



**NEW ZEALAND COUNCIL FOR EDUCATIONAL RESEARCH**

TE RŪNANGA O AOTEAROA MŌ TE RANGAHAU I TE MĀTAURANGA

ANNUAL REPORT 1998 - 99

**RESPONSIVE RELATIONSHIPS**

NZCER provides research and information relevant to key issues in education, and fosters collaboration and reciprocal efforts internally and externally.

**EQUITY**

NZCER fosters and undertakes educational research which contributes to quality education for all.

**EFFECTIVE DISSEMINATION**

NZCER is active in finding more and better ways to make research information and products accessible to teachers and others interested in education.

**QUALITY**

NZCER provides quality educational research, information, and advice to support educators.

**RESPONSIBILITY**

NZCER staff carry out activities in a reliable, honest, diligent, and competent manner.

**HONOURING THE TREATY OF WAITANGI**

NZCER accepts its responsibility under the Treaty, and is working with Maori and tauwiwi in providing educational research and information appropriate to both national aspirations and Maori development.

## Directory

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### CHAIR

Ted Glynn, MA, PhD, DipGrad, DipTchg, FNZPsS

### CHIEF EXECUTIVE AND DIRECTOR

Richard Watkins, BA, MA, PostGrad DipTchgEngSecLang, PhD, MPublAdmin

Anne Meade, QSO, BA (Hons), PhD, TTC, MRNZS (Sept 1998)

### SENIOR STAFF

#### Research

Anna Chalmers  
Cedric Croft  
Wharehuia Hemara  
Dr Valerie Podmore  
Dr Cathy Wylie  
Dr David Yeboah

#### Finance and Administration

Swarna Gill

#### Planning and Services

Bev Webber

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THE 1998–99 ANNUAL REPORT RECORDS, AND PROVIDES DETAILS OF, THE ACTIVITIES AND performance of the New Zealand Council for Educational Research during the second year of operations under a Purchase Agreement environment.

Client focus and satisfaction remain a high priority in all Council activities. Responses from both funding organisations and customers indicate that high levels of satisfaction have been achieved.

This year we have strengthened our position as a leading research organisation. Our expertise in longitudinal and cumulative projects has been recognised, and these designs are now a feature across all research domains.

This foreword provides an introduction to the annual report and a summary of the year's key achievements. NZCER is described in the second section: our values, purpose, aims, and strategic goals. The third section lists NZCER staff and Board members, and provides an organisational chart which shows the functions of the Council and how they support each other. Longer-term goals are presented in the fourth section, with the specific objectives for 1998–99 listed and our performance against those objectives recorded. The fifth section describes significant activities in research, information and advisory services, and the dissemination of our research findings and research-based publications. Details of research publications are also provided. How NZCER actively contributes to the wider education community is reported in the sixth section. The final section contains information about NZCER's financial performance.

This 1998–99 annual report shows that NZCER staff continue to respond to the challenges imposed on them for greater accountability and in terms of NZCER's competitiveness.

#### **THE ANNUAL REPORT CONTAINS SEVEN SECTIONS:**

1. Foreword from the Chair and the Director;
2. The New Zealand Council for Educational Research;
3. People at NZCER;
4. Goals, initiatives, and achievements;
5. Significant activities;
6. NZCER and the wider educational community;
7. Financial performance.

## Mission

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**THE MISSION OF NZCER IS TO SUPPORT EDUCATORS THROUGH QUALITY RESEARCH, RESOURCES, AND INFORMATION.**

NZCER HAS A UNIQUE STANDING IN NEW ZEALAND EDUCATION. IT IS A NATIONAL ORGANISATION with a bicultural focus and an international reputation for producing independent, quality educational research and research-based products. It is at the leading edge of several areas of research, including the complex relationship of home and school to children's development and achievement. With its mission to support educators, it has a strong client/customer focus and serves a wide range of institutions, agencies, and individuals in the education field.

## Values

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NZCER'S STRATEGIC DIRECTION AND DAY-TO-DAY ACTIVITIES ARE GUIDED BY COMMITMENT TO the following values.

### QUALITY

NZCER provides quality educational research, information, and advice to support educators.

### RESPONSIVE RELATIONSHIPS

NZCER provides research and information relevant to key issues in education, and fosters collaboration and reciprocal efforts internally and externally.

### EFFECTIVE DISSEMINATION

NZCER is active in finding more and better ways to make research information and products accessible to teachers and others interested in education.

### HONOURING THE TREATY OF WAITANGI

NZCER accepts its responsibility under the Treaty, and is working with Maori and tauwi in providing educational research and information appropriate to both national aspirations and Maori development.

### EQUITY

NZCER fosters and undertakes educational research which contributes to quality education for all.

### RESPONSIBILITY

NZCER staff carry out activities in a reliable, honest, diligent, and competent manner.

## Statement Of Purpose

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### **NZCER'S PURPOSE AS AN INDEPENDENT, STATUTORY BODY IS TO:**

- (a) foster educational research of a high standard and disseminate its results; and
- (b) provide information, advice, and assistance to those involved in education, to inform those who are directly involved in learning and teaching, and those who are engaged in policy making, in order to promote quality education for New Zealanders.

The purpose of NZCER—its reason for existence—translates into aims which shape its continuing contribution and service to the wider education community.

### **FUNCTIONS**

The statutory functions of NZCER are to:

- “(a) foster the study of, and research into, educational and other like matters, and to prepare and publish such reports on these matters as may in its opinion be necessary or of value to teachers or other persons; and
- (b) furnish information, advice, and assistance to persons and organisations concerned with education and other similar matters.” (s.13)

NZCER's strategic direction is guided by this statement of purpose which translates into specific aims.

### **NZCER aims to:**

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- » improve the quality of education through research;
- » help reduce barriers and expand educational horizons for all New Zealanders; and
- » create educational resources based on sound research.

These aims formed the framework for a set of specific strategic goals and initiatives for 1998–99.

### **THESE GOALS EMPHASISE THE NEED TO:**

- » forge ahead at the leading edge in relevant, quality educational research;
- » develop and deliver a diversified, expanded range of timely, quality products, information, and advice;
- » achieve stakeholder commitment;
- » acquire and grow strategic resources and use them effectively;
- » acquire and develop relevant human resources and deploy these effectively.

A series of performance measures was developed to indicate how well these goals and initiatives were achieved. The many achievements of NZCER staff are shown in detail in section 4.

## The Board



*Ted Glynn (Chair)*



*Kathie Irwin (Deputy Chair)*



*Richard Watkins  
(Chief Executive & Director)*



*Anne Meade (Director)*



*Judith Carter*



*Terence Crooks*



*Alison Gernhoefer*



*Richard Harker*



*Ella Henry*



*Ruth Mansell*



*Deidre Stallinger*

THE MEMBERS OF THE BOARD OF NZCER REPRESENT A WIDE CROSS-SECTION OF EDUCATIONAL interests. Through their diverse networks they contribute an overview of educational issues and are able to select those which are relevant for the strategic direction of the Council.

### CHAIR

**Ted Glynn**, MA, PhD, DipGrad, DipTchg, FNZPsS  
Professor of Education, University of Waikato  
Elected member, retires 30 September 1999

### DEPUTY CHAIR

**Kathie Irwin**, BEd (Hons) (1st Class), MEd,  
DipTchg; Ngati Kahungunu, Ngati Porou  
Senior Lecturer, Victoria University of Wellington  
Elected member, retires 30 September 1999

### TREASURER

**Deidre Stallinger**, BCA, CA  
Chartered Accountant  
Co-opted member, retires 30 September 1999

### MEMBERS

**Judith Carter**, MA, DipEd, DipLFr, DipTchg  
Director of Teacher Education, Massey  
University College of Education  
Elected member, retires 30 September 1999

**Alison Gernhoefer**, QSO, JP, BEd, DipEd  
Principal, Westlake Girls High School

Governor-General's nominee, retires 30  
September 1999

**Ella Henry**, MPhil (Hons); Ngati Kuri, Ngati  
Rehia, Te Rarawa

Lecturer, Management and Employment  
Relations Department, Faculty of Commerce  
University of Auckland

Co-opted member, retires 30 September 1999

**Professor Richard K. Harker**, MA, PhD,  
DipTchg

Director, Institute of Professional Development  
and Educational Research, Massey University  
College of Education

Elected member, retires 30 September 2001

**Associate Professor Terence J. Crooks**, BSc  
(Hons), MS, PhD

Department of Education and Educational  
Assessment Research Unit, University of Otago  
Elected member, retires 30 September 2001

**Ruth Mansell**, JP, MEd, DipEdStud, DipTchg  
Senior Adviser, Teacher Registration Board  
Elected member, retires 30 September 2001

## Staff

### CHIEF EXECUTIVE AND DIRECTOR

Richard Watkins, BA, MA, PostGrad  
*DipTchgEngSecLang, PhD, MPublAdmin*  
(appointed 29 January 1999)  
E. Anne Meade, QSO, BA (Hons), PhD, TTC,  
*MRSNZ* (resigned 18 September 1998)

### RESEARCH

#### Senior Researchers

Anna Chalmers, BA, MA(Appl)SocSciRes,  
*DipNZLS* (Educational policy and institutions)  
A. Cedric Croft, MA (Hons), *AdvDipTchg, Reg Psych* (Learning, curriculum, and assessment)  
Wharehuia Hemara, BA, *DipLib*; Ngati  
Maniapoto, Ngapuhi (Maori education)  
Valerie N. Podmore, BA (Hons), MA, PhD,  
*NZRN* (Early childhood education)  
Cathy Wylie, BA (Hons), PhD (Educational  
policy and institutions)  
David Yeboah, BA (Hons), *GradDip, MA, GradCert, PhD* (Early childhood education)<sup>3</sup>

