

Ministry of Education

Crown Entities Monitoring Unit

CROWN ENTITIES MONITORING PLAN

21 November 2007

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1. Purpose

This plan should be read in the context of the *Framework for Monitoring the Central Education Crown Entities*, which sets out the principles underlying the approach taken by the Ministry of Education's Crown Entity monitoring team to its work.

This plan sets out what we do, when we do it, how we do it. It defines what the entities can expect of us. The plan will be updated as our monitoring approach is further developed.

2. Monitoring and reporting

Crown entity monitoring scans, tracks and assesses the current and projected activities of an entity which is part of the wider Crown and therefore responsible to Parliament. The activities centre on the entity's financial and non-financial targets set out in its accountability documents, but monitoring also has a wider reach because it applies the laws, conventions, protocols and standards which govern the behaviour of Crown entities.

In brief, the monitoring team advises the Responsible Minister whether the entity is achieving its purpose, contributing to outcomes sought from the sector, delivering its contracted outputs, attaining reasonable value for the money and sustaining itself for future performance.

The monitoring advice is provided over an annual cycle through regular reports, or ad hoc reports which respond to special circumstances. In principle these reports are commissioned by the Minister, but in practice they are provided without specific commissioning, as part of the service the Ministry gives to its Minister(s).

3. The monitoring cycle

The proposed annual monitoring cycle consists of:

- a joint annual stock-take (generally, a strategic review of the entity's past year and of upcoming issues), leading to;
- the draft letter of expectation for the entity;
- assessment of the statement of intent prepared by the entity;
- assessment of the output agreement prepared by the entity;
- comments on the entity's annual report;
- quarterly assessments of entity performance.

One consequence of the cyclical approach is that the entities will be expected to report differently each quarter, with somewhat lighter reporting expectations in the first and third quarter of each year and more intensive reporting in the other quarters.

The joint annual stock-take is a new initiative, designed to establish a common understanding of the entity's main issues and to discuss its likely positioning for the coming period. This should lead into an earlier and better informed letter of expectation.

4. Nature of monitoring

The Monitoring team is responsible for providing 'first opinion' and 'second opinion' advice:

First Opinion Advice

"First opinion" advice is advice on the entity's strategic direction, policies, performance and sustainability which derives from the Ministry's role as an extension of the Minister(s), with an expectation to assess matters that affect ownership or purchase responsibilities.

However, a Minister can access and act on advice from any quarter. Ministers also take direct advice from the Board of the Crown entity on matters that affect the entity.

In completing their first opinion reports, the team may advise the Minister on:

i. *Governance*

The success of the Board in setting credible directions and overseeing the performance of the entity in meeting those directions. This may also include advice on forthcoming vacancies on the board, governance training, the Board's self evaluation (if applicable), and other related activity.

ii. *Strategy*

Including:

- the alignment between the directions set for the organisation, its documented purposes;
- the contribution of the organisation to the government's strategies and goals, including the government's education strategies and goals;
- the progress of the organisation in meeting its directions and the strategies and goals.

iii. *Capability*

Measurement and commentary on indicators that assess the capability of the organisation's

- human resources (including but not confined to turnover);
- systems, processes and supporting technology;
- stakeholder relationships and collaboration.

The monitoring team focuses on emerging factors that may pose risks to the organisation, and negotiates each year with the entity those dimensions of capability which will be the subject of specific monitoring.

iv. *Financial stewardship*

Including:

- delivery of contracted outputs against budget;
- material variances;
- any trends noticed or notified;
- financial ratios;
- balance sheets, (including reviewing Statements of Financial Position, and ensuring assets are maintained and can be replaced);
- cash flows. Immediate viability – can they pay their bills in the short term?
- near-term viability;

- longer-term viability;
- other risks to financial performance.

v. *Organisational outputs*

Progress in achieving the standards set for quantity, quality and timeliness in the Output Agreement and/or Forecast Statement of Service Performance. The monitoring team's analysis includes commentary on

- comparisons with achievements in the equivalent preceding quarter/year;
- material variances;
- issues that impact on delivery of the output;
- future forecasts;
- the impact of resource allocation to competing demands (where appropriate).

vi. *Risk management and indicators*

Commentary on the most significant risks identified, any new risks identified in the quarter and any changes in the status of identified risks.

vii. *Hot issues*

Material issues that have resulted from:

- media inquiry, the potential for wide reporting, or a high media profile in previous periods;
- parliamentary scrutiny, official complaints, litigation, or ombudsman investigations;
- government reviews.

