



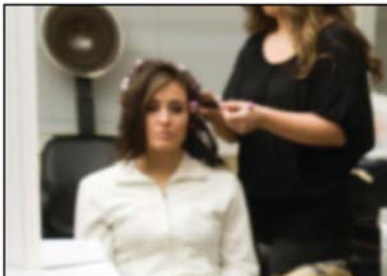
## Setting the standard

NZ Hairdressing Industry Training Organisation Inc.  
2008 Annual Report



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**HITO Mission Statement**

To establish and maintain the achievement of high quality and relevant barbering, beauty and hairdressing qualifications as an essential investment for the industry and its clients.

**HITO Board**

L to R. Niq James,  
Allison Murray,  
Russ Baunton, Ria Bond,  
Roy Griffiths,  
Elaine Gardener

**HITO Purpose Statement**

The NZ Hairdressing Industry Training Organisation Inc. exists to provide leadership within the barbering, beauty and hairdressing industry and so that trainees and employers experience the benefits of an excellent professional standard of qualifications and ensuring that training is meeting the needs of employees, employers, industry and the Tertiary Education Commission.





## Chairperson's Report 2008

2008 has been a successful year for HITO. I wish to thank Erica and the team for supporting the organisation and ensuring the board's direction was carried through.

### **Leadership Role**

To continue strengthening our leadership role the board endorsed HITO's participation in joining with NZARH to convene a Future Directions meeting to gauge where our industry leaders think the industry is currently at and what the future shape of our industry needs to look like. This meeting was held in July 2008 and several areas were focused on; amongst these were Information Technology, Productivity, Sustainability, Carbon Footprint, Education, and Research.

### **Employer Professional Development Seminars**

A continued theme has been the gap in employers' skills to understand and deal with some training issues. While beyond the realm for training employees the HITO board supported the concept of running professional development sessions throughout New Zealand for the employers of apprentices. These were well received and in areas where the local association took an active part numbers were very good. The board will continue supporting development in this area of support for our employers/trainers of apprentices. Dates have already been released for seminars throughout the country in 2009.

### **Qualifications**

2008 saw a review of our unit standards which was successfully completed and underpinned by liaison with our stakeholders to ensure the qualification is meeting industry needs. The Barbering unit standards were also reviewed and 2009 will see the QAC work on our upper level qualifications. We celebrated 40 years of having a qualification in the hairdressing industry in fine style at Te Papa. As a board we were happy to support this celebration and pleased at the outcome and industry feedback from this.

### **NZARH**

Discussions with NZARH have continued throughout 2008 as they have initiated a change of restructure within the national body. NZARH have indicated that because of their restructuring they will reduce their percentage contribution of funds to HITO. For the 2009 financial year there is no change for HITO, but Tertiary Education Commission have stated they are looking to industry to show their commitment and therefore will expect industry to contribute more to the maintenance of qualifications, training and leadership. This will remain a key focus for HITO as we look to meet industry needs but also recognise the contribution that TEC makes towards the education of hairdressers in New Zealand. We congratulate NZARH on the successful Supreme Competition weekend and were pleased to be involved in this event.

## **Beauty**

After many years of discussion the HITO embarked on officially seeking to include beauty into the HITO. During 2008 the board endorsed the application to TEC for funds to research the feasibility of bringing beauty into the HITO. The research findings were positive and this has resulted in confirmation that the extension of coverage has been given. It's a little of "be careful what you wish for", but I feel it can only be beneficial to both industries. For 2009 the proposed arrival of the beauty industry under our umbrella is most exciting but will require careful consideration of how beauty will be represented within HITO and how best to meet the beauty industry needs.



## **Auckland and Dunedin**

During 2008 the board traveled to Auckland and Dunedin to enable the board to meet with local employers and hear their concerns within their local areas and their commitment for our industry. We are passionate as a board about hearing from the people who make training happen and it is always inspiring to meet and converse with other employers.

## **40th Celebrations**

What a weekend we had in Wellington at the end of November to celebrate 40 years of hairdressing qualifications. It was great to see so many people, some now retired from the industry but still interested enough to come and enjoy the weekend. The speakers were inspiring. Tom Murphy, Mandy McGirr, Philip Gould, Dawn Parker Jones, Tammy Carter, Lyndsey Loveridge and David Bendell all delivered interesting and challenging views on our industry and the forum brought forth some interesting points on training issues. The WorldSkills workshop conducted by Niq James was very well attended and feedback identified that attendees enjoyed the experience.

Saturday evening celebrations were an evening of award presentations. From the seven areas within New Zealand an apprentice was chosen as the top apprentice in that area. From these seven a winner and runner up was announced. Nikita Barter from Palmerston North was runner up and Ardita Rakovica from Auckland was announced Apprentice of the Year. Joel Hornell from Tauranga was the winner of the Jasmine McBeth Memorial Scholarship and receives \$3000 to be used for further training and a pair of KJ scissors. It was heartening to see the apprentices coming through and representing the industry. I feel confident that the industry will be in good hands as the future unfolds in our industry.

Lastly I wish to thank my fellow board members, Roy, Niq, Elaine, Ria and Russ, for their dedication to the HITO and their support of me. I look forward to 2009; no doubt there will be challenges for us all but together we can grow our industries to another level.

## **Allison Murray**

HITO Chairperson



## Chief Executive Officer's Report

I can confidently say that 2008 for the HITO was one of significant change and progress with time also to celebrate the successes along the way.

We started the year focusing on the introduction of the Modern Apprenticeship (MA) programme and set a target of 300 MAs for the end of 2009. Technically this goal was overachieved and supports the notion that employers are looking to employ first year apprentices and all parties are valuing the additional support provided by the HITO as the Modern Apprenticeship Coordinator. To enable this programme to get up and running, the country was split into seven regions and additional staff were hired to manage the regions (welcome Karenza, Fi and Fiona). Further to these appointments a new position of National Sales & Liaison Manager was developed to oversee the SLMs and provide them support (welcome Cyndi). Jack and Amanda have also joined the team in 2008 in administration roles at the national office.

HITO has continued to be committed to supporting the industry in terms of literacy where HITO has got behind the literacy projects that Tertiary Education Commission (TEC) had instigated. All MAs have a literacy assessment when they sign up and this is now part of HITO's world. This provides the employer, tutor and the apprentice a chance to evaluate any literacy gaps and look for ways to meet their needs and ensure a better employment and learning opportunity. There have been yet another group of tutors gaining more learning about embedded literacy and this is showing positive results for apprentices. HITO will continue to support the off-job training tutors to develop their skills and knowledge regarding literacy.

