NZCER
NEW ZEALAND COUNCIL FOR
EDUCATIONAL RESEARCH

ANNUAL REPORT

2011–2012

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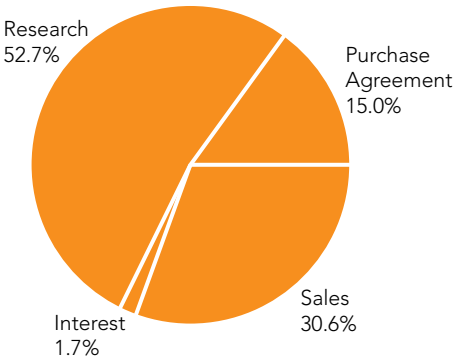
ABOUT NZCER

NZCER is an educational research and development organisation established in 1934. We are a statutory body with our own Act of Parliament, which requires us to carry out research and provide education information and advice.

We do that and much more. The NZCER of 2011–12 is a productive hub generating the thinking, the questions, the tools and products that will help support learning now and into the future. Our 60 staff include researchers working alongside Web developers, item writers, test designers, project managers and statisticians. We have a purposeful infrastructure to support the work, including library, communications and IT. Increasingly, our work involves complex collaborations both within the organisation and with external partners.

NZCER is an independent organisation with a Board mainly appointed by an Electoral College drawn from the wider education sector. We receive some government funding through a purchase agreement with the Ministry of Education. In 2011–12 this amounted to 15 percent of revenue, giving us the ability to build a coherent research programme around our contestable research work. Most of our revenue is from the contestable research and evaluation work we do with a range of mainly public sector clients, as well as from sales of our products such as tests, books and journals, and services such as surveys and the NZCER Marking Service.

This graph shows our sources of revenue during the year.



Our significant contestable research and development contracts in 2011–12 were:

- National monitoring
- Assessment resources for classroom teachers and students
- Te Toi Tupu professional development consortium
- Science education
- Wellbeing at School
- e-AsTTle writing
- Teaching and Learning Research Initiative (TLRI)
- Best Evidence Synthesis Database (BES)

Our research and development collaborators in 2011–12 included:

- Ministry of Education
- University of Otago
- University of Waikato
- Te Toi Tupu consortium partners
- Ako Aotearoa
- Learning Media/CWA
- Fronde Group Systems Ltd
- Evaluation Associates
- Australian Council for Educational Research (ACER)

Some important areas of work for us in 2011–12 were:

- Schooling for the future
- Māori education
- Learning at work
- Curriculum and assessment
- Education systems and structures

We produce resources and provide services such as:

- Educational journals such as set: Research Information for Teachers
- Progressive Achievement Tests (PATs)
- STAR Reading Test
- A psychological test service for clients in education, clinical psychology and human resources
- An online reporting and analysis service for tests
- A range of surveys including student engagement

NZCER-run websites

NZCER corporate website: www.nzcer.org.nz

The library section of our website contains the NZ Educational Theses database and the NZCER Publications database.

NZCER Marking Service: www.nzcermarking.org.nz

Assessment Resource Banks: http://arb.nzcer.org.nz/

Teaching and Learning Research Initiative: www.tlri.org.nz

Shifting Thinking: www.shiftingthinking.org

Wellbeing at School: www.wellbeingatschool.org.nz

INVESTMENT IN PEOPLE

HIGHLIGHTS 2011–12

…. CONFERENCES, LAUNCHES, EVENTS

SHOWCASING OUR PRODUCTS AND SERVICES

We invited local schools to the Westpac Stadium for a taste of our new products and services

JOURNALS ONLINE

All NZCER education journals were made available online for the new year

NEW STAR FOR SCHOOLS

The revised STAR Test was launched after two years in development

CRITICAL ISSUES

Te Wāhanga held a hui at Tapu Te Rangi marae exploring the critical issues for Māori education

TALKING ABOUT PRIMARY SCHOOLS

We held a seminar to present findings from the latest report drawing on data from our national primary school survey

LAUNCH OF THE WELLBEING@SCHOOL WEBSITE

We demonstrated the new website to the sector at an event at Te Wharewaka, and then the website was officially launched by Education Minister Hon Hekia Parata at Rongotai College

MALAMALAMA I LE NCEA

Students, teachers, whānau and Samoan community representatives joined in the celebrations when Education Minister Hon Hekia Parata helped us launch the Samoan language version of the book *Understanding NCEA* at Porirua College

SHIFTING THINKING

More than 100 people took part in this challenging workshop held over two days at the St James Theatre in Wellington

HONOURING ELWYN RICHARDSON

We launched the third edition of Elwyn Richardson's classic book *In the Early World*

THE YEAR IN REVIEW

IMPROVEMENT, INVESTMENT AND INNOVATION

Themes of improvement, investment and innovation thread throughout our work and our approach to our work in 2011–12. NZCER's ability to make the contribution we want to in education relies on strategic investment in people, relationships and new ways of working. Much of our work involves complex projects with multiple collaborators, demanding time frames and tight budgets. Our products and services must shine amid the offerings not only from much larger commercial providers but also the products and services provided free to the education sector. They must also meet the ever-increasing requirements from clients; for example, in terms of technological sophistication. Amid these pressures, high-quality work is an absolute cornerstone for us. We are also committed to innovation. We want to be pushing the thinking in education and we do this in the ideas, questions and tools with which we seek to engage the education community and beyond to policy makers, parents and the wider public.

IMPROVEMENT

Like any business, particularly in tough economic times, we have focused on continually improving the quality of our work and our systems. For example, we have put considerable effort into improving the NZCER Marking Service, which provides an online reporting and analysis service to schools for NZCER Progressive Achievement Tests (PAT) and STAR. We've put more emphasis on project management within research and our test development area, to ensure more effective interactions with schools and research partners.

Improvement is also a theme within projects, in that we want our research and evaluation to inform and contribute knowledge that will help others make positive change. It is integral to projects such as the Educational Leaders Practices (ELP) tools, the work we do with schools on understanding data, in our national surveys of schools and our work within the Te Toi Tupu professional learning and development consortium. In the latter, NZCER's niche is providing evaluation across the consortium and to individual projects. Our role is to ensure the consortium is a "learning group" so that as a collective we can deliver on our aim of supporting the learning of young people.

INVESTMENT

Remaining at the cutting edge of educational research and development can never be taken for granted. It requires investment in people, relationships and work and in a purposeful infrastructure to sustain it.

Investment in people means focusing both on individuals and in looking at the needs of particular teams within the organisation. The appointment of an IT manager during the year reflected the increasing demands for IT expertise across a wide range of projects. We have also boosted our in-house psychometrics capability and increased the research team within the Māori unit, Te Wāhanga.

NZCER has had a longstanding commitment to building research capability and one of the ways we signalled that commitment this year was the appointment of two research assistants. Both are contributing to the work of NZCER on a part-time basis and building their skills, while continuing their academic studies.

A major investment in the redevelopment of the STAR Test came to fruition during the year under review when the revised test was released to schools.

During the year the NZCER Board gave its support to planning for a substantial

investment in an IT platform designed to take our assessment services to an exciting new stage. The online platform will integrate our print and online test products and enable us to offer assessment tools in a range of formats to meet the changing needs of our stakeholders.

For several years the NZCER Board has been committed to investing reserves in strategic projects. This is reflected in the end of year result.

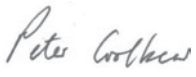
INNOVATION

Innovation is crucial for any research and development organisation. This year we have brought our three educational journals into the online environment, while continuing to offer print subscriptions. The online environment offers huge potential for linking readers to related research content and it has also enabled us to open up our journal archive. All our new books are published as e-books as well as hard copies and we are making important older titles available as well.

NZCER wants its ideas about the future of education to be influential. This year we held a two-day Shifting Thinking workshop at the St James Theatre in Wellington which sought to generate new thinking about participating and contributing. We challenged the usual workshop structure, set up learning groups and gave participants a degree of co-construction of the event. The Shifting Thinking project began in 2008 as an online forum and through it we have connected with a diverse group within the education and community sectors keen to share ideas on the future of education.

We also completed work for the Ministry of Education in the year drawing together the big ideas about supporting future-focused learning and teaching. The importance of the work was acknowledged in a foreword to the report by Hon Hekia Parata, Minister of Education. The report also contained a message from the co-director of the Global Education Leaders' Program, Antony Mackay, who said the report was a vehicle for engaging, influencing and mobilising the education sector and other sector partners in the journey towards "future-orientated learning and teaching" and would be widely disseminated internationally.

Robyn Baker
Director



Peter Coolbear
Acting chair

In the following four pages we profile two innovative projects from 2011–12. They were the revision of the STAR Test and the development of the Wellbeing@school website and survey tools.

QUALITY DATA FOR TEACHING AND LEARNING:

THE STAR STORY

Over the past decade NZCER has built up a highly skilled assessment design team committed to helping educational organisations gather robust data to inform teaching and learning. The team led the complete revision of the Progressive Achievement Tests (PATs) in mathematics, reading and listening over a number of years. It was also heavily involved in the development of science and spelling tests as well as an online computer adaptive assessment platform for adult learners of literacy and numeracy.

Another important project came to fruition during 2011–12 with the launch of the revised STAR Reading Test. STAR was written by an external author, Dr Warwick Elley, so the revision involved working closely with him. This kind of test development work demands high levels of expertise, clear processes and a commitment to quality.

"We are very fortunate that schools are willing to be part of the process. I think they just appreciate that this will be another tool in their range of assessments and I think there's loyalty to the tradition of NZCER test development. They like it that NZCER is an independent organisation trying to provide robust tools for them."

CHARLES DARR, Manager, Assessment Design and Reporting NZCER

THE AIM:
A robust, refreshed and up-to-date product that contributes to the range of reading assessment tools available to schools

THE TEAM:
Dr Elley, the author, was supported by an NZCER team with test development, project management and publication expertise and deep knowledge of the needs of schools.

INGREDIENTS:
Attention to detail, commitment to quality, co-ordinated team effort, including hundreds of schools at the piloting and trialling stages.

RATIONALE

We already had a STAR Test that was popular with teachers but ripe for revision. The structure of the test worked well, but we wanted to refresh the content and construct an underlying measurement scale in order to make it easier to track student progress from Years 3–9. We also wanted to expand it and give people more test options and diagnostic information.

PROCESS

1. WRITING AND INITIAL PILOTING

Warwick wrote new items and adapted old ones and piloted them himself in schools. NZCER also did some piloting, and with the help of an advisory group worked with Warwick to review the results of the piloting. We ended up with a pool of items to construct the new test forms to send out to trial.

