 'Very Satisfied' response from at least 90% of respondents of the survey

---

#### Measure

The number of schools that terminate their Managed Network service and move to another supplier

#### Performance

Q1

**Nil**

Q2

**Nil**

Q3

**Nil**

Q4

**Nil**

#### Target

Fewer than 10 schools per annum

---

### Other business

#### Measure

All other work will be completed with budgets and to standards set out in Statements of Work

#### Performance

Q1

**100** %

Q2

**100** %

Q3

**100** %

Q4

**100** %

#### Target

100% of targets met



“ This is all about extending the tried and trusted N4L Managed Network service beyond the school gates and to the homes of students so they can learn wherever they live. We are working in partnership with local groups, Chorus and the Ministry, and we are delighted to be playing our part in this great initiative that we believe will be life-changing for all the students. ”

Larrie Moore,  
CEO

---

# STATEMENT OF RESPONSIBILITY

The Board is responsible for the preparation of N4L's financial statements and Statement of Performance, and for judgements made in them. The Board has the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurances as to the reliability and integrity of financial reporting. In the Board's opinion, these financial statements and Statement of Performance fairly reflect the financial position and operations of N4L for the year ended 30 June 2018.

Signed on behalf of the Board.

A blue ink signature of Mark Yeoman, written in a cursive style.

**Mark Yeoman**

*Director*

8 October 2018

A blue ink signature of Karen Poutasi, written in a cursive style.

**Karen Poutasi**

*Director*

8 October 2018



# ENSURING N4L IS A GOOD EMPLOYER

**The Board and management of N4L are committed to ensuring that the Company is a Good Employer in practice, not only to comply with the statutory requirement, but also because it is in accordance with our Company values and increases the Company's ability to attract, motivate and retain the skilled staff that it needs. During its short existence N4L has established an open, trusted and collaborative culture.**

N4L is a relatively young organisation with a small employee base. At the end of the period covered by this annual report the Company had stayed roughly constant, shifting to 50 full time employees from 55 in June 2017. As a result the Board and management has placed significant emphasis on maintaining and building on the already strong culture.

N4L has had regard to guidance issued by the New Zealand Human Rights Commission in assessing its compliance with its Good Employer obligations. A summary of N4L's assessment of its performance against seven key elements of being a Good Employer are set out below:

- Leadership, accountability and culture:** The Board and management of N4L are committed to ensuring the company is a good employer and is guided by the Equal Employment Opportunity Principles. They have consistently communicated a vision for N4L and have created a culture in which its people feel valued.
- Recruitment, selection and induction:** N4L uses a variety of different means to recruit staff, including direct advertising, the use of recruitment companies who provide services under all of Government contracts and through the use of our employees own networks. A variety of processes, including structured interviews, have been used to ensure a fair and unbiased recruitment and selection process.
- Employee development, promotion and exit:** N4L supports the development and promotion of its employees. As the organisation develops and its structure evolves new opportunities have been created within the organisation.
- Flexibility and work design:** N4L's culture fully supports an approach that enables staff to balance work commitments with other aspects of their lives. To the extent of where possible and practical, N4L's management supports staff using flexible working arrangements and provides them with the technological solutions to enable this.
- Remuneration, recognition and conditions:** N4L operates an unbiased and non-discriminatory remuneration policy. All employees remuneration is reviewed on an annual basis to ensure to that it is competitive with the wider market. The company has also established a quarterly award programme where employees are recognised for going 'above and beyond'.
- Harassment and bullying prevention:** N4L takes a zero tolerance approach to all forms of bullying and harassment and has policies in place to deal with harassment complaints should they arise.
- Safe and healthy environment:** Health and safety is a fundamental priority for the company's Board and management who have consistently communicated a commitment to ensuring a safe and healthy workplace is provided for all employees. N4L's health and safety committee encourages active participation from all employees in creating a safe and supportive environment.



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF THE NETWORK FOR LEARNING LIMITED'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2018

The Auditor-General is the auditor of The Network For Learning Limited (the Company). The Auditor-General has appointed me, Susan Jones, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements and the performance information of the Company on his behalf.

#### Opinion

We have audited:

- the financial statements of the Company on pages 30 to 49, that comprise the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Company on pages 22 to 23.

In our opinion:

- the financial statements of the Company on pages 30 to 49:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2018; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the performance information on pages 22 to 23:
  - presents fairly, in all material respects, the Company's performance for the year ended 30 June 2018, including for each class of reportable outputs:
    - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
    - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 8 October 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

#### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### **Responsibilities of the Board for the financial statements and the performance information**

The Board is responsible on behalf of the Company for preparing financial statements and performance information that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Company for assessing the Company's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Public Finance Act 1989 and the Crown Entities Act 2004.

