

ANNUAL REPORT

2019



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KEI TE HAERE TONU TĀTOU OUR JOURNEY CONTINUES



Connecting all state, state-integrated schools and kura

Network for Learning's (N4L) purpose is to operate a student-focused internet service for all state, state-integrated schools and kura in Aotearoa New Zealand. We do this through our Managed Network, which connects all students, regardless of where they live, to a secure and safe internet connection while at school.

Delivering world-class cyber security

In July 2018 we embarked upon a nationwide upgrade to our Managed Network. This required that we visit all state, state-integrated schools and kura across the country. The upgrade was completed ahead of time and below budget and provides all schools with a truly world-class security service to help protect users from harm while learning online.

Extending the network service to classrooms

In 2013 the Ministry of Education embarked upon the Schools Network Upgrade Programme (SNUP) and Wireless Schools Network Upgrade Programme (WSNUP). From November 2018, working alongside the Ministry of Education, we have taken on the hardware warranties for 1000 plus schools that were SNUP'd and WSNUP'd. From early 2020, we will work with the Ministry to start replacement of hardware for up to 200 of these schools. This will provide 200 schools with a single point of contact for network infrastructure.

Increasing digital inclusion

In 2019, every student in state education can connect to the internet while at school, but we know not every student can connect to the internet at home. This year we supported trials in three areas of the country where schools had a high proportion of students without internet access at home. We are working alongside the Ministry of Education and the private sector to assess the effectiveness and viability of these trials.

The year ahead promises to be exciting and challenging and will call for a continued focus on investing in our people, leveraging our partnerships in the public and private sectors, and outstanding planning and execution.



COLIN MACDONALD

CHAIR'S REPORT

E ngā mana, e ngā reo, e ngā rau rangatira mā, tēnā koutou katoa

Warmest greetings to our many stakeholders

Our tamariki are growing up in an exciting and ever-changing world. Most will have watched a video or played a game online by the time they are two years old. They'll never know a world where the internet didn't exist.

From the classroom to the comforts of home, the internet has become a part of everyday life. In fact, it's now considered a fundamental learning tool by many.

That is exciting and frightening at the same time. While parents grapple with how to best navigate this changing landscape, it puts a huge responsibility on our educators to help their students understand how to learn safely in this digital world. That's where N4L comes in.

Today, we help the Government deliver education goals by providing schools with a secure and safe internet connection, so the schools themselves can focus on delivering a fantastic learning environment for their students.

I joined N4L in March 2019, coming from a public sector role that involved helping to transform the way Government services are delivered. In the short time I've been with N4L, I've visited many schools, spoken with principals and teachers and met with people working in Government, education and technology. All these people are

working together for the greater good of our young people.

Teamwork across the public and private sector is critical to supporting this change. And I would like to acknowledge and thank the previous board directors and Acting Chair for the work they've done throughout the year to support N4L to deliver its critical services.

What the future holds

Looking forward, we're well placed to continue to extend and expand the work we have been doing. While we've made internet connections more secure and safer around the country, we will continue to monitor and respond to future online threats. This is not a world where you can simply 'set and forget'.

We are proud of what we have achieved, working with our partners in the private sector, to deliver a service that schools trust. But there's still work to do, so all students can get the most from the digital world for learning.

We know schools have challenges keeping their classrooms connected with their ageing hardware. And that there are schools where their students don't have internet access at home.

Together with our partners in Government and the private sector, we're working on ways we can help in these areas. And we've got the team and skills in place to do it.

Every child is born curious. Imagine if we were able to support this curiosity through life, allowing them to learn wherever and whenever they wanted. It's a vision I'm sure many of us in Aotearoa aspires to achieve and I couldn't be more proud to be a part of a company that is trying to make it a reality.

*Ko te manu e kai ana i te miro,
nōna te ngahere
Ko te manu e kai ana i te mātauranga,
nōna te ao*

*Those that feast on berries will
inherit the forest, but for those that
feast on knowledge, the opportunities
are endless*

Colin MacDonald
Chair



LARRIE MOORE

CEO'S REPORT

He aha te mea nui o te ao He tangata, he tangata, he tangata

What is the most important thing in the world?
It is the people, it is the people, it is the people

Kia ora koutou

This year was one of our most challenging and rewarding to date.

Kia hono ngā kura Connecting schools

Our Managed Network upgrade, the biggest infrastructure project in our history, was successfully rolled out across the country in under 12 months, bringing a more secure, safer internet to 825,000 students and educators in 2,475 state and state-integrated schools and kura.

The upgrade was delivered on time and within budget. This was a huge achievement for our team and our partners in the public and private sectors.

During the past year, we blocked, on average, seven million malicious attacks and hacking attempts every month. And the number of threats keep growing.

According to Dimension Data's 2018 *Global Security Threat Report*, the education sector has become the second most attacked in the Asia-Pacific region – second only to the finance sector.

In the month of May alone, we blocked nearly 400 million attempts by school students to access sites that are inappropriate, unsafe or irrelevant to their studies. These are sites identified for us by the school principals and by the local and international partners operating our security and safety platforms.

Together with our technology partners, Spark and Fortinet, it's our job to build strong digital boundaries around schools and keep the threats out. The successful upgrade means our technology now includes the next generation of firewall and filtering, along with protection against attacks (Distributed Denial of Service - aka DDoS) that can be ordered up by anyone for the cost of a few dollars.

Further enhancements to the Managed Network are planned. In late 2019 we will launch our Identity Management and Reporting services.

Both services aim to provide schools with the ability to manage and understand the online behaviour of students and support teachers to advance a more secure and safer online learning environment in the classroom.

Kia hono ngā akomanga Connecting Classrooms

A quality connection right to the hands of our teachers and students requires schools' internal WiFi Local Area Networks to be well maintained. Schools face ongoing challenges with maintaining their networks due to their increasing use and ageing equipment. Commencing in early 2020, N4L is working with the Ministry of Education to support eligible schools with a rolling equipment replacement

programme that will ensure classrooms are equipped with the latest technology.

Kia hono ngā ākonga Connecting Learners

While continuing to deliver on *Connecting Schools* and *Connecting Classrooms*, our ultimate goal is *Connecting Learners* beyond the school gates.

As we see it, the purpose of universal education is to give all citizens equal access to the best possible start in life. Without universal and equitable access to technology, we're not doing the whole job.

It's estimated that over 100,000 school-aged students in Aotearoa have no access to the internet at home. In many cases that's because parents or caregivers simply can't afford the monthly bill.

Even among those who do, many students move around between places

in their communities, making extramural study beyond the school gate a challenge.