2. INITIAL TRIAL

This involved 200–250 students per year level. The purpose was to get a sense of how well students performed on different items and to identify those items that were not adding to the measurement story. All the information from the trial was carefully analysed by the test development team and the results fed back to Warwick.

Around 20 percent of the items were discarded and new items written and piloted to fill any gaps in coverage. The team wanted to ensure they were working with an optimal set of items before they headed to the national standardisation trial. Meanwhile we were working closely with an artist to update illustrations with a clear, engaging and consistent style.

3. NATIONAL STANDARDISATION TRIAL

This involved about 1,000 students for each of the year levels 3 to 9. Items were carefully linked across the test forms so that a common measurement scale could be constructed. Representative samples of New Zealand students were used to establish national reference material for each year level. The final scale allows schools to report achievement on the same scale regardless of which STAR test form is used for testing and then make meaningful comparisons with relevant national reference groups.

4. PUBLICATION

The team worked closely with NZCER Press in the final stages to ensure the end product was correct and visually appealing. This included detailed editing of the 70-page Teacher Manual, which gives teachers in-depth information on the content and its links to the New Zealand Curriculum, on reporting and describing student achievement on the scale over time, and marking. We also updated our website content around the test and updated our online Marking Service so that schools could use it for marking the new STAR Test.

5. PROMOTION

We needed to get the word out to schools that STAR had been revised and to communicate the key changes. Various presentations were held round the country and information sent to all schools.

"Developing high-quality, robust tests is a complex business. We are able to do this kind of work because we have deep expertise in psychometrics, items development, project management, curriculum and assessment, as well as in-depth knowledge of New Zealand education and the ability to work in constructive teams."

ROBYN BAKER Director

WELLBEING@SCHOOL

www.wellbeingatschool.org.nz

Student wellbeing is a crucial ingredient in enabling student learning. It's an area NZCER researchers have explored for some time from different perspectives. We developed a student survey for measuring engagement in school and learning—Me and My School—which included questions about feelings of belonging. In 2009 we convened a conference on student engagement, bringing two international experts in the field to New Zealand. Around that time we began discussions with the Ministry of Education and the New Zealand Police on ways to support schools to build caring and respectful learning environments that deter bullying. By 2011–12 the Wellbeing@School project was underway, involving the development of a website and survey tools. The aim was to support schools to self-review. It offered them a number of tools and links to resources and information.

This project, on contract to the Ministry of Education, had a tight development time frame and involved complex internal and external teams.

Develop a website and tools for self-review in schools to help them build safe and caring learning environments for students.

Within NZCER, Charles Darr, Sally Boyd and Jonathan Fisher each led different aspects of the project. They worked with other researchers, the assessment design and reporting team, information services, Psychological Test Services, IT, communications and professional services. Externally, they worked with the Ministry of Education, other groups involved in the Positive Behaviour for Learning action plan of which the website is a part, and a reference group made up of sector stakeholders including primary and secondary school leaders, researchers and government agencies.

Deep knowledge and experience of the student wellbeing area, developed over a number of projects. Strong project management and in-house IT expertise and a focus on teamwork internally and with external partners.

"NZCER offers schools a range of smart tools and we are delighted to be able to include the Wellbeing@School tools in this collection." ROBYN BAKER Director

1. DISCUSSION and Expression of Interest, Request for Proposal process between Ministry of Education, New Zealand Police, and NZCER to develop the concept and focus for the project. (2009–2010)

2. LITERATURE REVIEW canvassed the key international and New Zealand studies and debates about the key concepts for the tools as well as measurement issues surrounding the development of similar tools. (Late 2010) The key ideas from the literature review were later summarised in a document and made widely available.

3. CONCEPT MAP FOR THE TOOLS AND DRAFT TOOLS developed from literature and reviewed by Ministry of Education and reference group. Development work began on the website architecture and design. (Early 2011)

4. PRE-PILOT of Student Survey carried out in four low-decile schools. Adjustments were made to the tool content following feedback from students and staff. (Early 2011)

5. PILOT of the tools in 12 schools including trial of the online survey platform and reporting options. Results were provided to schools and the feedback from schools used to adjust the tool content. (Mid-2011)

6. NATIONAL TRIAL of the tools in about 80 schools, including further trial of online platform and accompanying administration information and guidelines. Again, the feedback informed the further development of the tool and the guidelines. (Late 2011)

7. DATA ANALYSIS AND DEVELOPMENT OF SCALES for the Student Survey and development of online reports for all tools. (Late 2011)

8. FINAL CONTENT for complete website is developed, with input from MoE and reference group. (Late 2011 and early 2012)

9. USER TESTING of site and content. (Early 2012)

10. LAUNCH of website– first to sector groups and then formally by the Minister of Education Hon Hekia Parata, at Rongotai College. (May 2012)

11. PROMOTION and training in use of tools. (Ongoing)

THE NZCER BOARD AND ELECTORAL COLLEGE

The Board of NZCER consists of six elected members and one appointed by the Governor-General on the recommendation of the Minister of Education. The Board, as it sees fit, can co-opt up to two additional people to be members of the Council.

Board members are appointed for terms of four years, and every two years three of the six elected Board members will complete their term. At this point the Electoral College is tasked to nominate and elect three members to replace those stepping down. Retiring members may stand for re-election. Members are co-opted for a two-year term and the Governor-General's appointment is for four years.

The Electoral College consists of three broad groupings:

- a number of ex-officio positions of chief executives of educational organisations, heads of colleges of education or university education faculties
- nominated representatives of education sector organisations, including unions and associations, that cover all areas from early childhood to tertiary groupings and the private education sector
- past directors of NZCER.

For more information on the Electoral College, refer to the NZCER Act 1972 and amendments, in particular the NZCER Amendment Act 1991, and also the associated Order-in-Council that gives the specific composition of the Electoral College.

BOARD AS AT 30 JUNE 2012

Acting Chair—Peter Coolbear *MA, PhD, CertEd (FE), MEdAdmin (Hons)*—Director, Ako Aotearoa[1]

Deputy Chair—Martin Thrupp *BA, DipTchg, MEd, PhD*—Professor, Wilf Malcolm Institute of Educational Research (WMIER), School of Education, University of Waikato[2]

Audit and Risk Committee Chair—Liz Gordon—Managing Director, Pukeko Research Ltd

Tahu Potiki *Ngāi Tahu* Governor-General's Appointee to the Board—Commentator, Health Board member, Consultant, Otakou representative on Te Rūnanga o Ngāi Tahu

Anne Stephenson—Stephenson Thorner Ltd

Hemi Toia, Te Mahurehure, Ngāpuhi—Associate Consultant, Thought Partners

Lexie Grudnoff, Faculty of Education—The University of Auckland

Vicki Carpenter, Faculty of Education—The University of Auckland

BOARD MEMBERS WHO LEFT DURING 2011–12

Margaret Carr *BA, MA, PhD, DipEdStud, DipNZFKU*—Professor, Wilf Malcolm Institute of Educational Research (WMIER), School of Education, University of Waikato. Her term ended during 2011.

Associate Professor Alison Gilmore *BA, PGDA(Ed), PhD (Otago)*—Educational Assessment Research Unit, University of Otago. She resigned from the Board and as Chair in June 2012.

David Glover *MA (Hons), FNZIM, MInst*—Chief Executive, Learning Media Ltd, Wellington. He was co-opted in 2007 and completed his term in 2011.

Dr Joanna Higgins *PhD, MA, BEdStud, BA, DipTchg*—Jessie Hetherington Centre for Educational Research, Victoria University of Wellington. Her term ended during 2011.

Dr Mary Hill *BA, MEd, PhD, DipTchg*—Faculty of Education, The University of Auckland. Her term ended during 2011.

1 Elected to the Board 2009. Became Board Deputy Chair February 2011 and Acting Chair June 2012 on resignation of Alison Gilmore.

2 Elected to the Board 2009. Became Deputy Chair June 2012 and current term ends September 2013.

PRODUCTS AND SERVICES

NZCER PRESS

2011–12 was another very successful year for the Press. We published a number of high-quality books and continued to attract high-quality authors wanting to publish with us. We have continued the improvement in the presentation of the organisation's research output, in print and through our website. We made progress in improving the online discoverability of our content and agreements are now in place to allow for improved international distribution of our books in print and digital formats. We expect the benefits of these initiatives to become clear in the coming year.

We improved our customer service this year—especially to schools—with the implementation of free delivery within New Zealand. We achieved greatly improved delivery times, especially during peak months.

HIGHLIGHTS

- The online launch of our four research-based journals: *set: Research Information for Teachers*, *Early Childhood Folio*, *Assessment Matters* and *Curriculum Matters*. Full archives of all journals are now available on the NZCER website to subscribers, with individual articles available for purchase and download by nonsubscribers. There was strong interest and uptake of this new service by schools and institutions.
- The development and launch of the revised STAR Reading Test in October. The new test proved extremely popular with schools and we expect this strong interest to continue into the next financial year.
- The launch of our first Samoan language book, *Malamalama i le NCEA*, a translation of our very popular title *Understanding NCEA* by Irena Madjar and Elizabeth McKinley. The book was extremely well received and was launched at Porirua College by the Minister of Education and Pacific Island Affairs, Hon Hekia Parata.

JOURNALS

- set: Research Information for Teachers, 2, 2011
- set: Research Information for Teachers, 3, 2011
- set: Research Information for Teachers, 1, 2012
- Early Childhood Folio, 14: Volume 2, 2011
- Early Childhood Folio, 15: Volume 1, 2012
- Assessment Matters, 2: 2011
- Curriculum Matters, 7: 2011

BOOKS (PRINT AND E-BOOK)

- Dymock, S., & Nicholson, T. (2012). *Teaching reading comprehension: The what, the how, the why.*
- Gordon-Burns, D., Gunn, A., Purdue, K., & Surtees, N. (Eds.). (2012). *Te aotūroa tātaki: Inclusive early childhood education.*
- Hartley, C., Rogers, P., Smith, J., Peters, S., & Carr, M. (2012). *Crossing the border: A community negotiates the transition from early childhood to primary school.*
- Madjar, I., & McKinley, E. (2012). *Malamalama i le NCEA.*
- Margrain, V., & Macfarlane, A. (Eds.). (2011). *Responsive pedagogy: Engaging restoratively with challenging behaviour.*
- Notman, S. (Ed.). (2011). *Successful educational leadership in New Zealand.*
- Openshaw, R., & Clark, J. (Eds.). (2012). *Critic and conscience: Essays on education in memory of John Codd and Roy Nash.*
- Parr, J., Hedges, H., & May, S. (2011). *Changing trajectories of teaching and learning.*
- Richardson, E. (2012). *In the early world* (3rd ed.).
- Sandretto, S. (2011). *Planting seeds: Embedding critical literacy into your classroom programme.*

TEST

- Elley, W., Watson, V, Darr, C., & Ferral, H. (2011). *STAR reading test (tests and teacher materials).*

PSYCHOLOGICAL TEST SERVICES (PTS)

The focus this year has been on rebuilding the business after the loss of one of our key organisational products last financial year. A general slowdown in sales across our product range during this year has limited our ability to regain our previous sales revenue. However, we had some indication during the last quarter of 2011–12 that our sales were slowly regaining momentum.

