



Education Report: Advice on the New Zealand Qualifications Authority Quarter 4/End-of-Year 2021/22 and Quarter 1 2022/23 performance

To:	Hon Jan Tinetti, Minister of Education		
Date:	15 February 2023	Priority:	Medium
Security Level:	In Confidence	METIS No:	1291328
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Messaging seen by Communications team:	No	Round Robin:	No

Purpose of Report

This report is being resubmitted from it being provided to the previous Minister of Education on 15 December 2022. It provides our monitoring report on the performance of the New Zealand Qualifications Authority (NZQA) for Quarter 4/End-of-Year (Q4/EoY) 2021/22 and Quarter 1 (Q1) 2022/23. A letter to the NZQA Board Chair for you to sign is attached. You may wish to combine this letter with the letter of our Quarter 2 advice on NZQA's performance [METIS 1303662], which you will receive in March 2023.

Summary

- Over the financial year 2021/22 through Q1 2022/23, the Covid-19 pandemic remained the key environmental context impacting both business-as-usual and change activities in the education system. This included managing outbreaks of Covid variants and the flow on effect in the 2022 calendar year with heavy impact on the health of teachers and students.
- At a corporate level for NZQA, managing staff sickness and internal resourcing pressures through wider job market pressures meant that NZQA was required to manage its own capacity and the sector's capacity to carry out established educational delivery as well as implementing change.
- NZQA also recognises that investments need to be made on internal systems to better enable the organisation to effect change.
- Overall, the entity is making good progress on the change initiatives in the assessment side in line with the rephased timelines. It is also comfortable with its progress in the areas that it is responsible for in the Reform of Vocational Education.
- NZQA's relationships with the secondary and tertiary sectors are critical to the success of learners as change initiatives are delivered particularly in its ongoing engagement with teachers and students in operational changes to secondary assessment and its working partnerships with new education entities in the tertiary sector as new standards and qualifications are being put into effect.
- It would be useful for NZQA to continue to keep you up to date on any operating environment changes that may impact on delivery as there will remain a level of uncertainty.
- We have also conducted performance analysis over Statement of Performance Expectations measures across three financial years that fall under the Statement of Intent 2019–2022, based on previous published results and preliminary results for the year 2021/22.

- We have presented graphs relevant to the areas covered in this report showing performance-over-time. NZQA has the full suite of analyses in its Annual Report 2021/22 which is still being finalised, pending auditing timeframes, and is due to be provided to you in the new year.

Recommended Actions

The Ministry of Education recommends you:

- a. **note** our assessment of NZQA's performance in Q4/EoY 2021/22 and Q1 2022/23

☒ Noted

- b. **sign** and **send** the letter on NZQA's performance in the above period to the Board Chair

Yes / ☒ No

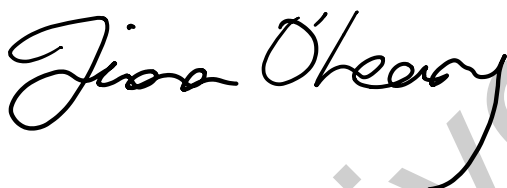
or

- c. **combine** the attached letter to the Board Chair with the letter attached to our forthcoming Q2 report

☒ Yes / No

- d. **agree** that Te Tāhuhu o te Mātauranga | Ministry of Education proactively release this briefing once the attached letter has been signed and sent to the NZQA Board Chair.

☒ Agree / ☐ Disagree



Fiona O'Leary
Director, Monitoring and Appointments
Te Pou Rangatōpū

15/12/2022



Hon Jan Tinetti
Minister of Education

16/02/2023

Proactive Release

Pending your agreement, this education report will be proactively released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

Overview

Focus of this Report

You received NZQA's Q1 2022/23 report on 11 November 2022. Its Annual Report 2021/22 will not be finalised until early 2023 depending on auditing timeframes. This monitoring report covers both reporting periods and we have conducted analysis on performance across the Statement of Intent 2019–2022 three-year performance cycle based on results from previous annual reports and preliminary data available for the 2021/22 financial year. Data points are subject to change as NZQA's reviews and finalises its Annual Report 2021/22 over the coming months. At a high level, our report will cover the following areas:

Assessment

- National Certificate of Educational Achievement (NCEA) Change Package including the Review of Achievement Standards (RAS) and Digital Assessment
- Special Assessment Conditions (SAC)

Quality Assurance

- Reform of Vocational Education (RoVE) including the New Zealand Qualifications and Credentials Framework (NZQCF)
- Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 (Code of Pastoral Care)
- Qualification recognition
- Other key activities

