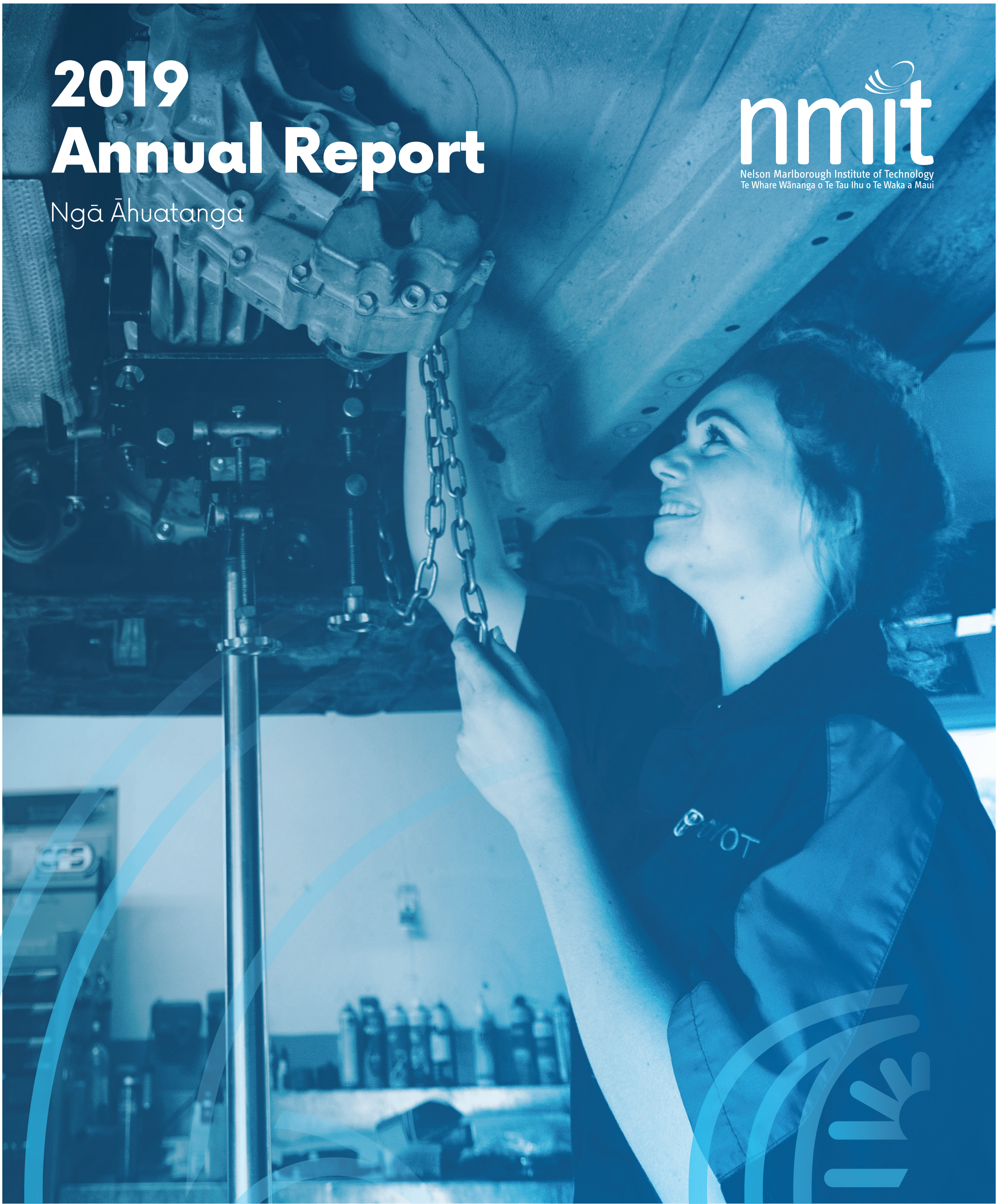
# 2019 Annual Report

Ngā Āhuatanga



nmit

Nelson Marlborough Institute of Technology
Te Whare Wānanga o Te Tau Ihu o Te Waka a Maui