As HITO is answerable to TEC for the investment in the education of the apprentices, the HITO has set goals for apprentices to achieve all units

within their year at off-job training. There have been some amazing results with whole classes of apprentices completing all units ready to launch into their next year. While self paced learning is an ideal model it is apparent that the apprentices are responding to having goals set.

The growth of the Gateway programme has been fascinating to watch. It is great to be able to report that we had more than 100 schools engaged in Gateway with more students completing units and some going on to gain employment as apprentices in our industry.

The launch of the Qualification by Experience (QbyE) two years ago continues to show positive results especially noting a number of free applications that were given in 2008. We have had 38 people complete their qualification through QbyE.

Naturally there is a strong focus within HITO for supporting people to gain their National Certificate. It is great to announce that we have had more than 353 people complete their qualifications in 2008 which I believe is more than any time since the National Certificate was developed 15 years ago. This naturally impacts on the number of apprentices within training agreements as people complete and while employers take their time to hire new apprentices.

For many years HITO has talked about wanting to provide something specifically for employers. In 2008 we trialed the Employer Professional Development sessions and had almost 300 people attend around the country. This was certainly a good starting point and a way to provide leadership to the industry. The responses were generally positive and it was great to see a variety of employers and trainers making the most of the opportunity to attend to gain some

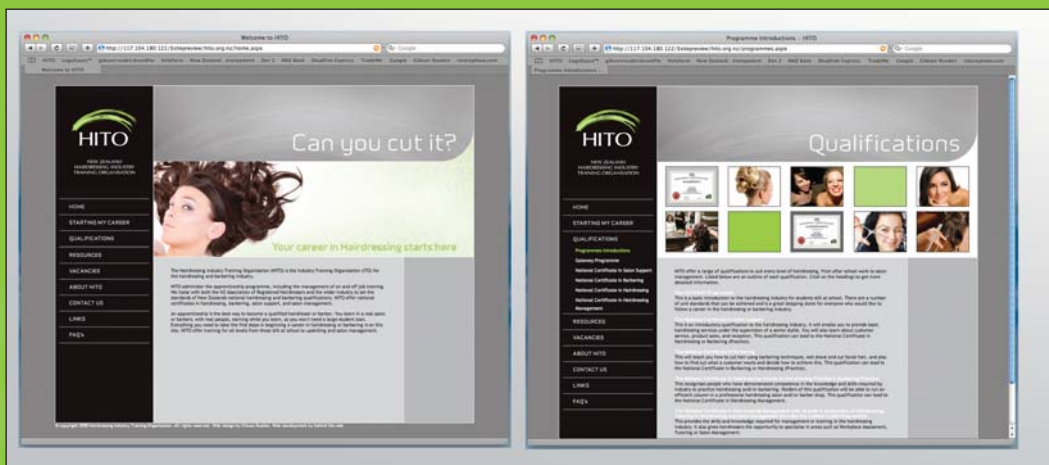
additional knowledge. Plans are already afoot for the 2009 sessions.

The review of the units and qualifications has been underway to ensure that these are meeting the needs of industry.

The work continues in building sound relationships with similar bodies around the world. HITO is a founding member of the International Professional Standards Network and is pleased to see that New Zealand holds a strong place in standard setting. While it is challenging to undertake the goal of having our qualifications recognised internationally and

gaining insight into other qualifications, it is rewarding to watch this develop and grow.

The refreshing of the HITO brand was addressed in 2008 after feedback that HITO needed to look more professional and better represent the changing face of industry. To do this our logo was modified, all resources changed and the website underwent a facelift. The early reaction from the rebranding has been overwhelmingly positive. We now have a much more professional image to take forward into the future.



Some examples of the new HITO brand collateral.

The chance to really celebrate came at the end of the year when the hairdressing industry recognised the achievement of hairdressing having a formal qualification for 40 years. In hairdressing style there was plenty of glitz and glam and many key people in industry took the time to attend the celebrations at the end of November. Salon tours, seminars and displays were also available to extend the educational aspect of the industry. The weekend also provided the chance to announce the 2008 Apprentice of the Year, Ardita Rakovica, and runner up Nikita Barter. These were chosen from the seven finalists and it was great to report that the nominations were very strong this year showing that many apprentices are striving and totally committed to their chosen career. Another highlight was the announcement of the first recipient of the Jasmine McBeth Memorial Scholarship, Joel Hornell.

A photographic competition was run for trainees with great success. It was exciting to hear one industry leader identify this as the best competition he had seen in years where trainees had a chance to develop other skills. Congratulations to the winner Jemma Wigg and runner up and people's choice winner, Alicia Hampton.

Of significant note for HITO was the success in gaining the extension of coverage for HITO to include beauty. We were fortunate to receive funding from TEC to undertake the research

and development project which enabled this to progress to the stage it is at. Consultation with the beauty industry has occurred and while there is a level of nervousness the industry responses have been positive. This will now mean that the beauty industry will have a representative ITO who will be responsible for the review and development of qualifications and provide a leadership role. As this approval was only gained at the end of 2008 there is much to consider ensuring that HITO represents all sectors it covers to the best of our ability and that meets industry needs.

All of this could not have been done without the support and commitment of a great team. A huge thanks to all of you for your contributions over the year. Also thanks to the HITO board for their leadership and passion for ensuring the best is happening for HITO.

With the start of 2009 well underway it is of note that this year may provide some challenges with the slowing of the economy. However it is a good time to recognise the value of training to the employer and keep focused on providing great hairdressing for the public of New Zealand.

### **Erica Cumming**

Chief Executive Officer



*HITO CEO Erica Cumming with Joel Hornell, the Jasmine McBeth Memorial Scholarship recipient*



*2008 Apprentice of the Year Winner Ardita Rakovica with runner up Nikita Barter*



*The 6 National Apprentice of the Year Finalists – L to R: Nikita Barter, Ardita Rakovica, Haley Barraclough, Katherine Minty, Krystal Ward and Dorien Van Der Berg*



## National Quality Assurance Manager's Report



2008 was again a busy year not only for moderation but also with the literacy work and the 40th celebrations. The moderation team consisted of Peti Buckley as Assessment and Moderation Administrator, Margaret Gardiner as Assessment Support and myself. This team has looked after the moderation for both training providers and industry assessors and the assessment for Gateway, Qualifications by Experience and other assessment opportunities.