In providing its advice, the team evaluates achievement against the indicators set for the entity's performance, and may test the entity's information and conclusions with specialists within the Ministry of Education, or other agencies and commentators.

Where the specialist views provided are inconsistent with the entity's information or conclusions, or raise issues of concern, the team will facilitate forums to achieve a balanced view. Failing this, the entity will be invited to express its views in an addendum to the monitoring team's report to the Minister.

The guideline for the standard analysis of an entity's quarterly reports is attached as **Appendix 1**.

Second Opinion Advice

Second opinion advice involves commenting on proposals, budget bids and advice presented to the Minister by the Crown entity, or advice leading to legislation and regulations.

The monitoring team applies the key elements of the ownership framework previously set out, namely governance, strategy, capability, output performance, financial performance, and risk. Where necessary, the team will seek the opinion of experts within the Ministry or other agencies.

5. Things that are hard to monitor

Achievement of output agreement targets and short-term financial performance results and targets are relatively easy to monitor in comparison to monitoring governance, contribution to outcomes, organisational capability, value-for-money, financial sustainability and risks.

These elements require the cooperation of the entity in selecting, calibrating and applying appropriate indicators.

Contribution to outcomes:

The entity must report how, and to what extent, its outputs advance the outcomes sought by the government. Outcomes are the results of, the impacts on, or the consequences for, the community arising from the provision of the outputs. This requires a clear understanding of the causal relationships between outputs and outcomes which places an onus on the clarity of the Minister's letter of expectations and the entity's statement of intent.

One of the means that the monitoring team may use to get a sense of the achievement of outcomes is through looking at stakeholders' perspectives, using these to triangulate information gathered from the entities' reports.

Organisational capability:

Organisational capability has many dimensions which include:

- governance;
- executive leadership;
- planning and strategy;
- financial, physical and human resources;
- organisational culture;
- systems, processes and supporting technology;
- risk identification and management;
- relationships and collaboration.

Many of these areas are not amenable to simple, indicator-based monitoring. Consequently, the monitoring team will employ a cyclical approach to monitoring to cover one or more dimensions in each year.

Much of the comment on capability will focus on what systems the entity uses to gain assurance that it is managing and building its capability well – for instance, what systems does it have for leadership and governance development, what is its approach to risk management, what are the standard processes used in information systems management and development. For instance, a report on governance might focus on the Board's processes for self-review and performance assessment. Alternatively, the capability of an entity's IT systems may be monitored by an external verification of an entity's self-review of its maintenance and enhancement systems.

The entity and the monitoring team will agree at the outset of each monitoring period what aspects of capability will be monitored, and determine when and how the monitoring will occur.

Value-for-money

Value-for-money is a macro-level evaluation of what an organisation produces in relation to the money used to achieve those ends. It combines efficiency and effectiveness, and asks whether alternative approaches might make a better contribution at greater or lesser cost.

Because value-for-money is complex and difficult it will be jointly explored with the entity before any framework for monitoring evaluation is set.

Financial sustainability

Financial sustainability is more than the immediate financial capacity of an organisation to cover its costs and meet its commitments. It also reflects an organisation's ability to maintain resources and capacity in the medium/longer term and respond to changes in its financial circumstances.

6. What happens when things go wrong?

The purpose of monitoring is to identify issues and risks as they arise and address them before the problems escalate. In many cases, identifying the issue is the key which can trigger a mitigation approach and agreement on how the mitigation can be reported. This requires a mutual commitment from the entity and the monitoring team to view the key accountability documents as opportunities for constructive engagement which assists both parties and the government.

Some cases may arise where the monitoring team proposes to the minister that there be more frequent, focussed reports on mitigation, perhaps with the help of specialised advisers. In rare circumstances, a case for additional resourcing may be made to help the entity manage the issue.

7. Meetings and communication protocols

Monitoring liaison meetings:

- Six monthly meetings between the manager of the monitoring team, the analysts responsible for the monitoring of that entity and the chair and chief executive of the entity;
- Weekly, fortnightly or monthly meetings, as agreed, between the analyst primarily responsible for the monitoring of that entity and key managers in the entity.

8. Escalation provision

In conducting its monitoring, the Crown entity monitoring team will:

- provide each entity with opportunity to comment on, and have input into, all of our reports to the Minister relating to them;
- engage in constructive dialogue to resolve (to the greatest extent possible) instances where the entity management or board and the monitoring team have differing opinions on an issue.