### **Responsibilities of the auditor for the audit of the financial statements and the performance information**

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Company's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

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- We evaluate the appropriateness of the reported performance information within the Company's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

#### **Other Information**

The Board is responsible for the other information. The other information comprises the information included on pages 5 to 21, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Independence**

We are independent of the Company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1(Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Company.



Susan Jones  
Ernst & Young  
On behalf of the Auditor-General  
Auckland, New Zealand



# FINANCIAL STATEMENTS

## Statement of Comprehensive Income

For the year ended 30 June 2018

	Notes	2018 Actual \$000	2017 Actual \$000
<b>Income from Non-Exchange Transactions</b>			
Income from Services	3	30,908	30,201
<b>Income from Exchange Transactions</b>			
Interest Income		54	40
<b>Total Income</b>		<b>30,962</b>	<b>30,241</b>
<b>Expenditure</b>			
Network Services	4	20,398	20,098
Transition Support	5	14	116
Board Operations	15	244	238
Audit Fees		52	51
Other General and Overhead Expenses	6	9,257	9,230
<b>Total Expenses</b>		<b>29,965</b>	<b>29,733</b>
<b>Net Surplus/(Deficit)</b>		<b>997</b>	<b>508</b>
<b>Total Comprehensive Income/(Loss) for the Period</b>		<b>997</b>	<b>508</b>

The accompanying notes form part of these financial statements.

## Statement of Financial Position

As at 30 June 2018

	Notes	2018 Actual \$000	2017 Actual \$000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	7	4,014	3,025
Receivables - Non Exchange Transactions		2,964	3,255
Other Current Assets	8	137	53
<b>Total Current Assets</b>		<b>7,115</b>	<b>6,333</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	9	304	394
Intangible Assets		84	5
<b>Total Non-Current Assets</b>		<b>388</b>	<b>399</b>
<b>Total Assets</b>		<b>7,503</b>	<b>6,732</b>
<b>Represented by</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accruals	10	782	976
Payables under Exchange Transactions		1,988	2,085
Deferred Revenue		2	3
Lease Incentive - Current		15	16
Provisions		82	-
<b>Total Current Liabilities</b>		<b>2,869</b>	<b>3,080</b>
<b>Non-Current Liabilities</b>			
Lease Incentive - Non-Current		-	15
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>15</b>
<b>Total Liabilities</b>		<b>2,869</b>	<b>3,095</b>
<b>Equity</b>			
Share Capital and Reserves		4,634	3,637
<b>Total Shareholders' Funds</b>		<b>4,634</b>	<b>3,637</b>
<b>Total Liabilities and Shareholders' Funds</b>		<b>7,503</b>	<b>6,732</b>

The financial statements were approved by the Board and authorised for issue on 8 October 2018.

**Mark Yeoman**  
Director



**Karen Poutasi**  
Director



The accompanying notes form part of these financial statements.

### Statement of Changes in Equity

For the year ended 30 June 2018

	Share Capital	Retained Earnings/ (Deficit)	2018 Actual \$000
Opening Balance 1 July 2017	14,000	(10,363)	3,637
Net Surplus/(Deficit)	-	997	997
Total Comprehensive Income/(Loss) for the Period	-	997	997
Closing Balance 30 June 2018	14,000	(9,366)	4,634

### Statement of Changes in Equity

For the year ended 30 June 2017

	Share Capital	Retained Earnings/ (Deficit)	2017 Actual \$000
Opening Balance 1 July 2016	14,000	(10,871)	3,129
Net Surplus/(Deficit)	-	508	508
Total Comprehensive Income/(Loss) for the Period	-	508	508
Closing Balance 30 June 2017	14,000	(10,363)	3,637

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

For the year ended 30 June 2018

	Notes	2018 Actual \$000	2017 Actual \$000
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers		31,199	29,908
Interest Received		54	40
Payments to Suppliers and Staff		(30,083)	(29,317)
<b>Net Cash Inflow from Operating Activities</b>	12	<b>1,170</b>	<b>631</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant and Equipment		(85)	(120)
Purchase of Intangible Assets		(96)	-
<b>Net Cash Outflow from Investing Activities</b>		<b>(181)</b>	<b>(120)</b>
<b>Net Increase/(Decrease) in Cash</b>		<b>989</b>	<b>511</b>
Opening Balance		3,025	2,514
<b>Closing Balance</b>	7	<b>4,014</b>	<b>3,025</b>

The accompanying notes form part of these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

## 1. Reporting Entity

The Network for Learning Limited (N4L), a limited liability Company incorporated in New Zealand under the Companies Act 1993, is a Crown entity as defined by the Crown Entities Act 2004. It is listed in Schedule 4A of the Public Finance Act 1989. N4L's ultimate parent is the New Zealand Crown, however the Crown does not guarantee the liabilities of N4L in any way.