To answer this challenge, we need to connect people, not places

In partnership with the Ministry of Education we have conducted trials using different technologies at three sites; Rātā Street School in Lower Hutt using fibre-to-the-home, Murupara Area School in the Bay of Plenty using wireless-to-the-home, and Haeata Community Campus in Christchurch, using fibre-to-the-curb with WiFi.

Our conclusion is that while different technology approaches are effective in different locations, none fit the conditions across all of Aotearoa's schools, so none are yet suitable for a nationwide rollout.

The work to imagine, test and ultimately deliver a comprehensive network solution is as important to N4L as our ongoing

passion to deliver security and safety in schools. We're excited about our role in enabling this future, where every learner has safe and equal access to learning, anywhere, at any time.

*Ko te ahurei o te tamaiti arahia
ō tātou māhi*

*Let the uniqueness of the child guide
our work*

Larrie Moore
CEO

N4L OBJECTIVES AND OUTCOMES

MANAGED NETWORK

Providing market leading customer support

Our Helpdesk team continued to deliver outstanding support in 2018/19, consistently achieving a high level of satisfaction amongst educators, while maintaining the majority of our service level agreements with the Ministry of Education.

This is a very positive result when one considers that this was achieved during the time of a major upgrade to the Managed Network.

Connecting almost all state, state-integrated schools and kura

We're proud to report that we connect 99.8% of state, state-integrated schools and kura across Aotearoa to the internet, through our Managed Network. And we are working with our partners to connect the remaining schools.

Delivering world-class safety and security

A focus of the Managed Network upgrade was to strengthen the network's defences against security threats, while improving safety for users. And we're proud to say this was achieved through our partnership with Spark and Fortinet.

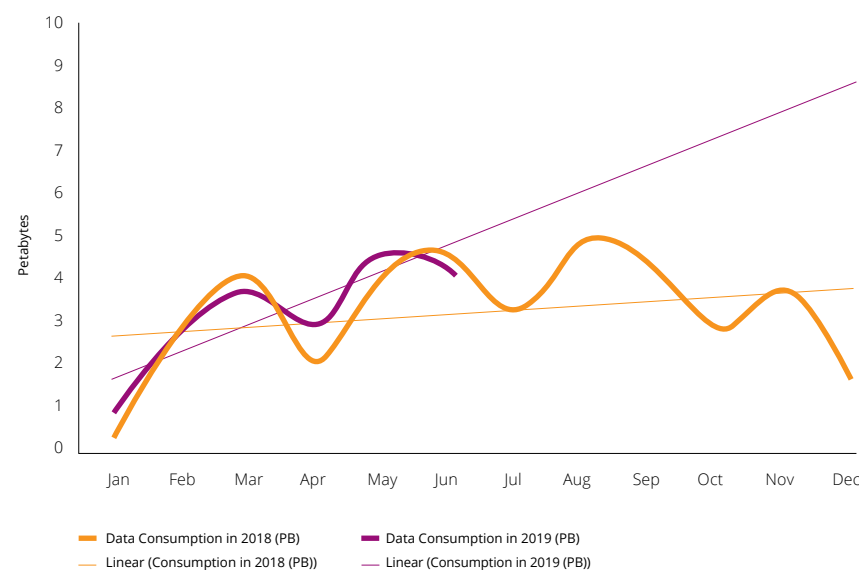
Our partners work with international bodies such as the Internet Watch Foundation to identify sites that should be blocked. Like them, our consultations with the school principals and local education sector bodies also help us find additional sites that should be blocked at a system-wide level.

All in all, 2018/19 saw us perform over

2.3b

blocks, keeping our students and teachers safer online.

Year-on-year usage trends for the Managed Network



Meeting the need for additional data

We measured data consumption and found that in 2018/19 it grew by a similar amount to the increase in 2017/18. Couple this with a growth in the number of users, devices and petabytes and the available evidence suggests that schools are increasingly using technology to deliver learning to their students.

Meeting the need for additional bandwidth

Together with the Ministry of Education, we manage the allocation of bandwidth across schools and deliver speed upgrades as and when needed.

We've seen an increase in demand for bandwidth, as schools increasingly use applications such as video streaming for teaching. By the end of 2019, we'll have upgraded the majority of schools to a 1Gbps broadband service on the Managed Network.

Due to technical or commercial constraints, not all schools can be upgraded to 1Gbps. But we'll assess these schools regularly and look for opportunities to upgrade them as technology and Ministry of Education funding allows.

Year on year data usage comparison

5.4%

growth

29.5 PB, Jan 2019 - August 2019
28 PB, Jan 2018 - August 2018

N4L OBJECTIVES AND OUTCOMES

INNOVATION

Delivering customer led innovation

To help schools and kura manage their online environment, the team at N4L are developing Identity Management and Reporting Services. They provide safety insights to help identify at risk users, e.g. those trying to access harmful material such as pornography or self-harm, and security insights that identify devices which have been infected by viruses and malware. The services will also provide trend data on student behaviour and content consumption patterns, as well as key metrics on internet performance.

N4L maintains strong relationships with a number of government agencies, including the Ministry of Education, the Government Chief Digital Officer, the Privacy Commission and CERT NZ to ensure that we remain both aware of, and compliant with, all appropriate privacy and security standards. Through our regular engagement with schools, we keep current with any emerging privacy and security issues across the sector. N4L maintains strong relationships with a number of government agencies, including the Ministry of Education.

Extending the life of WiFi networks

In 2018/19 we worked closely with the Ministry of Education to support schools with expiring warranty and support contracts for their WiFi Local Area Network hardware. We did this by providing an extended warranty and renewal of wireless licenses for equipment originally provided through other Ministry programmes. We're also providing centralised wireless infrastructure, removing the need for onsite equipment and further simplifying school internal networks.

Supporting learning beyond the school gates

Students without internet at home don't have the same learning opportunities as students who do. That's why we partnered with Chorus to support the Ministry of Education's Equitable Digital Access for Students (EDA4S) initiative. This initiative, led by local community trusts, aims to provide N4L's filtered school internet services into students' homes, so they can continue their learning in the same safe and secure environment at home with their whānau.

Schools involved are Haeata Community Campus (Christchurch), Rātā St School (Wellington) and Murupara Area School (Bay of Plenty), which is part of the Te Aka Toitū Trust.

We are reviewing the results of the pilots and remain committed to working with our public and private sector partners to find a solution to connect learners to the internet regardless of where they live, or their parents ability to pay.

As part of the upgrade of the Managed Network, we now have the technology in place to proactively mitigate distributed denial of service (DDoS) attacks on all state, state-integrated schools and kura. The Arbor service, a world-class prevention and protection solution, delivers significant strengthening to all schools' defences from DDoS attacks.