If there are differences in opinions, interpretation or understanding that can't be resolved by the people primarily responsible for the relationship on both sides, then there are opportunities to escalate the issue to higher levels in the entity and/or the Ministry to achieve a resolution. This will involve designating an escalation process in each entity for handling these.

9. Sources of monitoring information

Monitoring takes as a starting point the entity's documents of accountability. Sources of information used by the monitoring team include:

- the entity's strategic and business planning documents, such as the SOI and the Output Agreement;
- periodic reports provided by the entity;
- regular engagement and dialogue with the entity's Board and senior management;
- the entity's risk framework or registers;
- where appropriate and applicable, other papers prepared by the entity;
- subject matter experts (e.g. policy teams) within the Ministry of Education – used to provide comment on the above reports and consulted between reporting periods to ensure that the monitoring team has a 'real time' appreciation of the entity's performance, and issues arising;
- the entity's annual audit reports and management letters;
- key informants - 'touchstone' stakeholders/observers of the sector (where appropriate).

10. Key documents used in monitoring and reporting

Letter of Expectations

The Letter of Expectations (LoE) is the means by which the responsible Minister sets out his/her direction for the Crown entity for the coming year. The letter needs to be provided in sufficient time for its contents to be incorporated in the entity's SOI.

The monitoring team drafts the letters for the four crown entities following discussions with the Minister and the Board of the entity. The monitoring team consults widely with central agencies and other key stakeholders within the sector.

Particular attention is paid to the outcomes the Minister sets as priorities for the entity to work towards.

Statement of Intent

A SOI is a central mechanism for aligning the directions and supporting actions of Crown entities with the outcomes desired by government and for defining the boundary between the entity's autonomy and accountability.

The SOI:

- provides a framework for the relationship between the governing Board of the entity and the responsible Minister;
- sets out the strategic context for the entity;
- incorporates the government's interests in the entity and its expectations;
- establishes a transparent basis for the accountability by setting out how the entity will be measured and assessed;
- defines the risk management framework agreed between the government and the entity.

The monitoring team engages with the entity to ensure that the draft SOI is a succinct and compelling account of the entity and its direction, which is:

- strategic rather than tactical;
- grounded in entity's strategic plan;
- cascaded into business plans that are:
 - based on selected KPIs which measurable and reportable;
 - consistent with the organisation's framework for monitoring performance;
 - take account of whole of government and sector perspectives;
 - driven by direction, strategies and risks.

The contents of the SOI are prescribed by sections 141 and 142 of the Crown Entities Act – see **Appendix 2**. The Crown entity must provide a draft statement of intent to its responsible Minister for comment before the start of each financial year; and provide the final statement of intent to its responsible Minister on or before the start of the financial year. A responsible Minister must present a copy of the final statement of intent to the House of Representatives. The Crown entity must publish its statement of intent after it has been presented to the House of Representatives.

Output Agreement

An Output Agreement describes the outputs the Crown entity contracts to provide and the measures by which the delivery of those outputs may be assessed. Discussions between the entity and the Minister decide any changes in the annual output mix and level, leading to outputs which are specified at an agreed price with performance measures that can assess their contribution to desired outcomes.

Annual Reports

The Minister must present the entity's annual report to the House of Representatives. A Crown entity must publish its annual report after it has been presented to the House.

The Monitoring team's analysis will include sections on:

- Governance;
- Strategy;
- Capability;
- Financial performance;
- Output performance;
- Risk management and indicators;
- Major issues.

The contents of the Annual report are prescribed by sections 151 -157 of the Crown Entities Act – see **Appendix 2**.

Quarterly Reports

The monitoring team will discuss and agree the requirements for quarterly reporting with each entity during the development of the Statement of Intent and Output Agreement, and the agreed content will be outlined in the Output Agreement. The cyclical nature of monitoring means that the coverage and depth of information in the reports will vary from quarter to quarter.

While the content will vary from quarter to quarter, quarterly reports will normally include:

- cumulative data (year to date for the period) on performance measures and targets identified within the SOI and Output Agreement;

- explanation of variances from anticipated progress, including significant variance between financial and non-financial performance for the same output;
- general comments about the nature of the work associated with each output;
- general comment on any other work performed by the entity to meet its statutory requirements;
- comment on current and future capacity, and capability strategies encompassing human resources and capital resourcing requirements (including IT/systems development);
- risk reporting against the entity's risk management framework, including new risks, comment on any changes in risk, and mitigation actions;
- complete financial statements with explanation of variances, and estimated year-end out-turn from the second quarter and onwards;
- comment, as appropriate on how the entity's activities contribute to the governments priorities and the entity's desired outcomes, and progress towards those outcomes.