N4L's purpose is to establish and operate a student-focused network for schools including kura that provides significant benefits to students and educators by delivering a faster, safer, smarter more reliable internet connection. As such, N4L's principal aim is to provide services to the public, rather than make a financial return. Accordingly, N4L is designated as a public benefit entity (PBE).

The financial statements for N4L are for the 12 month period from 1 July 2017 to 30 June 2018, and were approved by the Board on 8 October 2018.

## 2. Statement of Significant Accounting Policies

### a) Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

### Statement of Compliance

The financial statements of the Company have been prepared in accordance with the relevant requirements of the Public Finance Act 1989 and Crown Entities Act 2004, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements have been prepared in accordance and comply with Tier 1 PBE accounting standards and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

### Measurement base

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

### Functional and presentation currency

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand (\$000). The functional currency of N4L is New Zealand dollars.

### Changes in accounting policies

There have been no changes in accounting policies compared with the previous year. All policies have been applied on a consistent basis throughout the current year.

### b) Specific Accounting Policies

The specific accounting policies set out below, which materially affect the measurement of financial performance, financial position, and cash flows, have been consistently applied to all reporting periods presented in these financial statements.

### Income

Income is measured at the fair value of consideration received or receivable. The specific recognition criteria described below must also be met before revenue is recognised.

### Income from non-exchange transactions:

#### Income from Services

Income from Services is recognised by reference to when the service is performed.

### Income from exchange transactions:

#### Interest Income

Interest income is recognised using the effective interest method.

### Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars (NZD), the functional currency of the Company, using the exchange rates prevailing at the date of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in net surplus or deficit.

### Leases

#### Operating Leases

Leases that do not transfer substantially all the risk and rewards incidental to ownership of an asset to the Company are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives under an operating lease are recognised as lease incentive in the Statement of Financial Position. The aggregate benefit of incentive is recognised as a reduction of the expense on a straight-line basis over the period of the lease.

### Cash and cash equivalents

Cash and cash equivalents includes cash on hand and a term deposit held with a major NZ trading bank with original maturity of 95 days or less.

### Receivables

Short-term receivables are recorded at their face value, less any provision for impairment. Impairment of a receivable is established when there is objective evidence that N4L will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the debt is impaired. The amount of impairment is the difference between the assets carrying value and the present value of future cash flows, discounted using the original effective interest rate.

### Property, plant and equipment

Property, plant and equipment consists of the following asset classes; computer equipment, office equipment, office furniture and leasehold improvements. Property, plant and equipment is shown at cost, less any accumulated depreciation and impairment losses.

#### Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that the future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when the control over the asset is obtained.

#### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included net in the surplus or deficit.

#### Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that the future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

### Depreciation

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

<b>Computer Equipment:</b>	<b>2.5 years</b>	<b>40.0%</b>
<b>Office Equipment:</b>	<b>5.7 years</b>	<b>17.5%</b>
<b>Office Furniture:</b>	<b>9.5 years</b>	<b>10.5%</b>
<b>Leasehold Improvements:</b>	<b>5.7 years</b>	<b>17.5%</b>

The residual value and useful lives of assets are reviewed, and adjusted if applicable, at each financial year end.

### Intangible assets

#### Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

#### Domain names

Acquired domain names are capitalised on the basis of the costs incurred to acquire. Costs associated with the development and maintenance of N4L domains are recognised as an expense when incurred.

#### Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over their useful economic lives. The amortisation period and amortisation method for intangible assets with finite useful lives, are reviewed at least at the end of each reporting period. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The useful lives and associated amortisation rates of classes of intangible assets have been estimated as follows:

<b>Software:</b>	<b>2.5 years</b>	<b>40%</b>
<b>Domain names:</b>	<b>Indefinite</b>	<b>no amortisation</b>

### Impairment of property, plant, equipment and intangible assets

Property, plant, equipment and intangible assets that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where N4L would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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

The reversal of an impairment loss is recognised in the surplus or deficit.

### Accruals and payables

Accruals and payables are non-interest bearing and are stated at their nominal value. They are normally settled on 30-day terms, and the carrying values of accruals and payables approximate their fair values.

### Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

The expense relating to any provision is included in the Statement of Comprehensive Income.