ESTABLISHED IN 1905

# 2019

## Collectively preparing world and work ready graduates

## We are excellent in education

**95%**

of learners were satisfied with NMIT overall **(95% 2018)**

NZQA CATEGORY 1

Telarc. Registered Quality ISO 9001

**7,029**

Total learners

**2,883**

EFTS

**1,333**

International students

## We are improving our Youth Guarantee education performance indicators*

**83%** course completion **(73% 2018)**

**66%** qualification completion **(61% 2018)**

**40%** progression rate **(30% 2018)**

"My transition from Nelson Boys and staying local made it a lot easier coming to NMIT."

Chris Chamberlain, Aquaculture Graduate


## We are delivering skills for industry

**1st** tertiary institute to have a micro-credential approved by NZQA following pilot scheme.

**14** students graduated from NMIT's first cohort in Master of Applied Management.

Building of BRI's Marlborough Campus **Research Winery** gets underway.

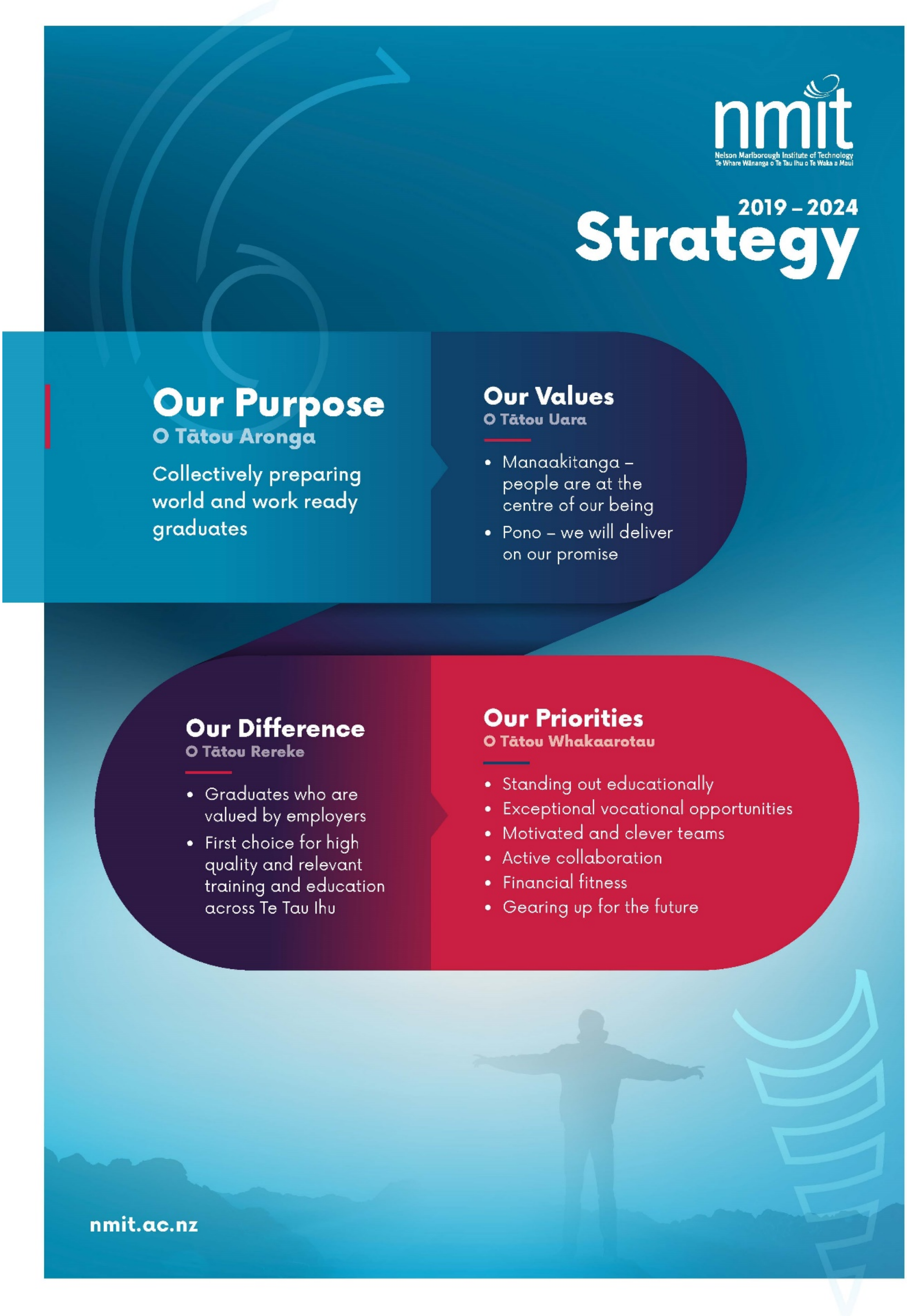
"The tutors also took the time to understand how each person learnt and what we need to apply the theory into our work. For me that was really key and allowed me to enjoy my study experience."