#### Researchers

Sally Boyd, BSc (Hons)  
Gavin T. L. Brown, BEd, *TESL (Dist'n), MED (Hons)*  
Karyn Dunn, MA (Hons), *Reg Psych*  
David Harris, BA (Hons), MA<sup>2</sup>  
Anne Gilbert, BA (Hons), *DipTchg'*  
Cathy Lythe, TTC<sup>1</sup>  
Susan McDowall, BEd, BA (Hons), *DipTchg'*<sup>3</sup>  
Chris Marston, BSc, *DipTchg'*  
Sheridan McKinley, BA, TTC, *DipTchg, HigherDipTchg, CertBilingualTchg*; Ngati  
Kahungunu, Ngai Tahu  
Diane Mara, BA, *DipTchg, TESL, BA (Hons), MLitt*<sup>2</sup>  
Alex Neill, BSc, *DipORS, DipTchg'*  
Gareth Rapson, BA, *DipTchg, DipEd'*  
Ed Strafford, BSocSci, *DipTchg'*  
Verna Tuteao, BEd, MA (Hons), *DipTchgKKM*,  
Ngati Mahuta, Ngati Whawhakia Waikato<sup>3</sup>  
Margaret Wilkie, BA, MA, *DipTchg*, Ngati  
Porou, Nga Puh<sup>3</sup>

#### Data Manager

Barbara J. Bishop, *Cert Microcomputer Management*

#### Research Assistants

Pippa Burch, *BTech(Food)*, Project Support  
Officer/Research Assistant<sup>1 3</sup>  
Gloria Hanson, Project Support Officer/  
Research Assistant; Ngati Porou, Ngati  
Kahungunu

Lia Mapa, Project Support Officer/Research  
Assistant  
Christina Smits, BSc, *CertGD, DipPW'*  
Vyletta Tapine, BA, *CertSocSt*, Administrative  
Research Assistant; Ngati Porou, Ngai te Rangi

### PROJECT SUPPORT OFFICERS

Sophary Dim, BA<sup>1 3</sup>  
Carlene G. Grigg  
Nicky A. McKibbin<sup>2</sup>  
Robertia Tiatia  
Rose-Ann Yianakis<sup>1</sup>

### TEST ADVISORY

Jane Dugdale, BA (Hons), *MPhil(SocSci), DipClinicalPsych, DipChildPsychotherapy'*

### PLANNING AND SERVICES

Bev Webber, BEd, *DipEd, TTC*, Manager  
Gennie Barton, Marketing Assistant/Customer  
Services Officer  
Bill Gardner, Storeperson  
Joan M. Kirby, *DipTchg, TTC*, Distributions  
Officer  
Leigh Montford, *CertNZLS*, Assistant Librarian  
Kristina Louis, BA, *DipLib*, Information  
Services Librarian<sup>3</sup>  
Gloria Steer, Distribution Assistant; Ngapuhi,  
Ngati Wai  
Beverley Thomson, BA, *DipNZLS*, Librarian  
Alys Titchener, BA, *MLIS*, Project Librarian<sup>2</sup>  
Ngati Kahungunu  
Judith A. Wright, BA, *DipTchg, set* editor

### FINANCE AND ADMINISTRATION

Swarna Gill, *FCCA (UK), CA (NZ)*, Manager  
Athma Baskaran, Accountant, *BCom(India), ACMA(Lond)*  
Georgina T. Morgan, Finance Officer; Ngati  
Kahungunu, Te Atiawa  
Anita Walford, Administration Officer; Tuhoe,  
Ngati Porou

### CHIEF EXECUTIVE'S OFFICE

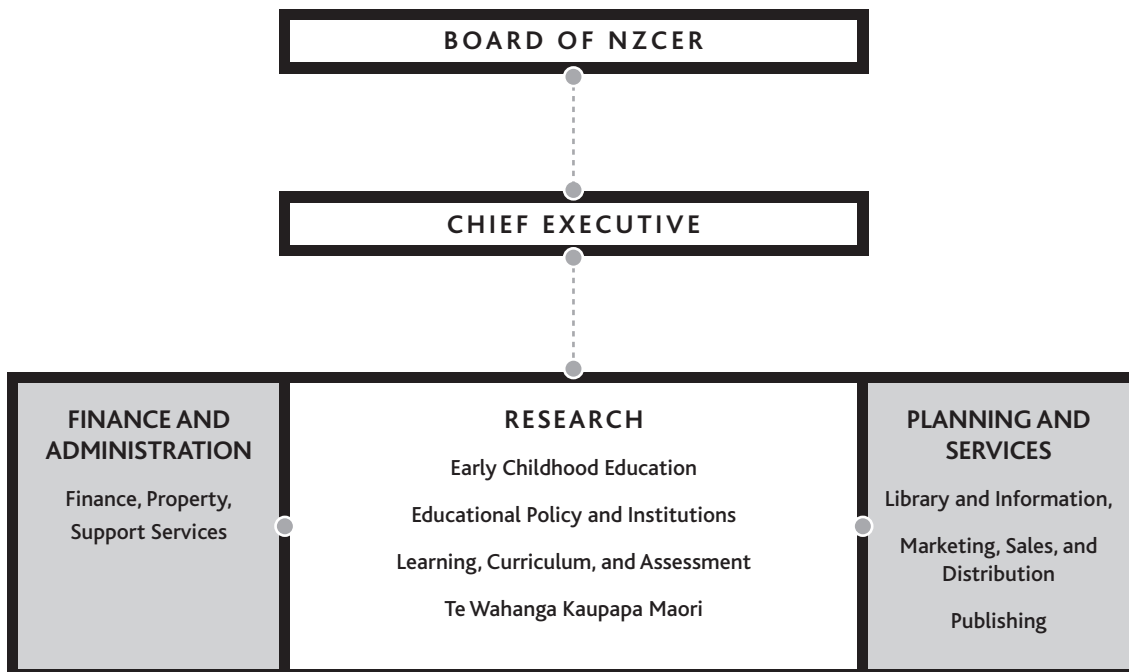
D. Suzi Grindell, BSc (Hons),  
*CertSecCompApps*, Personal Assistant  
J. Fay Swann, MA, Editorial and Human  
Resources Support

<sup>1</sup> limited-term appointment

<sup>2</sup> left during the year

<sup>3</sup> appointed during the year

THE ORGANISATIONAL STRUCTURE OF NZCER REFLECTS THE COMMITMENT OF THE COUNCIL TO FUNCTIONAL ACCOUNTABILITIES BUT AT THE SAME TIME FACILITATES SUPPORT OF THE VARIOUS FUNCTIONS FOR EACH OTHER. MANAGEMENT SYSTEMS AND STRUCTURES OPERATE TO ENSURE A CLEAR RESEARCH FOCUS ON RELEVANT EDUCATIONAL ISSUES WITH STRONG LIBRARY/INFORMATION AND DISSEMINATION SUPPORT. QUALITY FOR BOTH FUNDERS AND USERS OF NZCER RESEARCH AND RESEARCH-BASED PRODUCTS IS ASSURED BY ACCOUNTABILITY LINES THROUGH TO THE CHIEF EXECUTIVE AND BOARD.



## Report from the Chair and Chief Executive

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THE YEAR ENDED 30 JUNE 1999 WAS CHARACTERISED BY SIGNIFICANT CHANGE WITHIN NZCER, change that shows no sign of abating as NZCER moves to become more responsive and fulfil its mission: *NZCER—supporting educators through quality research, resources, and information.*

It is also a year which reflects NZCER's commitment to better planning and forward thinking and to the Council's vision that, by the year 2002, NZCER will have strengthened its reputation as an innovative, responsive, and inclusive organisation.

There are a number of personnel and related changes which have occurred within NZCER during the past year. Among these are a number of retirements and resignations including that of Dr Anne Meade who was NZCER Director from January 1993 to September 1998. In addition, Mr David Hood served as Interim Director for the period September 1998 to January 1999. Dr Richard Watkins, NZCER's new Chief Executive, took up his appointment at the end of January, with this annual report being his first.

The period 1998–1999 continues the arrangement where NZCER undertakes its research activities on the basis that the provision of goods and services is purchased by external clients. This includes the performance contract between NZCER and the Ministry of Education; significant extension of work on the assessment resource banks; and other activities which include commissioned research, successful tenders, and other bids.

Taken together, these performance-related activities mean NZCER must operate very largely within normal commercial principles and deliver quality goods and services on time and within budget, and satisfy client expectations. NZCER must also contend with other individuals and organisations in what has become a far more competitive environment where it is always necessary to make strategic decisions and choices.

The research undertaken by NZCER staff in 1998–1999 continues to reflect current and emerging national priorities in education, viz:

- » analysing and reporting on disparities in educational outcomes and suggesting methods by which these might be redressed—a particular area of concern being Maori education;
- » continuing the valuable work already undertaken in early childhood education, which can provide a very sound foundation for later success; and
- » expanding analysis and commentary on education in the broad sense, particularly through links with other important domains including social welfare, health, and like areas.

Importantly, 1998–1998 also saw NZCER widen its research and income base by gaining successful tenders from a more diverse range of purchasers and by undertaking innovative projects which will have significant long-term impact on the health and wellbeing of all New Zealanders. It is intended that NZCER will continue to expand its role in other fields, both inside and outside New Zealand, while at the same time retaining educational research as its core business.

In closing, it is clear that NZCER has a promising future and will remain a major contributor to educational research, policy, and practice—early childhood, schools, tertiary education and training—in New Zealand. To do so, NZCER will not rest upon the laurels of past achievements, but continue to demonstrate its worth and value and to deliver quality, cost-effective outcomes.



Ted Glynn, Chair



Richard Watkins, Chief Executive Officer

## Goals, Initiatives, And Achievements

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### INTRODUCTION

The goals and initiatives set for the 1998–99 year were aimed at achieving maximum stakeholder satisfaction, increasing efficiency through a continuous improving of internal processes, and providing quality research and information for a widened client base.

The achievements recorded in this section reflect the commitment of staff to the Council's values and show they have also performed well in satisfying the requirements of the Purchase Agreement and maintaining NZCER's position as a leader in a number of research areas.

#### GOAL 1 RESEARCH

*To be at the leading edge of timely, relevant, quality educational research*

- i Complete and undertake quality research to agreed timeframes and within budget (whether Purchase Agreement or contract).
- ii Complete the research and development of a new classroom resource related to the New Zealand Curriculum Framework Essential Skills.
- iii Undertake innovative research *vis-à-vis* Pacific Islands communities.
- iv Initiate work on culturally appropriate assessment for Maori.
- v Produce more resources for teachers and teaching.
- vi Deliver a library service to internal clients that is timely, high quality, value for money, and continuously improving.