### Lease Make-Good Provision

In respect of N4L's leased premises, N4L is required at the expiry of the lease term to make-good any damage caused to the premises and to remove any fixtures or fittings installed by N4L. N4L has the option to renew these leases, which affects the timing of expected cash outflows to make good the premises. N4L will not be exercising its option to renew in regards to its current Auckland premises, and this has been taken into account when measuring the provision. Information about N4L's leasing arrangements is disclosed in note 13.

### Employee entitlements

#### Short-term Employee Entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

### Goods and services tax

All items in the financial statements are presented exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

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

Commitments and contingencies are disclosed exclusive of GST.

### Income tax

N4L is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

### Forecast

The forecast numbers are taken from the Company's 'Statement of Performance Expectations 2017/2018' as approved by the Board on 22nd June 2017. The forecast figures have been

prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

### Statement of cash flows

The following are the definitions of the terms used in the statement of cash flows:

- Cash comprises cash at bank and in hand and a short-term deposit with an original maturity of 95 days or less that are readily converted to a known amounts of cash and are subject to an insignificant risk of changes in value.
- Operating activities are the principal revenue-producing activities of the Company and other activities that are not investing or financing activities.
- Investing activities are those activities relating to the acquisition and disposal of current and non-current investments, property, plant and equipment, intangible assets and other non-current assets.
- Financing activities are those activities that results in changes in the size and composition of the contributed equity of the Company.

### Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

#### Leases Classification

Determining whether a lease agreement is finance lease or operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to N4L.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised.

N4L has exercised its judgement on the appropriate classification of the equipment leases, and has determined which lease arrangements are finance leases.

## 3. Income from Non-Exchange Transactions

	2018 \$000	2017 \$000
Income from Services to Schools	29,515	28,025
Income from Services to Government	1,393	2,176
<b>Total Income</b>	<b>30,908</b>	<b>30,201</b>

Income from services to schools represents income from the provision of core network services to schools. These services for state, state-integrated, and partnership schools are paid for directly by the Ministry of Education on behalf of the schools. These services for Independent schools are paid directly by the schools.

Income from services to Government represents income relating to the provision of transition support services to schools, a helpdesk service, a package of content and services, and fees in relation to the operation of the network. These services are paid for by the Ministry of Education. Income from services to Government also includes services provided to education sector agencies.

## 4. Network Services

	2018 \$000	2017 \$000
Network Provider Services	20,362	20,055
Content and Services	36	43
<b>Total</b>	<b>20,398</b>	<b>20,098</b>

Network provider services expenses represent payments to the network provider for the provision of the Managed Network service. Content and services expenses represent payments to several providers for use of the managed network services.

## 5. Transition Support

Transition support expenses represent payments to Information and Communication Technologies ('ICT') providers engaged to transition schools to the Managed Network service.

## 6. Other General and Overhead Expenses

	2018 \$000	2017 \$000
Personnel Costs	6,849	6,851
Professional Advisory Fees	416	324
Marketing and Communications	102	159
Travel	277	441
Facility Costs	651	544
IT and Telecommunications	495	476
Finance Leases	1	13
Depreciation	163	153
Other	303	269
<b>Total</b>	<b>9,257</b>	<b>9,230</b>

### Personnel Costs

	2018 \$000	2017 \$000
Salaries, Wages and Short-Term Employee Benefits	6,012	6,137
Defined Contribution Plans	164	84
Contractor Costs	673	630
<b>Total Personnel Costs</b>	<b>6,849</b>	<b>6,851</b>

N4L had 50 (2017: 55) full time equivalent employees and 3 contractors (2017: 3) as at 30 June 2018. Employer contributions to defined contribution plans relates to contributions to KiwiSaver.



## 7. Cash and Cash Equivalents

	2018 \$000	2017 \$000
Cash at Bank	2,014	1,325
Cash Equivalents - Term Deposits	2,000	1,700
<b>Total Cash and Cash Equivalents</b>	<b>4,014</b>	<b>3,025</b>

All cash and the term deposit are held with a major New Zealand trading bank. Term deposit maturity is 95 days and is based on a fixed interest rate with interest payable at maturity. The term deposit is not subject to automatic renewals. N4L have a business Mastercard facility limit of \$150k with Westpac Banking Corporation, at 30th June 2018 none of this was drawdown (2017:Nil).

## 8. Other Current Assets

	2018 \$000	2017 \$000
Sundry Debtors	-	1
Prepayments	137	52
<b>Total Other Current Assets</b>	<b>137</b>	<b>53</b>

The carrying value of other current assets approximates their fair value.