Ngaio Richard, New Zealand Certifcate in Music Graduate

*Provisional figures

# Contents

# NMIT Strategy



# Council Chair's Foreword

*E mihi ana ki te rangi, E mihi ana ki te whenua, E mihi ana ki ngā maunga, E mihi ana ki ngā awa*

*E mihi ana ki a koutou i roto i ngā tini āhuatanga o te wā, tēnā koutou, tēnā koutou, tēnā koutou katoa.*

*Greetings to the sky father, greetings to the earth, greetings to the mountains, greetings to the rivers, greetings to everyone amongst the differing circumstances of the time, greetings to you all.*

On behalf of the Nelson Marlborough Institute of Technology (NMIT), I am pleased to present the 2019 Annual Report.

Guided by our purpose of collectively preparing world and work ready graduates, and our values of Manaakitanga (people are at the centre of our being) and Pono (we will deliver on our promise), the NMIT Council signed off a five-year strategic plan during the year that ensures employers value our graduates and that NMIT is the first choice for high quality and relevant training and education across Te Tau Ihu.

Delivering on our strategic plan demands sustainable partnerships and collaboration across many stakeholders. I want to acknowledge our relationships with Te Tau Ihu iwi with whom we share our tākiwa - Ngāti Apa, Rangitane, Ngāti Kuia, Ngāti Toa Rangatira, Ngāti Rarua, Ngāti Tama, Te Atiawa and Ngāti Koata. NMIT values the guidance and support we receive from our iwi partners.

I also acknowledge Team NMIT and all those diverse and knowledgeable members of our learning community who contribute to our success; community partners, industry, local government, international partners, Mahitahi Colab partners and scholarship supporters.

Finally, I want to acknowledge the leadership of our Chief Executive, Liam Sloan. Over the past year Liam has continued to guide NMIT in a way that reflects our values. Both Liam and the broader team at NMIT have helped to make sure we achieved our purpose of collectively preparing world and work ready graduates.

The NMIT Council, Executive Team, Te Tauihu iwi and a wide range of stakeholders were engaged during the year in the government's Review of Vocational Education (RoVE). Significant time went into ensuring that NMIT's strengths and the needs of Te Tau Ihu and our learner community were well understood. Thank you to Liam Sloan and the Executive Team for your commitment to ensuring NMIT's voice was heard and understood throughout this time of change and challenge. We believe we are well-positioned for the changes that will take place in 2020.

Thank you to the NMIT Council for your drive and input during 2019. This has helped ensure that, despite sector changes, NMIT was able to continue delivering as an innovative, market-led provider of education and training. I acknowledge the additional work and commitment of each member of the NMIT Council this year. It has been a particularly difficult period on top of an already challenging area of governance, and it has been critical for me to have a healthy and supportive Council.

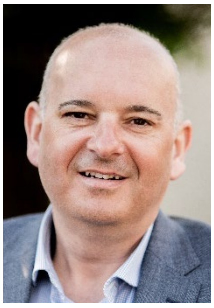
Student enrolment patterns fluctuated throughout the year with Equivalent Full Time Student (EFTS) numbers being down at year-end against our projections. A shortfall in EFTS was signalled early, therefore our financial focus and rigour were on rightsizing our EFTS funding and realising operational expenditure savings.