Security blocks July 2018 - June 2019:

335,000

Drug abuse blocks

342,000

Hacking blocks

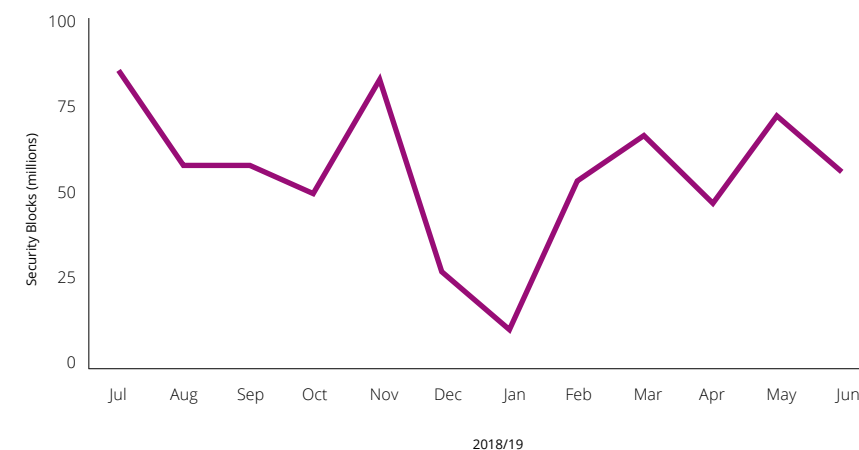
355,000

Explicit violence blocks

4.5m

Pornography blocks

Security Blocks 2018/2019



N4L OBJECTIVES AND OUTCOMES

SECTOR ENGAGEMENT

Engaging with stakeholders

We've continued to build our relationships through engagement with the Ministry of Education, education sector groups, schools and kura, and our technology partners.

Ultimately, our aim is to make sure we're meeting the technology needs of schools. We measure this by continuously monitoring satisfaction through our Helpdesk, meeting throughout the year with the N4L Leadership Advisory Group and undertaking the annual Touchpoint school principals' survey.

Last September's Touchpoint survey showed a

97%

satisfaction rate
(an improvement on last year's 95%)

Building relationships with schools

We are committed to building lasting relationships with schools and the sector. We frequently meet with schools to better understand their needs so that we can best support them. This year, we expanded our Relationship Management Team to six full time staff so that we can more frequently visit schools.

N4L is proud to support and sponsor the following events over the past year:

- We supported the Beginning Principals National Hui in October, as well as the Whangarei Principals Association Hui. We also offered more support for Regional Principals Associations.
- Interface Xpo is an annual event for IT teams and those who make decisions about digital technologies at schools. We sponsored the 2018 event in May,

plus built and renewed relationships by running workshops.

- EduCampNZ holds events at schools around the country focused on digital learning, education, sharing ideas and learning from each other. We sponsored these events as we are keen to support the wonderful work they do in their own time.

The Relationship Management team was on the road visiting schools throughout the year, with a focus on supporting the upgrade of the Managed Network.

We are also conscious of how busy schools are, so we work closely with our partners - Netsafe and CERT NZ, to make it easier for them to understand how we each support them. This includes sharing spaces at events, and supporting each other with information and collateral.

The N4L Leadership Advisory Group

The N4L Leadership Advisory Group are a voice for our schools. They meet four times throughout the year, to advise N4L's board and management on key challenges facing the education sector, inform company strategy, support school-centered product development, promote proactive school engagement and provide ad hoc support and guidance.

The members of this group are:

- Charles Newton** - Education Consultant
Claire Amos - Albany Senior High School
Dorothy Burt - Manaiakalani Education Programme
Jen Rodgers - St Clair School
Mike Williams - Pakuranga College
Nicola Ngarewa - Spotswood College
Sarah Martin - Stonefields School
Sose Annandale - Russell School



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

AFTER-SCHOOL INTERNET VITAL FOR ALL STUDENTS

Mary-Jane can now access the internet at home. She is no longer 'just at home drawing on paper' while her brother goes to their nan's to access her WiFi. Now she can carry on with her school-work after the school day finishes.

Mary-Jane is in Year 6 at Naenae's Rātā Street School in Lower Hutt. As her school principal Dave Appleyard explains, students now live in a digital world. "It's natural to them, so they want to be able to just pack up their work and take it home." Where once this meant a bagful of text-books, now it means the student's school laptop.

And there is another important benefit of using their school laptop to work at home – it draws the family into the student's world of learning, which helps them greatly, says Mr Appleyard.

The trouble is many families don't have home internet access. It's a luxury they can't afford. Which is where N4L, in partnership with the Ministry of Education, comes in.

Working closely with Hutt City Council's TAKA Trust, N4L, together with Chorus, has installed specialised safe and secure internet access technology in the homes of students who need this help. The trial saw broadband fibre installed in the Rātā Street students' homes to deliver the internet, with the same safe and secure connection they receive at school. This is provided fully funded and is part of the Ministry's Equitable Digital Access for Students programme.

N4L's Managed Network already provides school internet access for 825,000 plus students and teachers across the country. But 100,000 students have no internet access once they get home. These are the ones the programme aims to help.

"Lack of internet access can limit students' educational opportunities," says Larrie Moore, N4L's CEO. "Learning doesn't stop when school lets out, and we want to level the digital playing field. We have a real digital divide in New Zealand that home internet access for these students can help address."

The Rātā Street trial is one of three pilots. The other two involve Christchurch's Haeata Community Campus and the Bay of Plenty's Murupara Area School. All three pilots are being led by local community trusts.

N4L's role is to ensure the students' home internet experience is safe and mirrors their school experience. The students' home internet service is the same as that at school. The school filters website use to ensure students don't go to bad places or access unsuitable content. But the biggest benefit is that whānau have become more interested in their children's school-work because now they learn at home as well. This is helping raise the children's aspirations and foster their future success.



Above and below: Larrie Moore, Minister Hipkins and guests visit Rātā Street School.



N4L OBJECTIVES AND OUTCOMES

SECTOR ENGAGEMENT

What we hear schools are saying

We carry out research each year to help us identify the technology challenges facing schools.

In September 2018, we put our annual Touchpoint survey forward, with over 450 school principals completing the survey.

Here's what we found:

Security from online threats is an increasing concern for schools. They ranked 'security from online threats' and 'web filtering of inappropriate websites' as the second and third most important N4L service offerings, with number one being the 'provision of a reliable internet connection'.

Schools are using more devices. Almost 40% of respondents are planning to implement a one-to-one student to device ratio.

56% of schools are planning to invest in WiFi infrastructure.

37% of schools are planning to move their records or data from their own servers to the cloud.

This year's upgrade to the Managed Network addressed some of the issues identified in this research. In particular, the new Fortinet firewall and filtering service strongly enhances our ability to protect schools and keep students safer online.

The Touchpoint survey also highlighted data available at home. It was revealed that:

52%
of schools reported at least 25% of students don't have internet access at home.