We worked hard throughout 2011–12 to build the awareness for our new products and started to see interest from key clients. We continued with our main avenues of communication with our customers through trade exhibitions at relevant major conferences, such as the Human Resource Institute Conference and the New Zealand Psychological Society Conference. These channels are important for us to stay connected with key industry groups. Our monthly newsletter continued to be popular with our clients, providing information on updated tests and new products as they are available.

We continued work on our registration review project during the year. This has proved to be complex in nature and we received good feedback from both the New Zealand Psychologists Board and the New Zealand Psychological Society regarding our intended new system. We hope to implement the new system early in 2013.

Although this year was disappointing from a sales perspective we put in place some important groundwork for the continued development of customer awareness of our new products for the coming financial year. Our clients continue to value PTS for our superior customer service, and for the free, independent, professional advice which is acknowledged as our key point of difference from other commercial test providers.

NZCER PROFESSIONAL SERVICES

The team's purpose is to support the education sector in its use of quality online assessment and survey tools that have been developed or sourced by NZCER. The team draws on the collective expertise of the organisation to provide a high degree of professionalism in our support, advice and the workshops that we offer.

Our Professional Services area has continued to grow with an expanding range of tools being offered to the sector over the past year.

One of the main services we offer is the NZCER Marking Service, which provides online reporting and analysis for schools that use the new PAT and STAR tests.

Schools can either mark the tests themselves and use the website to generate useful reporting information, or we can scan the tests for them.

Our survey tools include Me and My School, which is a student engagement survey designed for New Zealand students in Years 7 to 10. The survey measures how connected students feel to their school, and how they view themselves as learners. The Teacher Workplace Survey tool allows school leaders to better understand what teachers think about their work and their working environment. Such surveys are commonplace in other workplaces—this one is purpose-built for schools.

The Educational Leadership Practices Survey provides the principal with formative and robust data to give a picture of how effective the school's teachers perceive the school's educational leadership to be. The survey has been used extensively as part of the First Time Principals Programme and continues to be well regarded in the sector.

The Literacy and Numeracy for Adults Assessment Tool is an online adaptive tool primarily designed to provide robust and reliable information on the reading, writing and numeracy skills of adults. NZCER developed the tool in a project for the Tertiary Education Commission and in partnership with ACER and Fronde, and our role continued in leading new developments and supporting users of the tool.

A new tool and related services for NZCER is the Wellbeing@School tool. This project for the Ministry of Education is now completed and NZCER is now providing a range of services and support for the Wellbeing@School website.

RESEARCH: 2011–12

As expressed in our strategic goals, NZCER aims to build a connected programme of research and development which contributes new insights to current educational issues and looks ahead to identify and tackle future dilemmas. We put considerable thought into how to do this each year. Our research work is a purposeful mix of contestable contracts and the research we conduct through our purchase agreement with the Government. As well, at any one time we will have some areas of work under development which may grow into projects or programmes of work.

PURCHASE AGREEMENT

The purchase agreement provides a firm foundation for our research work, enabling us to develop our thinking, build capability and nurture deep expertise. It enables us to undertake work that makes an important contribution to education, to be future-focused by pursuing questions that we think will be of particular interest and relevance in three to five years' time and to provide research-based information and advice to our communities of interest.

In 2011–12 our purchase agreement projects were grouped into five thematic areas: longitudinal projects/structures and systems; schooling for the future; curriculum and assessment; Māori and education; and learning at work.

The NZCER national survey is an example of an ongoing body of work funded by the purchase agreement. The final report from the 2010 primary and intermediate schools survey was published during the year and work began on the next secondary school survey, to be conducted later in 2012. The survey series enables us to provide the education sector, politicians, policy makers and the public with a wealth of useful data about all aspects of education. It gives us the ability to spot emerging issues, to track trends over time and to explore the reasons for those shifts. The data we gather and the thinking they provoke contribute to our research work and inform the work of others.

The projects completed during the year were:

- Engaging with subject English in the 21st century
- A critical exploration of NCEA success
- NCEA and curriculum innovation
- Teachers of promise
- Moderation and teacher learning.

Other projects, such as Leading Learning and Changing Minds, evolved during the year and the work will be continued in the next financial year under the theme of *Schooling for the future—how do we get there?*

TE WĀHANGA AND MĀORI EDUCATION RESEARCH

Shedding light on current and emerging priorities in Māori education is one of our key goals. Research and development projects are done within the Māori unit, Te Wāhanga, and across the organisation.

One of the important projects for Te Wāhanga during the year was Critical Issues in Māori Education. The aim was to identify, using a kaupapa Māori framework, issues that are critical for Māori success as Māori in the different education sectors, and in the transitions between these sectors. A key strategic goal of this research project was to build a collaborative research agenda with practitioners and whānau Māori across the Māori education sector. It also aimed to deepen NZCER's Māori networks and contribute to building a research agenda for Te Wāhanga in the coming years.

COLLABORATION

Researchers work across a number of projects and in teams, within NZCER and externally. Our external collaborations include other education organisations as well as IT partners such as Fronde Group Systems. The National Monitoring Study of Student Achievement Wānangatia Te Putanga Tauira is a collaboration with the Education Assessment Research Unit at the University of Otago. We are also involved in partnership in a professional development consortium with the University of Waikato, Waikato-Tainui College for Research and Development, Cognition and Core, known as the Te Toi Tupu—Leading Learning Network.

STATISTICS AND ASSESSMENT DESIGN AND REPORTING TEAMS

NZCER has strong statistical expertise within its research team. Our statisticians assist with data gathering and analysis on a wide range of projects, such as our national surveys. They also provide data analysis and reporting services to clusters of schools and other external groups, including the Te Toi Tupu consortium.

The strengths of the Assessment Design and Reporting team (AD&R) include psychometrics, project management and deep knowledge of New Zealand education. They are involved in the writing, piloting and trialling of a range of assessment resources and survey tools and are able to draw on the wider curriculum expertise within the research group. Key projects during the year included the STAR Reading Test revision (see pages 8–9), e-asTTLe writing and national monitoring.

TEACHING AND LEARNING RESEARCH INITIATIVE (TLRI)

TLRI is a government fund for research about teaching and learning, focused on outcomes for learners. NZCER co-ordinates the fund and its associated research programme on contract to the Ministry of Education.

Nine projects were selected for funding in 2011. There were 47 Expressions of Interest received for the 2012 funding round, with decisions due later in 2012. In 2012 TLRI issued two Requests for Proposal (RFP), one for research in the early years and the other in the tertiary sector. The latter was a partnership with Ako Aotearoa. The RFPs are designed to attract proposals that address specific strategic issues in each sector.

CONTESTABLE RESEARCH PROJECTS COMPLETED 2011–12

21ST CENTURY TEACHING AND LEARNING

Rachel Bolstad

This work was intended to inform the Ministry of Education in developing a vision of what current and future learning should look like in New Zealand. It included a synthesis across other NZCER work on innovative 21st century teaching, learning and curriculum processes and also involved the collection of new data from a selection of New Zealand schools. In discussions with the Ministry as the work progressed, the terminology moved away from an emphasis on 21st century teaching and learning in favour of future-oriented learning and teaching. The report, with a foreword by the Education Minister, was widely disseminated.

ANALYSIS OF STUDENT PROFILE DATA USING ELLP

Rachel Dingle

The English Language Learning Progressions (ELLP) is a resource to support teachers of students from diverse linguistic backgrounds. It describes a typical learning pathway as students acquire English as an additional language. NZCER was contracted to provide data analysis and professional advice to the Ministry of Education in relation to student profiles using ELLP.

EDUCATIVE CURRICULUM MATERIALS

Sue McDowall

NZCER worked with Judy Parr of The University of Auckland to explore how teachers and students in six primary schools were using the School Journals and Teacher Support Materials. It was carried out for Learning Media and was intended to inform the future design of the School Journal and the policy framing for educative curriculum materials in general.

EVALUATION OF IN-HOUSE LITERACY AND NUMERACY TRAINING PROGRAMMES IN WORKPLACES

Jenny Whatman

NZCER was contracted by the Department of Labour to evaluate an employer-led model of delivering language, literacy and numeracy (LLN) to employees in five workplaces. We were asked to look at the effect of using training within a company, rather than using external providers. The department then requested NZCER to change tack and to reallocate the funding to write and develop resources based on findings from another department project about the transfer of LLN learning in workplaces. A brochure was produced and sent to the department, and was widely distributed in the sector and online.

EVALUATION OF SKYLIGHT TRAVELLERS PROGRAMME

Sally Robertson

Travellers is an early intervention programme run by Skylight for students (generally in Year 9) in New Zealand secondary schools. The Travellers programme aims to build young people's resilience, confidence, self-esteem and feelings of connectedness.

Skylight commissioned NZCER to conduct an evaluation that explored the short- and medium-term outcomes for the young people who took part in the Travellers programme in 2008 or 2009.

The overarching evaluation questions were:

- What are the short- and medium-term impacts of the Travellers programme for young people?
- How well is the Travellers programme meeting the needs of particular target groups?
- How can the Travellers programme be improved?

To collect information about the impact of Travellers on the short- and medium-term outcomes of Travellers, we conducted a survey focusing on the opinions of young people who had completed the programme a few years ago.

This study began in April 2011 and finished in January 2012.

GLoSS PSYCHOMETRIC STUDY AND GLoSS BOOKLETS

Alex Neill

GloSS is an assessment designed to identify the numeracy strategy stage students are operating at on the numeracy framework. The Ministry of Education contracted NZCER to design and carry out a psychometric study of tasks developed for the tool. NZCER's work involved the construction of a GloSS measurement scale to enable all trialled tasks to be compared in terms of their relative difficulty. After the completion of that work, NZCER was asked to design four revised GLoSS forms, based on the psychometric information. The forms consisted of teacher instructions, a scoring rubric, a set of student prompt cards and a recording sheet.