## 9. Property, Plant and Equipment

Movements for each class of property, plant, and equipment are as follows:

	Computer Equipment	Office Furniture	Office Equipment	Leasehold Improvements	Total \$000
<b>Cost</b>					
Balance at 1 July 2016	334	304	56	84	778
Additions during the year	98	3	13	6	120
<b>Balance at 30 June 2017</b>	<b>432</b>	<b>307</b>	<b>69</b>	<b>90</b>	<b>898</b>
<b>Accumulated Depreciation</b>					
Balance at 1 July 2016	202	94	24	31	351
Depreciation charge for the year	95	32	11	15	153
<b>Balance at 30 June 2017</b>	<b>297</b>	<b>126</b>	<b>35</b>	<b>46</b>	<b>504</b>
<b>Net book value at 30 June 2017</b>	<b>135</b>	<b>181</b>	<b>34</b>	<b>44</b>	<b>394</b>
<b>Cost</b>					
Balance at 1 July 2017	432	307	69	90	898
Additions during the year	47	32	2	-	81
Disposals	(9)	(17)	-	-	(26)
<b>Balance at 30 June 2018</b>	<b>470</b>	<b>322</b>	<b>71</b>	<b>90</b>	<b>953</b>
<b>Accumulated Depreciation</b>					
Balance at 1 July 2017	297	126	35	46	504
Disposals	(9)	(9)	-	-	(18)
Depreciation charge for the year	102	34	12	15	163
<b>Balance at 30 June 2018</b>	<b>390</b>	<b>151</b>	<b>47</b>	<b>61</b>	<b>649</b>
<b>Net book value at 30 June 2018</b>	<b>80</b>	<b>171</b>	<b>24</b>	<b>29</b>	<b>304</b>

## 10. Accruals

Accruals are short term in nature, non-interest bearing and are repayable on demand.

## 11. Share Capital

Number of ordinary shares issued and fully paid:

	2018 \$000	2017 \$000
Balance at 1 July	14,000	14,000
Shares Issued	-	-
<b>Balance as at 30 June</b>	<b>14,000</b>	<b>14,000</b>

No shares were issued during the 2018 financial year (2017: Nil). All shares are fully paid and have equal voting rights. The shares have no par value.

## 12. Reconciliation of Net Surplus/(Deficit) to Net Cash Flow from Operating Activities

	2018 \$000	2017 \$000
<b>Net Surplus</b>	<b>997</b>	<b>508</b>
<b>Add/(Less) Non-Cash Items</b>		
Depreciation & Amortisation	180	52
Net loss on disposal of Property, Plant and Equipment	8	-
<b>Total Non-Cash Items</b>	<b>188</b>	<b>52</b>
<b>Add/(Less) movements in Working Capital Items</b>		
Accounts Receivable	291	(161)
Prepayments	(86)	(26)
Other Receivables	1	11
Accrued Revenue	-	167
Accounts Payable & Other Payables	(155)	54
Employee Entitlements	(66)	26
<b>Net movement in Working Capital Items</b>	<b>(15)</b>	<b>71</b>
<b>Net Cash from Operating Activities</b>	<b>1,170</b>	<b>631</b>

### 13. Commitments

#### Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating lease are as follows:

	2018 \$000	2017 \$000
Not later than one year	314	384
Later than one year but not later than five years	52	308
Later than five years	-	-
<b>Total Commitments</b>	<b>366</b>	<b>692</b>

N4L leases premises in Auckland at Suite 306, 100 Parnell Road, Parnell. The original term of the lease has an expiry of 28 February 2019. Under this lease N4L has a right of renewal for a term of a further 6 years taking the final expiry to 28 February 2025. A rent review took place in March 2016, and the lease provides for further rent reviews in March 2019 and March 2022. The lease also includes a rent free period for 3 months at the commencement of the lease. The benefit of the rent free period is recognised as a reduction of the rental expense over the lease term, on a straight-line basis in accordance with PBE IPSAS 13.

N4L also leases Suite 104, 100 Parnell Road, Parnell, Auckland. The original term of the lease expired on 31 May 2016 and was renewed for a further 3 years. Under this lease, N4L has a 6 month break clause and also a right of renewal for a term of a further 3 years, taking the final expiry to 31 May 2022. A rent review took place in June 2016 and the lease provides for another rent review in June 2019. The original lease also included a \$20,000 incentive payment at the commencement of the lease. The benefit of the incentive is recognised as a reduction of the rental expense over the lease term, on a straight-line basis in accordance with PBE IPSAS 13.