There was also a notable difference for students living in more deprived areas, with over:

85%
Decile 1-3 schools reporting that 25% or more of students didn't have home access, compared with 16% for Decile 8-10 schools.

Supporting NZQA to deliver NCEA online

In 2019 we agreed to support NZQA to proactively check participating schools' readiness to participate in NCEA online exams, by offering a technical audit of their school's internal WiFi Local Area Networks.

This will help schools understand their digital readiness to support online examinations in 2019 for their students. Further, we will be providing NZQA with expert technical support during the 2019 exam season.

CYBER SECURITY: KEEPING STUDENTS SAFER ONLINE

The students of Wellington's Seatoun school are proud of the environmental projects they work on, so proud in fact, that they were a focal point at the recent event hosted at their school.

N4L, the Minister of Education and our partners across the public and private sector visited the school to celebrate the completion of the rollout of the Managed Network Upgrade. Seeing the passion on the faces of the students is one of the reasons we do what we do - they can safely learn online and teachers have one less thing to worry about when it comes to the digital environment.

Principal John Western says he was concerned about online safety. "It's our duty to make sure our young learners and teachers are as safe as possible. We need to be confident they won't accidentally go to the wrong place or see the wrong thing."

The Christchurch terrorist attack on two mosques in March "brought home to us how easily things can go wrong for people accessing the internet," says Mr Western.

Seatoun School was one of the last schools to have its network upgraded as part of N4L's security upgrade of New Zealand schools' internet service. CEO Larrie Moore says safety is a vital part of N4L's job. "The amount of harmful content and the number of dangerous websites is rising rapidly. In May alone, N4L blocked three million attempts to get into schools' systems. And we've blocked access to millions of sites whose content is considered by school principals to be inappropriate for students."

"The internet is becoming much more dangerous," says Mr Moore. It's not just schools that are being targeted. As the threats increase, dealing with them has become crucial. It was a vital part of the upgrade of N4L's Managed Network and means 2,475 schools across the country - 825,000 students - now have a safer internet service. The upgrade, which was completed in June 2019, equipped schools with global-standard technology delivering safer, more secure online environments for learning.

The ability to filter websites is an important part of the technology upgrade. A sophisticated filter is used to dial website access up and down depending on the student's age - stringent for young children, less strict for those approaching college age.



In May, N4L stopped three million attempts to view unsuitable content. Such content includes pornography, information about self harm, political extremism and substance abuse. Google images can also be filtered as these are sometimes a problem too.

N4L's filtering technology helps ensure students don't view such content by blocking the student's browser from presenting the inappropriate content, only allowing access to websites the schools principal has determined is appropriate for their students' learning.

N4L worked closely with the Ministry of Education and technology partners, Spark in particular, and Fortinet, the global security company, on the safety and security upgrade programme. Fortinet supplied a business-grade internet firewall to protect the schools' internet service, along with the technology that can filter website access depending on children's age. The focus of the programme is to help keep students safe as they learn, and to keep schools' internet service more secure.

Speaking at an event at Seatoun School to mark the network upgrade's completion, Education Minister Chris Hipkins said technology had changed a lot since his dad was at Seatoun School. Students must be able to access the internet safely, he said. N4L's upgrade has done this and "that's a pretty big accomplishment".

Mr Moore says technology is only part of the solution. "Students need to learn how to use the internet responsibly and how to be a good citizen. This will go a long way to keeping them safe online." N4L presently connects 99.7% of New Zealand schools to the internet.



Left and above: Larrie Moore, Minister Hipkins and guests visit Seatoun School to celebrate the end of the Managed Network Upgrade.

EXECUTIVE TEAM

Larrie Moore
CHIEF EXECUTIVE OFFICER

Larrie is an experienced business leader with a history of building winning teams and partnerships. He's held country, regional and global leadership roles with 2degrees, Orcon, Vodafone, Fujitsu, GlaxoSmithKline and Mars. Larrie joined the team in February 2018.

Susannah Winger
CHIEF MARKETING OFFICER

Susannah is an experienced marketing and communications expert with previous involvement with the education and telecommunication sectors, in both NZ and Australia. Prior to joining N4L, Susannah held a Senior Manager role at Open Universities Australia and was responsible for the marketing and advertising across their multiple brands.

Gavin Costello
CHIEF INFORMATION OFFICER

Gavin is an experienced technology leader with a track record of developing, launching and managing market changing product and service innovations in country and international roles for Spark, Alcatel, Vodafone and 2degrees. Gavin joined the team in July 2018.

Heidi Stenhouse-Allen
HEAD OF FINANCE

Heidi is a qualified 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.

Will Graham
CHIEF CUSTOMER OFFICER

Will is an experienced commercial manager with a track record of developing and managing key stakeholder and customer relationships. Will previously held senior management roles at Spark Ventures, Spark Digital and Vodafone in sales, service and operations.

CONTRIBUTORS

Alexander Brown
Deputy Chief Executive, Government (departed December 2018)

Louise Newsome
Acting Head of Finance (February - June 2019)



BOARD OF DIRECTORS

Colin MacDonald
CHAIR

Prior to joining the N4L board, Mr MacDonald was Chief Executive at the Department of Internal Affairs (DIA) and Government Chief Digital Officer (GCD0). During his tenure he secured efficiencies across departments' IT budgets, and led a transformation of the way digital public services are delivered.

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

- Principal MacDonald Consulting
- Coaching professional clients
- Working with Geoff Whalan Learning Groups Australia

Karen Poutasi
DEPUTY CHAIR

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 was also announced as Commissioner for Waikato District Health Board in May 2019.

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 also entered into N4L's interests register:

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

Jeremy Banks
DIRECTOR

Jeremy is a software development specialist with experience growing software startups. With a variety of current governance roles, 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, Wakatū Incorporation
- Trustee, Ngāti Rārua Ātiawa Iwi Trust
- Director, Nelson Regional Development Agency
- Director, Nelson Giants Ltd
- Trustee, Basketball Development Nelson Trust
- Director, Plink Ltd
- Children at Nelson Central School
- Children at Nelson Intermediate School

Sharon Cresswell
DIRECTOR (Appointed 1 August 2019)

Sharon Cresswell joined the N4L board in August 2019. Up until June 2019 Sharon had spent 23 years with PricewaterhouseCoopers (PwC) in both the UK and New Zealand, the last 16 years as a PwC partner. Sharon's experience is predominantly in assurance and risk management. She has also assisted client's in strategy development and implementation. In 2016/2017 Sharon spent a year on secondment with the Crown Research Institute, AgResearch as the Finance and Business Performance Director.

Ms Cresswell has no general disclosures of interest to make pursuant to s140 (2) of the Companies Act 1993 nor to be entered into N4L's interests register.