#### ACHIEVEMENTS

Quality standards of NZCER research have been maintained to the satisfaction of funders, participants, and partners. Adjustment to a Purchase Agreement environment saw the need for extensions to be given to a small number of projects. Quarterly reports on all targets specified in the Performance Agreement were provided.

The first of the Essential Skills Assessments—Information Skills—was almost completed by 30 June 1999. All research work was completed and the development phase well under way.

NZCER has taken several research initiatives in Pacific Islands early childhood education: licensing

and chartering of Pacific Islands early childhood centres, transition to school, and action research on Te Whariki in these centres. Ministry of Education funding has been granted for these projects.

Leading-edge assessment resources continue to be the major research items produced for classroom use. The assessment resource banks provide a growing range of reliable and valid assessment items in science, mathematics, and English.

The research work of NZCER is supported strongly by a quality library service. Over 500 enquiries were handled including 5 major literature reviews. Approaches to work have been praised by a number of external enquiry clients. Library skills and knowledge have enabled in-house training for all staff on use of the Internet and local databases. Efficient records management was identified as a key strategic need for a knowledge-based organisation for 1998–99. By early 1999 a new records classification system was in place and staff training in its use undertaken.

## GOAL 2 | INFORMATION

*To develop and disseminate diversified products and delivery methods for an expanded range of timely, quality, innovative resources, information, and advice*

- i Facilitate an increasing use of the assessment resource banks in schools by more frequent training and demonstration sessions for users and by producing updated materials for dissemination.
- ii Explore electronic publishing (in partnership with ACER).
- iii Develop and implement a strategic plan for NZCER's Web site.
- iv Publish one bilingual report or resource annually.
- v Continue to provide quality information and advice on a range of assessment and measurement matters to established and potential customers of NZCER through newsletters, conference displays, NZCER's website, and telephone/mail responses to requests.
- vi Increase the number of research-based publications and products.

## ACHIEVEMENTS

Several opportunities for increasing awareness of the value of the assessment resource banks have arisen, or been created, during 1998–99. These include nationwide seminars and field work, NZCER newsletters, and targeted printed communication. The fourth quarter saw a marked increase in the number of passwords issued.

Exploration of electronic publishing has been limited to a number of discussions with the Australian Council for Educational Research. With no firm agreement reached, other avenues for positioning NZCER in this type of publishing are being investigated.

A complete review of the purpose, design, and protocol for NZCER's Web pages was undertaken prior to 30 June 1999. The strategic importance of the Web pages as a means of dissemination of research and profiling and promoting the organisation has been affirmed.

Te Kohanga Reo Trust Project: *Pono ki te Kaupapa, Puna ko te Reo* will become a bilingual publication. By 30 June 1999 it was with Huia Publishers for translation.

The reputation of NZCER as a leading provider of sound, ethical test advice has been maintained. One issue of the Test Advisory newsletter *Profile* has been distributed, a number of conferences attended, and regular updates of Test Advisory Web pages undertaken.

The number of NZCER research-based publications has increased by 12 during 1998–99. Fourteen professional-development research-based seminars were presented in 6 locations.

*To extend stakeholder commitment*

- i Provide relevant, high-quality research, publications, and advice to NZCER's direct stakeholders, and evaluate all projects and seminars to improve them continually.
- ii Implement the research Quality Assurance system.
- iii Provide quality services and information to external clients.
- iv Implement NZCER's public relations policy by effective use of the media and media contacts.
- v Publish more booklets for parents and teachers in "plain" English.
- vi Ensure all products and services reach their intended customer or client.
- vii Raise the profile of the Test Advisory Service, and introduce fees for service for its clients.
- viii Retarget EdLink and EdMap.

## ACHIEVEMENTS

Fourteen professional development seminars were presented on topical issues for teachers: leadership, behaviour management, school-wide assessment, and problem solving in mathematics. These seminars were rated very highly by participants—over 80 percent of responses indicated this rating.

The Quality Assurance system is designed to ensure that NZCER's research maintains its high ethical and quality standards. Processes in place include peer review, external advice, client feedback, and adherence to an ethics checklist.

Effective communication with stakeholders is an important strategy for NZCER. Corporate communication consists of twice-yearly newsletters and the Annual Report. High-level, up-to-date product information is sent to customers regularly and as new publications become available. Communication via the Internet and other technologies has grown during 1998–99.

Media releases for the year range from announcements about the appointment of a new Chief Executive, and the 1999 Beeby Fellow, to a number of commentaries on the findings of NZCER research. NZCER's profile has been particularly high in the *New Zealand Education Review*.

NZCER has maintained high standards of accessibility in the language used in its publications. Professional editing has ensured a clear, concise writing style across all publications.

Efficient delivery of goods to customers is a cornerstone of NZCER's distribution system. A review was carried out during the year, inefficiencies found, and a new contractor appointed.

EdLink was refocused during the year to make it more accessible to the user groups. It now has 3 sections—one for librarians, one for teachers, and one for researchers. EdMap was not refocused as the expected growth in national participation did not occur.

## GOAL 4 | STRATEGIC RESOURCES

*To acquire and develop strategic resources (including human resources) and use/deploy them effectively*

- i Complete a business plan for NZCER as a whole.
- ii Begin to implement the long-term product development policy.
- iii Develop and implement a marketing plan for the year.
- iv Develop an information and communications technology plan.
- v Improve the competencies of staff by using performance management systems and meeting identified training needs.
- vi Train project co-ordinators on working with media and maintain our media presence.
- vii Enhance competencies in technical areas—specifically writing, statistical support, and project management.
- viii Continue te reo Maori course, in-house, and appropriate alternative professional development for Maori staff.
- ix Develop records and organisation management system.

## ACHIEVEMENTS

NZCER has sought to strengthen its long-term product platform through the use of external development teams. By 30 June an early childhood video kit had been published and 2 other product development projects were nearing completion.

NZCER's marketing plan, with an emphasis on the schools' market, was developed and implemented during the year.

Recognising the strategic importance of information and communication technology, NZCER commissioned Synergy to undertake a survey of the current situation, examine options, and propose some next steps. This review has highlighted some critical issues which were beginning to be addressed by 30 June.

NZCER has continued to invest heavily in training to increase professional capacity. A major project aimed at increasing the knowledge of inventory management systems for sales staff has enhanced systems of stock ordering and control and provided improved marketing information.

As a knowledge-based organisation, an efficient records management system is important for NZCER. Progress was made on implementing a new classification schedule, databases, and storage systems.

## GOAL 5 HUMAN RESOURCES

*To develop synergies between groups within NZCER, and externally*

- i Undertake research projects across NZCER groups.
- ii Develop collaborative research projects with external individuals and groups.
- iii Explore a long-term product for development, and trial the team “purchased by NZCER” approach in implementing the long-term product development policy.
- iv Initiate a knowledge management programme.

## ACHIEVEMENTS

To meet the needs of an increasingly diverse range of clients research teams have been strengthened by relevant expertise drawn from NZCER’s research groups and external contracts.

Collaborative projects have been undertaken with a number of institutions, for example, Institute of Early Childhood Studies, Te Puni Kokiri, Te Kohanga Reo National Trust, University of Waikato.

To enhance NZCER’s product development capacity, external researchers, working as a project team with NZCER consultants, have been contracted. Two projects set up in this way were nearing completion by 30 June. One will yield an assessment product, the other information literacy resources.

## Introduction

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THE COMPLETED RESEARCH PROJECTS FOR 1998–99 REFLECT THE STRENGTHS OF NZCER IN PROVIDING leading-edge research and research-based resources in several areas—assessment, early childhood education, and educational policy.

There have been 3 strands to the assessment programme. The current stage of the Assessment Resource Banks project was completed, and a new stage, covering the next 2 financial years, was negotiated with the Ministry of Education. This project, the first of its kind in the English-speaking world, with its combination of information technology and newly developed assessment resources, is improving schools' capacity for valid and reliable assessment within the parameters of the New Zealand Curriculum Framework. The second strand is a beginning on Essential Skills assessments. Good progress has been made on the first set of assessments—Information Skills. The third component is NZCER's well-established Test Advisory Service, the education sector's only source of impartial and comprehensive information on educational and psychological assessment.

NZCER has continued its initiatives in Pacific Islands early childhood education, culminating in the publication of New Zealand's first study of licensing and chartering of Pacific Islands early childhood centres.

Research work in educational policy has focused on the impact of policy, both educational and social, with a particular interest in research which will help in reducing disparities between social groups, increasing effectiveness, and supporting innovation.

## Highlights

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A STATED STRATEGIC GOAL OF NZCER IS TO BE AT THE LEADING EDGE OF TIMELY, RELEVANT, QUALITY educational research.

Highlights of the year which underline the achievement of this goal are:

- » initiation of research in Pacific Islands early childhood education and the publication of a first study;
- » leadership in evaluating a decade of decentralised education through the NZCER 1998 conference and several commissioned articles for research and popular journals;
- » recognition of the innovative uses of technology for student assessment through negotiation of a further 2-year contract from the Ministry of Education to extend the assessment resource banks.
- » continuation of the longitudinal Competent Children study, which is providing exciting and useful analysis of the progress of a cohort of children from early childhood education onwards, and which examines the different contributions of early childhood education, family resources, children's activities, and schooling.

## Completed Projects

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### ASSESSMENT RESOURCE BANKS—PART 4

The number of available resources in English, mathematics, and science has now increased to 1390, and the ARBs may now be accessed from 1490 sites. With the “hit” rates on each of the 4 search pages now averaging 344 weekly, the ARBs are firmly established as the premier source of nationally validated, school-based assessment material.

The strong growth in the number of electronically published resources has been based on a continuing round of resource-writing, reviewing, trialling, analysis, and electronic publications. The “raw data” for the research and development aspects of the project have come from 75 trial sets of material containing from 6 to 12 resources each, administered to 15,000 students, in 520 schools nationwide. At present we are operating 4 writing panels, and the project utilises a range of part-time and casual staff to assist with the volumes of student papers involved.