This year the reporting of moderation activities for training providers has changed and each training provider has received an additional report sent November/December giving a final overview of all moderation activities of each provider during the year. It is with pleasure that we add two more providers to the four at HITO Best Practice Moderation Status. While there remain some providers who struggle to meet moderation criteria the majority appear to be willing to work with the HITO towards meeting these requirements.

There has been minimal accreditation activity this year. We have at present two providers looking at extending their accreditation to include hairdressing; however both of these require further work before accreditation confirmation can take place.

There are a number of new industry assessors starting around the country, which is particularly good for areas in need of additional assessors. We are planning an intensive industry assessors meeting for early 2009 that will include an update on assessment methods and protocol. The industry assessors will also have exposure to some literacy information as part of the industry assessors' workshops in 2009. These will be held in Auckland, Wellington and Christchurch and will give assessors a chance to network within a bigger group to share knowledge and assessment techniques. The Industry Moderators have continued to work maintaining the standard of Industry Assessment.

The literacy work of the HITO has continued this year. I have enjoyed playing a part in facilitating the training of the Off-Job Training tutors into Unit Standard 21204, which is the core unit for gaining the National Certificate in Adult Literacy. We have run two waves of training at this stage and have a three more planned for 2009. Some of our key staff and stakeholders will have the opportunity to undertake this training to ensure literacy support is an integral part of the training in the industry. A new initiative to help support the learning by the tutors already involved in the training is to offer, in conjunction with Workbase, six days of post 21204 training for these tutors.

The benchmarking of the New Zealand qualifications against other countries continues within the renamed organisation International Professional Standards Network (IPSN). At present we are halfway through the formal project of benchmarking, carried out by contracted researcher Gill Scott. While this seems a long and laborious process the results are giving a clear indication of how and to what standard the skill sets of each country are being assessed. There continues to be dialogue with the European Union and the USA regarding future reciprocity of qualifications. While no formal links have been identified as yet with those countries outside the IPSN, the contacts made in these countries to assist in identifying and verifying national qualifications has been invaluable. This enables the HITO to play a vital role in recognising hairdressing experience towards the National Certificate in Hairdressing Practice and for immigration purposes.

I congratulate the HITO on this extension of responsibility as a standard-setting body to include beauty and the other achievements over the last year.

### **Jason Hare**

National Quality Assurance Manager



## HITO Qualifications Advisory Committee's Report

2008 has been a very productive year for the Qualifications Advisory Committee with positive outcomes.

### **Unit Standards and Qualifications Review**

The contribution from all sectors of industry has been greatly appreciated throughout 2008. The Committee believe that the changes have achieved the best outcomes to reflect the needs of industry and that the units are now sitting at the correct level and credit value.

Gateway units have been rolled over. These units are fit for the purpose and are meeting foundation needs resulting in leading students into our industry.

Hairdressing Practice units are all registered and sitting on the Framework ready for delivery.

The new industry specific units that replace the core generics are awaiting their final approval with NZQA. We are confident that we now have units designed so that they reflect the requirements of a commercial salon. We have also developed units that show the responsibilities the industry has towards the environment. They cover sustainability and how we can contribute to decreasing our carbon footprint.

HITO has also been successful in having a new domain approved, "Salon Skills". This will allow HITO to develop standards that sit across the sectors that HITO represents while keeping standards within specific areas pertinent to that sector.

Barbering units have been reviewed and are also awaiting approval. I am hopeful that by the time this AGM is held all of our units will be approved.

The Management units will see us putting a major effort into relaunching this qualification so

that they will encourage hairdressers to upskill. The first step of this will be to gain further industry feedback and to develop the necessary standards to represent the skill sets required.

The Limited Credit programme is growing and we have had completions in both "Train the Trainer" and "Advanced Hairdressing Skills". This certificate is a good way for hairdressers to move towards management.

The AMAP (Accreditation, Moderation Action Plan) review has been completed. This is now more relevant and clear for those who work under its structure.

Clear transition arrangements will be in place for those currently undertaking training to ensure a smooth progress to the new versions of units and qualifications.

I was pleased to be invited to take part in the Industry Future Directions meeting and I believe that this networking will strengthen our qualifications and industry. It is vital that collaborative discussion on future developments takes place. This will ensure that HITO will keep New Zealand at the forefront with relevant qualifications.

We are totally committed to increasing the number of qualified hairdressers and providing them with transportable skills that will be recognised globally.

I would like to personally thank everyone for providing us with valuable information and feedback. The Qualifications Advisory Committee represents every one of you and the support of the HITO is very much appreciated.

### **Andrea Bullock**

Chairperson  
Qualifications Advisory Committee

## Graduates in 2008

### National Certificate in Barbering 2008

The following people have achieved the final in Salon Barbering Assessment in 2008.

Blair Garfield Astwood  
Jodie Davis  
Ashleigh Grace

Lance Jonas  
Mario Kamill  
Nitesh Kumar

Judith Annette Roughton  
Samantha Sherlock  
Hayley Eileen Kara Tawhiti

### National Certificate in Hairdressing Practice 2008

The following people have achieved the final assessment unit standard 2757 in 2008.

Arlene Adlam  
Natasha Aldrich  
Belinda Allison  
Hayley Ander  
Katie Arthur  
Aneez Aslam  
Kirsty Bailey  
Candice Baldwin  
Ranjana Bali  
Victoria Balloch  
Adrian Barclay  
Hannah Barclay  
Kelly Barker  
Kathy Barriball  
Nikita Barter  
Angelique Baskiville-Walsh  
Vanessa Beattie  
Amy Beedell  
Elyse Bell  
Chantelle Bennett  
Noor Ul Ann Hina Bhatti  
Germaine Bidois  
Christina Biesiek  
Anthonelle Blomeley  
Simone Bodnar  
Nicole Booth  
Carla Boyd  
Cherie Bradshaw  
Lydia Bradshaw  
Taryn Brennan  
Alexandra Bull  
Alexandra Burrige  
Amanda Butcher  
Sheralene Cairns  
Natalie Cambie  
Sarah Carlé  
Cherie Carran  
Mia Carrie  
Sara Carswell  
Vanessa Carter  
Josianne Child  
April Childs  
Julie Christie  
Misty Christison  
Stacey Clare