Anthony Briscoe
DIRECTOR (Appointed 1 August 2019)

Anthony was until recently President and CEO of Southern Cross Cable Network, prior to this he was Head of International for Telecom NZ and latterly Spark. He has served on numerous boards including Chair of HortResearch, Airways, Korda and Wellington Cable Car.

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

- Director Egmont Street Investments Ltd
- Trustee of the New Zealand Science and Technology Roadshow

CONTRIBUTORS

Mark Yeoman
Director, acting Chair up until April 2019 (Term ended June 2019)

Jack Matthews
Director (Term ended March 2019)



STATEMENT OF CORPORATE GOVERNANCE

Organisational form

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

N4L is subject to following certain provisions of the Crown Entities Act 2004 ("CEA"), as well as 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.

Shareholders

The company's shareholding is 100% invested in the Crown, with the Minister of Finance and Minister of Education each holding 50% of the share capital.

Accountability

N4L is accountable to its shareholding Ministers. And the Treasury work with them to monitor the Company's performance against financial and non-financial measures, which are 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 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 and Annual Report.

When asked, N4L's constitution must report to shareholding Ministers about any activities restricted under sections 161 - 164 of the CEA.

Companies Act 1993

This Act states that the Board, each Director and each shareholding Minister has rights, powers, duties and obligations, 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 the auditor of the Company.

Operations

While N4L acts with the functions, powers and constraints outlined above, the company has considerable discretion around its day-to-day operations. Earlier reports from the Chair and Chief Executive of the Company, as well as the Statement of Performance, hold information about operations and performance from the past financial year. This includes assessment against intentions, measures and standards, which were included in the SOI at the beginning of the financial year.

Board of Directors

The Board had up to five non-executive Directors in 2018/19, who were appointed by the shareholding Ministers. All decisions about N4L's operations are made under the authority of the Board, who are responsible for outputs with the Ministers, as well as making sure all expectations are met.

During the 2017/18 year, the Board had two standing committees. These subcommittees came together under the Board in 2018/19, given the reduction in the size of the Board at times during the year (from seven non-executive directors in 2017/18, to three non-executive directors in 2018/19).

Audit and Risk Committee

The Audit and Risk Committee works alongside the Board to offer recommendations, advice and information about:

- 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 works alongside the Board to offer recommendations, advice and information about:

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

STATEMENT OF PERFORMANCE

In the Statement of Intent 2018-2022 ("June 2018 SOI"), which covers this period, the Company indicated that it would provide services and outputs under one output class, being a Managed Network service.

The Company has identified a number of key metrics which it measured to assess its non-financial performance.

These are as follows:

Core Managed Network Services

The core Managed Network offers schools fast and predictable internet with uncapped data, web filtering and network security services. This also includes firewall services, performance monitoring and full helpdesk support.

Connections to the core Managed Network

Key Metric	Performance to Date (2018/19)	Target (2018/19)
Percentage of eligible schools (defined as state schools and state-integrated schools) connected to core Managed Network services	Q1: 99.5% (2,441 out of 2,454 schools) Q2: 99.8% (2,447 out of 2,453 schools) Q3: 99.8% (2,446 out of 2,451 schools) Q4: 99.8% (2,448 out of 2,452 schools)	99%
Percentage of schools which voluntarily disconnect from the Network for Learning <i>(Voluntary disconnects includes schools that have chosen not to connect with N4L)</i>	Q1: 0.20% (5 out of 2,454 schools) Q2: 0.12% (3 out of 2,453 schools) Q3: 0.08% (2 out of 2,451 schools) Q4: 0.04% (1 out of 2,452 schools)	Less than 2%

Upgrades to the core Managed Network

N4L targeted 100% of all (defined as eligible and connected) schools receiving the Managed Network Upgrade by the end of 2018/19.

Key Metric	Performance to Date (2018/19)	Target (2018/19)
Number of eligible schools (defined as state schools and state-integrated schools) receiving Managed Network Upgrade	Q1: 408 Q2: 654 (1,062 total) Q3: 711 (1,773 total) Q4: 701 (2,474 total)	Q1: 400 schools Q2: 600 schools Q3: 700 schools Q4: 770 schools

STATEMENT OF PERFORMANCE

Support Services timelines and satisfaction

Key Metric	Performance to Date (2018/19)	Target (2018/19)
The number of minutes to acknowledge a service request – measured per month	Q1: 83% Q2: 73% Q3: 67% Q4: 81%	80% of all requests under 8 Support Hours
Percentage of total calls taken	Q1: 79% Q2: 70% Q3: 79% Q4: 89%	At least 85%
The number of minutes to resolve an incident – measured per month	Q1: 88% Q2: 98% Q3: 95% Q4: 96%	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 learners and schools have excellent, second-to-none service delivery. Feedback from customers is sought at key touchpoints.

The N4L customer experience

Key Metric	Performance to Date (2018/19)	Target (2018/19)
Principal and/or operational contact at each state and state-integrated school satisfaction with the performance of N4L in administering the Managed Network and associated services.	97.2%	90% 'satisfied' or 'very satisfied' response from respondents.

Other business

Key Metric	Performance to Date (2018/19)	Target (2018/19)
Any other Government contracts will be completed within budgets and to standards set out in Statements of Work	Q1: 100% of targets met Q2: 100% of targets met Q3: 100% of targets met Q4: 100% of targets met	100% of targets met.

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 2019.

Signed on behalf of the Board

Colin MacDonald
Chair
26 September 2019

Karen Poutasi
Deputy Chair
26 September 2019

TAKING CARE OF OUR PEOPLE

We tightened health and safety systems at the end of the 2017/18 financial year to improve processes and make sure staff have greater control over their workplace environment.

One example of this is more streamlined reporting processes – making it easier for staff to report issues. Another is regular checks of our offices, as well as staff surveys to get feedback on what we could be doing better.

We also worked towards being more proactive across health and safety, so put forward first aid training and advanced driver courses. On top of that, we invited speakers from Southern Cross and Employee Assistance Programme Services (EAP) to talk staff through their health benefits.

In the financial year to come, we aim to build on this work, with a particular focus on staff wellbeing.