The monitoring team's analysis will be structured as follows:

Executive summary:

- Trends – outputs trends and key financial trends.
- Risks – current and upcoming.
- Upcoming major issues;.
- An overall assessment.

Results:

- Reporting against the output agreement, focussing on exceptions, and the reasons for any variance.
- Comments on contribution to outcomes, covering the statutory functions of the entity, the Letter of Expectation and any major roles.
- Risks to achievement of plans.

Capability: (this section will be developed and applied progressively)

- HR – staff turnover against norms. Trends in turnover. Key vacancies. Risks posed by current vacancies and how are they being managed.
- Systems – Progress on developments that are underway.
- Miscellaneous – leadership, governance, culture, etc.
- Risks.

Finances:

- Immediate viability – can they pay their bills in the short term?
- Near-term viability.
- Longer-term viability.
- Risks.

Major current programmes

Upcoming events

11. Roles and Responsibilities for Accountability Documents

(The dates in this section will be finalised after discussion with the entities on the implications of the cabinet decisions relating to the review of Accountability Documents)

Name of document	Responsibility for initiating	Responsibility for sign off	Role of monitoring team	Role of management of entity
Letter of Expectation	Crown Entity Monitoring Team	Responsible Minister	The Crown Entity Monitoring Team drafts the letters for the four crown entities to ensure that the government's expectations of the entity are factored into the entity's work in the medium term. The monitoring team also ensures that the process for engagement between the Minister, the Ministry and the entity board is thought through and articulated in the Statement of Intent. The monitoring team consults widely with central agencies, the entity itself and other government agencies and draws on information attained from them.	<ol style="list-style-type: none"> 1. Give early feedback on drafts and ensure that all key stakeholders within the entity get an opportunity to comment on the content of the letter. 2. Ensure that the letter of expectation is used to inform the Statement of Intent and Output Agreement.
Statement of Intent	Crown Entity	Crown Entity Officials, Board & Responsible Minister	At the instigation of the entity management, the Crown Entity Monitoring Team will offer critique and advice on drafts of the SOI. When the first draft is complete, the team formally advises the Minister on whether it reflects the Letter of Expectation, indicates how the entity will contribute to government goals for education and meets the specifications for an SOI. When the version signed-off by the Board is submitted, the team advises the Minister on signing.	<ol style="list-style-type: none"> 1. Have ongoing informal discussions with the Crown Entity Monitoring and Ministry Planning teams on form, structure and content of document. 2. Advise the Crown Entity Monitoring Team in advance of any key/significant changes.
Output Agreement	Crown Entity	Crown Entity Officials, Board & Responsible Minister	The Crown Entity Monitoring Team offers advice which ensures that the quantity, quality, and timeliness of the outputs being purchased are clearly linked to outcomes. When the draft is final, the team advises the Minister on whether it reflects the SOI and meets the specifications for an Output Agreement. When the version signed-off by the Board is submitted, the team advises the Minister on signing.	<ol style="list-style-type: none"> 1. Have ongoing discussions with the Crown Entity Monitoring team on form, structure and content of document. 2. Negotiate delivery targets/volumes with the Crown Entity Monitoring Team.

Name of document	Responsibility for initiating	Responsibility for sign off	Role of monitoring team	Role of management of entity
Annual Report	Crown Entity	Crown Entity Officials & Responsible Minister	At the instigation of the entity management, the Crown Entity Monitoring Team will offer critique and advice on drafts of the entity's Annual Report. When the first draft is complete, the team formally advises the Minister on whether it reflects the entity's results for the financial year and meets the specifications for an Annual Report. When the version signed-off by the Board is submitted, the team advises the Minister on signing. The team also advises the Minister formally on the entity's performance after the report is finalised.	Have ongoing discussions with the Crown Entity Monitoring team on form, structure and content of final document.
Vote Education/ Annual Estimates	Crown Entity Monitoring Team	Chief Financial Officer for MoE, Crown Entity Officials.	The Crown Entity Monitoring Team facilitates the Annual Estimates Process for MoE Finance by circulating a series of templates, (<i>in relation to Part C2- Crown Outputs and Part D3 - Other Expenses</i>) to the four entities. The team will work with the entity on any substantive changes. Once the templates are completed by the entities, the monitoring team forwards the data to MoE Finance who arrange for its publication in the <i>Estimates of Appropriations</i> document which forms the annual budget.	<ol style="list-style-type: none"> 1. Have discussions with the Crown Entity Monitoring team on any updates in relation to numbers/ranges for the current financial year and ensure that all changes are explained and justified. 2. Work with the Crown Entity Monitoring team to ensure that accurate information is fed into the entity's OA.