N4L leases premises in Wellington at Suite 2, Level 9, 36 Brandon Street, Wellington. The original term of this lease has an expiry of 31 October 2019. Under the lease N4L has a right of renewal for a term of a further 3 years taking the final expiry to 31 October 2022. A rent review took place in November 2015 and in November 2017 and the lease provides for further rent reviews in November 2019 and November 2021. The lease also includes a rent free period for the first 6 months of the lease. This benefit

is recognised as a reduction of the rental expense over the lease term, on a straight-line basis in accordance with PBE IPSAS 13. The lease also allowed for N4L to elect to have the landlord make an equivalent contribution (or portion thereof) to the fit-out of the premises. This incentive is recognised as a reduction in the depreciation expense over the unexpired period of the lease or the estimated remaining useful life of the improvements, whichever is the shorter, in accordance with N4L's depreciation policy.

#### Finance leases as lessee

N4L has no finance leases as at 30 June 2018 (2017: nil).

#### Other commitments

The Company has no other commitments outside of its operating and finance lease commitments.

### 14. Contingencies

#### Contingent liabilities

The company has no contingent liabilities as at 30 June 2018 (2017: \$nil).

#### Contingent assets

The company has no contingent assets as at 30 June 2018 (2017: \$nil).

## 15. Related Party Transactions and Key Management Personnel

### Related party transactions

N4L is a wholly owned entity of the Crown.

All related party transactions have been entered into on an arm's length basis.

### Significant transactions with government-related entities

N4L invoices the Ministry of Education directly for the Managed Network, Corporate and Support services in accordance with the contracts N4L has with the Ministry of Education.

N4L received no capital funding during the year (2017: nil).

In conducting its activities, N4L is required to pay various taxes and levies (such as GST, FBT, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. N4L is exempt from paying income tax.

Key management personnel includes the Management Team and the Board Members.

During 2018, four members of the Management Team left N4L, one new permanent appointment was made, and one internal member of staff was added to the Management Team.

During the year ended 30 June 2018, one employee received compensation in relation to cessation of their employment to the value of \$139k (2017: 3 employees \$149k). Two contractors received compensation in relation to cessation of their contracts to the value of \$87k (2017: \$nil).

There were 10 employees in the Management Team who received remuneration over \$100k during the 2018 financial year (2017: 10).

## Key Management Personnel Compensation

	2018 \$000	2017 \$000
<b>Management Team</b>		
Remuneration and Short-Term Benefits	2,238	2,063
Defined Contribution Plans	33	39
<b>Total</b>	<b>2,271</b>	<b>2,102</b>
Full-time Equivalent Members	7	8
<b>Board Members</b>		
Remuneration	190	190
<b>Full-time Equivalent Members</b>	<b>7</b>	<b>7</b>



## Board Member Remuneration

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

	Date of Original Appointment	2018 \$000	2017 \$000
Helen Robinson (Term Ended 30/6/18) - Chair	02/07/12	46	46
Mark Yeoman - Deputy Chair	02/07/12	29	29
Jeremy Banks	01/07/17	23	-
Rick Shera (Term Ended 30/6/18)	02/07/12	23	23
Linda Tame (Term Ended 30/6/18)	02/07/12	23	23
Jack Matthews	01/09/13	23	23
Karen Poutasi	02/07/14	23	23
Humphrey Wikeepa (Term Ended 30/06/17)	02/07/12	-	23
<b>Total Directors' fees</b>		<b>190</b>	<b>190</b>

N4L has in place Directors' and Officers' liability insurance. N4L also indemnifies the Directors against cost and liabilities incurred by Directors for acts or omissions made in their capacity as Directors to the extent permitted by N4L's Constitution and the Companies Act 1993. In addition to the Directors' fees, the company incurred \$54k (2017: \$48k) of expenditure relating to training and travel costs of the Directors.

## 16. Employee Remuneration

	2018 No. of employees	2017 No. of employees
\$100,000 - \$109,999	3	2
\$110,000 - \$119,999	5	2
\$120,000 - \$129,999	3	7
\$130,000 - \$139,999	2	4
\$140,000 - \$149,999	1	-
\$150,000 - \$159,999	3	2
\$160,000 - \$169,999	1	2
\$170,000 - \$179,999	2	1
\$190,000 - \$199,999	-	1
\$210,000 - \$219,999	1	-
\$230,000 - \$239,999	-	1
\$240,000 - \$249,999	-	1
\$260,000 - \$269,999	-	1
\$270,000 - \$279,999	1	-
\$280,000 - \$289,999	1	-
\$320,000 - \$329,999	1	-
\$460,000 - \$469,999	1	-
\$500,000 - \$509,000	-	1

During the year ended 30 June 2018, no employees received compensation and other benefits in relation to cessation of their employment other than those mentioned in note 15. The information in the table reflects remuneration paid or payable to staff in respect of their period of employment with the Company.