Laura Clark  
Aimee Clarke  
Karen Clews  
Bridget Cliff  
Natasha Coad  
Corrin Collins  
Annette Cook  
Emma Cook  
Ashley Cooper  
Samantha Cooper  
Kate Cornish  
Lisa Coulter  
Laura Court  
Rachel Cox  
Lisa Craggs  
Katie Craig  
Charlotte Craw  
Soraya Crockett  
Amanda Cullen  
Laura Dangen  
Andrea Daniel  
Latoya Daniels  
Emma Davie  
Katrina Davie  
Melissa Davis  
Katy Day  
Emma Dean  
Christy Dell  
Amber Dillon  
Jonelle Dobson  
Jodie Donaldson  
Sya Downie  
Jocelyn Drummond  
Tenaz Dsouza  
Melissa Duffy  
Romina Durney  
Katrina Dyhberg  
Nicole Eastment  
Cindy Ehau  
Abigail Erskin-Shaw  
Amanda Fail  
Kristyn Fairbanks  
Alisha Falleni  
Rikki-Lee Flyger  
Allison Franklin

Nathan Fraser  
Alexandra Fry  
Lauren Fry  
Emma Garland  
Natalya Garwood  
Shannon Gausel  
Kayla Gibbons  
Natasha Giesen  
Karina Gollins  
Jodi Goodwin  
Angela Grant  
Jenna Gray  
Philippa Grundy  
Rachael Hall  
Sarah Hansen  
Lauren Hanson  
Rawinia Hare  
Kyla Harkness  
Janelle Harlen  
Nadine Harpur  
Abbie Harris  
Candice Haycock  
Justine Hedges  
Chelsea Hemahema  
Samantha Henley  
Katarina Hollis  
Andrea Hone  
Cindi Hooper  
Krystal Horvey  
Elsie Houma  
Jessie Lin-Hua Huang  
Emily Hubbard  
Donna Huch  
Carina Humphris  
Jane Hutton  
Lisa Ihaka  
Jamiee Irvine  
Debbie Jackson  
Hayley Jackson  
Admira Jakupovic  
Melissa Jeffery  
Rachael John  
Laura Johns  
Kirsty Jolly  
Aimee Jones

Rebecca Jones  
 Jessica Judd  
 Hannah Jury  
 Gretchen Karam-Whalley  
 Jenna Keen  
 Siobahn Kelly  
 Shana Kemp  
 Jenna Kerr  
 Dayna Kikkert  
 Kylie King  
 Katrina Knapp  
 Stacey Knowler  
 Maryanne Kuita  
 Julie Lake  
 Michelle Larsen  
 Shelly Larsen  
 Kylie Lenihan-Goedhart  
 Emma Leather  
 Taryn Lewis-Williams  
 Phillipa Lind  
 Kylee Lohead  
 Megan Lucas  
 Rachel Macefield  
 Scott MacDonald  
 Zara MacPherson  
 Aram Malkonyan  
 Tenysha Mann  
 Coraleah Manukau  
 Bridget Marquet  
 Rochelle Marr  
 Kaydee Marshall  
 Cheryl Martin  
 Sarah Mason  
 Kylie Mathieson  
 Kelly Mattock  
 Kirsten McCarthy  
 Jessica McConnochie  
 Jessica McDowell  
 Lisa McElhannan  
 Kylie McGahey  
 Toni Lee McGlone  
 Raymond McGlyhn  
 Lydia McGoon  
 Brooke McHardy  
 Kirsty McKenzie  
 Maureen McLaren  
 Fiona McLean  
 Kendyl McLean  
 Sarah McMahan  
 Vicki McNeil  
 Jodie McQueen  
 Amberlee McRae  
 Catherine Meads  
 Natasha Melvin  
 Jessie Michaelson  
 Catherine Miller  
 Katherine Minty  
 Natasha Mitchell  
 Amy Morland  
 Shonelle Munn

Emily Natoli  
 Brent Naylor  
 Katherine Neal  
 Kate Neilson  
 Gemma Newell  
 Caitlin Newland-Ford  
 Raramai Nicklin  
 Ann-Marie Nihoniho  
 Ashleigh Nixon  
 Camille Norman  
 Kim Norris  
 Amy Oelofse  
 Shirley Oliver  
 Bernadine O'Neill  
 Kathleen O'Neill  
 Shannon Packer  
 Rachel Parkinson  
 Danielle Paton  
 Rebecca Pauling  
 Gemma Payne  
 Bonnie Pearce  
 Gemma Pearce-Harris  
 Sara Pengelly  
 Maria Pepi  
 Tremayne Perry  
 Fallan Pickering  
 Rochelle Pike  
 Chelsea Plaisted  
 Nicole Pohe  
 Koren Potter  
 Lara Poulsen-Povey  
 Chloe Powers  
 Christine Prescott  
 Anna Proudfoot  
 Kelly Pumfleet  
 Elizabeth Rankin  
 Kim Reed  
 Penny Reid  
 Kellie Renton  
 Sarah Jane Reeves  
 Christy Reynolds  
 Jennifer Roberts  
 Lyndy Roberts  
 Rachel Roberts  
 Larnie Robertson  
 Raoul Robertson  
 Ashley Robinson  
 Tania Robinson  
 Joanne Ropitini  
 Jaclyn Ross  
 Patricia Ross  
 Fiona Roughan  
 Hannah Rowland  
 Monique Rowland  
 Sara Ruffell  
 Terri Russell  
 Jocelyn Ryder  
 Stacey Sanders  
 Laura Satherley  
 Vanessa Sayer