Other monitoring areas

- Digital and data workstreams
- Corporate workstreams including workforce and pay equity, and environment

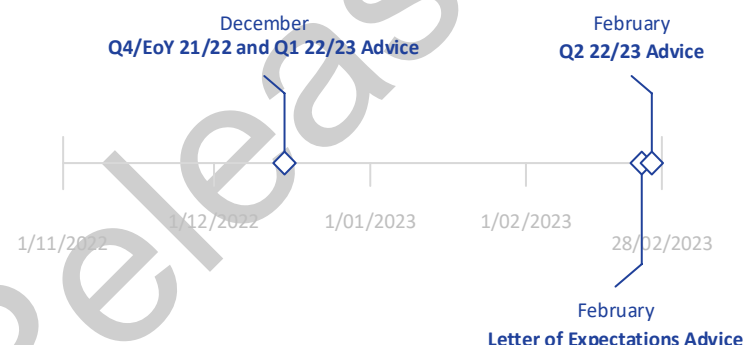
Challenges and opportunities

- Areas of monitoring we will focus on next

Financial performance

- Financial year 2021/22
- Quarter 1 2022/23

Upcoming reports



Financial performance (quick glance)

Financial performance summary

	YTD FY23	YTD FY23	
\$'000	Actual	Budget	FY23 Budget
Revenue	36,683	37,008	101,988
Expenditure	(24,444)	(23,346)	(113,370)
Net surplus/(deficit)	12,239	13,662	(11,382)

Financial position summary

	As at 30	As at 30	As at 30
	Sept 2022	June 2022	June 2023
\$'000	Actual	Actual	Budget
Cash and investments	60,156	42,465	26,758
Equity	51,200	38,960	21,673
Working capital ratio	3.42	3.44	1.91

Assessment

The NCEA Change Package is complex and has multiple risks that require active management as part of its implementation. A critical risk is sector readiness. This needs to be actively managed by the Ministry of Education and NZQA on an ongoing basis. The focus has been on critical deliverables and actions.

In the early years of the implementation of the RAS, NZQA plans to increase assessor judgement support to complement Ministry change activities with the sector. For internal assessment, NZQA expects that there will be lower levels of agreement than currently. The provision of front-end support is intended to accelerate teachers' understanding as they learn how to unpack the standards, understand the Ministry's internal assessment approaches, and implement mana ōrite mō te Mātauranga Māori into their teaching and learning (also supported by the Ministry).

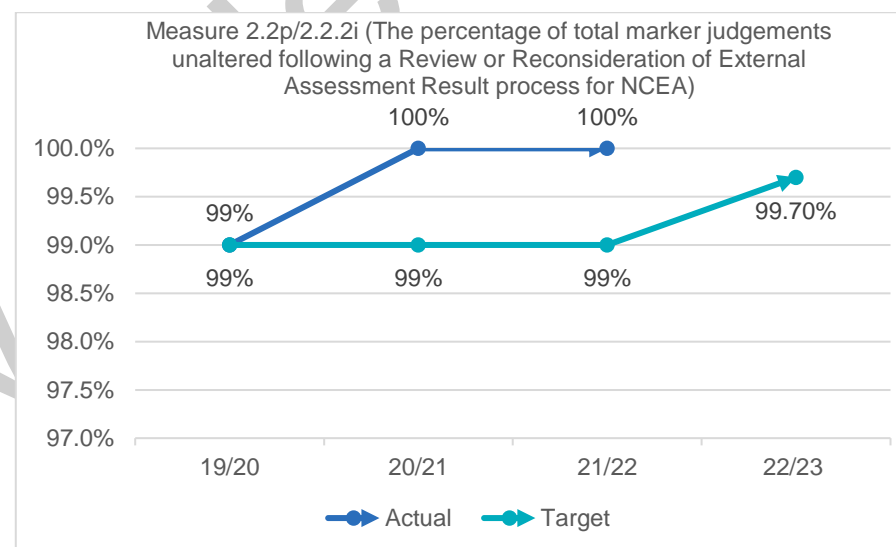
Finding the right balance between business-as-usual (BAU) activities and change activities will require robust governance from the NCEA Change Programme Board, and strong collaboration with the Ministry.

NZQA's current operational focus is on external examination preparation and delivery. Earlier this year, the sector reported that sickness among staff and students was negatively impacting on the quality of learning and there were concerns that there would be lower achievement generally. Learning Recognition Credits were put in place for this year's NCEA qualifications to mitigate some of the impact on student achievement. As such, NZQA advises that concerns are easing as achievement levels have strengthened as the year has progressed and are now close to the 2019 baseline when the Learning Recognition Credits are factored in.