The reported net deficit of $0.6m reflects the efforts across NMIT to deliver an improved financial position compared to the previous year and a continuing commitment to deliver sustainable financial outcomes

2020 will undoubtedly be a very challenging year for us as the transition to the New Zealand Institute of Skills and Technology (NZIST) begins from 1 April. We will need to be adaptive and responsive yet unwavering in our desire to provide excellent opportunities and even greater outcomes for our region. Our key strength is the support of our iwi, partners and stakeholders who work with us, drive us, challenge us and support us, to ensure we deliver for our learners and our community.

Daryl Wehner
Council Chair, on behalf of the NMIT Council

# Chief Executive's Report



As an Institute, we are here to deliver successful learners and graduates. In 2019 we fulfilled that goal with 5,141 graduates successfully completing their learning aim. I congratulate all those learners that chose NMIT as a place of study and all those learners that graduated from our Institute. Our learners and graduates join a group of people that readily acknowledge the benefits of study at NMIT and in our region. One of those key benefits is the close relationship that we have forged with local employers and the hands-on learning experience this facilitates.

NMIT continues to seek out and develop courses and qualifications that maximise the opportunities presented by our geographic location. We provide qualifications and courses that we know are best delivered in our region alongside our more generic course offering.

In 2019, NMIT, the Bragato Research Institute and the Marlborough Research Centre (MRC) announced a new collaboration for New Zealand's wine sector. The national Research Winery at the MRC on our Blenheim campus officially opened on 27 February 2020. First grapes will be delivered in March and destined for the 2020 vintage.

The Research Winery will trial winery equipment and technologies, winemaking processes and sustainable winemaking and winery operations. It will also provide research winemaking services to suppliers and industry, to help drive innovation. This collaboration provides NMIT and our learners with some significant opportunities and its location, on our Marlborough campus, means that 2020 will see us providing students with a truly integrated vocational experience.

This collaborative approach is not unique to the winegrowing sector and historically we have gained acknowledgement for our integrated approach to adventure tourism, aquaculture, conservation and aviation engineering. NMIT is also home to the International Maritime Institute of NZ and is a leading training provider for the fishing, maritime transport and maritime tourism industries. We have world class facilities providing real world experience that is not available at every campus around the country. These relationships are a particular strength of NMIT and will come into play strongly in 2020 as we work to establish ourselves as a Centre of Vocational Excellence (CoVE) under the new regulations.

During 2019, NMIT offered the Masters in Applied Management for the first time. We were delighted with the success of this offering in terms of numbers and calibre of students. This success reflects the overall regard in which NMIT is held as a tertiary institute.

2019 was a difficult year. In February the Minister announced the RoVE and much of the year was focused on responding appropriately to the demands of change consultation. We made our views clear in workshops and through consultation processes as well as in written and verbal submissions delivered to the select committee by the Chair and me.

We know that we cannot avoid change, however, and that we must seek out ways to embrace opportunities that emerge as a result of RoVE. Consequently, the Institute has registered interest in housing the headquarters of the new organisation that will lead New Zealand's polytechnics – the New Zealand Institute of Skills and Technology (NZIST). We have a fantastically diverse region, it is a magnet for talent and so is jam-packed full of it. Our region's highly collaborative way of working puts us in a strong position to be seriously considered.

During 2020 NMIT will make a significant investment in campus facilities. These facility upgrades will further add to the desirability of our region as a provider of exemplary tertiary education.

Thank you to the NMIT Council for their guidance and support during 2019 and to Team NMIT for continuing to deliver excellence every day. This commitment reflects the core values that drive our Institute - "people at the centre of our being" and "delivering on our promise".

Liam Sloan
Chief Executive

# Role of Annual Report and Council

The purpose of this Annual Report is to provide information to assist users in:

- Assessing NMIT's financial and service performance, financial position and cash flows;
- Assessing NMIT's compliance with legislation, regulations, common law and contractual arrangements, as these relate to the assessment of its financial and service performance, financial position and cash flows;
- Making decisions about providing resources to, or doing business with, Nelson Marlborough Institute of Technology.