LITERACY IN E-LEARNING CONTEXTS: MINING THE ACTION RESEARCH DATA

Sue McDowall

Core Education was the lead organisation on this TLRI-funded project, with Sue McDowall contributing as a lead researcher. The overarching research question was: How can e-learning contexts be used effectively to support the literacy learning needed for the 21st century? It involved the analysis of data and building of theory from unpublished data from a range of teacher action research inquiries carried out as part of Ministry-funded e-fellowships and Early Childhood Education Information and Communication Technology Professional Learning programmes. A summary article from the project is available on the TLRI website.

WELLBEING@SCHOOL TOOL

Sally Boyd, Charles Darr, Jonathan Fisher

This project involved the development of the Wellbeing@School website on contract for the Ministry of Education. The project was completed during the year but NZCER has an ongoing involvement with the website through a service contract.

The website is part of the Ministry of Education's Positive Behaviour for Learning (PB4L) action plan. It supports schools to engage in a whole-school self-review process, as they work on further building a caring and safe school climate.

Through the website, school staff can carry out a self-review survey to get a sense of the social and emotional climate of the school. There is also a survey to gather students' perspectives. The survey tools have a particular focus on exploring how to enhance positive and caring behaviour among students and how to diminish bullying behaviour, in ways that build students' skills, strategies and resilience.

The project is profiled on pages 9–10 in this report.

WRITING ASSESSMENT TOOL—E-asTTle

Juliet Twist, Charles Darr, Jenny Whatman

NZCER worked on redesigning the e-asTTle writing assessment tool, on contract to the Ministry of Education. It was intended as a research-based update and augmentation of the existing tool for students in Years 1–10. NZCER subcontracted ACER to help with task development, rubric and exemplars and with marker training. Fronde Group Systems was subcontracted to assist with the IT platform. We also used literacy experts from Learning Media and Evaluation Associates.

RESEARCH-RELATED ACTIVITIES

LECTURES AND PRESENTATIONS

Baker, R. (2012, June). TLRI Roadshow: Otago University, Auckland University, Waikato University, Hamilton.

Baker, R., & Cameron, M. (2011, November–December). *The TLRI: Building knowledge of research into teaching and learning*. Roundtable discussion, at New Zealand Association of Research in Education (NZARE) annual conference, Tauranga.

Bolstad, R. (2011, November). *Recent NZCER work with a "future focus" link.* Presentation to Teaching for Sustainability conference, Rutherford House, Victoria University of Wellington, Wellington.

Bolstad, R. (2011, November). *Student voice: What are we talking about? Why does it matter? Where to next?* Presentation to Networked Learning Community, Canterbury University, Christchurch.

Bolstad, R. (2011, November–December). *Developing students' citizenship competencies: The role of schools.* Presentation at the New Zealand Association of Research in Education (NZARE) annual meeting, Tauranga.

Bolstad, R. (2012, February). *Taking a "future focus" in education.* CORE breakfast seminar, Wellington.

Bolstad, R. (2012, May). *Educating for local and global participation … Taking a "future focus".* Presentation at NZCER's Shifting Thinking Workshop, St James Theatre, Wellington.

Bolstad, R. (2012, May). *Participating and contributing: A new play*. An original play written for and performed at NZCER's Shifting Thinking Workshop, St James Theatre, Wellington.

Bolstad, R. (2012, May). *Future-oriented learning, teaching & schooling: A New Zealand perspective.* Presentation to visiting Thai educators, Massey University, Wellington.

Bolstad, R., & Gilbert, J. (2012, April). *Supporting future-oriented learning and teaching: A New Zealand perspective*. Presentation to Ministry of Education, Wellington.

Boyd, S. (2011, July). *Key findings from the Wellbeing@School literature review*. Presentation to Police Education Officer Trainees, Royal NZ Police College, Porirua.

Boyd, S. (2011, November–December). *Lessons learnt from the Wellbeing@School literature synthesis: Evidence-based or evidence informed?* Paper presented at the New Zealand Association of Research in Education (NZARE) conference, Tauranga.

Boyd, S., & Darr, C. (2011, September). *The theoretical underpinnings of Wellbeing@School*. Presentation to Ministry of Education staff, Ministry of Education, Wellington.

Boyd, S., & Darr, C. (2012, June). *Wellbeing@School: Developing a formative tool with a research and policy lens.* Paper presented at the Wellbeing and Public Policy conference, Victoria University of Wellington, Wellington.

Boyd, S., & Fisher, J. (2011, October). *Wellbeing@School update*. Presentation to the Education Sector Reference Group, Ministry of Education, Wellington.

Bull, A. (2011, July). *Thinking in science.* Presentation at Australasian Science Education Research Assocation (ASERA) meeting, Adelaide.

Bull, A. (2011, November). *Rethinking traditional primary science activities.* Presentation at Science Education Research Symposium (SERS), Auckland.

Bull, A. (2012, May). *The nature of science.* Presentation at Corinna School for Primary Science Week, Porirua.

Bull, A. (2012, June). *Working together: Schools and the science community.* Presentation at Australasian Science Education Research Assocation (ASERA) meeting, Queensland.

Bull, A., & Anderson, D. (2012, May). *Primary school science perspectives.* Presentation at Supporting Innovation through Technology and Science Education forum, Wellington.

Bull, A., & Bolstad, R. (2011, November–December). *Changing minds.* Presentation at the New Zealand Association of Research in Education (NZARE) annual meeting, Tauranga.

Burgon, J. (2012, March). *Educational leadership practices survey.* Presentation to Ministry of Education on the ELP national sample project, Wellington.

Burgon, J. (2012, April). *Educational leadership practices survey.* Presentation at NZ Educational Administration and Leadership conference, Tauranga.

Burgon, J. (2012, April). *Educational leadership practices survey.* Presentation to He Kaakano facilitators, Hamilton.

Burgon, J. (2012, May). *Educational leadership practices survey.* Presentation to Thai educators, Massey University, Wellington.

Burgon, J. (2012, May). *Educational leadership practices survey.* Presentation to postgraduate students in educational leadership course, Victoria University of Wellington, Wellington.

Burgon, J., & Darr, C. (2011, November). *Assessment and professional development policies and practices in New Zealand.* Presentation

to touring group of Japanese education delegates, Wellington.

Burgon, J., & Hipkins, R. (2012, April). *Selected results from NZCER 2010 national survey of primary schools.* Presentation to invited sector leaders, Wellington.

Burgon, J., with Hodson, K. (2012, January). *Monitoring evaluation and reporting.* Presentation to Te Toi Tupu project leaders, Hamilton.

Burgon, J., with Hodson, K. (2012, January). *Monitoring evaluation and reporting* Presentation to Te Toi Tupu project facilitators, Auckland.

Cosslett, G. (2011, November). *Working with assessment data and the reporting provided from the NZCER marking websites for STAR and the junior observation survey tests.* Presentation to the Papakura Cluster Schools, Opaheke School, Papakura.

Cosslett, G., Dingle, R., Ellis, D., Gardiner, B., & Watson, V. (2011, December). *NZCER summer showcase*. Presentation to schools from Wellington area about new NZCER resources, Westpac Trust Stadium, Wellington.

Cowie, B., Hipkins, R., et al. (2011, November–December). *Three years of curriculum exploratory studies: What did we learn / where to next?* Symposium presented at New Zealand Association of Research in Education (NZARE) annual conference, Tauranga.

Darr, C. (2012, March). *Some data insights from NZCER assessment tools*. Presentation to a New Zealand Educational Institute (NZEI) forum, Wellington.

Darr, C., & Ferral, H. (2011, September). *A step further with computerised adaptive testing: The snapshot assessment*. Presentation at Symposium on Assessment and Learner Outcomes, Wellington.

Darr, C., & Twist, J. (2012, March). *e-asTTle writing*. Webinar for the Ministry of Education to facilitators and teachers, CWA, Wellington.

Dingle, R. (2012, January–March). *Various facilitator smart tool; Monitoring, evaluation and reporting; and data collection, analysis and reporting advisory presentations* to Te Toi Tupu project leaders, facilitators, project teams, project advisory groups in Hamilton, Wellington, Auckland and through Skype.

Dingle, R. (2012, March). *Analysis of Wainuiomata student literacy data with a focus on Māori achievement*. Presentation to WELL cluster staff, Wainuiomata High School, Wainuiomata.

Dingle, R., & Hodgen, E. (2012, March). *Analysis of student record of progress data using the ELLP for new learners of English*. Presentation to Ministry of Education staff, Ministry of Education, Wellington.

Gilbert, J. (2011, July). *'Thinking' in science education: Back to the future?* Presentation at Australasian Science Education Research Assocation (ASERA) meeting, Adelaide.

Gilbert, J. (2011, August). *The connectedness in youth project: Methodologies, findings & implications*. Presentation at the New Zealand Psychological Society annual conference, Rydges Hotel, Queenstown.

Gilbert, J. (2012, April). *The future of knowledge in educational thinking*. Presentation to NZCER R&D development day, Wellington.

Gilbert, J. (2012, May). *How could science education support innovation? A response to Looking ahead: Science education for the 21st century.* Presentation at the Supporting Innovation through Technology and Science Education forum, Amora Hotel, Wellington.

Hipkins, R. (2011, July). *Life cycles and sigmoid curves: Biological metaphors for professional growth*. Discussion starter for Cognition Institute "Thought Leaders" dinner, Auckland.

Hipkins, R. (2011, July). *The New Zealand school curriculum*. Presentation to Kapiti Rotary Club, Paraparaumu.

Hipkins, R. (2011, August). *Implementing NZC—what does the research tell us?* Presentation at Curriculum Link Cluster conference, Nelson.

Hipkins, R. (2011, September). *Key competencies and the senior secondary curriculum.* Presentation to senior teachers at Te Kura / The Correspondence School, Wellington.

Hipkins, R. (2011, September). *Design experiments for assessment of "21st century" learning outcomes.* Presentation at Symposium on Assessment and Learner Outcomes, Wellington.

Hipkins, R. (2011, November). *Teaching as inquiry.* Presentation to staff at Hagley Community College, Christchurch.

Hipkins, R. (2011, November). *Networks that learn*. Presentation at Network Learning Community Curriculum Expo, Wellington.

Hipkins, R. (2011, November). *The nature of science as an agent for pedagogical change.* Presentation at Science Education Research Symposium (SERS), Auckland.

Hipkins, R. (2011, November–December). *New Zealand students' beliefs and attitudes related to their citizenship obligations and actions*. Presentation at New Zealand Association of Research in Education (NZARE) annual conference, Tauranga.