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## 17. Events after Balance Date

On the 1st October 2018, a Special Resolution of the Shareholders was passed for the purposes of section 129 of the Companies Act 1993, to approve N4L's entry in a renegotiated Master Services Agreement (MSA) with Spark. The MSA is a partnership with Spark to enable the delivery of ultrafast broadband to all schools in NZ via N4L's Managed Network. The renegotiation enables N4L to improve the original MSA through upgrading the technology and making the commercial arrangements more transparent.

There were no other significant events after the balance date.

## 18. Capital Management

N4L's capital is its equity, which comprises accumulated funds and share capital. Equity is represented by the net assets of the Company.

N4L manages its capital through careful control of its operations ensuring it can operate within its agreed capital base. N4L has no external debt.

## 19. Financial Instruments

### Financial instrument categories

Cash, cash equivalents and receivables as presented on the Statement of Financial Position are classified as loans and receivables. Accruals and payables are classified as financial liabilities, measured at amortised cost.

N4L has no financial assets or liabilities that are measured at fair value in the Statement of Financial Position. Current accruals and payables and short-term receivables are non-interest bearing and are normally settled on 30 day terms, therefore their carrying value is approximately equal to their fair values.

### Financial instrument risk management

N4L's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. N4L has a treasury policy in place to help manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. This policy does not allow any transactions that are speculative in nature to be entered into.

### Market Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate due to changes in market interest rates. N4L's exposure to cash flow interest rate risk is limited to its bank deposits which are held at variable rates of interest. N4L does not actively manage its exposure to cash flow interest rate risk. N4L considers its exposure to interest rate risk to be immaterial. N4L is not exposed to price risk or currency risk.

### Credit Risk

Credit risk is the risk that a third party will default on its obligation to N4L, causing it to incur a loss.

In the normal course of business, N4L is exposed to credit risk from cash and term deposits with banks and other receivables. For each of these, the maximum credit exposure is best represented by the carrying amount in the Statement of Financial Position.

N4L invests funds only with registered banks that have a Standard and Poor's credit rating of at least A-1 for short-term and A- for long term investments. N4L has experienced no defaults of interest or principal payments for term deposits. N4L holds no collateral or other credit enhancements for financial instruments that give rise to credit risk.

### Liquidity Risk

Liquidity risk is the risk that N4L will encounter difficulty raising liquid funds to meet commitments as they fall due. N4L mostly manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

All financial liabilities of N4L are current.

## 20. Explanation of Major Variances to Unaudited Forecast

The forecast numbers are taken from the Company's 'Statement of Performance Expectations 2017-2018' (SPE).

### Statement of Comprehensive Income

For the year ended 30 June 2018

	Ref	2018 Actual \$000	2018 Forecast (Unaudited) \$000
<b>Income from Non-Exchange Transactions</b>			
Income from Services	A	30,908	31,330
<b>Income from Exchange Transactions</b>			
Interest Income		54	41
<b>Total Income</b>		<b>30,962</b>	<b>31,371</b>
<b>Expenditure</b>			
Network Services	B	20,398	20,794
Transition Support		14	28
Board Operations		244	251
Audit Fees		52	51
Other General and Overhead Expenses	C	9,257	9,766
<b>Total Expenses</b>		<b>29,965</b>	<b>30,890</b>
<b>Net Surplus/(Deficit)</b>		<b>997</b>	<b>481</b>
<b>Total Comprehensive Income/(Loss) for the Period</b>		<b>997</b>	<b>481</b>

2018 Actual delivered a comprehensive income of \$516k higher than forecast. Key drivers of this are:

#### A – Income from Services

Income from services was lower than the SPE forecast, primarily due to NaaS ('Network as a Service') revenue included in the SPE not eventuating.

#### B – Network Services

Network service costs were lower than the SPE forecast, primarily due to lower transition costs, lower number of Independent school connections and lower school upgrades than included in the SPE.

#### C – Other General and Overhead Expenses

Costs were lower than the SPE forecast, primarily due to lower personnel costs.