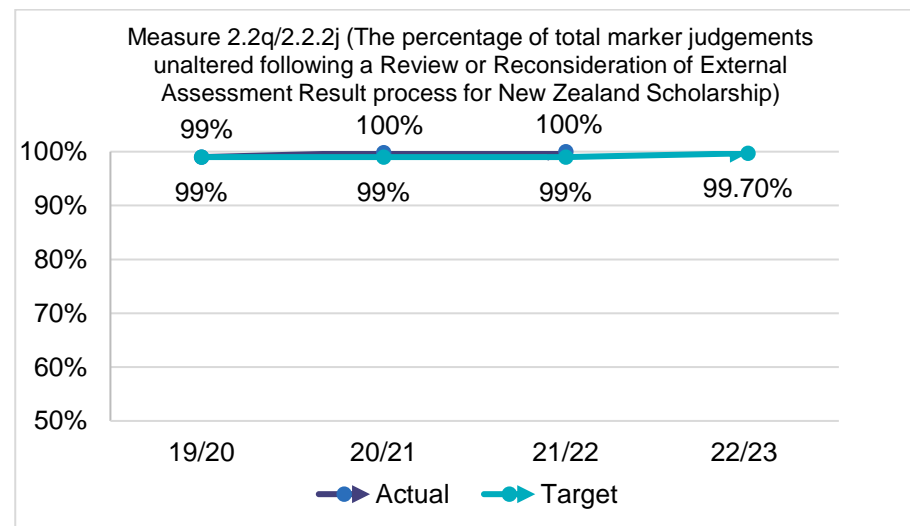
There are also plans in place for learning delivery over the summer break (Ministry-led) and awarding qualifications out-of-cycle next year for students who need extra time. The Ministry and NZQA have worked together to carefully consider how to balance the integrity of

qualifications while ensuring students are not disproportionately impacted in their attainment due to the pandemic.

Over the Statement of Intent 2019–2022 period, NZQA has maintained the integrity of marking processes for external assessments. As the following two graphs show, NZQA has performed well against the related performance measure with very low rates of changes following reviewer's assessments of markers' judgements.



Non-Financial Performance Q4/EoY 2021/22 and Q1 2022/23



NZQA has also produced helpful documents¹ such as *'NCEA pathways through Senior Secondary: Achieving equitable outcomes for ākonga Māori and Pacific students on their NCEA journey'* and *'University Entrance: Do current programmes lead to equity for ākonga Māori and Pacific students?'* It would be good to continue to build the evidence base in this area to inform iterative decisions during the change programme.

Progress with the NCEA Change Package

Pilots

The 2022 calendar year was intended to be a full pilot year. However, with the NCEA Change Package rephased by a year, another year of mini pilots was planned instead. This has extended the time that the Ministry will be gathering data as part of developing and refining the new achievement standards.

¹ <https://www.nzqa.govt.nz/about-us/publications/insights/>

The Literacy and Numeracy | Te Reo Matatini me te Pāngarau standards underwent a scaled-up pilot from last year. There was some negative feedback from the sector following the June pilot assessment events. The main concern is that the assessments were too challenging for students. NZQA has worked with external experts to ensure the assessments are levelled correctly against the standards. NZQA does not intend to share marked results or make assessment tasks widely available to ensure the integrity of assessment tasks and so it can reuse tasks for inter-test reliability. NZQA notes there will be cases where the assessment methods may not be the most appropriate for some students with specific learning needs (which may require new policy settings) and that students' learning in the years before they first attempt the assessments is outside of NZQA's control.

NZQA advises that assessment tasks are not learning solutions. We will therefore monitor whether NZQA's assessment-related activities and strategies support equitable outcomes for Māori, Pacific and disabled learners, and whether they drive continuous improvements in assessment design.

Review of Achievement Standards

The complexity of integrating the Review of Achievement Standards (RAS), shifting to a year-round assessment calendar, and increasing digital NCEA assessments are increasing NZQA's workload. NZQA has found that existing paper-centric processes for end-of-year external assessments are not a good fit for assessment tasks that are carried out throughout the school year. A number of the new external achievement standard assessments were scheduled to occur during the year to spread the assessment burden for students. While this was successful and often well received by ākonga, it created significant challenges for schools to manage. This has resulted in a decision to schedule all external assessments in Term 4 from next year, except for some Te Ao Haka and Te Marautanga o Aotearoa standards which, following sector input, will be held in a small number of windows in

Non-Financial Performance Q4/EoY 2021/22 and Q1 2022/23

Terms 2 and 3. External assessments that require a report, performance, or portfolio can be conducted during the year but must be submitted by a specified date in Term 4 in broadly the same timeframe as the current arrangements.