Hipkins, R. (2012, April). *NCEA and curriculum innovation: What have we achieved and where are we headed?* Presentation to NZQA staff, Wellington.

Hipkins, R., & Hodgen, E. (2011, September). *National standards, moderation challenges and teacher learning.* Presentation at Symposium on Assessment and Learner Outcomes, Wellington.

Hipkins, R., & Hodgen, E. (2011, September). *Laying learning foundations to lift success at NCEA level 3.* Presentation at Symposium on Assessment and Learner Outcomes, Wellington.

Hipkins, R., & McDowall, S. (2012, May). *Participating and contributing in knowledge generation.* Workshop at Shifting Thinking conference, St James Theatre, Wellington.

Hutchings, J. (2012, June). *Māori well-being and future food technologies.* Presentation to the Future Food Markets and Society Symposium Three, Wellington.

Hutchings, J., Barnes A., Taupo, T., Bright, N., Lee, J., & Pihama, L. (2012, June). *Critical issues in Māori education.* Presentation at the International Indigenous Development Research conference, University of Auckland, Auckland.

Joyce, C. (2011, September). *The challenges of measuring "thinking" as a learning outcome in science.* Paper presented at Symposium on Assessment and Learner Outcomes, Wellington.

Joyce, C. (2011, November). *Rethinking assessment.* Presentation at Science Education Research Symposium (SERS), Auckland.

Lawes, E. (2011, September). *TIMSS and the national standards in mathematics.* Paper presented at Symposium on Assessment and Learner Outcomes, Wellington.

McDowall, S. (2011, July). *Literate practices in the social sciences.* Presentation at SocCon Conference Inquiring Minds: Active Citizens, Te Wharewaka, Wellington.

McDowall, S. (2011, November). *Imagining the future: Possibilities for education in the 21st century.* Presentation at Canterbury Primary Principals' Association Shaking up Christchurch Day: A revolution of ideas, Addington Raceway, Christchurch.

Neill, A. (2011, July). *Statistical investigations and science—communalities.* Workshop presented at the 12th New Zealand Association of Mathematics Teachers conference, Otago Boys' High School, Dunedin.

Neill, A. (2011, September). *Hands-on investigations to help think statistically.* Workshop presented at Convert Your Opportunities: Mathematics Leaders Day, Silverstream Retreat, Upper Hutt.

Potter, H. (2011, September). *Kaupapa Māori research: What is it and how do we do it?* Keynote address at Kaupapa Māori Research Symposium hosted by Waiariki Institute of Technology, Rotorua.

Robertson, S., Boyd, S., & Dingle, R. (2012, January). *Evaluation of Skylight's travellers programme.* Presentation to Skylight and Ministry of Health staff, Skylight, Wellington.

Spiller, L. (2011, July). *Thinking in science.* Presentation to ChemEd conference, Palmerston North.

Spiller, L. (2011, November). *What we learned from several Science Thinking with Evidence workshops.* Presentation at Science Education Research Symposium (SERS), Auckland.

Vaughan, K. (2011, October). *Career management competencies in New Zealand: New learning, teaching and leadership opportunities.* Presentation at the International Association for Education and Vocational Guidance conference, Cape Town, South Africa.

Vaughan, K. (2011, November). *Putting learning into workbased learning.* Presentation to Informa Workbased Learning forum, Melbourne.

Vaughan, K. (2011, December). *Career management competencies: Providing new focus and impetus for career development work in schools.* Presented to Education Employment Linkages External Reference Group, Wellington.

Vaughan, K. (2012, April). *Researching young people and the transition from school: Context, questions, and evidence.* Presentation to the Ministry of Education Evidence Seminar Series, Wellington.

Vaughan, K. (2012, June). *ITO workplace assessment structures: Putting principles into practice.* Design/facilitation of one-day workshop, Wellington.

Vaughan, K., & Gardiner, B. (2012, February). *Transforming industry-led assessment of learning in the building and construction industries.* Presentation at the National Training Advisors workshop, Brentwood Hotel, Wellington.

Vaughan, K., Gardiner, B., & Kear, A. (2012, April). *Hi-viz partnerships: Transforming industry-led assessment of learning.* Presentation at the Industry Training Federation Vocational Education Research Forum, Wellington.

Watson, V. (2011, December). *STAR reading test: A new STAR for schools.* Presentation to Wellington educators, Wellington.

Watson, V. (2012, May). *A new STAR for schools.* Workshop delivered at Tai Tokerau Literacy Association Hui, Whangarei.

Watson, V. (2012, May). *PAT: Listening comprehension*. Workshop delivered at Tai Tokerau Literacy Association Hui, Whangarei.

Wylie, C. (2011, August). *Building learning identities:What we have learnt from the Competent Learners project*. CORE seminar, Dunedin.

Wylie, C. (2011, October). *Cutting red tape or the umbilical cord? The role of connections in New Zealand education before and after Tomorrow's Schools*. Stout Research Centre, Victoria University of Wellington, Research Roundup Seminar Series 2011, Wellington.

Wylie, C., & Patterson, L. (2011, July). *Young people at 20 & 21*. Presentation to Ministry of Social Development, Wellington.

SELECTED ADVISORY

NZCER researchers undertake a range of advisory activities throughout the year. These include advising policy makers, contributing to advisory boards and acting as critical friends to research groups or individuals. Below is a selection of some of the activities carried out during 2011–12.

Boyd, S. (2012, April). Review of the Positive Behaviour for Learning (PB4L) website content for the Ministry of Education. Wellington.

Boyd, S., & Darr, C. (2011, October). Meeting with Special Education staff from the Ministry of Education to discuss possible future tool development work. Ministry of Education, Wellington.

Burgon, J., & Hipkins, R. (2012, June). Participation in workshop to shape response to OECD report on evaluation and assessment in the New Zealand education system. Ministry of Education, Wellington, 22 June.

Gilbert, J., & Hipkins, R. (2011, July) Attendance at Forum for Discussion of Secondary Science Education in the 21st Century. Hosted by the Royal Society, Wellington.

Hipkins, R. (2011, December). Participation in National Curriculum Advisory Group meeting. Wellington, 7 December.

Hipkins, R. (2011–2012). Ongoing work as member of the Editorial Advisory Group Board for *The New Zealand Science Teacher*.

Hipkins, R. (2011, November). Attendance at Editorial Board meeting for *Assessment Matters*. NZCER, Wellington.

Hipkins, R. (2011, November). Attendance at Editorial Board meeting for *Curriculum Matters*. NZCER, Wellington.

Hipkins, R., & Burgon, J. (2012, March). Meeting with curriculum delegation from Japan. NZCER, Wellington.

Joyce, C. (2011, October). Attendance at Editorial Advisory Group board meeting for *The New Zealand Science Teacher*.

McDowall, S. (2012, March). Contributing to PISA 2009 reading and learning approaches workshop as part of PISA Advisory Group. Ministry of Education, Wellington.

McDowall, S. (2012, May). Meeting with PISA steering group to review pamphlet presenting PISA results. Ministry of Education, Wellington.

Vaughan, K. (2011, September). External Reference Group meeting for the development of Career Education Benchmarks.

Vaughan, K. (2011, December). Women in Power (electricity supply trainee recruitment and support) Advisory Group meeting. Wellington.

Vaughan, K. (2011, December). International Symposium for Career Development and Public Policy meeting. Budapest.

Vaughan, K. (2011, September). Peer review and advice on NZ Country Team paper to International Symposium for Career Development and Public Policy. Wellington.

Vaughan, K. (2012, March). Meeting with Royal New Zealand College of General Practitioners Board to discuss and plan Biennial Education Convention, Wellington.

Vaughan, K. (2012, March). Meeting with Ako Aotearoa and Industry Training Federation to discuss impact evaluation of research. Wellington.

Vaughan, K. (2012, March). Meeting with Ministry of Education to discuss career education review. Wellington.

Whatman, J., Cosslett, G., & Gardiner, B. (2011, September). Meeting with Singapore delegation from IAL and WDA to discuss the Literacy and Numeracy Assessment Tool for Adults. NZCER, Wellington.

REPORTS AND RESEARCH PUBLICATIONS

Bolstad, R., & Gilbert, J., with McDowall, S., Bull, A., Boyd, S., & Hipkins, R. (2012). *Supporting future-oriented learning & teaching: A New Zealand perspective*. Wellington: Ministry of Education. Available at: http://www.educationcounts.govt.nz/publications/schooling/109306

Bull, A. (2011). *From community engagement in education to public engagement with education*. Working paper from the FaCE project, published on NZCER website at: http://www.nzcer.org.nz/research/publications/community-engagement-education-public-engagement-education

Bull, A., with Bolstad, R., & Spiller, S. (2012). *Science community engagement with schools: Scoping the field*. Milestone report to Ministry of Education, June.

Bull, A., & Gilbert, J. (2012). *Swimming out of our depth? Leading learning in 21st century schools*. Working paper. Available at: www.nzcer.org.nz/research/publications/swimming-out-of-our-depth-leading-learning-21st-century-schools

Bull, A., & Hipkins, R. (2011). Conversation: A passion for the living world. *New Zealand Science Teacher, 128*, 22.

Bull, A., Joyce, C., & Spiller, L. (2011). *Thinking in science*. Working paper, science education purchase agreement project, published on NZCER website at: http://www.nzcer.org.nz/research/publications/thinking-science

Cameron, M., & Lovett, S. (2012). Teachers of promise in their ninth year of teaching. *New Zealand Teacher*, New Zealand Educational review series, p. 32.

Cameron, M., & Lovett, S. (2012). *TipTop: Teachers of promise newsletter*. Available at: http://nzcer.org.nz/research/teachers-promise

Cronin, K., & Hutchings, J. (2011). Supergrans and nanoflowers: Reconstituting images of gender and race in the promotion of biotechnology and nanotechnology in Aotearoa New Zealand. *New Genetics and Society*, *31*(1), 55–85.

Darr, C. (2012). Measuring student engagement: The development of a scale for formative use. In A. Reschly & C. Wylie (Eds.), *Handbook of research on student engagement* (pp. 707–723). New York: Springer.

Eyre, J. (2012). *Getting the most from workplace literacy and numeracy programmes: A brochure*. Wellington: New Zealand Council for Educational Research.

Gallagher, C., Hipkins, R., & Zohar, A. (2012). Positioning thinking within national curriculum and assessment systems: Perspectives from Israel, New Zealand and Northern Ireland. *Thinking Skills and Creativity, 7*(2), 134–143.