Our performance against the seven key elements of being a good employer

- **Leadership, accountability and culture:** We're committed to making sure we act as a good employer – and we do this by following the Equal Employment Opportunity Principles. These have consistently communicated a vision for us, creating a culture where people feel valued.
- **Recruitment, selection and induction:** We recruit staff in a number of ways, including direct advertising, recruitment companies who offer services under Government contracts and using our employees' networks. Structured interviews are part of our unbiased selection process.
- **Employee development, promotion and exit:** We support the development and promotion of our employees. And as we grow, we think it's important to put new opportunities on the table. The past year has seen more staff move into leadership roles, as well as contractors becoming permanent.
- **Flexibility and work design:** We fully support an approach that allows staff to balance work with personal commitments. This includes giving staff the tools to work from wherever they choose with the agreement of their manager.
- **Remuneration, recognition and conditions:** We're proud to use an unbiased and non-discriminatory remuneration policy. And all employees' remuneration is reviewed annually, to make sure it aligns with the wider market. We also think it's important to recognise hard work, so we've created a reward and recognition programme where employees are recognised for going 'above and beyond'.
- **Harassment and bullying prevention:** We have a zero-tolerance approach to all forms of bullying and harassment. But should complaints come about, we have policies in place to deal with this.
- **Safe and healthy environment:** Health and safety is important to us. And we consistently communicate our commitment to this. We encourage 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 2019

The Auditor-General is the auditor of The Network for Learning Limited (the Company). The Auditor-General has appointed me, Emma Winsloe, 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 28 to 48, that comprise the statement of financial position as at 30 June 2019, 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 21 to 22.

In our opinion:

- the financial statements of the Company on pages 28 to 48:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2019 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 21 to 22:
 - presents fairly, in all material respects, the Company's performance for the year ended 30 June 2019, 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
 - 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 26 September 2019. 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.

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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.

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- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- 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 2 to 20, 23 to 24 and 49 to 50, 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.

Emma Winsloe
Ernst & Young
On behalf of the Auditor-General
Auckland, New Zealand

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FINANCIAL STATEMENTS

Statement of Comprehensive Income

For the year ended 30 June 2019

	Notes	2019 Actual	2018 Actual
		\$000	\$000
Income from Non-Exchange Transactions			
Income from Services	3	30,245	30,908
Income from Exchange Transactions			
Interest Income		71	54
Total Income		30,316	30,962
Expenditure			
Network Services	4	18,495	20,398
Transition Support	5	903	14
Board Operations	16	143	244
Audit Fees		56	52
Other General and Overhead Expenses	6	10,150	9,257
Total Expenses		29,747	29,965
Net Surplus/(Deficit)		569	997
Total Comprehensive Income/(Loss) for the Period		569	997

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2019

	Notes	2019 Actual	2018 Actual
		\$000	\$000
Assets			
Current Assets			
Cash and Cash Equivalents	7	2,585	2,014
Receivables - Non Exchange Transactions		2,910	2,964
Other Current Assets	8	183	137
Term Deposits	7	2,000	2,000
Total Current Assets		7,678	7,115
Non-Current Assets			
Property, Plant and Equipment	9	956	304
Intangible Assets		75	84
Total Non-Current Assets		1,031	388
Total Assets		8,709	7,503
Represented by			
Liabilities			
Current Liabilities			
Accruals	10	759	782
Payables under Exchange Transactions		2,573	1,988
Deferred Revenue		7	2
Lease Incentive - Current		28	15
Provisions	14	4	82
Total Current Liabilities		3,371	2,869
Non-Current Liabilities			
Lease Incentive - Non-Current		127	-
Provisions - Non-Current	14	8	-
Total Non-Current Liabilities		135	-
Total Liabilities		3,506	2,869
Equity			
Share Capital and Reserves		5,203	4,634
Total Shareholders' Funds		5,203	4,634
Total Liabilities and Shareholders' Funds		8,709	7,503

The financial statements were approved by the Board and authorised for issue on 26 September 2019.

Colin MacDonald
Director



Karen Poutasi
Director



The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2019

	Share Capital	Retained Earnings/ (Deficit)	2019 Actual \$000
Opening Balance 1 July 2018	14,000	(9,366)	4,634
Net Surplus/(Deficit)	-	569	569
Total Comprehensive Income/(Loss) for the Period	-	569	569
Closing Balance 30 June 2019	14,000	(8,797)	5,203

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

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2019

	Notes	2019 Actual \$000	2018 Actual \$000
Cash Flows from Operating Activities			
Receipts from Customers		30,280	31,199
Interest Received		50	54
Other Receipts		167	-
Payments to Suppliers and Staff		(29,036)	(30,083)
Net Cash Inflow from Operating Activities	12	1,461	1,170
Cash Flows from Investing Activities			
Purchase of Property, Plant and Equipment		(856)	(85)
Purchase of Intangible Assets		(34)	(96)
Net Cash Outflow from Investing Activities		(890)	(181)
Net Increase/(Decrease) in Cash		571	989
Opening Balance		2,014	1,025
Closing Balance	7	2,585	2,014

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 2018 to 30 June 2019, and were approved by the Board on 26 September 2019.

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 risks 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 the 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 term deposits held with a major NZ trading bank with original maturity of three months or less.

Financial assets at amortised cost

The Company's financial assets at amortised cost includes receivables from non-exchange transactions, term deposits (Note 7) and other current assets (Note 8).

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in surplus or deficit when the asset is de-recognised, modified or impaired.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through surplus or deficit. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For receivables from non-exchange transactions, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company bases this on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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:

Computer Equipment:	2.5 years	40.0%
Office Equipment:	5.7 years	17.5%
Office Furniture:	9.5 years	10.5%
Leasehold Improvements:	5.7 years	17.5%

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:

Software:	2.5 years	40%
Domain names:	Indefinite	no amortisation

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.

Financial Liabilities

The Company's financial liabilities at amortised cost include payables under exchange transactions.

Payables under exchange transactions are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

After initial recognition, payables under exchange transactions are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit and loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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.

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 2018/2019' as approved by the Board on 12 June 2018. 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 365 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 a 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.

New and amended standards and interpretations

PBE IFRS 9 Financial Instruments

PBE IFRS 9 Financial Instruments replaces parts of PBE IPSAS 29 Financial Instruments: Recognition and Measurement, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company has elected to early adopt PBE IFRS 9. The Company applied PBE IFRS 9 prospectively, with an initial application date of 1 July 2018. The Company has not restated the comparative information, which continues to be reported under PBE IPSAS 29.

The adoption of PBE IFRS 9 has changed the accounting policy for impairment losses for financial assets by replacing PBE IPSAS 20's incurred loss approach with a forward-looking expected credit loss (ECL) approach. PBE IFRS 9 requires the recognition of an ECL allowance for all debt instruments not held at fair value through profit or loss and contract assets.

The change did not have a material impact on the company's financial performance, financial position or cash flows.