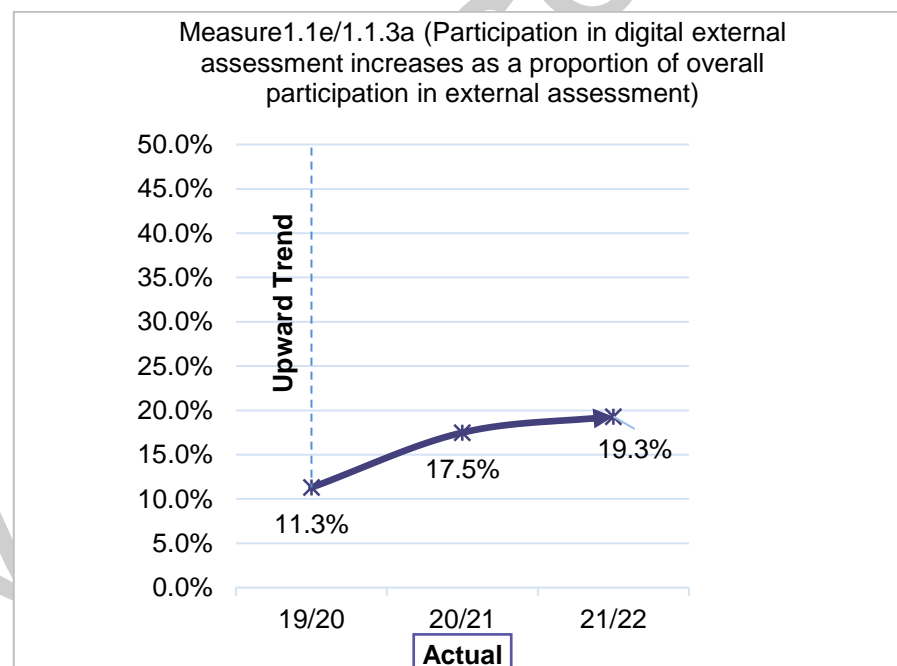
Securing suitable teaching staff to develop, mark and moderate assessment tasks throughout the year is challenging. Over time, as the patterns of assessment stabilise with the NCEA Changes implemented, NZQA will take the availability of the specialist workforce into consideration. Because teachers report that NZQA work provides considerable professional development benefits, there may be opportunities to shape how this could work differently from a timetabling, capability building and logistical perspective. Onscreen marking will also continue to provide some workload relief (especially in the reduction of administration tasks and speed of moving student work through the quality assurance processes).

Digital Assessments

NZQA continues to move towards a digital-first model of assessment. Some of the related challenges are still to be resolved, such as digitally assessing subjects with special characters and symbols, like mathematics, without compromising the student experience. Changes to assessment requirements through the RAS have helped to address a large number of the transferability challenges so far and have provided greater flexibility in assessment methods.

The uptake of the digital assessments remains an ongoing issue. With more students undertaking NCEA Change pilots, NZQA expects this will lead to increased uptake this year. It is unclear whether participation in the NCEA Change pilots will lead to a long-term increase in uptake of digital assessment to the desired levels or if other activities need to be undertaken to support uptake. NZQA's early view is that it would be the latter and it is considering activities that it may need to undertake to identify and address deeper barriers to accessing digital assessment. We will monitor how this work progresses as it would inform a strategic approach to growing digitally inclusive

pedagogy capability, digital inclusion, digital assessment and further standards development at the Ministry.



Special Assessment Conditions (SAC)

Last year, in our advice on NZQA's Quarter 4 and End-of-Year 2020/21 performance [METIS 1267941], we suggested that further trend analysis could be undertaken of the SAC workstream. Following our most recent advice to you [METIS 1281351], we met with the subject matter experts in NZQA on SAC to understand what analysis is undertaken.

NZQA's recent analysis showed that students with SAC entitlements have a higher proportion of Not Achieved than students without SAC entitlements. However, the shape of the distribution across Achieved, Merit and Excellence grades was similar between the two groups.

NZQA noted the data is not a representation of the attainment of disabled students as not all disabled students need or have SAC entitlements, and not all students with SAC entitlements are disabled. The data was also taken from 2020 external examinations as the application of the Unexpected Event Grade policy in 2021 meant last year's examination data was unsuitable for analysis.

NZQA has sound data analysis and caveat identification processes. Ongoing connection with the Ministry will support the iteration and implementation of the SAC action plan. Knowing which students are supported by SAC and those who may require alternative support is key to identifying what else needs to be implemented to support student achievement through the other change workstreams.