Gilbert, J., & Calvert, S. (2011). Connectedness—what is it? *Psychology Aotearoa*, *3*(2), 99–103.

Hipkins, R. (2011). The challenges of graph interpretation in science. *set: Research Information for Teachers*, *3*, 3–9.

Hipkins, R. (2012). The engaging nature of teaching for competency development. In S. Christenson, A. Reschly, & C. Wylie (Eds.), *Handbook of research on student engagement* (pp. 441–456). New York: Springer.

Hipkins, R. (2012). Reflecting on the implementation of key competencies (capabilities) in the New Zealand curriculum. *Curriculum Perspectives, 32*(1), 63–66.

Hipkins, R. (2012). Carrying out school science investigations 'like a scientist': A model for making NoS more explicit. *New Zealand Science Teacher, 130*, 26–29.

Hipkins, R. (2012). *Building a science curriculum with an effective nature of science component: A working paper*. Wellington: New Zealand Council for Educational Research.

Hipkins, R., & Boyd, S. (2011). The recursive elaboration of key competencies as agents of curriculum change. *Curriculum Matters, 7*, 70–86.

Hipkins, R., & Bull, A., with McGrail, R. (2012). *Audit of science curriculum resources*. Milestone report to Ministry of Education, June.

Hipkins, R., & Hodgen, E. (2011). *National standards, moderation challenges and teacher learning*. Wellington: New Zealand Council for Educational Research.

Hipkins, R., & Hodgen, E. (2012). *Curriculum support in science: Patterns in teachers' use of resources*. Wellington: New Zealand Council for Educational Research.

Hutchings, J. (2011). Our lands, our waters, our peoples. *New Genetics and Society*, *31*(1), 1–9.

Jones, A., Buntting, C., Hipkins, R., McKim, A., Conner, L., & Saunders, K. (2012). Developing students' futures thinking in science education. *Research in Science Education*, *42*, 687–708.

Joyce, C. (2011). What is a rich task? *set: Research Information for Teachers, 2,* 55–56.

Lovett, S., & Cameron, M. (2011). Career pathways: Does remaining close to the classroom matter for early career teachers? A study of practice in New Zealand and the USA. *Professional Development in Education*, *37*(2), 213–224.

Lovett, S., & Cameron, M. (2011). Schools as professional learning communities for early-career teachers: How do early-career teachers rate them? *Teacher Development*, *15*(1), 87–104.

McDowall, S. (2011). Using multimodal texts to build engagement and achievement in literacy. *set: Research Information for Teachers*, *2,* 32–37.

McDowall, S., Davey, R., Hatherly, A., & Ham, V. (2012). *Literacy and e-learning: Mining the action research data*. Available at: http://www.tlri.org.nz/

McDowall, S., & Parr, J. (2012). *Deliberate design: An analysis of the 2010–2011 School Journals and teacher support materials: A summary report*. Wellington: Learning Media. Available at: http://www.nzcer.org.nz/research/publications/deliberate-design-analysis-2010-11-school-journals-and-teacher-support-materia

Moss, M., Holmes, R., King, J., Boyd, S., & Pipi, K. (2011). *South Island district health boards' evaluation of edible gardens in education settings. Final report*. Unpublished report. Auckland: Health Outcomes International.

O'Sullivan, J., Scott, P., & Hipkins, R. (2012). Scientists and students collaborate in authentic learning. *New Zealand Science Teacher*, *129*, 30–35.

Patterson, L. (2011). *Tracks to adulthood. Post-school experiences of 21-year-olds; the qualitative component of competent learners @ 20*. Wellington: Ministry of Education.

Potter, H., Taupo, T., & Hutchings, J. (2011). *Turangawaewae—building workplace literacy and community capacity. A kaupapa Māori case study*. Wellington: New Zealand Council for Educational Research.

Robertson, S. (2011). *Principal vacancies and appointments 2009–10*. Wellington: New Zealand Council for Educational Research.

Robertson, S., Boyd, S., Dingle, R., & Taupo, K. (2012). *Evaluation of Skylight's travellers programme: Final report*. Wellington: New Zealand Council for Educational Research.

Taupo, T. (2011). Negotiating the interface of genetic testing, biobanking and Māori ontology and epistemology. *New Genetics and Society*, *31*(1), 25–40.

Te Wāhanga. (2011). *Kei Tua o Te Pae Hui proceedings. The challenges of kaupapa Māori research in the 21st century*. Conference held at Pipitea Marae, 5–6 May. Wellington: New Zealand Council for Educational Research.

Vaughan, K. (2011). The potential of career management competencies for renewed focus and direction in career education. In *New Zealand Annual Review of Education* 20:2010 (pp. 24–51). Wellington: Faculty of Education, Victoria University of Wellington.

Vaughan, K. (2012). *The integration of work and learning in New Zealand: A working paper*. Wellington: New Zealand Council for Educational Research.

Vaughan, K., & Higgins, J. (2011). English teachers and education–employment linkages for young people. *English in Aotearoa*, *75*(October), 27–30.

Vaughan, K., O'Neil, P., & Cameron, M. (2011). *Successful workplace learning; how learning happens at work*. Wellington: Industry Training Federation.

Wylie, C. (2011). The development of leadership capability in a self-managing schools system: The New Zealand experience and challenges. In T. Townsend & J. MacBeath (Eds.), *International handbook of leadership for learning* (pp. 653–672). Dordrecht, Heidelberg, London and New York: Springer.

Wylie, C. (2011). *Competent learners @ 20: Summary of key findings*. Wellington: Ministry of Education.

Wylie, C., Christenson, L., & Reschly, A. (Eds.). (2012). *Handbook of research on student engagement*. New York, Dordrecht, Heidelberg and London: Springer.

Wylie, C., & Hodgen, H. (2011). *Forming adulthood: Past, present and future in the experiences and views of the competent learners @ 20*. Wellington: Ministry of Education.

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FINANCIAL STATEMENTS

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 $	2011 $
Revenue			
Revenue	2	8,122,744	7,795,789
Interest Income		155,095	164,195
Other Income	3	877,926	840,129
Total Revenue		**9,155,765**	**8,800,113**
Expenditure			
Cost of Sales		680,512	807,860
Operating Expenses	4	2,819,817	2,615,947
Personnel Expenses		5,369,893	4,882,990
Accommodation Expenses		478,511	499,559
Depreciation and Amortisation Expense		139,911	156,067
Total Expenditure		**9,488,644**	**8,962,423**
Net Deficit		**(332,879)**	**(162,310)**
Other Comprehensive Income		**-**	**-**
Total Comprehensive Income		**(332,879)**	**(162,310)**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2012

	2012 $	2011 $
Equity at Start of the Year	3,889,163	4,051,473
Total Comprehensive Income	**(332,879)**	**(162,310)**
Balance at 1 July	**3,556,284**	**3,889,163**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2012

	Notes	2012 $	2011 $
Current Assets			
Cash and Cash Equivalents	5	530,604	284,625
Investments	5	3,100,000	3,600,000
Trade and Other Receivables	7	1,839,031	1,772,272
Project Work in Progress		47,601	34,932
Inventory	6	390,352	455,633
Total Current Assets		5,907,589	6,147,463
Non-current Assets			
Property, Plant and Equipment	8	226,982	257,288
Intangible Assets	9	30,218	59,257
Total Assets		6,164,788	6,464,008
Current Liabilities			
Trade Payables		578,291	397,062
Employee Entitlements	10	358,337	321,103
Other Payables	11	1,586,770	1,799,872
Total Current Liabilities		2,523,398	2,518,037
Non-current Liabilities			
Employee Entitlements	10	85,106	56,810
Total Liabilities		2,608,504	2,574,847
Equity			
Accumulated Funds		3,556,284	3,889,163
Total Equity		3,556,284	3,889,163
Total Equity and Liabilities		6,164,788	6,464,008

Robyn Baker
Director

Peter Coolbear
Acting chair

9 October 2012

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 $	2011 $
Cash Flows from Operating Activities			
Cash was Provided from:			
Government Grant		1,452,000	1,442,000
Sales Receipts		1,775,662	2,186,171
Projects		4,923,649	3,971,248
Interest Received		152,075	183,179
Educational Funds Receipts	11	1,539,898	1,728,779
Other Receipts		877,013	838,386
Sale of Short-term Deposits		7,820,000	9,600,000
Net GST		(4,321)	(59,234)
		18,535,976	19,890,529
Cash was Disbursed to:			
Salaries and Related Employee Costs		5,291,220	4,894,308
Operating Expenses		3,066,398	3,370,247
Cost of Sales		615,230	867,829
Purchase of Short-term Deposits		7,320,000	9,010,000
Educational Funds Expenses	11	1,916,008	1,772,365
		18,208,856	19,914,749
Net Cash Inflow from Operating Activities	12	327,120	(24,220)
Cash Flows from Investing Activities			
Cash was Provided from:			
Sale of Property, Plant and Equipment		-	1,578
Cash was Applied to:			
Purchase of Property, Plant and Equipment		(74,190)	(153,522)
Purchase of Intangible Assets		(6,951)	(42,088)
Net Cash Outflow from Investing Activities		(81,141)	(194,032)
Total Cash Flow			
Net Increase/(Decrease) in Cash Held		245,979	(218,252)
Opening Balance Cash and Bank		284,625	502,877
Closing Cash and Bank		530,604	284,625
Comprising:			
Cash and Cash Equivalents		530,604	284,625

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department (IRD). The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

1. STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The New Zealand Council for Educational Research (the Council) is a public benefit entity established under the New Zealand Council for Educational Research Act 1972.

It provides educators, students, parents, policy makers and the public with innovative and independent research, analysis and advice. The Council is a reporting entity for the purposes of the terms of section 32 of the New Zealand Council for Educational Research Act 1972. Its registered office and principal place of business is at 178 Willis Street, Wellington.

The financial statements of the Council are for the year ended 30 June 2012, and were approved on 9 October 2012.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with the New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable financial reporting standards as appropriate for public benefit entities.

The financial statements have been prepared on the basis of historical cost, which is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2012 and the comparative information presented in these financial statements for the year ended 30 June 2011.

FUNCTIONAL CURRENCY

The financial statements are presented in New Zealand dollars. The functional currency of the Council is New Zealand dollars.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, NZCER is classified as a Tier 2 reporting entity and it will be required to apply relevant Public Benefit Entity Accounting Standards (PAS).

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standards Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements.