Alongside the growth of the ARBs in quantitative terms, the project has advanced strongly in qualitative aspects also. With the introduction of Practical Resources, the style of assessments available has broadened, with increasing numbers of resources reporting diagnostic information in terms of children’s common errors, likely misconceptions, inappropriate calculations, and so on. Analysis of responses to sets of resources has also begun, with a view to using ARB data to report on broader curriculum outcomes nationally

As NZCER’s single largest project for the year, the ARBs involve a team comprising Cedric Croft, Sally Boyd, Anne Gilbert, Alex Neill, Chris Marston, Ed Strafford, Gareth Rapson, Christina Smits, Rose-Ann Yianakis, Sophary Dim, and Sue McDowall.

### CAN VOUCHERS DELIVER BETTER EDUCATION?

The main assumptions behind the voucher approach to education is that consumer (parental) choice and provider competition will improve education, and increase its efficiency. These claims are evaluated in the light of international and New Zealand research on education systems which use the main elements of the voucher concept: parental choice, per-student funding formulas, and self-managing schools. The research evidence shows that the assumptions behind vouchers are not justified. Instead, voucher approaches to education result in greater inequality of educational opportunity, with no gain in student achievement, and sometimes a decline for students from low-income homes. Voucher systems which try to counter these negative impacts cost more than other approaches to education provision, and need more, rather than less, regulation of schools. (Cathy Wylie)

### ESSENTIAL SKILLS ASSESSMENTS—PART 1

The purpose of this project is to develop a set of assessment materials to help teachers assess the achievement of their students in the 8 Essential Skills of the New Zealand Curriculum Framework. The first of the Essential Skills for which material is being developed is Information Skills.

The materials to be published on completion of this first stage will replace *PAT: Study Skills*, first published in 1976.

*Essential Skills Assessment—Information Skills* will consist of 7 modules, each module having some combination of test, teacher rating, and student self-assessment. The tests will be at 3 levels (primary, intermediate, secondary) and are standardised for year-round administration, emphasise formative outcomes, and report individuals’ performance by stanine.

Six tests covering primary and intermediate levels in library, reference sources, and parts of a book, with a composite rating scale, were standardised in stage 1 in March, on a stratified random sample of 7000 students. Analysis of data and finalisation of the test forms followed. Five more tests were prepared for stage 2 of the standardisation in July. These tests were library skills (secondary), locating information in text (intermediate and secondary), and reading graphs and tables (intermediate and primary). Additional material is being prepared for stage 3 of the standardisation in March of next year. Cedric Croft, Gavin Brown, Karyn Dunn, and Lia Mapa are the project team.

### **IMPACT OF CHANGE ON UNIVERSITY STAFF WORKLOADS AND STRESS**

The Association of University Staff contracted NZCER to undertake a follow-up of its study of workload and stress in New Zealand universities. This study was completed in late 1998 and found that the impact of changes to universities continued to have more negative than positive effects on staff and their work. More staff than in 1994 reported a work-related injury or illness, and most respondents reported that their workload had increased since 1994. (Anna Chalmers)

### **PROGRESS TOWARDS LICENSING AND CHARTERING PACIFIC ISLANDS EARLY CHILDHOOD CENTRES IN NEW ZEALAND**

This study outlines information from the range of agencies and organisations that work together to establish and support the licensing and chartering of Pacific Islands early childhood centres. An analysis of interviews carried out with key informants from licensed and unchartered centres identifies the barriers and challenges to licensing, useful supports and services, the differences between being licensed and unlicensed, and present and future needs. Participants' views on quality, choice, and access are noted. (Diane Mara)

## **Continuing Projects**

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*Assessment Resource Banks in Mathematics, Science, and English—Part 5, 1998–99* (Cedric Croft, Sally Boyd, Anne Gilbert, Alex Neill, Chris Marston, Ed Strafford, Gareth Rapson, Christina Smits, Rose-Ann Yianakis, Sophary Dim, Sue McDowall, Jane Tetava, and Lia Mapa).

*\*Competent Children* (Cathy Wylie, Cathy Lythe, Jean Thompson, Pippa Burch, Gloria Hanson, and Barb Bishop).

*Engaging Maori Children in Mainstream Education—Effective Mainstream English-medium Education for Maori in Middle Primary Schools* (Wharehuia Hemara and Richard Watkins).

*Essential Skills Assessments—Information Skills* (Cedric Croft, Gavin Brown, Karyn Dunn, and Lia Mapa).

*Impact of Educational Reform—1999 survey of principals, teachers, trustees, and parents at a national sample of primary schools* (Cathy Wylie).

*\*Implementation of Te Whariki in Pacific Islands Early Childhood Centres* (funded on contract—Ministry of Education) (Diane Mara).

*Improving Fire Safety Knowledge and Practices of Vulnerable Groups* (Anna Chalmers).

*Te Anga Whakamua: Kura Kaupapa Maori* (Hurihia Tuteao).

*Maori Parental/Whanau Concerns and Involvement in Their Children's Education* (Sheridan McKinley).

- \*Palmerston North—Future Schooling (Cathy Wylie and Anna Chalmers).
- \*So—What’s So Special About Special Education for Maori (Margaret Wilkie).
- Special Education for Maori* (Margaret Wilkie).
- Teachers’ Use of Research* (Anna Chalmers and Sally Boyd).
- Te Kohanga Reo Trust Project: Pono Ki Te Kaupapa, Puna Ko Te Reo* (Richard Watkins, Wharehuia Hemara, Arapera Royal Tangaere, Danica Waiti).
- Te WharikiII: An action research project for holistic assessment and evaluation using the strands of Te Whariki to trial the framework of “Learning and Teaching Stories”* (funded on contract—Ministry of Education). (Project directors: Margaret Carr, University of Waikato; Helen May, Institute for Early Childhood Studies; Val Podmore, NZCER).
- The Effects for Children of Their Family’s Receipt of Government Benefits: A Literature Review* (Cathy Wylie).
- The Implications of Bulk Funding (Full Funding) for Maori: A Literature Review* (Cathy Wylie and Margaret Wilkie).
- Transition to School from Pacific Islands Early Childhood Centres* (Diane Mara—to December 1998; Lia Mapa, Val Podmore, Le’autuli’ilagi Sauvao, Tapaeru Tereora, Suria Timoteo, Ina Mora).
- \* These projects were completed and with the Ministry of Education awaiting final clearance, by 30 June.

## Staff Publications

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- Boyd, S. (1998). *Computers in classrooms*. Wellington: NZCER.
- Chalmers, A. (1998). *Workload and stress in New Zealand universities: A follow-up to the 1994 study*. Wellington: NZCER and AUSNZ.
- Harris, D., & Boyd, S. (1998). *A link to learning: The use of computers by children with disabilities*. Wellington: NZCER.
- Keegan, P. J. (Ed.) (1998). *Te Wahanga Kaupapa Maori publications and documents 1972–97*. Wellington: NZCER.
- Mara, D. L. (1998). *Pacific Islands school-parent-community liaison project: An independent evaluation*. Wellington: NZCER.
- Mara, D. L. (1998). *Progress towards licensing and chartering Pacific Islands early childhood centres in New Zealand*. Wellington: NZCER.
- Meagher-Lundberg, P., & Podmore, V. N. (1998). *Out-of-school care: A review of quality provision*. Wellington: NZCER.
- Podmore, V. N., & May, H., with Mara, D. (1998). *Evaluating early childhood programmes using the strands and goals of Te Whariki, the national early childhood curriculum*. Final report on phases one and two to the Ministry of Education. Wellington: NZCER/Ministry of Education.
- Sisley, R., with Waiti, D. (1998). *Te pikaunga-mahi me te kohukihuki (Workload and Stress): A national survey of Maori ASTE Te Hau Takitini o Aotearoa members*. Wellington: NZCER.
- Wylie, C. (1999). *Can vouchers deliver better education? A review of the literature with special reference to New Zealand*. Wellington: NZCER.

## Planning and Services

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THE EMPHASIS IN PLANNING AND SERVICES DURING 1998–99 WAS ON IMPROVING SYSTEMS AND processes to enhance service to both external and internal clients. These improvements included inventory and records management, changes to the subscription database, and improvements in delivery systems for goods dispatch.

### HIGHLIGHTS

- » Collaboration with the University of Waikato to produce a video kit.
- » Development and implementation of a new records management system.

### MARKETING AND CUSTOMER SERVICE

High standards of customer service have been maintained with most orders actioned within 24 hours and on their way to customers within 36. Regular contact with customers has been maintained through mailouts, telephone inquiries, professional development seminars, and attendance at major education conferences.

Marketing and customer services staff deal with customers throughout New Zealand and several overseas countries. This year international sales outlets have increased, particularly for early childhood and literacy publications.

### PUBLISHING

NZCER publishing continues to flourish. Ten research reports were published (see Staff Publications, p. 19) and a further 12 research-based titles added during the year. The backlist is selling well. An increasing number of publications are either set texts in tertiary institutions or on recommended reading lists.

A new development this year has been the design and production of NZCER's literature review series. These reviews are an important part of NZCER's research work, and the series has already shown its usefulness at education policy level. Three titles were available by 30 June 1999.

NZCER was proud to be chosen as the publisher of Margaret Carr's *Assessing Children's Learning in Early Childhood Settings*. This professional development package consists of 3 videos, a book, and overhead transparencies.

A publishing rights agreement was signed with Hodder and Stoughton Educational (U.K.) for *Teacher Observation Scales for Identifying Children with Special Abilities*.

Two further titles in NZCER's School-wide Assessment series were published, bringing the total number of publications in this best-selling series to 6.

The end of an era came with the conclusion of the partnership between NZCER and ACER to produce *set: Research Information for Teachers*. The partnership with ACER has been a valuable one and has helped firmly establish *set* as the best-used source of research information in New Zealand schools. From 2000 the periodical will become an NZCER venture with mostly New Zealand content and with inclusion of more topics on Maori and secondary education.