Assurance

Reform of Vocational Education (RoVE)

This section comments on NZQA's four workstreams in the RoVE programme:

1. Simplifying the design of qualifications for vocational education
2. Supporting the establishment of Workforce Development Councils (WDCs) and Te Pūkenga
3. Reviewing the evaluative quality assurance framework for non-university tertiary education organisations
4. Developing a new Qualifications and Credentials Repository.

In our engagement hui over the previous two quarters, NZQA has indicated that it is comfortable with the progress of the mahi that it is accountable for. The work NZQA has led on changes to the NZQCF and the design of vocational qualifications, skills standards and 'national curricula' will strengthen the transferable skills graduates attain and formally enable the critical shift to the collaborative vocational education environment sought. Its view is that implementing these is an early but crucial phase and its role is to provide information and to support building capability. It also recognises the need to shift

and adapt as the building blocks of the operating state of new system become clearer.

NZQA has been working with the WDCs on the codesign of skills standards and 'national curricula' including jointly leading a sector working group. It has also been consulting on the rules for these standards and curricula, including micro-credentials. This is critical to enabling flexible pathways of learning including workplace-based learning. NZQA is taking a broad approach with the rules out for consultation and a slower approach for the development of the skills standards which is led by the WDCs. The strong emphasis on codesign gives a unique opportunity for a sector-led system.

We will continue to monitor how NZQA evolves its regulatory framework with partners as part of the RoVE reforms. NZQA has undertaken to provide additional information in April.

New Zealand Qualifications and Credentials Framework (NZQCF)

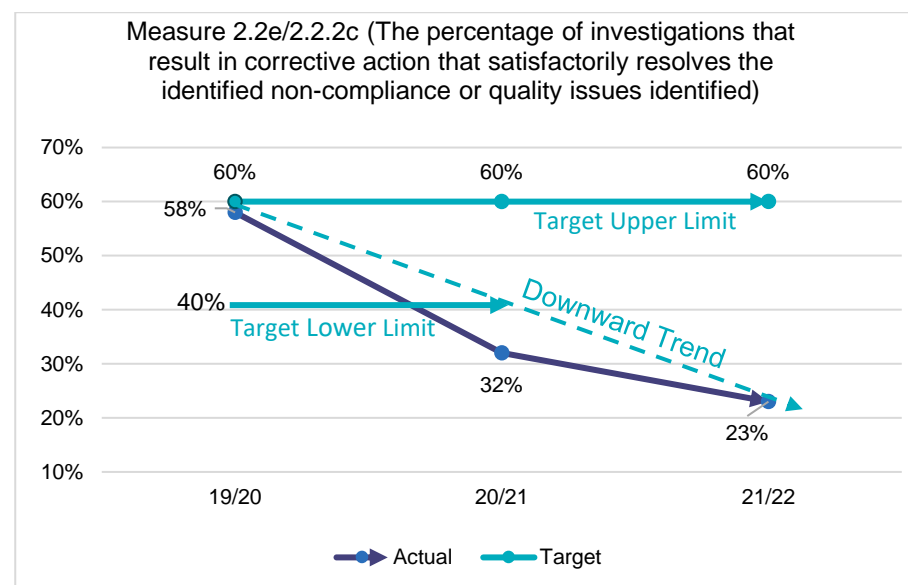
We understand you have received advice from both NZQA and the Ministry's policy team on the consultation process to strengthen the foundations of the NZQCF to support Māori Crown relationships and better recognise te ao Māori. NZQA understands that the consultation for this mahi is unlikely to begin before the end of this year which will delay the implementation of the new framework. NZQA understands the importance of moving this work forward including ongoing engagement with Māori. Along with better recognising te ao Māori, the changes to the NZQCF support the overall aspirations of RoVE by strengthening the visibility of vocational education and being explicit about the transferable skills needed for employment.

Performance analysis

We have reviewed NZQA's performance as reported against its Statement of Performance Expectation (SPE) measures over the lifecycle of the 2019/20 – 2022/23 Statement of Intent (SOI). NZQA has met most targets relevant to the quality assurance function.

Non-Financial Performance Q4/EoY 2021/22 and Q1 2022/23

We asked for clarification of how to interpret the results of measure 2.2.2c (*the percentage of investigations that result in corrective action that satisfactorily resolves the identified non-compliance or quality issues identified*). NZQA's initial target range for this measure was 40 to 60 percent with a downward trend. The target lower limit was removed for the 2021/22 financial year. NZQA was able to achieve this as shown in the results below:



We understand that this measure has been superseded in the 2022/23 SPE by a new measure with clearer framing: 2.3a(v) *The percentage of investigations where identified risks or quality concerns have been managed appropriately through intervention or corrective action*.