A. REVENUE RECOGNITION

Revenue is measured at the fair value of consideration received or receivable and is recognised to the extent that it is probable that the economic benefits will flow to the Council and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Sales of educational resources

Revenue derived from the sales of educational resources to third parties is recognised when the Council has transferred to the buyer the significant risks and rewards of ownership of the work. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

Rendering of services (Project Revenue)

Revenue from the provision of research work is recognised by reference to the stage of completion. Stage of completion is measured by reference to the percentage of totals for each contract. Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest revenue

Interest revenue is recognised in the Statement of Comprehensive Income using the effective interest method.

Non-government grant

Non-government grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

B. GOVERNMENT GRANTS

The Council is a statutory body. Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

C. TRADE AND OTHER RECEIVABLES

Short-term debtors and other receivables are recorded at their face value, less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the debtor is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of a provision for impairment account, and the amount of the loss is recognised in the surplus or deficit. Overdue receivables that are renegotiated are reclassified as current (that is, not past due). Bad debts are written off when identified.

D. CASH AND EQUIVALENTS AND INVESTMENTS

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method. For bank deposits, impairment is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into bankruptcy, and default in payments are considered indicators that the deposit is impaired.

E. INVENTORY

Inventory held for distribution or use in the provision of services that are not supplied on a commercial basis is measured at the lower of the weighted average, adjusted, when applicable, for any loss of service potential and net realisable value. Where inventory is acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventory held for sale or use in the provision of goods and services on a commercial basis is valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the weighted average cost method.

The write-down from cost to current replacement cost or net realisable value is recognised in the Statement of Comprehensive Income in the period when the write-down occurs.

F. PROPERTY, PLANT AND EQUIPMENT

Plant, equipment and leasehold improvements are stated at cost less accumulated depreciation and any impairment in value. Cost includes expenditure that is directly attributable to the acquisition of the item.

The cost of an item of property, plant or equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

When an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

On the subsequent disposal or permanent withdrawal of an item of property, plant or equipment the difference between the disposal proceeds (if any) and the carrying amount is recognised in the Statement of Comprehensive Income.

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

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council 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 Statement of Comprehensive Income as they are incurred.

Depreciation on property, plant and equipment is calculated on a straight line basis.

The following estimated useful lives are used in the calculation of depreciation:

Furniture and Fittings	10 years	(10%)
Computing and Electronic Equipment	3 years	(33%)

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

G. IMPAIRMENT OF ASSETS

Plant and equipment and intangible assets that have a finite useful life are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

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. The total impairment loss is recognised in the Statement of Comprehensive Income.

H. INTANGIBLE ASSETS

Product development costs

Product development costs that meet the recognition criteria in NZ IAS 38 are capitalised as incurred. The cost model is applied to all classes of intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Comprehensive Income when the asset is derecognised.

Amortisation charged on product development costs is recognised on a straight line basis over a period of 3 years and is taken to the Statement of Comprehensive Income through the "expenses" line item.

Product development costs are tested for impairment where an indicator of impairment exists. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Computer software

Computer software is measured at cost less amortisation and impairment losses. It is amortised on a straight line basis over its useful life of a maximum period of 3 years, commencing from the time the software is held ready for use. Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

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

Computer software 3 years (33%)

I. TRADE AND OTHER PAYABLES

Short-term creditors and other payables are recorded at their face value. Trade and other payables are recognised when the Council becomes obliged to make future payments resulting from the purchase of goods and services. They are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

J. PROJECT INCOME IN ADVANCE

Project revenue relating to work not completed on contract is classified as projects funds in advance.

K. PROVISION FOR EMPLOYEE ENTITLEMENTS

Provision is made in respect of the Council's liability for annual leave, long service leave and retirement leave.

They are recognised when the Council has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The present value of the long service and retirement leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

Short term

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

Long term

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the organisation in respect of services provided by employees up to reporting date.

Employee benefits that are due to be settled beyond 12 months after the end of the reporting period in which the employee renders the related service, such as long service leave and retiring leave, are calculated based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlements information
- the present value of the estimated future cash flows.

The discount rate is based on the weighted average of interest rates for government stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

Presentation of employee entitlements

Annual leave, vested long service leave and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

L. OPERATING LEASES

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight line basis over the lease term.

M. FOREIGN CURRENCIES

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Both the functional and presentation currency of the Council is New Zealand dollars.

N. GST

The financial statements have been prepared on a GST exclusive basis, except for trade receivables and trade payables which are stated with GST included (where applicable).

Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, IRD is included as part of receivables or payables in the Statement of Financial Position. Commitments and contingencies are stated GST exclusive.

The net GST paid to or received from IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

O. INCOME TAXES

Section 29 of the New Zealand Council for Educational Research Act 1972 exempts the Council from income tax.

P. COMPARATIVE AMOUNTS

Comparative information has been reclassified, where necessary, to achieve consistency in disclosure with the current year.

Q. OTHER CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Project income

As stated in Section a) Revenue Recognition, subsection Rendering of services, the Council reviews the progress of research contracts, estimates the work required to complete contracts and determines the amount of revenue to recognise.

An incorrect estimate of the work required to complete contracts will impact on the revenue recognised in the Statement of Comprehensive Income. The Council minimises the risk of this estimation uncertainty by monitoring projects on a monthly basis and reviewing projects by key management personnel every quarter.

Retirement and long service leave

Note 9 provides an analysis of the exposure in relation to estimates and uncertainties surrounding retirement and long service leave liabilities.

R. OTHER CRITICAL JUDGEMENTS IN APPLYING THE COUNCIL'S ACCOUNTING POLICIES

Management has exercised the following critical judgements in applying the Council's accounting policies for the year ended 30 June 2012.

Leases classification

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

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.

The Council has exercised its judgement on the appropriate classification of equipment leases and has determined current lease arrangements are operating leases.

2. REVENUE CONSISTS OF THE FOLLOWING ITEMS

	2012 $	2011 $
Sales	1,920,324	2,255,395
Government Grant	1,377,000	1,470,524
Project Revenue	4,825,420	4,069,870
Total	**8,122,744**	**7,795,789**

3. OTHER INCOME

	2012 $	2011 $
Royalties	148,885	105,686
Marking Service	498,468	447,209
Other Income	230,573	287,234
Total	**877,926**	**840,129**

4. THE STATEMENT OF COMPREHENSIVE INCOME INCLUDES THE FOLLOWING ITEMS

	2012 $	2011 $
Remuneration of Auditors		
- Audit of the Financial Statements	30,000	30,000
Board Members' Fees	10,645	13,001
Bad Debts Written Off	-	5,129
Operating Lease Expenses	32,707	36,098
Gain/Loss on Sale of Fixed Assets	575	(1,578)
Donations Paid	13,650	13,303
Foreign Exchange Translation Gain/Loss	-	510
Rental of Office Premises	288,523	288,988
Inventory Write-off	13,052	28,458

OPERATING EXPENSE

	2012 $	2011 $
Seminars and Conferences	68,518	84,614
ICT – Info & Comm Technology	119,812	164,935
Travel	270,859	224,823
Administration Expenses	690,922	636,170
Financial Expenses	42,878	48,293
Board Fees and Expenses	23,466	31,118
Contracted Services	1,533,257	1,338,818
Advertising Expenses	48,541	53,996
Library Expenses	21,564	33,180
Total Operating Expenses	2,819,817	2,615,947

5. CASH, CASH EQUIVALENTS AND INVESTMENTS

	2012 $	2011 $
Cash at Bank	310,604	84,625
Cash Equivalents – Short-term Deposits	220,000	200,000
	530,604	284,625
Investments	3,100,000	3,600,000
Total Cash, Cash Equivalents & Investments	3,630,604	3,884,625

The carrying value of all investments with maturity dates of 12 months or less approximates their fair value.

The weighted average effect interest rate for term deposits is 3.83 percent (2011: 3.97 percent).

6. INVENTORIES

	2012 $	2011 $
Stock Tests/Publications	387,077	455,633
Stock Tests/Test Scoring	3,275	-
Total Inventories	390,352	455,633

7. TRADE AND OTHER RECEIVABLES

	2012 $	2011 $
Trade Receivables	617,281	500,822
Project Receivables	1,173,321	1,219,419
Accrued Interest	43,958	40,938
Other Receivables	4,471	11,093
	1,839,031	1,772,272

As at 30 June 2012 and 2011, all overdue receivables have been assessed for impairment and appropriate provisions applied where necessary, as detailed below.

	2012			2011		
	Gross	**Impairment**	**Net**	**Gross**	**Impairment**	**Net**
Not past due days	1,757,615	-	1,757,615	1,742,372	-	1,742,372
Past due 1–30 days	9,233	-	9,233	12,571	-	12,571
Past due 31–60 days	10,666	-	10,666	13,817	-	13,817
Past due 61–90 days	26,312	-	26,312	1,541	-	1,541
Past due > 91 days	35,205	-	35,205	1,971	-	1,971
Total:	**1,839,031**	**-**	**1,839,031**	**1,772,272**	**-**	**1,772,272**

8. PROPERTY, PLANT AND EQUIPMENT

	Furniture & fittings	Equipment	Total
	$	$	$
Cost			
Balance at 1 July 2010	635,989	856,680	1,492,669
Additions	47,445	106,439	153,884
Disposals	-	(39,977)	(39,977)
Balance at 30 June 2011	683,434	923,142	1,606,575
Balance at 1 July 2011	683,434	923,142	1,606,576
Additions	2,968	77,435	80,403
Disposals	-	(45,669)	(45,669)
Balance at 30 June 2012	686,402	954,908	1,641,310
Accumulated Depreciation			
Balance at 1 July 2010	528,042	747,329	1,275,371
Depreciation Expense	34,037	79,495	113,532
Eliminate on Disposal	-	(39,615)	(39,615)
Balance at 30 June 2011	562,079	787,209	1,349,288
Balance at 1 July 2011	562,079	787,209	1,349,288
Depreciation Expense	33,676	70,242	103,918
Eliminate on Disposal	-	(38,878)	(38,878)
Balance at 30 June 2012	595,755	818,573	1,414,328
Carrying Amounts			
At 1 July 2010	107,947	109,351	217,298
At 30 June and 1 July 2011	121,355	135,933	257,288
At 30 June 2012	90,647	136,335	226,982

9. INTANGIBLE ASSETS

	Capitalised development	Software	Total
	$	$	$
Cost			
Balance at 1 July 2010	116,139	313,988	430,127
Additions	-	42,089	42,089
Disposals	-	(2,615)	(2,615)
Balance at 30 June 2011	116,139	353,462	469,601
Balance at 1 July 2011	116,139	353,462	469,601
Additions	-	6,951	6,951
Disposals	-	(1,439)	(1,439)
Balance at 30 June 2012	116,139	358,974	475,113
Accumulated Amortisation			
Balance at 1 July 2010	116,139	254,283	370,422
Amortisation Expense	-	42,535	42,535
Disposals	-	(2,615)	(2,615)
Balance at 30 June 2011	116,139	294,203	410,342
Balance at 1 July 2011	116,139	294,203	410,342
Amortisation Expense	-	35,992	35,992
Disposals	-	(1,439)	(1,439)
Balance at 30 June 2012	116,139	328,756	444,895
Carrying Amounts			
At 1 July 2010	-	59,705	59,705
At 30 June and 1 July 2011	-	59,259	59,259
At 30 June 2012	-	30,218	30,218

10. EMPLOYEE ENTITLEMENTS

	2012 $	2011 $
Annual Leave	358,337	321,103
Retirement Leave	85,106	56,810
	443,443	377,913
Disclosed as:		
Employee Entitlements – Current		
Annual Leave	358,337	321,103
	358,337	321,103
Employee Entitlements – Non-current		
Retirement Leave	85,106	56,810
Total	443,443	377,913

The present value of the long service and retirement leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

In determining the appropriate discount rate, the Council considered the interest rates on NZ government bonds which have terms to maturity that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation. A weighted average discount rate of 4.86 percent (2011: 8 percent) and an inflation factor of 2.8 percent were used.