## NEW TITLES 1998–99

- Carr, M. (1998). *Assessing children's learning in early childhood settings*. Wellington: NZCER.
- Dunkin, D., & Carew, A. (1998). *Which one? Your child's early childhood education service*. Wellington: NZCER.
- Clark, M. (1999). *School-wide assessment: Mathematics*. Wellington: NZCER.
- Flockton, L. (1999). *School-wide assessment: National education monitoring project*. Wellington: NZCER.
- Jenkins, P. (1999). *Surveys and questionnaires*. Wellington: NZCER.
- Moore, D., et al. (1999). *Caught between stories: Special education in New Zealand*. Wellington: NZCER.
- Nicholson, T. (1999). *At the cutting edge: Learning to read and spell for success* (revised edition). Wellington: NZCER.
- Webber, B. (Compiled by.) (1999). *Effective school self-management: What's ahead?* NZCER Conference Proceedings, 1998. Wellington: NZCER.
- Webber, B. (Compiled by.) (1999). *Mathematics teaching: Where are we at?* NZCER Seminar Proceedings, 1998. Wellington: NZCER.
- Wright, J. (Ed.). (1998). *set 2, 1998: Research information for teachers*. Wellington: NZCER.
- Wright, J. (Ed.). 1999. *set 1, 1999: Research information for teachers*. Wellington: NZCER.
- Wright, J. (Ed.). 1998. *set special: Technology*. Wellington: NZCER.

## LIBRARY AND INFORMATION SERVICES

Highlight of the year was implementing a new records management system. A new classification schedule, policies, databases, and storage systems were introduced to make a simple effective system which will harness NZCER's internal information.

A review of our website started towards the end of the 1998–99 year when a working party reported on aims, architecture, and policies. A revamp is under way to make the site easier to use and helpful to our clients.

Library services continue to add value to NZCER's research programme and to serve an increasing number of external clients. Nine major literature reviews, 4 for external clients, and 3 major proposals were included in over 500 information enquiries. Compared with last year, overall growth has slowed, after 3 years of exponential growth: enquiries dropped 8.7 percent, but time spent on them rose 3.8 percent, internal interloans rose 8.6 percent, and external interloans rose 10.2 percent, cataloguing dropped by 125.7 percent (last year's growth of 460 percent was due to collection projects).

Our collections were valued as an asset for the first time. A TWKM bibliography database was added and 2 journal databases rationalised into one. Two more years of NZARE papers have been indexed on to our database, preparatory to making them accessible on the web.

EdLink (our Web links page) was revamped during the year to make it more accessible to the various external user groups, and usage rose 81 percent. EdMap (guide to NZ education information sources) was maintained, with a 51 percent rise in usage. The EdLib group (Education Librarians) has been active with regular meetings and feedback to the National Library on their restructuring and Te Puna Services.

**SECTION  
SIX**

NZCER STAFF MAKE A SIGNIFICANT CONTRIBUTION TO THE WIDER EDUCATION COMMUNITY BY PROVIDING ADVICE AND INFORMATION ON A WIDE RANGE OF EDUCATIONAL ISSUES. THOSE CONTRIBUTIONS ARE RECORDED IN THIS SECTION.

**MINISTERIAL TASK FORCES**

NZCER's research strengths were recognised through the appointment of Cedric Croft to ministerial task forces on literacy and assessment.

**INTERNATIONAL PROFILE**

Cedric Croft presented papers on assessment at the University of London Institute of Education.

Val Podmore presented papers on assessment and evaluation in relation to Te Whariki in Spain and Slovenia.

NZCER publications were on display at book fairs in Melbourne, Frankfurt, London, and Bologna.

**ANNUAL CONFERENCE**

A diverse audience of researchers, teachers, and policy makers attended NZCER's annual conference in October. The topic "Effective Self-Managing Schools—What's Ahead?" was introduced by keynote speaker Dr Tony Townsend, who gave a stimulating look at the current situation and possible scenarios for education in the third millenium.

**BEEBY FELLOWSHIP**

The 1999 Beeby Fellowship was awarded to Cheryl Doig, Principal of Richmond Primary School in Christchurch. The innovative programme she is documenting is a behaviour management model set in the context of quality systems and involving the school, parents, and community.

## International Conference and Seminar Papers

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### VAL PODMORE

- » presented a symposium with Margaret Carr and Helen May “Learning and teaching stories: New approaches to assessment and evaluation in relation to Te Whariki” including a paper: May, H., & Podmore, V. N. (1998). “Project for developing a framework for self-evaluation of early childhood programmes”, at the 8th European Conference on Quality in Early Childhood Settings, Santiago de Compostela, Spain (September).
- » was co-author/co-researcher of these papers:
  - Cubey, P. (1999). “Learning and teaching Stories: An approach to assessment and evaluation in early childhood”. Paper based on research by M. Carr, H. May, V. Podmore, P. Cubey, A. Hatherly, & B. Macartney, presented at the conference on Effective Assessment and Evaluation in the Early Years, Pen Green England (27 March).
  - May, H. (1999). “Learning and teaching stories: New approaches to assessment and evaluation in relation to Te Whariki, the New Zealand early childhood curriculum (1996)”. Presentation based on Te Whariki assessment and evaluation research by M. Carr, H. May, & V. Podmore, presented at the Bernard Van Leer Foundation Headquarters, The Hague (7 June).
- » presented a paper “Evaluating early childhood programmes using Te Whariki, the New Zealand early childhood curriculum” (research by V. Podmore, & H. May), at the annual conference of the European Educational Research Association, Ljubljana, Slovenia (September).

### Conference, Seminar, and other Papers\*

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- Brown, G. (1998). *Assessment and testing*. A paper presented at the New Zealand Education International 1998 Conference, Wellington, August.
- Brown, G. (1998). *Assessing an essential skill: Finding information in the library*. A paper presented at the 20th NZARE annual conference, Dunedin, December.
- Boyd, S. (1998) *Opening windows: The use of information technology by children with special needs*. A paper presented at the 20th NZARE annual conference, Dunedin, December.
- Carr, M., May, H., & Podmore, V. (1998). *Learning and teaching stories: New approaches to assessment and evaluations in relation to Te Whariki*. A paper presented by Val Podmore and Helen May at a seminar at the Christchurch College of Education, Christchurch, December.
- Croft, C. (1998). *Assessment for success in primary schools—Green paper*. A response from the New Zealand Council for Educational Research.
- Hemara, W. (1998). *Positive educational outcomes for Maori: Teacher/classroom practices which are linked to positive Maori achievement in mainstream English medium primary schools*. A paper presented at the 20th NZARE annual conference, Dunedin, December.
- Mara, D. (1998). *Implementation of Te Whariki in Pacific Island early childhood centres*. A paper presented at the symposium by M. Carr, H. May, D. Mara, & V. Podmore “Learning and teaching stories: New approaches to assessment and evaluation in relation to Te Whariki”, at the 20th NZARE annual conference, Dunedin, December.
- May, H., & Podmore, V. (1998). *Project for developing a framework for self-evaluation of early childhood programmes*. A paper presented at the symposium by M. Carr, H. May, D. Mara, & V. Podmore “Learning and teaching stories: New approaches to assessment and evaluation in relation to Te Whariki”, at the 20th NZARE annual conference, Dunedin, December.

- Meade, A., & Kerslake Hendricks, A. (1998). *Quality indicators in early childhood services. Phase 1. Preliminary ideas about early childhood quality improvement systems and indicators.* Discussion paper. Wellington, August.
- Tuteao, H. (1998). *Wai ka hua: Who benefits from research for Maori?* A paper presented at the 20th NZARE annual conference, Dunedin, December.
- Wylie, C. (1998). *School self-management in New Zealand: How can it make a real difference?* In proceedings of the NZCER annual conference "Effective School Self-Management—What's Ahead?" Wellington, October.
- Wylie, C. (1998). *The Competent Children project—the contribution of early childhood education, school, and home to children's progress between 5 and 8.* A paper presented at the 20th NZARE annual conference, Dunedin, December.
- Wylie, C. (1999) *Getting off the ground and staying in flight—what matters in school improvement.* A paper presented to the Ubix Central North Island Deputy and Assistant Principals' conference, Taupo, June.
- \* These papers are available from NZCER's website: [www.nzcer.org.nz](http://www.nzcer.org.nz)

## Journal Articles and Book Reviews

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- Brown, G. (1998). The New Zealand English curriculum. *English in Aotearoa*, 35, 64–70.
- Brown, G. (1998). Assessment in English. *English in Aotearoa*, 36, 62–67.
- Brown, G. (1998). [Review of *Quebec's aboriginal languages: History, planning and development.*] *Australian Review of Applied Linguistics*, 21(2), 140–144.
- Croft, C. (1998). Resource banks in mathematics and science for school-based assessment. In *The effects and related problems of large scale testing in educational assessment, Proceedings of the 22nd Annual IAEA Conference*, pp. 205–220. Beijing: Foreign Language Teaching and Research Press.
- Croft, C., & Boyd, S. (1998). Assessment down the wire: Technology brings the assessment resource banks into schools. *National Education*, 2, 38–46.
- Hood, D. (1998). An outdated secondary school system? *IPS Policy Newsletter*, 55, 10–13.
- Wylie, C. (1998). Educational vouchers: The research evidence. *IPS Policy Newsletter*, 55, 13–15.
- Wylie, C. (1998). [Review of *Market approaches to education—vouchers and school choice*, (Ed.) E. Cohn.] *NZ Journal of Education*, 33(1), 128–131.
- Wylie, C. (1999). Education vouchers: the research evidence. **set: Research information for teachers**, 1, item 8.
- Wylie, C. (1999). What's wrong with vouchers? *AUS Bulletin*, 42, 6.

## Lectures and Presentations

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### GAVIN BROWN

- » chaired a round-table discussion "Assessment in ESOL—Instruments for assessment and testing" at the Sixth National Conference on Community Languages and English for Speakers of Other Languages (CLESOL), Palmerston North (25–28 September).
- » presented a paper at a seminar on "Information skills assessment: Library skills" at the Wellington Service Centre, National Library of New Zealand (11 November).

- » held an ARB tutorial at Aotea College, Porirua (11 March).
- » held an ARB tutorial at Brandon Intermediate, Porirua East (11 March).