## Statement of Financial Position

As at 30 June 2018

	Ref	2018 Actual \$000	2018 Forecast (Unaudited) \$000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	D	4,014	3,430
Receivables - Non Exchange Transactions	E	2,964	3,007
Other Current Assets		137	59
<b>Total Current Assets</b>		<b>7,115</b>	<b>6,496</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		304	442
Intangible Assets	F	84	4
<b>Total Non-Current Assets</b>		<b>388</b>	<b>446</b>
<b>Total Assets</b>		<b>7,503</b>	<b>6,942</b>
<b>Represented by</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accruals		782	666
Payables under Exchange Transactions	G	1,988	2,267
Deferred Revenue		2	4
Lease Incentive - Current		15	12
Provisions	H	82	-
<b>Total Current Liabilities</b>		<b>2,869</b>	<b>2,949</b>
<b>Non-Current Liabilities</b>			
Lease Incentive - Non-Current		-	15
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>15</b>
<b>Total Liabilities</b>		<b>2,869</b>	<b>2,964</b>
<b>Equity</b>			
Share Capital and Reserves		4,634	3,978
<b>Total Shareholders' Funds</b>		<b>4,634</b>	<b>3,978</b>
<b>Total Liabilities and Shareholders' Funds</b>		<b>7,503</b>	<b>6,942</b>

***D – Cash and Cash Equivalents***

Cash and cash equivalents is higher than forecast in the SPE, due to a higher comprehensive income than forecasted in the SPE.

***E - Receivables - non Exchange Transactions***

Receivables is lower than forecast in the SPE, due to lower revenue received than forecast.

***F - Intangibles***

During the year N4L purchased software that is used for data analysis.

***G - Payables under Exchange Transactions***

Payables is lower than forecast in the SPE, due to lower costs than forecast.

***H - Provisions***

N4L has provided for the lease make-good costs associated with its premises, which was not included in the SPE.

**Statement of Changes in Equity**

For the year ended 30 June 2018

	Share Capital	Retained Earnings / (Deficit)	2018 Actual \$000	2018 Forecast (Unaudited) \$000
Opening Balance 1 July 2017	14,000	(10,363)	3,637	3,497
Net Surplus/(Deficit)	-	997	997	481
Total Comprehensive Income/(Loss) for the Period	-	997	997	481
Closing Balance 30 June 2018	14,000	(9,366)	4,634	3,978



## Statement of Cash Flows

For the year ended 30 June 2018

	Ref	2018 Actual \$000	2018 Forecast (Unaudited) \$000
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers	I	31,199	35,880
Interest Received		54	47
Payments to Suppliers and Staff	J	(30,083)	(35,261)
<b>Net Cash Inflow from Operating Activities</b>		<b>1,170</b>	<b>666</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant and Equipment		(85)	(239)
Purchase of intangible Assets		(96)	–
<b>Net Cash Outflow from Investing Activities</b>		<b>(181)</b>	<b>(239)</b>
<b>Net Increase/(Decrease) in Cash</b>		<b>989</b>	<b>427</b>
Opening Balance		3,025	3,003
<b>Closing Balance</b>		<b>4,014</b>	<b>3,430</b>

A higher cash flow was delivered for the year ended 30 June 2018 than forecast in the SPE. Key drivers of this are:

### *I – Receipts from customers*

Variance versus SPE forecast of receipts from customers is primarily due to lower income than forecasted in the SPE as well as timing differences of customer receipts.

### *J – Payments to suppliers and staff*

Variance versus SPE forecast of payments to suppliers and staff largely reflects the lower personnel costs as outlined in the Statement of Comprehensive Income, as well as timing differences in payments.

# DIRECTORY

## Shareholders:

Minister of Finance (Hon Grant Robertson);  
and Minister of Education (Hon Chris Hipkins)

## Minister with Delegated Responsibility for the Company:

Minister of Education (Hon Chris Hipkins)

## Registered Office:

C/- Simpson Grierson HSBC Tower  
195 Lambton Quay  
Wellington 6140  
New Zealand

## Contact Address:

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Auckland 1151  
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**E** [info@n4l.co.nz](mailto:info@n4l.co.nz)  
**P** 0800 LEARNING (532 764)

## Auditor:

The Auditor-General  
Pursuant to section 15 of the Public Audit Act 2001

## Solicitors:

Elwood Law  
Simpson Grierson

## Bankers:

Westpac New Zealand Limited

## Senior Management:

Larrie Moore, Chief Executive Officer  
Heidi Stenhouse-Allen, Head of Finance and People  
Gavin Costello, Chief Product Officer  
Susannah Winger, Chief Marketing Officer  
Will Graham, Chief Customer Officer  
Carolyn Stuart, Deputy Chief Executive, Education  
Alexander Brown, Deputy Chief Executive, Governance and Advisory

## Board of Directors:

Mark Yeoman (acting Chair)  
Jeremy Banks  
Jack Matthews  
Karen Poutasi



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