We also requested additional quality, quantity and timeliness data on how NZQA is performing its External Evaluation Reviews (EER). NZQA reported that:

- There was no significant shift in sector compliance as Tertiary Education Organisations (TEOs) were consistently achieving an EER rating of Categories 1 or 2 (between 93 and 94 percent). (Categories 3 and 4 are considered non-compliant and TEOs in this category are required to have an Improvement Plan monitored by NZQA. NZQA's fortnightly updates provide more timely statistics on this.)
- NZQA consistently meets its target to complete EERs for 20 percent of TEOs every year, noting that Category 3 and 4 TEOs have a shorter time between reviews.
- NZQA measures EER quality by correct completion of a standardised process, client feedback and upheld challenges to finalised EER reports. It reports that 100 percent of completed EERs in 2021/2022 followed the standardised process, 85 percent of client feedback was positive (up from 80% in 2020/21) based on a post-EER client survey, and there were no upheld challenges to finalised EER reports.
- Due to the impact of Covid-19 on TEOs, NZQA received several requests for deferrals of scheduled EERs. NZQA granted these where they believed there was no risk to learners or the Crown. Over 2021/2022, 15% of scheduled EERs were reportedly deferred.

Code of Pastoral Care

We have reviewed the *International Code Administrator Annual Report 2021-2022* and engaged with NZQA on its Code Administrator role. Generally, NZQA reports that this workstream is going well and it has received some constructive feedback from the sector which is being worked through with the providers. It is good to see NZQA engage with the sector and working through feedback. We are also aware of anecdotal feedback suggesting students have positive views of NZQA as the Code Administrator.

As part of NZQA's broader quality assurance role, it proactively reached out to PTEs when international students were unable to return

Non-Financial Performance Q4/EoY 2021/22 and Q1 2022/23

to New Zealand for a prolonged period due to the pandemic. This included:

- checking business continuity plans,
- checking financial viability,
- supporting putting delivery on hold where needed, and
- providing information to institutions which had suspected cases and acting as a 'single point of contact'.

There is a strong connection between these initiatives and providers' abilities to give effect to the Code. We recognise that this required flexibility in resourcing and staff taking on additional work.

Qualification Recognition

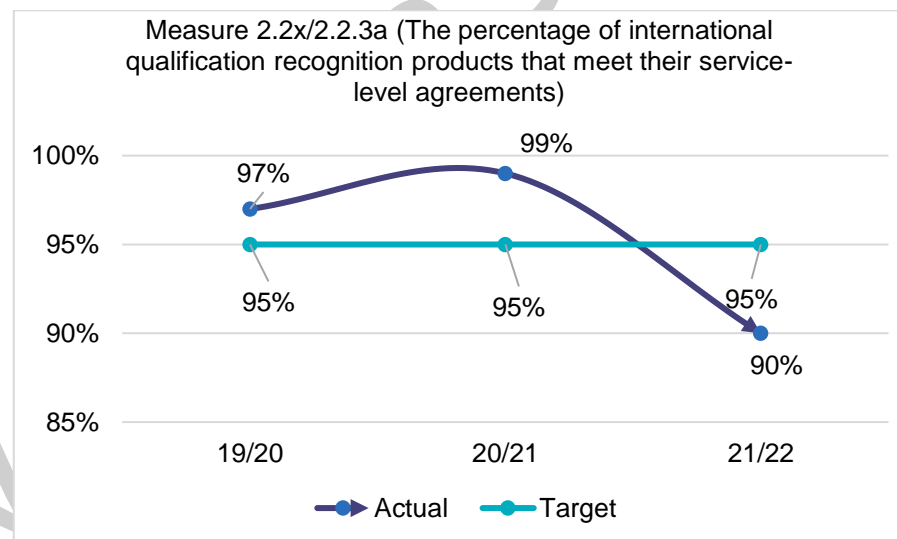
Qualification recognition was a key component of NZQA's business-as-usual activities prior to the pandemic. With the limited number of people immigrating to Aotearoa New Zealand in the last two years, this function slowed down. The reopening of borders has required NZQA to ramp up its capacity and processes to meet demand and to respond to potential changes in the pattern of applications as a result of geopolitical events.

The need to apply additional resources and to provide additional training contributed to NZQA failing to meet its Service Level Agreement of 25 working days for evaluating overseas qualifications for recognition in New Zealand. As the below graph shows, NZQA was five percent below its 95% target in 2021/22.