### **ANNA CHALMERS**

- » gave a presentation of findings from the report *Workload and stress in New Zealand Universities: A follow-up to the 1994 study*, to the AUS Executive and the media at the launch of the report, Airport Hotel, Wellington (2 December).
- » gave a presentation of findings from the draft report on “Future schooling in Palmerston North” to the Palmerston North Education Reference Group (PNERG), Palmerston North (9 June).

### **CEDRIC CROFT**

- » gave a presentation (on NZCER’s educational research) to Small States Examiners who made a site visit to NZCER (21 October).
- » gave a presentation entitled “Overview of the development and classroom uses of the assessment resource banks” to Christchurch College of Education Teacher Support Staff at Avon Centra Hotel, Christchurch (10 December).
- » presented a paper “Resource banks for school-based assessment in New Zealand” at the University of London Institute of Education (June).
- » presented a paper “Assessment in New Zealand primary schools” at the University of London Institute of Education (June).

### **JANE DUGDALE**

- » gave a lecture on NZCER’s Test Advisory Service to health service employees in Palmerston North (25 March).
- » conducted one and a half days’ training in testing and assessment for the Careers Service Rapuara, Wellington (14–15 April).

### **WHAREHUIA HEMARA**

- » conducted a seminar on “Teacher classroom practice” to postgraduate, secondary teacher trainees at Papawai marae, Wairarapa (23 April).
- » was a member of a discussion panel that focused on “Teacher classroom practice” for an ERO reviewer seminar at Taupo (25 May).

### **SHERIDAN MCKINLEY**

- » presented a paper entitled “Parental/whanau concern and involvement in their children’s education” at the 20th NZARE annual conference, Dunedin, December.
- » with Wharehuia Hemara gave a presentation to PPTA/Te Huarahi Maori which was an update of the 2 current projects: “Primary teacher practices which are linked to learning environments producing positive Maori student achievement” and “Parental concern and involvement” at the Airport Hotel, Wellington (7 July).
- » gave a talk on “Educational research” for Whitireia Polytechnic Staff Professional Development Seminar (7 May).

### **CHRIS MARSTON**

- » presented a paper entitled “Assessment resource banks: Past, present and future” at 2 seminars at the NZ Association of Science Educators conference, Nelson (July).
- » gave an overview on “Assessment resource banks” to participants in ABLE contract, Hutt Valley (19 August).
- » with Sally Boyd gave 2 seminars on “Introduction to the assessment resource banks” to Wellington College of Education teacher trainees in science (21 and 22 September).
- » with Sally Boyd gave a seminar “Introduction to the assessment resource banks” to secondary science teachers on the Innovative Science Day at the Wellington College of Education (2 November).
- » with Sally Boyd gave a seminar “Introduction to the assessment resource banks” to staff at the Wellington College of Education (17 November).

### **ANNE MEADE**

- » with Anne Kerslake Hendricks provided a discussion paper “Preliminary ideas about early childhood quality improvement systems and indicators”, Wellington (August).

### **ALEX NEILL**

- » with Anne Gilbert gave a presentation on “Assessment resource banks in mathematics and their diagnostic potential” to the New Zealand Association of Mathematics Teachers (30 June).
- » chaired a plenary session for Jane Watson, invited speaker of New Zealand Association of Mathematics Teacher Conference (29 June).

### **VAL PODMORE**

- » delivered an invited lecture on “Research ethics” to masters students in research methodology, Education Department, Victoria University of Wellington, Wellington (7 May).
- » with Helen May, gave a seminar “Learning and teaching stories: New approaches to assessment and evaluation in relation to Te Whariki” (based on research by Margaret Carr, Helen May, and Val Podmore) at Christchurch College of Education, Christchurch (7 December).
- » with Pam Cubey presented a paper entitled “New approaches to assessment and evaluation in early childhood education” based on Te Whariki assessment and evaluation research by M. Carr, H. May, & V. Podmore, at a joint workshop with H. Walker, D. Launder, & J. Burgon, in the session “Towards the Future—Innovation and Managing Risk” at the Ministry of Education’s Internal Conference, Empowering Education, Victoria University, Wellington (February).

### **GARETH RAPSON**

- » gave a talk on “Saving assessment energy: The assessment resource banks in English”, New Zealand Association of Teachers of English (30 June).

### **ED STRAFFORD**

- » gave an overview on “Assessment resource banks” to participants in ABLE contract Wellington, (18 August).
- » gave a workshop on “Assessment resource banks” at the New Zealand Reading Association Conference, Hamilton (27–30 September).

## HURIHIA TUTEAO

- » with Wharehuia Hemara presented a paper entitled “Maori pedagogy: A literature review” at the 20th NZARE annual conference, Dunedin (December).

## RICHARD WATKINS

- » assisted by Cedric Croft and Val Podmore, hosted a presentation and discussion on curriculum and related matters for a group of visiting officials and education specialists from Viet Nam at NZCER (13 May).
- » was a speaker during the opening session of the NZARE/University of Waikato “Decade of reform in New Zealand education. Where to now?” conference and provided a plenary address at the conference closure, Hamilton (10–11 June).
- » with Dr Lynne Whitney spoke to Massey University School of Education staff about future directions for educational research (2 July).

## MARGARET WILKIE

- » with Sheridan McKinley presented a paper entitled “Home-school relationships—Transition to school—Maori children” at the 20th NZARE annual conference, Dunedin (December).

## CATHY WYLIE

- » gave a seminar on “Early childhood education and the transition to school” for the Diploma of Early Childhood Education course, Whitireia Polytechnic, Porirua (6 July).
- » gave a talk on “A new breed of teachers?” to the first Assistant Principals/Deputy Principals’ national conference, Wellington (6 August).
- » gave feedback seminars on “Competent children at 8—main findings” for study participants from the Competent Children project: Linden (11 August); Upper Hutt (13 August); Wellington (17 August); Paraparaumu (19 August); Masterton (21 August); Lower Hutt (25 August).
- » made a panel contribution on “Education indicators” to the Social Indicators and Policy Development Workshop (6 November). (Available in Workshop proceedings, <http://www.nzaia.org.nz>)
- » gave a seminar entitled “Vouchers—what does the research tell us?” for Ministry of Women’s Affairs, Wellington (14 October).
- » gave a seminar entitled “Vouchers—review findings and research issues” for Ministry of Education, Wellington (15 December).
- » presented a paper “Is the land of the flightless bird the home of the voucher?” at the “A Decade of reform in New Zealand education. Where to now?” conference, Hamilton (June).
- » gave 2 workshops “How big should you think?” at Ubix Central North Island Deputy and Assistant Principals’ Conference, Taupo (17 June).
- » gave a presentation of findings from the Competent Children study at a seminar at the Ministry of Education, Wellington (18 June).

## Media Reports

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### **CEDRIC CROFT**

Velde, M. (1999, June 14). A benchmarking resource. Interview with Cedric Croft on the structure, uses, and functions of the assessment resource banks *New Zealand Education Gazette*, pp. 14–15.

### **CHERYL DOIG (BEEBY FELLOW)**

Cassie, F. (1999, May 14). Reported on the Beeby Fellowship—Hugging and thinking. *New Zealand Education Review*.

### **RICHARD WATKINS**

Rivers, J. (1999, May 28). The importance of independent research. Interview with Richard Watkins. *New Zealand Education Review*.

### **CATHY WYLIE**

Wylie, C. (1998, September 1). Self-managed schools not the whole answer. *NZ Herald*, A9.

Cassie, F. (1999, June 18). Vouchers by another name. Interview with Cathy Wylie. *New Zealand Education Review*.

Wylie, C. (1999, February 19). [Review of *Reforming education: The New Zealand experience 1984–1996*.] *Evening Post*, p. 5.

Wylie, C. (1999). Choosing a high school. *Consumer*, 382, pp. 14B17.

Wylie, C. (1999). Vouchers a matter of choice, but who gets to choose? *NZEI Rourou*, 10 (3), 4.

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## Financial Review

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### INTRODUCTION

IN THIS SECTION OF OUR ANNUAL REPORT WE PROVIDE INFORMATION ON OUR FINANCIAL performance and position, together with the report on our financial statements by our independent auditor.

### HIGHLIGHTS

The council has achieved a surplus of \$25,190.

| Significant Financial Ratios | 1999     | 1998     |
|------------------------------|----------|----------|
| Liquidity Ratio              | 1.60     | 1.37     |
| Net Profit Margin            | 0.74     | 0.61     |
| Gross Profit Margin          | 45%      | 42%      |
| Return on Investment         | 2.33     | 1.91     |
| Turnover                     | \$4.137m | \$3.967m |

## Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 1999

|                              | Notes | 1999             | 1998             |
|------------------------------|-------|------------------|------------------|
| <b>Revenue</b>               |       |                  |                  |
| Sales                        |       | 1,265,979        | 1,215,181        |
| Government grant             | 1     | 1,193,542        | 1,257,428        |
| Project revenue              |       | 1,454,058        | 1,312,686        |
| Interest                     |       | 65,878           | 98,814           |
| Other income                 |       | 157,500          | 83,167           |
| <b>Total Revenue</b>         |       | <b>4,136,957</b> | <b>3,967,276</b> |
| <b>Expenditure</b>           |       |                  |                  |
| Cost of Sales                |       | 718,028          | 702,962          |
| Depreciation                 |       | 113,761          | 106,496          |
| Operating expenses           | 2     | 758,198          | 757,217          |
| Personnel expenses           |       | 2,316,222        | 2,179,918        |
| Rent                         |       | 205,558          | 198,638          |
| Restricted funds expenditure |       | —                | 2,105            |
| <b>Total Expenditure</b>     |       | <b>4,111,767</b> | <b>3,947,336</b> |
| <b>Net Surplus</b>           |       | <b>25,190</b>    | <b>19,940</b>    |

## Statement of Movements in Equity

FOR THE YEAR ENDED 30 JUNE 1999

|  | Notes | 1999             | 1998             |
|--|-------|------------------|------------------|
| Equity at start of the year                                  |       | 1,056,251        | 1,036,311        |
| Net surplus for the year                                     |       | 25,190           | 19,940           |
| Library Reserve  | 6     | 23,946           | —                |
| <b>Total recognised revenues and expenses for the period</b> |       | <b>49,136</b>    | <b>19,940</b>    |
| <b>Equity at year end</b>                                    |       | <b>1,105,387</b> | <b>1,056,251</b> |