Sophie Scotson  
 D'Neal Seddon  
 Jessica Shaw  
 Crystal Simon  
 Rachel Simons  
 Kathleen Sisson  
 David Smith  
 Kerri Smith  
 Ebony Somers  
 Lara Somerville  
 Hannah Soper  
 Jessica Spedding  
 Shontanay Stein  
 Charlotte Stewart  
 Maraea Stewart  
 Rachael Streeter  
 Alicia Sutherland  
 Julie Sutherland  
 Cerise Tana  
 Amy Taylor  
 Jessica Thimbleby  
 Jenna Thomas  
 Maree Thompson  
 Natisha Thompson  
 Amelia Thorn  
 Nicole Tippet  
 Sally-Ann Tones  
 Jade Tranter  
 Chloe Tremayne  
 Nikki Turnwald  
 Samantha Turpin  
 Sarah Tuttiett  
 Bonnie Tye  
 Maryanne Van As  
 Sylvester Van Eck  
 Marika Vasileu  
 Kimberley Veale  
 Anoushka Wales  
 Gemma Walker  
 Rachelle Walker  
 Amanda Walsh  
 Krystal Walters  
 Natalia Ward  
 Emma-Jane Wawatai  
 Leilanie Wells-Vickery  
 Jessica Whelan  
 Louise White  
 Kim Williams  
 Sarah Williams  
 Katrina Wilson  
 Rochelle Wilton  
 Lucy Worth  
 Kathryn Wright  
 Olivia Wynne  
 Vinci Yeung  
 Reemon Yookhana  
 Siwida Youkhana

## Apprentice Statistics

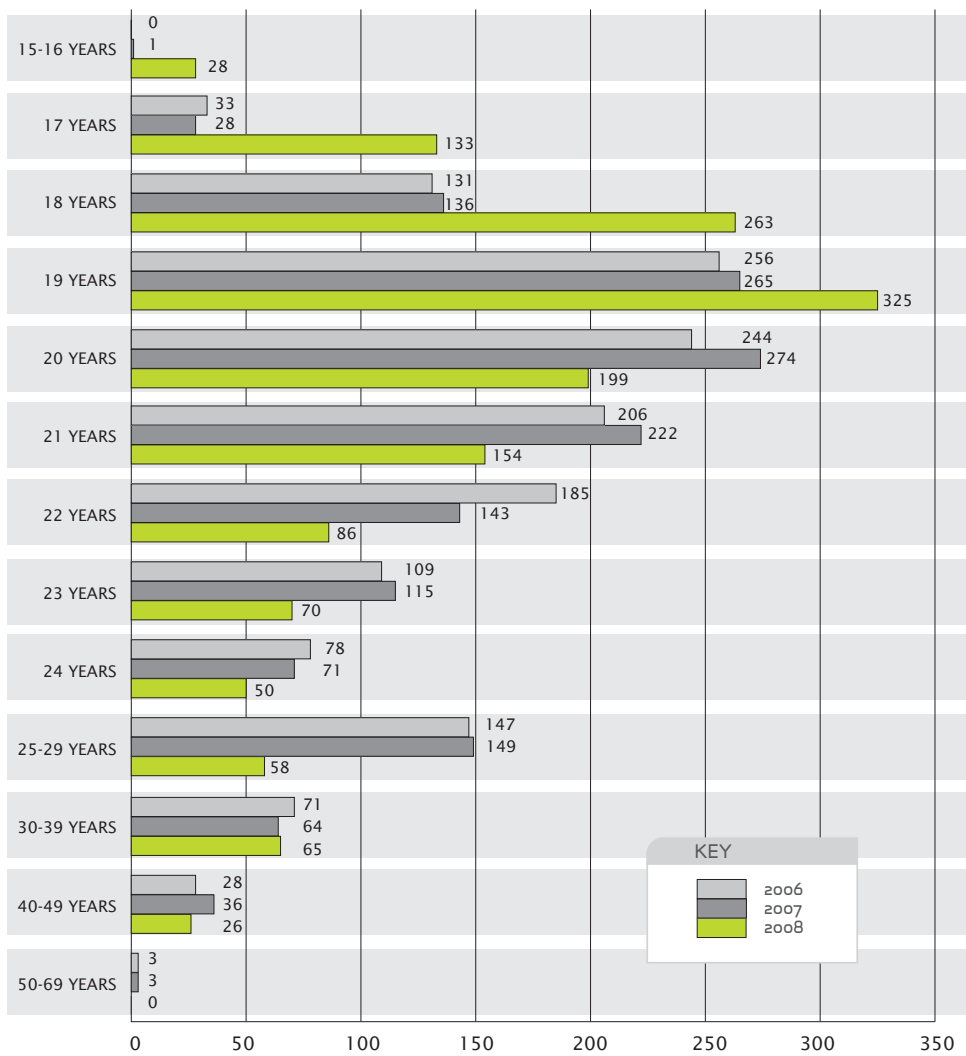
### GENDER COMPARISON

YEAR	FEMALES	MALES
2008	96%	4%
2007	96%	4%
2006	95%	5%
2005	93%	7%
2004	92%	8%

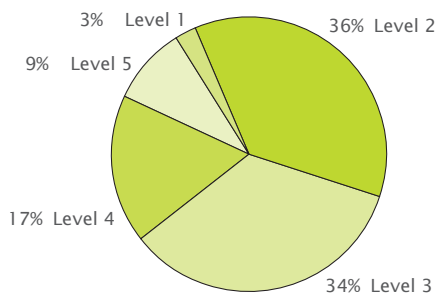
### APPRENTICE ETHNICITY

ETHNICITY	2006	2007	2008
European/Pakeha	77%	77%	78%
Maori	14%	15%	14%
Pacific Island	2%	3%	2%
Asian	3%	2%	2%
Other	2%	2%	2%
Not known/stated	2%	1%	2%

### AGE OF APPRENTICES



### CREDITS ACHIEVED 2008

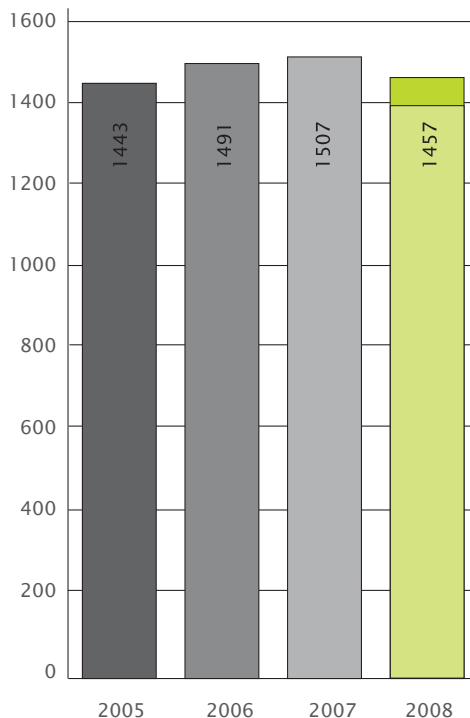


2008	Contemporary Apprentices	Modern Apprentices
Level 1	1,254	1,524
Level 2	18,444	19,704
Level 3	35,053	1,056
Level 4	18,144	8
Level 5	9580	0

#### YEAR COMPARISON

Credits Achieved	2007	2008
Level 1	3,646	2,778
Level 2	37,652	38,148
Level 3	34,122	36,109
Level 4	16,460	18,152
Level 5	8,761	9,580

### CONTINUING APPRENTICES



The 2008 bar is in different colours for the split between Contemporary and Modern apprentices.