3. Income from Non-Exchange Transactions

	2019 \$000	2018 \$000
Income from Services to Schools	29,033	29,515
Income from Services to Government	688	1,393
Other Income	524	-
Total Income	30,245	30,908

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

	2019 \$000	2018 \$000
Network Provider Services	18,459	20,362
Content and Services	36	36
Total	18,495	20,398

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

	2019 \$000	2018 \$000
Personnel Costs	7,145	6,849
Professional Advisory Fees	864	416
Marketing and Communications	236	102
Travel	279	277
Facility Costs	643	651
IT and Telecommunications	507	495
Depreciation	180	163
Other	296	304
Total	10,150	9,257

Personnel Costs

	2019 \$000	2018 \$000
Salaries, Wages and Short-Term Employee Benefits	6,499	6,012
Defined Contribution Plans	176	164
Contractor Costs	470	673
Total Personnel Costs	7,145	6,849

N4L had 54 (2018: 50) full time equivalent employees and 8 contractors (2018: 3) as at 30 June 2019. Employer contributions to defined contribution plans relates to contributions to KiwiSaver.

7. Cash and Term Deposits

	2019 \$000	2018 \$000
Cash at Bank	2,585	2,014
Term Deposits	2,000	2,000
Total Cash and Term Deposits	4,585	4,014

All cash and term deposits are held with a major New Zealand trading bank. Term deposit maturities are 365 days or less and based on a fixed interest rate with interest payable at maturity. The term deposits are not subject to automatic renewals.

8. Other Current Assets

	2019 \$000	2018 \$000
Sundry Debtors	48	-
Prepayments	135	137
Total Other Current Assets	183	137

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
Cost					
Balance at 1 July 2017	432	307	69	90	898
Additions during the year	47	32	2	-	81
Disposals	(9)	(17)	-	-	(26)
Balance at 30 June 2018	470	322	71	90	953
Accumulated Depreciation					
Balance at 1 July 2017	297	126	35	46	504
Depreciation charge for the year	102	34	12	15	163
Disposals	(9)	(9)	-	-	(18)
Balance at 30 June 2018	390	151	47	61	649
Net book value at 30 June 2018	80	171	24	29	304
Cost					
Balance at 1 July 2018	470	322	71	90	953
Additions during the year	363	12	3	478	856
Disposals	(70)	(20)	(6)	(56)	(152)
Balance at 30 June 2019	763	314	68	512	1,657
Accumulated Depreciation					
Balance at 1 July 2018	390	151	47	61	649
Disposals	(65)	(12)	(6)	(45)	(128)
Depreciation charge for the year	90	35	11	44	180
Balance at 30 June 2019	415	174	52	60	701
Net book value at 30 June 2019	348	140	16	452	956

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:

	2019 000	2018 000
Balance at 1 July	14,000	14,000
Shares Issued	-	-
Balance as at 30 June	14,000	14,000

No shares were issued during the 2019 financial year (2018: 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

	2019 \$000	2018 \$000
Net Surplus	569	997
Add/(Less) Non-Cash Items		
Depreciation & Amortisation	217	180
Net loss on disposal of Property, Plant and Equipment	24	8
Total Non-Cash Items	241	188
Add/(Less) movements in Working Capital Items		
Accounts Receivable	55	291
Prepayments	1	(87)
Other Receivables	(47)	1
Accrued Revenue	0	-
Accounts Payable & Other Payables	588	(154)
Employee Entitlements	54	(66)
Net movement in Working Capital Items	651	(15)
Net Cash Inflow from Operating Activities	1,461	1,170

13. Commitments

Operating leases as lessee

N4L has entered into commercial leases on certain motor vehicles and car parks. The related leases have lives between six months to three years, with no renewal option included in the contracts.

N4L also leases office premises (including car parks) in Auckland and Wellington. A significant portion of the total non-cancellable operating lease expense relates to the lease of N4L’s Auckland premises. The leases for the Auckland premises (including car parks) expire in February 2028, with an option to vacate the premises at the lease renewal date of February 2025. N4L has assumed that it will not renew the Auckland premises at the lease renewal date. The original Wellington premises lease expires on 31 October 2019, and N4L has decided not to exercise to right of renewal for the premises for a term of a further 3 years to 31 October 2022.

Future minimum rentals payable under non-cancellable operating leases as at 30 June 2019 and 2018 are, as follows:

	2019 \$000	2018 \$000
Not later than one year	499	314
Later than one year but not later than five years	1,624	52
Later than five years	229	-
Total Commitments	2,352	366

14. Lease make good provision

In respect of its leased premises in Auckland and Wellington, N4L is required at the expiry of the lease term to make good any damage caused to the premises and to remove specified fixtures and 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 has assumed that the option to renew will not be exercised for both premises in measuring the provision. The cash flows associated with the non-current portion of the lease make-good provision are expected to occur in February 2025.

N4L does not have the option to purchase the leased premises, car parks and motor vehicles at the end of the lease terms, and there are no restrictions placed upon the Company by entering into the leases.

Further information about subsequent events impacting N4L’s leasing arrangements is disclosed in note 18.

Other commitments

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

15. Contingencies

Contingent liabilities

The company has no contingent liabilities as at 30 June 2019 (2018: \$nil).

Contingent assets

The company has no contingent assets as at 30 June 2019 (2018: \$nil).

16. 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 (2018: 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 2019, two members of the Management Team left N4L, one member went on parental leave and no new permanent appointments were made.

During the year ended 30 June 2019, one employee received compensation in relation to cessation of their employment to the value of \$67k (2018: 1 employee \$139k). No contractors received compensation in relation to cessation of their contracts (2018: 2 contractors \$87k).

There were 6 employees in the Management Team who received remuneration over \$100k during the 2019 financial year (2018: 10).

Key Management Personnel Compensation

	2019 \$000	2018 \$000
Management Team		
Remuneration and Short-Term Benefits	1,465	2,238
Defined Contribution Plans	32	33
Total	1,497	2,271
Full-time Equivalent Members	7	7
Board Members		
Remuneration	118	190
Full-time Equivalent Members	5	7

Board Member Remuneration

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

	Date of Original Appointment	2019 \$000	2018 \$000
Mark Yeoman - Deputy Chair (term ended 30/6/19)	02/07/12	40	29
Karen Poutasi	02/07/14	23	23
Jeremy Banks	01/07/17	23	23
Jack Matthews (Term Ended 31/3/19)	01/09/13	17	23
Colin MacDonald - Chair	01/03/19	15	-
Helen Robinson - Chair (Term Ended 30/6/18)	02/07/12	-	46
Rick Shera (Term Ended 30/6/18)	02/07/12	-	23
Linda Tame (Term Ended 30/6/18)	02/07/12	-	23
Total Directors' fees		118	190

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 \$24k (2018: \$54k) of expenditure relating to training and travel costs of the Directors.