We will continue to monitor performance in this area to understand if this is a short-term or ongoing issue. We will seek assurance around the steps to achieve this target and will encourage NZQA to keep measuring the timeliness of the service as part of assessing resourcing.

The effectiveness of the new operating model NZQA recently introduced into its qualification recognition processes will be assessed along with any changes arising from the NZQCF, NZQA may need to

consider how the NZQCF could change processes for qualification recognition. This should include considering if there is a need for retraining staff and how information for international stakeholders and prospective immigrants should be updated.



Other key activities

We have sought a brief update on the Pacific Agreement on Closer Economic Relations (PACER Plus). NZQA has advised that it has a business case with the Ministry of Foreign Affairs and Trade. Until the details of the business case are known, NZQA is unable to form a view of its resourcing needs. In the meantime, NZQA will continue existing relationships to ensure connections are maintained.

Other Monitoring Areas

Digital and Data

Difficult recruitment conditions, including a lack of available IT specialists, remains a persistent challenge. This may change as the reopening of borders increases the viability of seeking expertise from overseas. Adequate funding is required to increase the number of staff with this expertise in the education sector, not just in NZQA.

NZQA recognises that the focus on investments in IT systems to support the digital first assessment workstream has meant under-investment in internal IT systems that support the wider business needs. It is a priority for us to understand the long-term impact of under-investment and what it means for future investments. NZQA has committed to having a meeting with us on this in the New Year.

NZQA reports that it has engaged learners and schools to seek feedback on early designs of its products that are part of its Customer Experience Improvement Programme (CxIP). This includes its public facing website, learner portal, school portal and tertiary provider portal. It is good that NZQA is focused on equity with this project. It has engaged an indigenous design agency and an agency that specialises in digital accessibility for disabled people.

We understand there is a strategy to replace NZQA's nearly two-decades old, core regulatory business system (electronic Qualifications Authority – 'eQA'). NZQA has submitted a budget bid for \$3 million to cover depreciation while it works through a staged engagement with business units on how to address immediate business risks and develop a strategy to 'retire' eQA with a modern business system that will meet future business needs.

NZQA has advised that it needs to keep balancing ongoing support for BAU activities while supporting change initiatives. As such, changes in the assessment areas will continue to be resource demanding and may change the operating model for the relevant IT teams. Overall,

NZQA notes that it will need to take an incremental approach to address the challenges it has faced.

Corporate

Workforce and Pay Equity

Ministers have agreed to extend the timeline for Crown Entities to publish their first full Kia Toipoto Pay Gap Action, from 21 December to 28 April 2023. However, NZQA is on track to complete this work and is planning to publish its pay gap data and Kia Toipoto Action Plan on its website by 21 December 2022. We will engage with NZQA on its Kia Toipoto Pay Gap Action plan and on increased analysis of the NZQA workforce in the New Year.

Environment

NZQA reports having undertaken an independent audit of its baselines emissions footprint and identified opportunities to reduce and offset emissions. They have also been certified by an independent company Tōitu which supports businesses to be more sustainable by providing science-based tools, actions and evidence and help businesses meet environmental targets.

NZQA is certified as a 'carbonreduce' organisation and with this certification, Tōitu supports NZQA to accurately measure greenhouse gas emissions and put in place strategies to manage and reduce impacts. This is a step in the right direction and NZQA acknowledges that it is at the start of the journey.

If NZQA continues to employ the services of Tōitu, there is scope to move to higher levels of commitments which include a net zero emissions certification and climate positive certification. It would be good to see NZQA progress to environmental actions beyond carbon reduction and we will be keeping an eye on this in our monitoring.

Upcoming challenges and opportunities for NZQA

We anticipate that NZQA's challenges will continue to reflect the same themes as previous monitoring reports including:

- the complexity of the NCEA Change Programme
- sector readiness
- core infrastructure

Areas of monitoring we will focus on next

The focus of our upcoming monitoring will be on:

- IT investment planning
- Core infrastructure and enterprise project management including benefits realisation
- Continuous improvement activities and performance improvement work with KPMG
- Key change programmes
- Updates on risk and assurance activities

Financial Performance Analysis Q4/EoY 2021/22 and Q1 2022/23

Q1 2022/23 Financial Performance Overview

NZQA's financial performance for the period 1 July 2022 to 30 September 2022 (YTD FY23) has been slightly behind budget with a surplus of \$12.24m, compared to the budget of \$13.66m.

The main driver of this was \$1.1m in project expenditure initially anticipated to be incurred in the prior financial year.