2007/8 Monitoring Schedule

ISSUES / CONTENT		Stock-take Meeting	LOE	1 st Qtr Report	2 nd Qtr Report	Review Meeting	3 rd Qtr Report	SOI & Output A.	4 th Qtr Report	Annual Report
		September	October	November	February	April	May	May-June	August	October/Nov
STRATEGY										
1	Review of past year	Joint review								
2	Strategic intentions	New intent & Joint issues	Minister's expectations			New initiatives		Entity intentions		
RESULTS										
3	Outputs			Qtr Results & risks	Qtr + YTD Results & risks	Output issues, risks	Qtr + YTD Results & risks	Year targets & risks	Qtr + Year Results	Year Results
4	Strategic Outcomes				YTD strategic results	Strategic issues, risks		Strategic aims & risks	Results in strat context	Results in strat context
CAPABILITY										
Aspects of entity capability will be included in future monitoring: e.g. governance, management, planning, people, culture, external relationships, processes & technology, and physical assets. It is intended that these be introduced over an extended period, with prior consultation with the entities, and development of appropriate methodologies.										
FINANCE										
13	Financial performance	Joint review		Qtr	Qtr, YTD, Out-turn	Financial Issues, risks	Qtr, YTD, Out-turn	Plan	Qtr, Year	Year
14	Variances explained			Qtr	Qtr, YTD		Qtr, YTD		Qtr, Year	Year
15	Cash flow			Qtr	Qtr, YTD		Qtr, YTD		Qtr, Year	Year
16	Financial position	Joint review			YTD	Issues, risks		Plan	Year	Year
MAJOR PROJECTS										
17	Specific major projects	Joint review		Exception	Progress & risks	Issues, risks	Exception	Progress & risks	Progress & risks	Progress
MOE MONITORING										
18	Suitability & issues	Review annual intent				Review progress				

Appendix 1 – Template for analysis

<p>Executive summary</p> <ul style="list-style-type: none"> • Trends – outputs trends and key financial trends. (Graphs will be used where possible) • Risks – current and upcoming • Upcoming issues. Major issues • Items that received significant media attention in the quarter • Overall assessment
<p>Results</p> <ul style="list-style-type: none"> • Reports against output agreement with a focus on exceptions • Comment on contribution to outcomes – mainly in narrative form. need to be reasonably clear as to what outcomes we are monitoring and how they are linked to outputs. <p>Note: the analysis that underpins the exceptions report must be saved and available</p>
<p>Capability</p> <ul style="list-style-type: none"> • HR – staff turnover against norms. Trend in turnover (in a table). Where are key vacancies? What risks are posed by current gaps and how are they being managed • Systems – especially IT systems. What developments are underway? Progress on those • Current cyclical focus areas – leadership, governance, risk management approach etc.
<p>Finance</p> <ul style="list-style-type: none"> • The three dimensions. Highlights will be graphed. • Reforecast for FY will be reported in Q2 and Q3 • Variances need to be explained – • Trends in ratios.
<p>Major current programmes</p>
<p>Upcoming events</p>

Finance Ratios

Purpose	Ratios	Quarters
Immediate viability – can entity pay their bills in the short term?	Cash cover Working capital Quick ratio	All
Near-term viability	Surplus as a percentage of revenue	All
Longer-term viability	Equity ratios?	Fourth

Finance:

Tabulation and graphing of trends and results

In each case, the minimum will be as follows:

- the current quarter;
- that quarter in the last two years;
- last year FY;
- forecast out-turn on that indicator.