11. OTHER PAYABLES

Current	2012 $	2011 $
Accruals	227,916	150,000
Advance Subscriptions	59,152	87,355
Project Income in Advance	475,954	411,153
Grant Income in Advance	150,000	75,000
Educational Funds	620,211	996,321
Other Liabilities	53,537	80,044
	1,586,770	1,799,872

Trade and other payables are non-interest-bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

EDUCATIONAL FUNDS

The Council administers a number of funds for specific educational purposes.

Teaching and Learning Research Initiative (TLRI)

Monies relating to TLRI are received from the Ministry of Education in accordance with the "Agreement for the Provision of Programme Co-ordination Services" and are paid out on behalf of the Ministry of Education to projects selected by the TLRI Advisory Board.

Beeby fund 1998

The Beeby fund is a joint initiative by the Council and UNESCO and provides funding to researchers to prepare resources focused on enhancing practice and students' learning. This fund is administered by the Council.

Funds	Balance 30 June 2011 $	Receipts $	Payments $	Balance 30 June 2012 $
Teaching and Learning Research Initiative	943,413	1,539,898	1,900,008	583,303
Beeby fund 1998-	52,908	-	16,000	36,908
TOTAL	996,321	1,539,898	1,916,008	620,211

These funds are excluded from the Statement of Comprehensive Income, as the funds are not seen as revenue or expenditure of the Council. However, the balance as at 30 June has been included in the Statement of Financial Position.

All TLRI and Beeby funds are classified as current liabilities.

12. CASH FLOW

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

	2012 $	2011 $
Net Deficit	(332,879)	(162,310)
Add/(Less) Non-cash Items		
Depreciation	103,918	113,532
Amortisation	35,992	42,535
Bad Debts Write Off	-	5,129
Stock Write-off	13,052	28,458
Foreign Exchange (Gains)/Losses	-	510
Increase/(Decrease) in Non-current Employee Entitlements	28,296	15,097
	181,258	205,261
Add/(Less) Movements in Other Working Capital Items		
(Increase)/Decrease in Trade and Other Receivables	(66,759)	(271,189)
(Increase)/Decrease in Work in Progress	(12,670)	93,695
(Increase)/Decrease in Inventory (exclude write-off)	52,229	(88,427)
Increase/(Decrease) in Trade Payables	181,232	31,497
Increase/(Decrease) in Employee Entitlements (current)	37,235	(10,977)
Add/(Less) Change in Short-term Deposits	500,000	590,000
Increase/(Decrease) in Other Payables	(213,101)	(410,191)
	(478,166)	(65,593)
Add/(Less) Items Classified as Investing Activities		
(Profit)/Loss on Sale of Fixed Assets	575	(1,578)
Net Cash Inflow/(Outflow) from Operating Activities	327,120	(24,220)

13. COMMITMENTS FOR EXPENDITURE

Commitments under non-cancellable operating leases, to which the Council is subject, are as follows.

	2012 $	2011 $
Non-cancellable Operating Lease Payments		
Less than One Year	303,592	314,546
One to Two Years	303,339	15,246
Two to Five Years	6,466	20,341
	613,397	350,133

The Council has the following leases.

	Expiry dates
Building Lease	30 June 2014
Ricoh Photocopier – 9th Floor	30 October 2014
Ricoh Photocopier – 10th Floor	30 October 2014
Franking Machine	02 February 2016
Mobile Eftpos Terminal	12 March 2014

14. KEY MANAGEMENT PERSONNEL COMPENSATION

	2012 $	2011 $
Salaries and Other Short-term Employee Benefits	582,949	213,985
Post-employment Benefits	41,061	27,296
Total Key Management Personnel Compensation	624,010	241,281

Key management personnel includes the Board, Chief Executive and three General Managers. This has changed from 2011 to include new General Manager roles.

15. CONTINGENCIES

CONTINGENT LIABILITIES

The Council has no contingent liabilities, guarantees or indemnities outstanding as at 30 June 2012 (30 June 2011: Nil).

CONTINGENT ASSETS

The Council has no contingent assets (30 June 2011: Nil).

16. RELATED PARTIES

Some Board members are employees of various tertiary institutions. They conduct research and provide professional advice in educational research-related matters.

In the past financial year, a number of directors have been working with the Council on various research initiatives. The Board members do not hold a position that would influence or control the research initiative with the Council.

ALISON GILMORE

Alison leads the National Monitoring Study for Student Achievement at Otago University. The Council received from Otago University $680,384 for services in the financial year 2011/12 ($115,558 in 2010/11).

DAVID GLOVER

David is the Chief Executive Officer of Learning Media. The Council paid Learning Media $74,968 for services in the financial year 2011/12 ($0 in 2010/11).

LIZ GORDON

Liz is the Managing Director of Pukeko Research Limited and the Vice President of NZARE. She holds a contract for administrative support services with NZCER. The Council received from NZARE $12,420 for professional services in the financial year 2011/12 (not a related party in 2010/11).

MARGARET CARR

Margaret is a project leader of one project that has been awarded by TLRI funding to Waikato University and $43,713 was paid out to the university for the financial year 2011/12 ($59,999 in 2010/11).

MARY HILL

Mary is a project leader of one project that has been awarded by TLRI funding to Auckland University and $120,000 was paid out to the university for the financial year 2011/12 ($90,000 in 2010/11).

PETER COOLBEAR

Peter is the Director of Ako Aotearoa. The Council received from Ako Aotearoa $74,613 for services in the financial year 2011/12 (not a related party in 2010/11).

ROBYN BAKER

Robyn is the Deputy Chairperson of the Australian Council for Educational Research (ACER). A total of AUD$80,840.41 was paid to ACER for the financial year 2011/12 (AUD$108,041.53 in 2010/11).

17. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows.

	2012	2011
	$	$
Loans and Receivables		
Debtors and Other Receivables	1,839,031	1,772,272
Investments – Term Deposits	3,100,000	3,600,000
Total Loans and Receivables	4,939,031	5,372,272

18. FINANCIAL INSTRUMENTS

The Council is a party to a variety of financial instruments as part of its everyday operations. Financial instruments include accounts payable and receivable, cash and short-term deposits.

CREDIT RISK

Credit risk is the risk that a third party will default on its obligations to the Council, therefore causing the Council to incur a loss. In the normal course of business the Council incurs credit risk from debtors and transactions with financial institutions. The Council does not require any collaterals or securities to support financial instruments as investments are with reputable financial institutions, and debtors are on normal trade terms. There is a concentration of credit risk in relation to the Council's receivables due to the reliance on the Ministry of Education for 57 percent of receivables at 30 June 2012 (30 June 2011: 56 percent). However, the Ministry of Education is a high credit quality entity.

FAIR VALUE

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

CURRENCY RISK

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in exchange rates. The Council's exposure to foreign currency risk through overseas sales and purchases is minimal. It is the Council's policy not to hedge these transactions.

The TEC Adult Assessment Tool project has some exposure to Australian Dollar exchange rate risk. The Council's risk management strategy is to purchase Australian Dollars upfront to lock in the exchange rate. However, this will not eliminate translation/accounting gains/losses as the exchange rate fluctuates inevitably from period to period.

INTEREST RATE RISK

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Council's financial instruments are subject to interest rate risk.

19. SUBSEQUENT EVENTS

There have been no events occurring subsequent to balance date that would result in an adjustment being required to the amounts disclosed in the financial statements.

20. CAPITAL MANAGEMENT

The Council's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

The Council manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments and general financial dealings to ensure the Council effectively achieves its objectives and purpose, whilst remaining a going concern.

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of the New Zealand Council for Educational Research's financial statements for the year ended 30 June 2012

The Auditor-General is the auditor of the New Zealand Council for Educational Research (the Council). The Auditor-General has appointed me, Karen Young, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Council on her behalf.

We have audited the financial statements of the Council on pages 26 to 41, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements that include accounting policies and other explanatory information.

OPINION

In our opinion the financial statements of the Council on pages 27 to 42:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Council's:
  - financial position as at 30 June 2012; and
  - financial performance and cash flows for the year ended on that date.

Our audit was completed on 9 October 2012. This is the date at which our opinion is expressed.

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

BASIS OF OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Council's preparation of the financial statements that fairly reflect the matters to which they relate. We consider internal control 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 Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

RESPONSIBILITIES OF THE BOARD

The Board is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Council's financial position, financial performance and cash flows.

The Board is also responsible for such internal control as is determined necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board's responsibilities arise from the New Zealand Council for Educational Research Act 1972.

RESPONSIBILITIES OF THE AUDITOR

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001.

INDEPENDENCE

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

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

Karen Young

Karen Young
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

MATTERS RELATING TO THE ELECTRONIC PRESENTATION OF THE AUDITED FINANCIAL STATEMENTS

This audit report relates to the financial statements of the New Zealand Council for Educational Research for the year ended 30 June 2012 included on the New Zealand Council for Educational Research's website. The New Zealand Council for Educational Research's Board is responsible for the maintenance and integrity of the New Zealand Council for Educational Research's website. We have not been engaged to report on the integrity of the New Zealand Council for Educational Research's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements as well as the related audit report dated 6 August 2010 to confirm the information included in the audited financial statements presented on this website.

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

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