Thus, the Annual Report has an accountability role and an informative role.

Annual financial statements are required by the Public Finance Act 1989 and the Crown Entities Act 2004. Financial and non-financial information is required to be included for significant activities.

Under section 220 of the Education Act 1989 and its amendments, NMIT must prepare and adopt the following key documents:

- Statement of Objectives including performance measures
- Investment Plan 2019-2020
- Annual Report

## Role of Council

NMIT is under the control of a Council comprised of elected and appointed members from the Nelson Marlborough region. The role of the Council is governance of the Institute, policy making and the appointment and performance management of the Chief Executive.

The Council delegates the management of the academic and administrative operation of the Institute to the Chief Executive.

## NMIT Council responsibilities

- Approve and monitor the implementation of the Charter which sets out the role and purpose of the Institute.
- Determine the strategic direction of the Institute.
- Approve the Institute's objectives.
- Ensure the financial, physical, educational and intellectual assets of the Institute are efficiently and effectively managed.
- Appoint the Chief Executive.
- Monitor the performance of the Chief Executive.
- Consult with stakeholders when reviewing the Investment Plan.
- Establish an Academic Board to advise the Council on matters relating to courses of study or training and other academic matters.

# Councillors and organisation representation

## NMIT Council membership

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|---|---|
| Daryl Wehner | Chair, Council Appointment |
| Paul Steere | Deputy Chair, Ministerial Appointment |
| Gabrielle Hervey | Ministerial Appointment |
| Charles Newton | Ministerial Appointment |
| Tracy Johnston | Ministerial Appointment |
| Win Greenaway | Council Appointment |
| Des Ashton | Council Appointment |
| Cornelius Prinsloo | Council Appointment |

## Kuia

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|---|---|
| Priscilla Paul | Nelson / Tasman Region |
| Helen Joseph | Marlborough Region |

## Executive Team

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|---|---|
| Liam Sloan | Chief Executive |
| Sue Smart | Executive Director – Customer Experience and Excellence |
| Vicki Bryson | Executive Director – Finance, Compliance and Business Intelligence |
| Grant Kerr | Executive Director – Strategy, Enterprise and Sustainability |
| Andrew Luke | Executive Director - Māori |

## Curriculum Areas

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|---|---|
| Carole Crawford | Director Marlborough |
| Susannah Roddick | Curriculum Director |
| Marja Kneepkens | Curriculum Director |
| Monique Day | Curriculum Manager – Maritime, Aquaculture and Conservation |
| Rae Perkins | Curriculum Manager – Applied Business and English Language |
| Grant Newport | Curriculum Manager – Digital Technologies, Arts and Media |
| Chris Dunn | Curriculum Manager – Health and Fitness |
| Caroline Day | Curriculum Manager – Social Sciences |
| Wayne Cooper | Curriculum Manager – Aviation |
| Reid Carnegie | Curriculum Manager – Engineering and Construction |
| Carey White | Curriculum Manager – Hospitality and Service Sector Pathways |
| Pam Wood | Curriculum Manager – Viticulture, Wine and Horticulture |
| Olivia Hall | Curriculum Manager – Te Toki Pākohe |

# Statement of service performance

We take pride in our position as the largest provider of education and training courses across Te Tau Ihu. We work collaboratively with iwi, community partners, industry, local government, international partners and our Mahitahi Colab partners to prepare world and work ready graduates. This Statement of Service Performance comprises the set of financial and non-financial performance indicators that, when read in conjunction with the Investment Plan, provides an assessment of the delivery of our commitments to give effect to the Tertiary Education Strategy (TES) 2014 – 2019.

## The Tertiary Education Strategy 2014-2019

The Tertiary Education Strategy sets out the Government's long-term strategic direction for tertiary education. With a focus on ensuring an outward-facing and engaged tertiary education system with strong links to industry, community and the global economy, the TES sets out six key priorities:

1. Delivering skills for industry
2. Getting at-risk young people into a career
3. Boosting achievement of Māori and Pasifika
4. Improving adult literacy and numeracy
5. Strengthening research-based institutions
6. Growing international linkages

## NMIT Investment Plan 2019/2020

A significant number of internal and external stakeholders were engaged in the development of NMIT's Investment Plan for 2019-2020. Within the investment plan are a number of priority commitments that are strategically aligned to the TES.