2008 Contemporary Apprentices (1136)  
2008 Modern Apprentices (321)

### NATIONAL CERTICATES

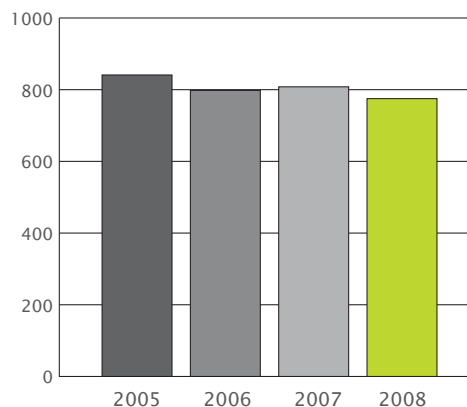
#### NATIONAL CERTICATES ISSUED

	2007	2008
Hairdressing	304	356
Salon Support	104	156
Barbering	4	9
Management	1	3

These figures are based on graduates who have been issued a copy of their National Certificate in the period January to December 2007 and 2008.

NOTE: This is not in any way reflective of the number of people who completed a national qualification in hairdressing but rather those who chose to have their certificate issued.

### NEW APPRENTICES



National figures based on the number of new Apprentices in a calendar year (including Modern Apprentices)

### GATEWAY PROGRAMME

Gateway Programme	2006	2007	2008
Participating Schools	37	78	103
Participating Students	68	116	169
Students completing entire programme	8	13	21
Students achieving Unit Standards	39	77	123

Gateway programme has continued to improve in both numbers of participating school and students achieving Unit Standards.



New Zealand Hairdressing Industry Training Organisation Inc.

# Financial Statements



NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

## FINANCIAL STATEMENTS

FOR THE 12 MONTHS ENDING 31 DECEMBER 2008



NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

NZ HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

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FOR THE 12 MONTHS ENDED 31 DECEMBER 2008

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www.bdospicers.com

### AUDIT REPORT TO THE MEMBERS OF THE NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

We have audited the attached financial report. The financial report provides information about the past financial performance and financial position of the New Zealand Hairdressing Industry Training Organisation Inc as at 31 December 2008. This information is stated in accordance with the accounting policies as attached.

#### MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the preparation of a financial report which gives a true and fair view of the financial position of the New Zealand Hairdressing Industry Training Organisation Inc as at 31 December 2008, and of the results of their operations for the year ended on that date.

#### AUDITORS' RESPONSIBILITIES

It is our responsibility to express an independent opinion on the financial report presented by the management and report our opinion to you.

#### BASIS OF OPINION

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

- the significant estimates and judgements made by the management in the preparation of the financial report, and
- whether the accounting policies are appropriate to the New Zealand Hairdressing Industry Training Organisation Inc circumstances, consistently applied and adequately disclosed.

(1)

#### Wellington

Independent Member Firms in Bay of Islands ■ Auckland ■ Hamilton ■ Rotorua ■ Tauranga  
Napier ■ Gisborne ■ New Plymouth ■ Palmerston North ■ Christchurch ■ Invercargill  
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#### Partners

R M Barlow	P G Hodson
M A Bewley	E F Playle
A S Davy	M K Rania
R H Farrant	A G Scott
D P Haines	R J Shackelford



BDO Spicers  
Chartered Accountants & Advisers

BDO Spicers Wellington

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary. We obtained sufficient evidence to give reasonable assurance that the financial report is 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 report.

Other than in our capacity as auditors our associated firm BDO Spicers (Wellington) Limited carries out other assignments for New Zealand Hairdressing Industry Training Organisation Inc in the area of taxation advice. Other than this our firm has no other interests in the New Zealand Hairdressing Industry Training Organisation Inc.

#### UNQUALIFIED OPINION

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

In our opinion:

- proper accounting records have been kept by the New Zealand Hairdressing Industry Training Organisation Inc as far as appears from our examination of those records; and
- the attached financial report:
  - ◆ complies with generally accepted accounting practice in New Zealand;
  - ◆ gives a true and fair view of the financial position of the New Zealand Hairdressing Industry Training Organisation Inc as at 31 December 2008, and the results of their operations for the year ended on that date.

Our audit was completed on 16 February 2009 and our unqualified opinion is expressed as at that date.

**BDO Spicers Wellington**  
Chartered Accountants  
Wellington

## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE TWELVE MONTH PERIOD ENDED 31 DECEMBER 2008

REVENUE	Note	2008	2007
Regional Apprentice Fees		163,385	161,823
HITO Annual Employer Fees		83,988	73,148
NZARH - Association Levy		61,303	64,085
Regional Hook On		1,178	1,364
Barbering Fees - 10650		1,653	1,911
Appeal on Assessment		427	284
Assessment Fees		122,219	85,303
Workshops - Assessor Training		3,316	1,129
National Certificate Income		7,942	5,107
Accreditation Recovery		97	310
Credit Fees		24,834	23,255
Moderation Recovery		69,624	66,021
Tertiary Education Commission Funding-Literacy Pilot		71,111	213,333
Tertiary Education Commission Funding	(2)	3,401,455	2,924,089
		<u>4,012,532</u>	<u>3,621,162</u>
PUBLICATION SALES			
Publication Sales		48,527	47,854
Less Cost of Sales		(23,042)	(21,520)
		<u>25,485</u>	<u>26,334</u>
GATEWAY INCOME			
Gateway Income		39,965	20,559
Less Gateway Expenses		(15,564)	(13,136)
		<u>24,401</u>	<u>7,423</u>
OTHER INCOME			
Interest - National & Regional Offices		382,401	264,397
Level 5 income		253	2,089
Limited Credit Programme		3,257	7,238
Sundry Income		8,689	10,636
		<u>394,600</u>	<u>284,360</u>
TOTAL REVENUE		<u>4,457,018</u>	<u>3,939,279</u>