The large surplus in the period is driven by a mismatch in timing of receipt of revenue and expenditure, with the exam period in Q2 leading to a significant increase in expenses.

In bringing forward deferred project expenditure from 2021/22, NZQA anticipate the deficit for the full financial year will be greater than the original SPE budget of \$11.38m.

NZQA is in the process of preparing an updated forecast to understand the revised financial performance for FY23. This will incorporate the above noted increase in project spend, together with the impact of a possible employee bargaining decision.

FY22 Annual Report Financial Performance Overview

NZQA's financial performance in FY22 was ahead of budget with a net surplus of \$5.91m against a budget deficit of \$3.08m. The main drivers of this were higher Crown revenue to implement the Review of Achievement Standards, lower expenses as a result of Covid-19 restrictions leading to reduced secondary school exam costs and deferred project expenditure of circa \$6M.

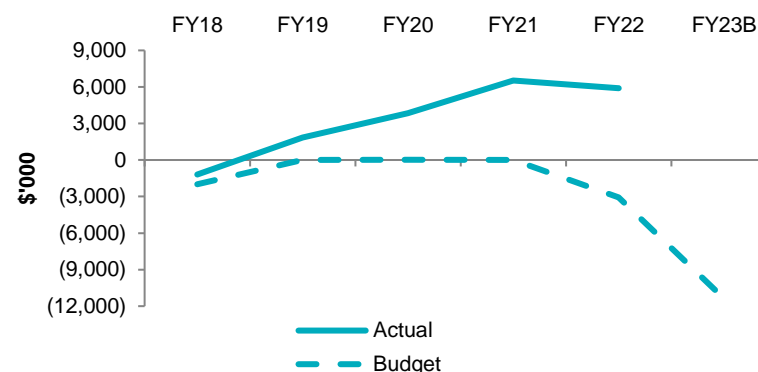
The stronger financial performance in FY22 has allowed NZQA to commit to the significant budget deficit in FY23, that will be funded from accumulated reserves.

The results in FY22 follows a consistent trend of NZQA's financial performance being ahead of budget. With this in mind it remains to be seen whether NZQA will achieve the FY23 budget or meet its current expectations of a larger loss than budget. This will additionally be influenced by the resource constrained environment we are currently operating within.

Table 1. Statement of financial performance

\$'000	YTD FY23 Actual	YTD FY23 Budget	FY23 Budget	FY22 Actual
Revenue				
Government grants	30,982	30,982	75,223	82,357
Other	5,701	6,026	26,765	24,775
	36,683	37,008	101,988	107,132
Expenditure				
Personnel expenses	(13,787)	(13,903)	(78,909)	(66,524)
Other operating expenses	(9,746)	(8,532)	(31,575)	(31,027)
Depreciation & amortisation	(911)	(911)	(2,886)	(3,675)
	(24,444)	(23,346)	(113,370)	(101,226)
Net surplus/(deficit)	12,239	13,662	(11,382)	5,906

Figure 1. Financial Performance



Financial Performance Analysis Q4/EoY 2021/22 and Q1 2022/23

Q1 Financial Position Overview

NZQA's financial position remains strong with equity at the end of the quarter of \$51.20m. This position is materially higher than both the position at the end of FY22 and the budget year end position.

The strong equity position will erode through the financial year as NZQA delivers its planned programme of work.

With a number of ongoing large projects, legacy ICT systems in need of upgrading or replacing and increasing operating costs, the outlook beyond the current financial year is tight. NZQA will need to prioritise its activities, noting also that NZQA has submitted a budget bid for \$3 million to assist meeting its cost pressures.

We will be meeting with NZQA in Q3 to discuss the ICT requirements in more detail, including the impact on its balance sheet.

FY22 Annual Report Financial Position Overview

NZQA finished FY22 with equity of \$38.96m. This position was stronger than budget due to the operating surplus as opposed to the budgeted deficit.

NZQA's equity position has steadily increased over the last five years as it has recorded operating surpluses as opposed to nil surpluses or deficits forecast. This has left it in a strong financial position with the ability to fund the aforementioned deficit in FY23.

Table 2. Statement of financial position

	As at 30 Sept 2022 Actual	As at 30 June 2022 Actual	As at 30 June 2023 Budget
\$'000			
Assets			
Current assets	64,932	46,781	31,636
Non-current assets	6,125	6,662	7,257
	71,057	53,443	38,893
Liabilities			
Current liabilities	18,989	13,615	16,555
Non-current liabilities	868	868	665
	19,857	14,483	17,220
Equity	51,200	38,960	21,673

Figure 2. Financial position