In reviewing the investment plan, the Tertiary Education Commission (TEC) recognised that it demonstrated:

- A strong approach that responded to the TES priorities, particularly regarding Māori and Pasifika learners.
- NMIT is redeveloping its provision to better meet industry needs and is active in provision of innovation including new qualifications and delivery modes.
- NMIT is pioneering new ways of delivery, including online options.
- NMIT responds effectively to the TEC's Innovation Skills for the Economy and Primary Sector Focus Area briefs.

Throughout 2019 the continuation of Performance Panels across NMIT provided the framework to robustly and systematically monitor and review progress against our priority commitments. We are proud of the progress and achievements we are able to celebrate within this Annual Report.

## NMIT Statement of Service Performance Commitments

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| Commitment: | That the financial statements are prepared in accordance with Generally Accepted Accounting Principles, including reporting costs summarised by key output classes/areas. |
| Commentary: | NMIT is committed to the preparation of its financial statements using Generally Accepted Accounting Principles, with both revenues and costs reported against key output measures considered appropriate for the education sector. |

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| Commitment: | That the financial statements reflect the full scope of the institution's activities. |
| Commentary: | The group accounts of NMIT include the results of Nelson Polytechnic Educational Society Incorporated (NPES) and the NMIT Research Trust. |

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| Commitment: | Focus on the outputs/services of the institution. |
| Commentary: | As noted above, NMIT's financial reporting focuses on providing key performance indicators and measures that are relevant to institution's operating in the education sector.<br><br>The Institute has reported revenue on the basis of a single output class, education services. The expenditure associated with the delivery of these services is detailed in Note 2 of the financial statements. |
| Commitment: | Include measures and evidence about quality of the outputs/services. |
| Commentary: | The quality of outputs and services is measured by Education Performance Indicators using the methodology as determined by the TEC. |
| Commitment: | To manage capital assets to support our mission and role over the period of the Investment Plan. |
| Commentary: | NMIT remains committed to the agreed capital asset management plan for the Institute, however, there has been no significant capital expenditure made under this plan in 2019. |

# Delivering skills for industry

NMIT continued to develop and prioritise its specialisms including Aviation and Aquaculture, in line with the outcome of its Assess and Optimise strategic work including analysis of market needs and relevance, and development of a sustainable business model.

Aviation programmes ranged from Level 3 to Level 6, and from 60 credits to 240 credits. The programmes targeted a range of learners, from school leavers to managers in the New Zealand Defence Force (NZDF), as well as those already employed in industry looking to upskill online. Annual EFTS were 119 producing 40 graduates per year ready for employment in the aviation industry plus six graduates on the Diploma.

The Aquaculture programme proactively engaged local schools across the region through the Salmon in Schools project, a Year 13 biology project at the Glen facility and a Year 10 student visit to the Glen Aquaculture Park hosted by the Aquaculture team.

NMIT continued to work closely with the Aquaculture industry in the Top of the South. Skretting, New Zealand King Salmon, Cawthron and Plant and Food are members of the Animal Ethics Committee hosted by NMIT, with NMIT being the code-holder for the Ministry for Primary Industries. These companies and others such as Sanford, National Institute of Water and Atmospheric Research (NIWA), SpatNZ and Mount Cook Salmon worked together in various ways such as hosting student placements and research support, guest speakers and industry advisory committee membership.

The Smart+Connected relationship was established and grew in 2019 resulting in participation in the Value and Innovation industry event in Havelock in November 2019 and continued involvement through to 2020.