Appendix 2 - Legislative references

All references in this section are to the Crown Entities Act 2004

A. Legislation relating to the Statement of Intent

141 Content of statement of intent

- 1) *Each statement of intent must contain the following information for the full period to which it relates:*
 - a) *key background information about the Crown entity and its operating environment:*
 - b) *the nature and scope of the entity's functions and intended operations:*
 - c) *the specific impacts, outcomes, or objectives that the entity seeks to achieve or contribute to and, if the entity is directed to give effect to or have regard to government policy directions, how those objectives might relate to any outcomes or objectives referred to in the direction:*
 - d) *how the entity intends to perform its functions and conduct its operations to achieve those impacts, outcomes, or objectives:*
 - e) *how the entity proposes to manage the organisational health and the capability of the entity:*
 - f) *the main financial and non-financial measures and standards by which the future performance of the Crown entity may be judged:*
 - g) *the matters on which the Crown entity will consult or notify its responsible Minister before making a decision, the matters on which it will report to its responsible Minister, and the frequency of reporting:*
 - h) *any process to be followed for the purpose of section 100:*
 - i) *other matters the entity is required to include in its statement of intent under this Act or another Act:*
 - j) *any other matters that are reasonably necessary to achieve an understanding of the entity's intentions and direction.*
- 2) *The statement of intent must also contain the information required by section 142 for the first financial year of the period to which it relates.*
- 3) *A statement of intent must be in writing, be dated, and be signed on behalf of the board by 2 members of the entity or, in the case of a corporation sole, by the sole member.*
- 4) *A Crown entity that is to be disestablished or significantly restructured may, with the agreement of the responsible Minister, provide a statement of intent that includes the information required under this section and section 142 for a period of less than 3 financial years.*

142 Extra information required in statement of intent for first financial year

- 1) *Each statement of intent must contain the following information for the first financial year of the period to which it relates:*
 - a) *forecast financial statements for the entity that have been prepared in accordance with generally accepted accounting practice; and*

- b) *a statement of forecast service performance; and*
 - c) *any other measures and standards necessary to assess the Crown entity's performance at the end of the financial year; and*
 - d) *a statement of all significant assumptions underlying the forecast financial statements; and*
 - e) *any additional information and explanations needed to fairly reflect the forecast financial operations and financial position of the entity.*
- 2) *The statement of forecast service performance must describe the classes of outputs the Crown entity proposes to supply (except to the extent that the entity is exempted under section 143) and—*
- a) *provide measures and forecast standards of output delivery performance against which the entity's actual delivery of classes of outputs will be reported and audited in the statement of service performance at the end of the financial year; and*
 - b) *identify the expected revenue to be earned, and proposed expenses to be incurred, for each class of outputs; and*
 - c) *comply with generally accepted accounting practice; and*
 - d) *include a statement of any exemptions granted under section 143*

Other sections of the CE Act pertaining to the Statement of Intent are:

- s.143 Exemption for certain outputs
- s.144 Application and term of statement of intent
- s.145 Ministerial involvement in statements of intent
- s.146 Process for providing statement of intent to responsible Minister
- s.147 Amendments to statement of intent by responsible Minister
- s.148 Amendments to statement of intent by Crown entity
- s.149 Obligation to present and publish statement of intent

B. Legislation relating to the Annual Report

151 Form and content of annual report

- 1) *An annual report must contain the following information and reports in respect of the financial year to which it relates:*
- a) *information on operations that complies with subsection (2); and*
 - b) *a statement of service performance in accordance with section 153; and*
 - c) *the annual financial statements for the entity and, if the entity is the parent of a Crown entity group, the consolidated financial statements for the group in accordance with section 154; and*
 - d) *a statement of responsibility in accordance with section 155; and*
 - e) *the audit report in accordance with section 156; and*
 - f) *any direction given to the entity by a Minister in writing under any enactment during that financial year; and*
 - g) *information on compliance with its obligation to be a good employer (including its equal employment opportunities programme); and*
 - h) *information required by section 152 (which relates to payments in respect of members, committee members, and employees during that financial year); and*
 - i) *information required by section 20(3) (which relates to the enforcement of certain natural person transactions); and*
 - j) *information required by section 68(6) (which relates to permission to act despite being interested in a matter); and*
 - k) *any matters that relate to or affect the entity's operations that the entity is otherwise required, or has undertaken, or wishes to report on in its annual report.*

- 2) *The annual report must provide the information that is necessary to enable an informed assessment to be made of the entity's operations and performance for that financial year, including an assessment against the intentions, measures, and standards set out in the statement of intent prepared at the beginning of the financial year.*
- 3) *An annual report must be in writing, be dated, and be signed on behalf of the board by 2 members or, in the case of a corporation sole, by the sole member.*

The Annual report must also meet the requirements of sections 152-157, including:

- s. 52 Disclosure of payments in respect of members, committee members, and employees
- s. 153 Form and content of statement of service performance
- s. 154 Annual financial statements
- s. 155 Statement of responsibility
- s. 156 Audit report
- s. 157 Reporting by multi-parent subsidiaries