These Statements are to read in conjunction with the notes on pages 10 to 13

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## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE TWELVE MONTH PERIOD ENDED 31 DECEMBER 2008

EXPENDITURE	Note	2008	2007
Seminar Expenses		20,559	22,207
Advertising/Marketing Material		234,091	138,565
Surveys/Reviews/Projects		57,784	15,901
Regional Hook On Payments		733	1,000
Assessment Expenses 2759/2757		94,934	71,359
Barbering Fees		1,089	444
Off Job Training Paid	(10)	1,124,213	1,234,977
Board & Travel Subsidy		17,263	17,541
National Certificate Costs		4,263	3,355
Accreditation/Credit Fees		19,009	15,654
Moderation Expenses		20,196	21,361
Literacy Pilot		26,705	31,294
Industry Development		179,443	30,635
Qualification Adv Committee		7,505	11,774
Workshops		26,044	5,804
Management - Level 5		786	330
Limited Credit Programme		3,250	7,192
		<u>1,837,867</u>	<u>1,629,393</u>

These statements are to be read in conjunction with the notes on pages 10 to 13  
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NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE TWELVE MONTH PERIOD ENDED 31 DECEMBER 2008**

<b>GENERAL OVERHEADS</b>	<b>Note</b>	<b>2008</b>	<b>2007</b>
ACC Earner/Employer Premiums		3,051	2,572
Accommodation		10,709	9,109
Accounting & Legal Expenses		7,123	2,706
Advertising Yellow Pages		13,493	13,407
Audit Fees		7,547	10,537
NZQA Audit Fee		-	10,238
Depreciation	(5)	20,961	18,686
Loss on Disposal of Assets		1,605	208
Fringe Benefit Tax		13	89
General Expenses	(3)	117,620	111,179
Insurance		8,945	6,791
National Committee Meetings		39,876	36,631
Printing & Stationery		20,833	19,782
Office Rent		48,917	44,068
Lease Expenses		7,507	4,908
Salaries & Wages		906,595	650,036
Staff Recruitment		11,950	2,785
Staff Training		31,574	27,297
Telephone & Tolls		47,222	35,038
Vehicle Leases		44,928	28,868
Vehicle Running Expenses		33,640	15,548
		<u>1,384,109</u>	<u>1,050,483</u>
<b>TOTAL EXPENDITURE</b>		<b>3,221,976</b>	<b>2,679,876</b>
<b>OPERATING SURPLUS BEFORE TAX</b>		<b>1,235,042</b>	<b>1,259,403</b>
Provision for Taxation		(54,001)	(86,756)
<b>NET OPERATING SURPLUS AFTER TAX</b>		<b><u>1,181,046</u></b>	<b><u>1,172,644</u></b>

These statements are to be read in conjunction with the notes on pages 10 to 13

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## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE TWELVE MONTH PERIOD ENDED 31 DECEMBER 2008

	Note	2008	2007
Equity At Start of Period		4,065,031	2,892,387
Net Operating Surplus After Tax		<u>1,181,046</u>	<u>1,172,644</u>
<b>EQUITY AT END OF PERIOD</b>		<u><b>5,246,076</b></u>	<u><b>4,065,031</b></u>

These Statements are to be read in conjunction with the notes on pages 10 to 13  
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## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2008

EQUITY	Note	2008	2007
Equity		<u>5,246,076</u>	<u>4,065,031</u>
CURRENT ASSETS			
Accounts Receivable		193,698	554,088
Stock on Hand		6,484	20,808
Prepayments		6,312	14,849
Bank Accounts – Current		38,792	86,122
Bank Accounts – Call Deposits		1,063,901	756,185
Income Tax Refund Due	(4)	23,850	29,751
		<u>1,333,037</u>	<u>1,461,803</u>
NON CURRENT ASSETS			
Fixed Assets	(5)	42,920	36,169
Westpac Term Deposits	(6)	5,126,768	3,123,916
		<u>5,169,688</u>	<u>3,160,085</u>
<b>TOTAL ASSETS</b>		<b>6,502,725</b>	<b>4,621,888</b>
CURRENT LIABILITIES			
Apprentice Fee received in Advance		119,934	121,807
Accounts Payable		1,089,315	401,576
GST Payable		47,400	33,473
		<u>1,256,649</u>	<u>556,855</u>
<b>TOTAL LIABILITIES</b>		<b>1,256,649</b>	<b>556,855</b>
<b>NET ASSETS</b>		<b><u>5,246,076</u></b>	<b><u>4,065,031</u></b>

For and on behalf of the Executive Board



Allison Murray  
Chairperson  
16-February-2009



Erica Cumming  
Chief Executive Officer  
16-February-2009

These statements are to be read in conjunction with the notes on pages 10 to 13

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## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

**Statement of Cash Flows**  
**For the Year Ending 31 December 2008**

	2008	2007
<b>Cash Flow From Operating Activities</b>		
<i>Cash was provided from:</i>		
Receipts from Industry	145,383	178,230
Grants from TEC	5,032,020	3,493,400
Interest Received	351,529	259,452
	<u>5,528,932</u>	<u>3,931,082</u>
<i>Cash was applied to:</i>		
Payments to Suppliers and Employees	3,206,370	2,684,696
Interest Paid	0	0
Income Tax Paid	48,099	103,048
Net GST	-18,158	-90,686
	<u>3,236,312</u>	<u>2,697,058</u>
Net Cash Inflow (Outflow) from Operating Activities	2,292,621	1,234,024
<b>Cash Flow From Investing Activities</b>		
<i>Cash was provided from:</i>		
Sale of Fixed Assets	0	0
	<u>0</u>	<u>0</u>
<i>Cash was applied to:</i>		
Purchase of Fixed Assets	29,382	16,697
Purchase of Investments	2,002,852	625,486
	<u>2,032,234</u>	<u>642,183</u>
Net Cash Inflow (Outflow) from Investing Activities	-2,032,234	-642,183
<b>Cash Flow From Financing Activities</b>		
<i>Cash was provided from:</i>		
Loans Received	0	0
	<u>0</u>	<u>0</u>
<i>Cash was applied to:</i>		
Loans Repaid	0	0
	<u>0</u>	<u>0</u>
Net Cash Inflow (Outflow) from Financing Activities	0	0
<b>Net Increase (Decrease) in Cash Held</b>	<u>260,386</u>	<u>591,841</u>
Opening Bank	842,307	250,466
<b>Closing Bank</b>	<u>1,102,693</u>	<u>842,307</u>
<b>Bank Consists of:</b>		
Bank Account Current	38,792	86,122
Bank Account Call Deposits	1,063,901	756,185
	<u>1,102,693</u>	<u>842,307</u>