NMIT will continue to meet the region's needs through high-volume provision in areas such as nursing, information technology and tourism. In 2019, NMIT responded to emerging national and international skill needs with the following new programmes:

- Bachelor of Computer Generated Imagery and NZ Diploma in Animation from February 2019
- Additional strands of the NZ Certificate in Heavy Automotive Engineering Level 4, including strands in Plant and Equipment, Agricultural Equipment and Materials Handling
- Additional strands of the NZ Diploma in Business Level 5 including Sales and Marketing and Human Resource Management
- NZ Certificate in Cellar Operations Level 4
- NZ Certificate in Automotive Electrical Engineering Level 4

## Performance Commitments

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| Commitment: | Increase Aviation EFTS annually for 2019 and 2020. |
| Previous Year: | 124.62 EFTS |
| Target: | 118.3 EFTS |
| Actual: | 119.09 EFTS |

Commentary:

- EFTS results were just above the expected budget.
- Some course numbers were determined by the Royal New Zealand Air Force (RNZAF), over which NMIT had little control.
- There were lower numbers in the July 2019 intake of the NZ Certificate in Aeronautical Engineering (CAE) Level 4 programme due to potential learners going straight into employment and apprenticeships.
- A marketing strategy is in place to market Aviation programmes to increase profile and numbers.

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| Commitment: | Increase programmes delivered via eCampus from six to ten. |
| Previous Year: | 8 x programmes with several strands, plus 5 x training schemes delivered |
| Target: | 10 |
| Actual: | 8 x programmes with several strands, plus 5 x training schemes delivered |
| Commentary: | Two strands were added to the NZ Diploma in Business (Marketing & Sales and HR Management). Tertiary Accord of NZ (TANZ) eCampus put some programme development on hold in late 2018 to concentrate on the development of NZ Diploma in Construction Level 6 and increasing enrolment numbers. NZ Certificate in Construction Related Trades (Supervisor) (Level 4) was put on hold which NMIT intended to offer in 2019. NMIT also considered adding NZ Certificate in Retail Level 4 but this was put on hold when TANZ eCampus advised it might discontinue the programme due to low enrolment numbers. |

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| Commitment: | Increase Aquaculture EFTS annually for 2019 and 2020. |
| Previous Year: | 43.3 EFTS |
| Target: | 43.3+ EFTS |
| Actual: | 41.02 EFTS |
| Commentary: | Aquaculture Diploma enrolments were significantly down in 2019 with only four new entrants to the programme meaning an overall EFTS drop of 39%. This programme is expiring and being replaced in 2020 with two new NZ Certificates at Level 3 and 4 focusing on practical skills required for the aquaculture industry. EFTS for the Bachelor of Aquaculture and Marine Conservation and Postgraduate Diploma in Sustainable Aquaculture grew by 17% and 6% respectively. |

## Student Satisfaction and Graduate Destinations

| | 2018 | 2019 |
|---|---|---|
| Student Satisfaction | 95% | 95% |
| Graduate Employment | 88% | 88% |

In 2019, student satisfaction remained steady at 95% and graduates in paid or voluntary employment continued at 88% (86% in paid employment and 2% in voluntary work).

The consistent rate of NMIT graduates in employment is a reflection of the high regard NMIT graduates are held in by employers. In a 2019 consistency review of the New Zealand Certificate in Conservation (operations, Level 4) employee feedback showed that NMIT graduates were well prepared for their roles with one employer commenting, "They've actually had practice and been exposed to how conservation works. They have a working knowledge on how things get done."

Students too continue to find their qualifications relevant to industry and the training which can springboard them into employment. Comments from the 2019 Graduate Destinations survey included, "To be frank, I got the current job only because of the qualification I gained through NMIT," and "Really helps with getting a job".

# Getting at-risk young people into a career

NMIT supported at-risk young people through a mixture of targeted programmes, pastoral care and strong partnerships with community organisations. NMIT brought young people directly onto campus through the Experience NMIT Programme that enabled them to experience various study options available and ran the Young Enterprise Scheme (YES) for the Top of the South, which saw young people directly launch a business career.

Additionally, NMIT ran bridging programmes to enable learners to progress into fields of study and get into a career in areas that they might not have been able to undertake due to previous under-achievement at school. Acting as a Youth Guarantee (YG) fund provider, NMIT provided free training to youth with no or low prior qualifications, which included pastoral care and a travel subsidy.