*The Statement of Accounting Policies and Notes form an integral part of the financial statements.*

## Statement of Financial Position

AS AT 30 JUNE 1999

|                                     | Notes | 1999             | 1998             |
|-------------------------------------|-------|------------------|------------------|
| <b>Current Assets</b>               |       |                  |                  |
| Cash and bank                       |       | 13,981           | 10,116           |
| Short Term Deposits                 | 3     | 984,958          | 970,020          |
| Receivables                         | 4     | 535,679          | 902,378          |
| Inventory                           |       | 242,367          | 278,820          |
| <b>Total Current Assets</b>         |       | <b>1,776,985</b> | <b>2,161,334</b> |
| <b>Non-Current Assets</b>           |       |                  |                  |
| Fixed Assets                        | 5     | 337,847          | 360,789          |
| Library                             | 6     | 33,946           | 10,000           |
| Product Development                 |       | 15,350           | —                |
| <b>Total Assets</b>                 |       | <b>2,164,128</b> | <b>2,532,123</b> |
| <b>Current Liabilities:</b>         |       |                  |                  |
| Creditors                           | 7     | 279,084          | 381,833          |
| Advance subscriptions               |       | 33,089           | 41,497           |
| Project funds received in advance   |       | 431,638          | 822,978          |
| Income in advance                   |       | 97,030           | 16,572           |
| Employee entitlements               | 8     | 120,213          | 106,962          |
| <b>Total Current Liabilities</b>    |       | <b>961,054</b>   | <b>1,369,842</b> |
| <b>Non-Current Liabilities</b>      |       |                  |                  |
| Employee entitlements               | 8     | 43,876           | 35,591           |
| Trust Funds                         | 9     | 53,811           | 70,439           |
| <b>Total Liabilities</b>            |       | <b>1,058,741</b> | <b>1,475,872</b> |
| <b>Equity</b>                       |       |                  |                  |
| Accumulated Funds                   |       | 1,105,387        | 1,056,251        |
| <b>Total Equity</b>                 |       | <b>1,105,387</b> | <b>1,056,251</b> |
| <b>Total Equity and Liabilities</b> |       | <b>2,164,128</b> | <b>2,532,123</b> |



Richard Watkins, *Chief Executive.*

*31 August* 1999



Ted Glynn, *Chairman.*

*The Statement of Accounting Policies and Notes form an integral part of the financial statements.*

## Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 1999

|   | Notes | 1999           | 1998           |
|---|-------|----------------|----------------|
| <b>Cash Flows from Operating Activities</b>         |       |                |                |
| Cash was provided from:                             |       |                |                |
| Government grant                                    |       | 1,274,000      | 1,274,000      |
| Sales receipts                                      |       | 1,151,404      | 1,274,385      |
| Projects  |       | 1,508,626      | 1,187,647      |
| Interest received                                   |       | 64,853         | 161,479        |
| Trust fund receipts                                 | 9     | 7,300          | 42,700         |
| Other receipts                                      |       | 132,605        | 57,837         |
| Net GST received                                    |       | 19,968         | 3,519          |
|   |       | 4,158,756      | 4,001,567      |
| Cash was disbursed to:                              |       |                |                |
| Salaries and related employee costs                 |       | 2,323,735      | 2,135,402      |
| Operating expenses                                  |       | 1,173,820      | 864,028        |
| Trading inventory                                   |       | 515,453        | 660,480        |
| Trust fund expenses                                 | 9     | 23,928         | 31,879         |
| Restricted funds                                    |       | –              | 2,105          |
|   |       | 4,036,936      | 3,693,894      |
| Net cash inflow/(outflow) from Operating Activities | 10    | 121,820        | 307,673        |
| <b>Cash Flows from Investing Activities</b>         |       |                |                |
| Cash was applied to:                                |       |                |                |
| Purchase of fixed assets                            |       | 103,017        | 77,618         |
| Net cash inflow/(outflow) from investing activities |       | (103,017)      | (77,618)       |
| <b>Total Cash Flow</b>                              |       |                |                |
| Net increase/(decrease) in cash held                |       | 18,803         | 230,055        |
| Opening Balance Cash and Bank 1 July 1998           |       | 980,136        | 750,081        |
| <b>Closing Cash and Bank 30 June 1999</b>           |       | <b>998,939</b> | <b>980,136</b> |
| Comprising:   |       |                |                |
| Bank  |       | 13,981         | 10,116         |
| Investments   |       | 984,958        | 970,020        |
|   |       | 998,939        | 980,136        |

*The Statement of Accounting Policies and Notes form an integral part of the financial statements.*

## Statement of Commitments

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AS AT 30 JUNE 1999

### LEASE COMMITMENTS

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

|                         |         |         |
|-------------------------|---------|---------|
| Lease commitments       | 1999    | 1998    |
| Less than one year      | 141,957 | 141,837 |
| One to two years        | 141,957 | 113,657 |
| Two years to five years | 151,824 | 237,031 |
|                         | <hr/>   | <hr/>   |
|                         | 435,738 | 492,525 |

The New Zealand Council for Educational Research has the following leases.

|                   | Expiry Dates      |
|-------------------|-------------------|
| Building lease    | 8 September 2002  |
| Canon photocopier | 31 October 2002   |
| PABX System       | 15 September 2002 |

## Statement of Contingent Liabilities

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AS AT 30 JUNE 1999

The New Zealand Council for Educational Research has no claims pending as a defendant in relation to employment issues.

The Council was not involved in any other litigation as a defendant which would in any way affect the financial statements. It had not entered into any contract as a guarantor.

No contingent liabilities existed as at 30 June 1998.

*The Statement of Accounting Policies and Notes form an integral part of the financial statements.*

# Statement of Accounting Policies

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FOR THE YEAR ENDED 30 JUNE 1999

## Reporting Entity

These are the financial statements of the New Zealand Council for Educational Research, a statutory body established under the New Zealand Council for Educational Act 1972.

The financial statements have been prepared in terms of section 32 of the New Zealand Council for Educational Research Act 1972.

## Measurement Base

The general accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis, adjusted for the valuation of certain assets, are followed by the Council.

## Particular Accounting Policies

The following particular accounting policies, which significantly affect the measurement of financial performance, financial position, and cash flows have been applied.

### 1. Receivables

Receivables are stated at their estimated net realisable value after allowing for doubtful debts.

### 2. Inventory

Inventory, which consists of stock tests and publications, is stated at the lower of cost or net realisable value.

### 3. Investments

Investment assets are stated at cost.

### 4. Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation.

Product development costs have been capitalised and are stated at cost. These will be amortised over the future benefits derived from the sale of products

Library assets are valued using the depreciated replacement cost method. Revaluation movements are reflected in the Statement of Movements in Equity.

### 5. Depreciation

Depreciation is provided on a straight line basis, at rates calculated to allocate the assets' cost, less estimated residual value, over their estimated useful lives. The estimated useful lives of assets are:

Furniture and fittings—up to 10 years.

Computing and electronic equipment—up to 5 years.

Product development costs—3 years.

Library collection—5 years.

### 6. Revenue

Revenue is derived through the provision of research work on behalf of various institutions, sales of educational resources to third parties, and income from its investments. Project revenue on research contracts is recognised on a percentage of completion basis. Any revenue relating to work not completed on contracts has been classified as project funds in advance. Other revenue is recognised when earned and is reported in the financial period to which it relates.

## **7. Operating Leases**

Operating lease payments are included in the determination of the operating surplus in equal instalments over the lease term. All leases have options for right of renewal.

## **8. Foreign Currencies**

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction.

## **9. GST**

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

## **10. Financial Instruments**

Revenues and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance. All financial instruments are recognised in the Statement of Financial Position.

## **11. Provision for Employee Entitlements**

Provision is made in respect of the Council's liability for annual leave, long service leave and retirement leave. Annual leave has been recognised on an entitlement basis at current rates of pay. Long service and Retirement leave is recognised on an "actuarial" basis based on the present value of expected future entitlements.

## **12. Income Taxes**

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

## **13. Allocation of Costs to Projects**

### *Definitions*

The following definitions have been used to identify the nature of costs incurred by NZCER for allocation purposes:

### *Direct Costs:*

Direct Costs are those costs which are directly attributable to an individual project.

### *Indirect Costs:*

Indirect costs are all other costs. These costs include operating overheads such as occupancy costs, depreciation and salary costs for support services personnel, which are allocated across all outputs on a fair and reasonable basis.

### *Methodology adopted for allocating costs to projects*

1. Direct costs identified with a single project are assigned directly to that project.
2. Indirect costs are allocated according to the cost driver appropriate to the nature of outputs delivered. For the year ended 30 June 1999 NZCER has used the following cost drivers:
  - estimated time spent on a particular activity
  - estimated "Full Time Equivalent" staff allocated to the delivery of services
  - actual floor space allocated
  - estimated number of computers allocated
  - historical financial transactions throughput
  - estimated floor space required to house the output.

#### **14. Statement of Cash Flows**

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which NZCER invests as part of its day-to-day cash management.

*Operating activities* include cash received from all income sources of the entity and records the cash payments made for the supply of goods and services.

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

*Financing activities* comprise the change in equity and debt capital structure of NZCER.

#### **Changes to Accounting Policies**

During the year, the Council changed its accounting policy in relation to the valuation of library assets. The Council now is using the depreciated replacement cost method. Previously library assets were valued at management's estimate of net current value. They were not depreciated as their value was maintained over time. This change in accounting policy increases library assets by \$23,946. There have been no other material changes in accounting policies since the date of the last financial statements. All policies have been applied on bases consistent with those used in previous years.

#### **Changes to Comparative Figures**

Where necessary comparative figures have been adjusted to conform with changes in presentation and classification adopted in the current period.

## Notes to the Financial Statements

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### 1. Government Grant

The New Zealand Council for Educational Research is a statutory body. The government grant shown separately in the Statement of Financial Performance is administered pursuant to a purchase agreement with the Ministry of Education.