These statements are to be read in conjunction with the notes on pages 10 to 13  
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NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

### Cash Flow Reconciliation Note For the Year Ending 31 December 2008

#### Reconciliation of Operating Surplus (Deficit) with Net Profit After Tax

	2008	2007
Net Profit After Tax	1,181,042	1,172,644
<i>Non Cash Items:</i>		
Loss on Sale of Fixed Assets	1,605	208
Depreciation	20,961	18,686
	1,203,608	1,191,538
<i>Add (Less) Movement in Working Capital Items:</i>		
(Increase) Decrease in Debtors	360,391	-153,882
(Increase) Decrease in Prepayments	8,537	-10,630
(Increase) Decrease in Stock	14,324	58
(Increase) Decrease in Income Tax Refund	5,902	-16,292
Increase (Decrease) in Creditors	687,805	122,202
Increase (Decrease) in Fees Received in Advance	-1,873	11,112
Increase (Decrease) GST Liability	13,927	89,863
	1,089,013	42,431
Net Cash Inflow (Outflow) from Operating Activities	2,292,621	1,233,969

These statements are to be read in conjunction with the notes on pages 10 to 13

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NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

**NOTES TO THE FINANCIAL STATEMENTS****1. STATEMENT OF ACCOUNTING POLICIES**

These statements have been prepared in accordance with the Incorporated Societies Act 1908.

**A. GENERAL ACCOUNTING POLICIES**

The measurement base adopted is that of historic cost.

***Differential Reporting***

The NZ Hairdressing Industry Training Organisation Inc is a qualifying entity within the New Zealand Institute of Chartered Accountants Differential Reporting Framework. The Organisation is not publicly accountable and qualifies under the size criteria. The Organisation has taken advantage of all differential reporting concessions available to it except for GST, the statements are presented exclusive of GST and inclusive of a cashflow Statement.

**B. PARTICULAR ACCOUNTING POLICIES*****Accounts Receivable***

Accounts receivable are valued at expected realisable value.

***Stock***

Stocks are valued at the lower cost on a FIFO basis or net realisable after due allowance for damaged or obsolete stock.

***Fixed Assets***

Fixed Assets are recorded at cost less depreciation to date. All fixed assets are depreciated over their expected useful lives using the straight line method of depreciation, using the maximum rates allowed by the Inland Revenue Department.

***Goods and Service Tax***

Income and expenditure items are stated exclusive of Goods and Services tax.

***Government Grants***

All grant monies have been treated in the basis of grants being income rather than capital.

**C. CHANGES IN ACCOUNTING POLICIES**

There has been no change in accounting policy for the HITO.

These notes are to be read in conjunction with the statements on pages 3 to 9  
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## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

## 2. TERTIARY EDUCATION COMMISSION

	2008	2007
Funding Received	3,870,855	2,700,800
Accrual	20,000	436,622
Overpaid Funding to be returned	(381,156)	0
Funding Project deferred to next yr	(108,245)	0
	<u>3,401,455</u>	<u>3,137,422</u>

## 3. GENERAL EXPENSES

General Expenses are made up of the following expenses:

	2008	2007
Bank Charges	1,021	937
Cleaning	60	0
Computer Maintenance	21,055	20,326
Electricity	4,112	4,083
Freight, Courier & Postage	28,421	22,379
General Expenses	5,755	3,991
General Meeting Costs	11,630	14,813
ITO Federation Subscription	16,500	16,500
National Office Expenses	12,396	11,312
Repairs and Maintenance	1,004	191
Travel Expenses	15,666	16,647
	<u>117,620</u>	<u>111,179</u>

These notes are to be read in conjunction with the statements on pages 3 to 9

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## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

**4. TAXATION**

The taxation provision and amount due for the year has been calculated as follows:

	<b>2008</b>	<b>2007</b>
Interest Received	382,401	264,397
Less:		
Return Preparation Fee	(500)	(500)
Non Profit Exemption	<u>(1,000)</u>	<u>(1,000)</u>
	380,901	262,897
Taxation Provision @ 33%	52,089	86,756
Tax Paid (RWT)	<u>61,560</u>	<u>103,048</u>
Current years tax refundable	9,471	16,291
	<u>14,380</u>	<u>13,460</u>
Previous years refund yet to be received		
Income tax refund due	23,850	29,751

HITO registered as a Charitable Trust in June 2008, Taxation Provision is only provided until up to this period.

**5. FIXED ASSETS**

COST OR VALUATION \$	ACCUM DEPREC \$	BOOK VALUE 2008 \$	DEPREC CHARGE 2008 \$	BOOK VALUE 2007 \$
280,080	237,159	42,920	20,961	36,169

**6. TERM DEPOSITS**

Westpac Term Deposit 0001	\$1,767,195.56	Term: 61 Days	5.64% Interest
Westpac Term Deposit 0006	\$1,650,217.04	Term: 120 Days	7.71% Interest
Westpac Term Deposit 0007	\$1,709,355.51	Term: 180 Days	5.00% Interest

These notes are to be read in conjunction with the statements on pages 3 to 9  
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## NEW ZEALAND HAIRDRESSING INDUSTRY TRAINING ORGANISATION INC

**7. OPERATING LEASE COMMITMENTS**

The operating lease commitments as at 31 December 2008 are:

	2008	2007
Current	105,666	68,181
Non Current	121,188	77,636

**8. OTHER COMMITMENTS**

As at balance date, the HITO had committed to purchase \$52,135.57(incl gst) worth computer equipment from Lantec Limited.

2007  
Nil

**9. CONTINGENT LIABILITY**

There are no contingent liabilities for the HITO at this time.

2007  
Nil

**10. OFF JOB TRAINING**

	2008	2007
HITO Payments (75%)	1,124,213	1,234,977
Apprentice Contribution (25%)	374,738	411,659
Total Off Job Training cost	1,498,951	1,646,636

These notes are to be read in conjunction with the statements on pages 3 to 9  
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Setting the standard

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