17. Employee Remuneration

	2019 No. of employees	2018 No. of employees
\$100,000 - \$109,999	4	3
\$110,000 - \$119,999	4	5
\$120,000 - \$129,999	5	3
\$130,000 - \$139,999	2	2
\$140,000 - \$149,999	2	1
\$150,000 - \$159,999	1	3
\$160,000 - \$169,999	2	1
\$170,000 - \$179,999	1	2
\$190,000 - \$199,999	1	-
\$210,000 - \$219,999	-	1
\$230,000 - \$239,999	1	-
\$270,000 - \$279,999	-	1
\$280,000 - \$289,999	1	1
\$320,000 - \$329,999	-	1
\$330,000 - \$339,999	2	-
\$430,000 - \$439,999	1	-
\$460,000 - \$469,999	-	1

During the year ended 30 June 2019, no employees received compensation and other benefits in relation to cessation of their employment other than those mentioned in note 16.

The information in the table reflects remuneration paid or payable to staff in respect of their period of employment with the Company.

18 Events after Balance Date

There were no significant events after the balance date.

19. 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.

20. 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 and 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.

All financial liabilities of N4L are current, except for the non-current portion of the lease make good provision, for which the associated cash flows are expected to occur in February 2025.

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.

21. Explanation of Major Variances to Unaudited Forecast

The forecast numbers are taken from the Company’s ‘Statement of Performance Expectations 2018-2019’ (SPE).

Statement of Comprehensive Income

For the year ended 30 June 2019

	Ref	2019 Actual \$000	2019 Forecast (Unaudited) \$000
Income from Non-Exchange Transactions			
Income from Services	A	30,245	29,364
Income from Exchange Transactions			
Interest Income		71	49
Total Income		30,316	29,413
Expenditure			
Network Services	B	18,495	18,790
Transition Support		903	2
Board Operations		143	241
Audit Fees		56	54
Other General and Overhead Expenses	C	10,150	10,198
Total Expenses		29,747	29,285
Net Surplus/(Deficit)		569	128
Total Comprehensive Income/(Loss) for the Period		569	128

2019 Actual delivered a comprehensive income of \$441k higher than forecast. Key drivers of this are:

A – Income from Services

Income from services was higher than the SPE forecast, primarily due to revenue which was not budgeted for in the SPE in relation to the Innovation Fund from Spark, and Switch and Wireless Statements of work.

B – Network Services & Transition Support

Network service costs were lower than the SPE forecast, primarily due to lower than budgeted internet access costs arising from the

migration to FortiGate. Transition support expenses represent payments to Information and Communication Technologies (‘ICT’) providers engaged to transition schools to the Managed Network service. These costs were not budgeted but had to be incurred due to the FortiGate roll out.

C - Board Operations

Board operations are under budget due to the lower number of Directors than planned for the majority of the year.

Statement of Financial Position

As at 30 June 2019

	Ref	2019 Actual \$000	2019 Forecast (Unaudited) \$000
Assets			
Current Assets			
Cash and Cash Equivalents	D	2,585	1,870
Receivables - Non Exchange Transactions	E	2,910	2,839
Other Current Assets		183	65
Term Deposits		2,000	1,500
Total Current Assets		7,678	6,274
Non-Current Assets			
Property, Plant and Equipment		956	716
Intangible Assets	F	75	4
Total Non-Current Assets		1,031	720
Total Assets		8,709	6,994
Represented by			
Liabilities			
Current Liabilities			
Accruals		759	597
Payables under Exchange Transactions	G	2,573	2,073
Deferred Revenue		7	-
Lease Incentive - Current		28	-
Provisions	H	4	-
Total Current Liabilities		3,371	2,670
Non-Current Liabilities			
Lease Incentive - Non-Current		127	-
Provisions - Non-Current		8	-
Total Non-Current Liabilities		135	-
Total Liabilities		3,506	2,670
Equity			
Share Capital and Reserves		5,203	4,324
Total Shareholders' Funds		5,203	4,324
Total Liabilities and Shareholders' Funds		8,709	6,994

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 higher than forecast in the SPE, due to higher 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 higher than forecast in the SPE, due to timing of higher than forecasted capital expenditure occurring at the end of the year.

H - Provisions & Lease Incentive

N4L has provided for lease make-good costs, and is amortising the lease incentive associated with its premises, both of which were not included in the SPE.

Statement of Changes in Equity

For the year ended 30 June 2019

	Share Capital	Retained Earnings / (Deficit)	2019 Actual \$000	2019 Forecast (Unaudited) \$000
Opening Balance 1 July 2018	14,000	(9,366)	4,634	4,196
Net Surplus/(Deficit)	-	569	569	128
Total Comprehensive Income/(Loss) for the Period	-	569	569	128
Closing Balance 30 June 2019	14,000	(8,797)	5,203	4,324

Statement of Cash Flows

For the year ended 30 June 2019

	Ref	2019 Actual \$000	2019 Forecast (Unaudited) \$000
Cash Flows from Operating Activities			
Receipts from Customers	I	30,280	33,889
Interest Received		50	56
Other Receipts		167	-
Payments to Suppliers and Staff		(29,036)	(33,697)
Net Cash Inflow from Operating Activities		1,461	248
Cash Flows from Investing Activities			
Purchase of Property, Plant and Equipment		(856)	(638)
Purchase of Intangible Assets		(34)	-
Net Cash Outflow from Investing Activities		(890)	(638)
Net Increase/(Decrease) in Cash		571	(390)
Opening Balance		2,014	1,760
Closing Balance		2,585	1,370

A higher cash flow was delivered for the year ended 30 June 2019 than forecast in the SPE. Key drivers of this are:

I – Net Increase/(Decrease) in Cash

Cash Flow for the year was higher than the SPE mainly due to higher than budgeted accounts payable at year end.

“The amount of harmful content and the number of dangerous websites is rising rapidly. In May alone, N4L blocked three million attempts to get into schools’ systems. And we’ve blocked access to millions of sites whose content is considered by schools principals to be inappropriate for students.”

Larrie Moore
CEO



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)

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Auditor:

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

Solicitors:

Elwood Law
Bell Gully
Cullen Law
Lowndes Jordan

Bankers:

Westpac New Zealand Limited

Senior Management:

Larrie Moore, Chief Executive Officer
Gavin Costello, Chief Information Officer
Will Graham, Chief Customer Officer
Susannah Winger, Chief Marketing Officer
Heidi Stenhouse-Allen, Head of Finance
(on maternity leave from 16/02/19)
Louise Newsome, Acting Head of Finance (departed 19 July 2019)
Gill Mahony, Acting Head of Finance (commenced 8 July 2019)

Board of Directors:

Colin MacDonald, Chair (Appointed 1 March 2019)
Jeremy Banks
Karen Poutasi
Jack Matthews (Term ended 31 March 2019)
Mark Yeoman (Term ended 30 June 2019)
Anthony Briscoe (Appointed 1 August 2019)
Sharon Cresswell (Appointed 1 August 2019)

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