### 2. Operating Expenses includes

|  | 1999    | 1998   |
|--|---------|--------|
| Board members' fees                          | 8,361   | 7,695  |
| Fees paid to Audit                           |         |        |
| – external audit                             | 12,000  | 12,098 |
| – other services                             | 2,000   | 1,850  |
| Bad debts written off                        | 250     | (322)  |
| Change in doubtful debts provision           | (3,906) | 10,636 |
| Operating Lease expenses<br>(excluding rent) | 14,258  | 10,768 |
| Loss on sale of fixed assets                 | 3,528   | –      |

### 3. Short Term Deposits

The average interest rates were 4 percent for 1999 and the average maturity dates were 30 days (7.5 percent for 1998 and maturity date 30 days).

Investments held at balance date:

|                      | 1999           | 1998           |
|----------------------|----------------|----------------|
| BNZ deposits on call | <u>984,958</u> | <u>970,020</u> |

### Trust Funds

As at 30 June 1999, Short Term Deposits included \$53,811 (1998–\$70,439) of monies relating to specific Trust Funds (refer note 9).

### 4. Receivables

|                  | 1999           | 1998           |
|------------------|----------------|----------------|
| Trade            | 231,195        | 161,216        |
| Staff            | 4,426          | 391            |
| Projects         | 277,722        | 731,450        |
| Accrued Interest | 7,913          | 6,888          |
| Others           | <u>14,423</u>  | <u>2,433</u>   |
|                  | <u>535,679</u> | <u>902,378</u> |

### 5. Fixed Assets

|                                    | 1999           |                             |                                |
|------------------------------------|----------------|-----------------------------|--------------------------------|
|                                    | Cost           | Accumulated<br>Depreciation | Net Book Value<br>30 June 1999 |
| Furniture and fittings             | 330,058        | 146,753                     | 183,305                        |
| Computing and electronic equipment | <u>414,954</u> | <u>260,412</u>              | <u>154,542</u>                 |
|                                    | <u>745,012</u> | <u>407,165</u>              | <u>337,847</u>                 |

|                                    | Cost           | 1998<br>Accumulated<br>Depreciation | Net Book Value<br>30 June 1998 |
|------------------------------------|----------------|-------------------------------------|--------------------------------|
| Furniture and fittings             | 320,917        | 101,790                             | 219,127                        |
| Computing and electronic equipment | 538,462        | 396,800                             | 141,662                        |
|                                    | <u>859,379</u> | <u>498,590</u>                      | <u>360,789</u>                 |

#### 6. Library Valuation

The library collection was valued by the library manager using a depreciated replacement cost method for the books and journals collection. The revaluation was conducted as at 30 June 1999. This has resulted in an increase of library assets by \$23,946 and has had the effect of increasing the reserves of the organisation to that extent. (The library collections value was \$10,000 at 30 June 1998)

#### 7. Creditors

|                    | 1999           | 1998           |
|--------------------|----------------|----------------|
| Trade              | 237,258        | 317,464        |
| Building Provision | 2,528          | 15,953         |
| Staff Creditors    | 39,298         | 48,416         |
|                    | <u>279,084</u> | <u>381,833</u> |

#### 8. Employee entitlements

|                           | 1999           | 1998           |
|---------------------------|----------------|----------------|
| Leave Related Provisions: |                |                |
| Annual Leave              | 116,625        | 101,623        |
| Long-service leave        | 12,523         | 7,398          |
| Retirement                | 34,941         | 33,532         |
|                           | <u>164,089</u> | <u>142,553</u> |

|                              | 1999           | 1998           |
|------------------------------|----------------|----------------|
| Less current portion:        |                |                |
| Annual Leave                 | 116,625        | 101,623        |
| Long-service leave           | 3,588          | 5,339          |
| Retirement                   | —              | —              |
| Total current portion        | <u>120,213</u> | <u>106,962</u> |
| Total non-current provisions | <u>43,876</u>  | <u>35,591</u>  |

#### 9. Trust Funds

The Council administers a number of trust funds on behalf of other bodies, for specific educational purposes.

| Trust Funds                         | Balance<br>1 July 1998 | Revenue | Expenditure | Balance<br>30 June 1999 |
|-------------------------------------|------------------------|---------|-------------|-------------------------|
| JR McKenzie Fellowship              | 11,794                 | —       | 11,794      | —                       |
| JR McKenzie Research<br>Scholarship | 23,060                 | —       | —           | 23,060                  |
| Dame Jean Herbison Fund             | 574                    | —       | 574         | —                       |
| Victoria Link                       | 11,735                 | —       | 5,424       | 6,311                   |

|            |               |              |               |               |
|------------|---------------|--------------|---------------|---------------|
| Beeby 1997 | 76            | –            | 76            | –             |
| Beeby 1998 | <u>23,200</u> | <u>7,300</u> | <u>6,060</u>  | <u>24,440</u> |
| TOTAL      | <u>70,439</u> | <u>7,300</u> | <u>23,928</u> | <u>53,811</u> |

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

#### 10. Cash Flow

Reconciliation of Net Cash Flows from Operating Activities to Net Surplus / (deficit)

|   | 1999            | 1998            |
|---|-----------------|-----------------|
| Net surplus / (deficit)   | 25,190          | 19,940          |
| Add (Less) non-cash items:                                      |                 |                 |
| Depreciation  | 113,761         | 106,496         |
| Provisions  | (3,153)         | –               |
| <br>Increase/(decrease) in non-current<br>employee entitlements | <u>8,285</u>    | <u>(32,527)</u> |
|   | 118,893         | 73,969          |
| Add (less) movements in other<br>working capital items:         |                 |                 |
| <br>(Increase)/decrease in sundry<br>debtors                    | 366,305         | (466,591)       |
| (Increase)/decrease in stock                                    | 36,453          | 48,879          |
| Increase/(decrease) in creditors                                | (102,355)       | 128,250         |
| Increase/(decrease) in advance sales                            | (8,407)         | 6,657           |
| Increase/(decrease) in project funds                            | (391,340)       | 440,231         |
| Increase/(decrease) in employee entitlements                    | 13,251          | 26,840          |
| Increase/(decrease) in Income in Advance                        | <u>80,458</u>   | <u>16,572</u>   |
|   | (5,635)         | 200,838         |
| Add (less) items classified as Investing Activity:              |                 |                 |
| Add/(Less) movement in non current trust funds                  | <u>(16,628)</u> | <u>12,926</u>   |
| Net cash inflow (outflow) from operating activities             | <u>121,820</u>  | <u>307,673</u>  |

#### 11. Related Parties

There were no related party transactions during the year. All transactions were carried out on a commercial and arm's length basis.

#### 12. Financial Instruments

The Council is 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.

##### (i) Credit Risk

Credit risk is the risk that a third party will default on its obligations to the Council, 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 collateral or security

to support financial instruments as investments are with reputable financial institutions, and debtors are on normal trade terms.

*(ii) Fair Value*

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

*(iii) 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.

*(iv) 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 not interest rate sensitive.

*13. Post Balance Date Events*

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

## Report of the Audit Office

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### TO THE READERS OF THE FINANCIAL STATEMENTS OF THE NEW ZEALAND COUNCIL FOR EDUCATIONAL RESEARCH FOR THE YEAR ENDED 30 JUNE 1999.

We have audited the financial statements on pages 31 to 41. The financial statements provide information about the past financial performance of the New Zealand Council for Educational Research and its financial position as at 30 June 1999. This information is stated in accordance with the accounting policies set out on pages 35 to 37.

#### **Responsibilities of the Council**

The New Zealand Council for Educational Research Act 1972 requires the Council to prepare financial statements which fairly reflect the financial position of the New Zealand Council for Educational Research as at 30 June 1999 and the results of its operations and cashflows for the year ended 30 June 1999.

#### **Auditor's Responsibilities**

Section 28 of the New Zealand Council for Educational Research Act 1972 requires the Audit Office to audit the financial statements presented by the Council. It is the responsibility of the Audit Office to express an independent opinion on the financial statements presented by the Council and report its opinion to you.

The Controller and Auditor-General has appointed Mr J.E. Scott, of Audit New Zealand, to undertake the audit.

#### **Basis of Opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- » the significant estimates and judgments made by the Council in the preparation of the financial statements; and
- » whether the accounting policies are appropriate to the New Zealand Council for Educational Research's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards including the auditing standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have performed one assurance related assignment for the New Zealand Council for Educational Research in relation to employee entitlement. Other than this assignment, and in our capacity as

auditor acting on behalf of the Controller and Auditor-General, we have no relationship with or interests in the New Zealand Council for Educational Research.

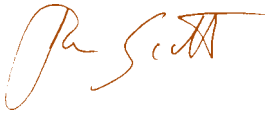
### **Unqualified Opinion**

We have obtained all the information and explanations we have required.

In our opinion the financial statements of the New Zealand Council for Educational Research on pages 5 to 14:

- » comply with generally accepted accounting practice; and
- » fairly reflect:
  - the financial position as at 30 June 1999; and
  - the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 31 August 1999 and our unqualified opinion is expressed as at that date.



J.E. Scott  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
Wellington, New Zealand

WE ARE PLEASED TO OFFER FURTHER INFORMATION ABOUT OUR ACTIVITIES.

## You are welcome to contact us

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### WE PROVIDE:

- information on our research projects, both completed and ongoing
- details of our books in print
- catalogues of our resources for early childhood education and professional development
- copies of our newsletter, *ResearchEd News*
- catalogues and price lists of test products
- copies of *Profile*, our test advisory newsletter

### CONTACTS ARE:

#### RESEARCH

Early Childhood Education—  
Dr Val Podmore

Educational Policy and Institutions—  
Dr Cathy Wylie

Learning, Curriculum, and Assessment—  
Cedric Croft

Te Wahanga Kaupapa Maori—  
Wharehuia Hemara

#### INFORMATION

[www.nzcer.org.nz](http://www.nzcer.org.nz)

#### MARKETING

Bev Webber

#### SALES AND DISTRIBUTION

Joan Kirby

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Bev Webber

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Peter Keegan

#### TEST ADVISORY

Jane Dugdale