In 2019, the ongoing provision as part of the Top of the South Trades Academy (TOTSTA) brought 230 school students onto Nelson and Marlborough campuses one day a week to engage in learning that created pathways to further education, work and training.

NMIT extended its Trades Academy undertakings by partnering with the West Coast Trades Academy to offer programmes to West Coast secondary school students. In 2019, this included two music programmes, offered on-site at the Nelson NMIT campus in block courses during the holiday period, as well as two year-long (one day a week model) programmes in Computing and Web Design based in Greymouth. NMIT also worked collaboratively with Tai Poutini Polytechnic (TPP) to offer teaching and moderation resources to enable TPP to offer a Hair and Beauty Trades Academy programme to West Coast Trades Academy students.

Additionally, there was ongoing development and use of Performance Panels to identify learners at risk of not succeeding and to provide targeted support.

## Performance Commitments

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| Commitment: | Optimise and develop use of all youth funding streams to meet the regional needs of learners. |
| Previous Year: | New measure in 2019 |
| Target: | No specific target set for 2019 |
| Actual: | No specific target set for 2019 |
| Commentary: | In 2019, NMIT enrolled 63.7 EFTS in Youth Guarantee, and was able to allocate a Youth Guarantee place to all those who met the criteria. Youth Guarantee was therefore optimised to ensure appropriate funding for those learners in the region. |

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| Commitment: | Increase progression from the Top of the South Trades Academy to NMIT from 17% in 2017 by 2% for each year of the Plan. |
| Previous Year: | 38% |
| Target: | 21% |
| Actual: | 22% |
| Commentary: | There was a 22% progression rate into mainstream NMIT programmes for students who were enrolled in Trades Academy programmes in 2018. Of note, in any year over 50% of Trades Academy students will return to school on completion of their Trades Academy programme and remain at school for a further 12 months. Data evidence shows that a Trades Academy cohort progression increases over a two-year period, indicating that Trades Academy is a successful first step on a pathway into further study (secondary and tertiary), i.e. a continuum of enrolments over a two to three-year period. |

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| Commitment: | Increase the scope and number of Secondary Tertiary Alignment Resource (STAR) offerings as part of our Experience NMIT initiative and ensure the progression rate from the Student for a Day engagement experience to enrolment remains above 40%. | |
| Previous Year: | STAR offerings | 4 |
| | Student for a Day | 30% |
| Target: | STAR offerings | 3+ |
| | Student for a Day | >40% |
| Actual: | STAR offerings | 7 |
| | Student for a Day | 23% |

Commentary:

The STAR offerings in 2019 increased to seven with the addition of Bar Service, Beauty, Cookery, Hairdressing and Welding deliveries and the occurrences increased from 4 to 14. Consequently, STAR enrolments increased from 34 enrolments in 2018 to 109 in 2019.

Student for a Day progression rates into mainstream NMIT enrolments fell to 23% in 2019 from 30% in 2018. Of note, as with Trades Academy cohort progression rates, it is anticipated that the 2019 Student for a Day progression rates will gradually increase over a two to three-year period as students finish secondary school and look towards tertiary study.

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| Commitment: | Increase youth funding options currently offered in Horticulture to other programme areas across the Top of the South catchment area. |
| Previous Year: | New measure in 2019 |
| Target: | No specific target set for 2019 |
| Actual: | No specific target set for 2019 |

Commentary:

In 2018 the NZ Certificate in Vehicles, Machinery and Infrastructure (VMI) ran under Dual Pathways with three enrolments. The intention for 2019 was to set up a pilot programme for delivery of VMI where multiple streams of funded students could be enrolled and taught as one cohort. This was to include Māori Pacific Trades Training (MPTT), Dual Pathways, Youth Guarantee, STAR and Student Achievement Component (SAC) funded students. Initial indications were very positive in terms of students from contributing schools, however actual enrolments did not eventuate. The Dual Pathways funding stream was then removed for 2019. This left only the MPTT funding option where small numbers of students were successfully enrolled across a range of Primary Industries programmes with the intention of providing additional pastoral care and assistance with post course employment. MPTT was delivered under partnership agreement with Whenua Kura and due to low outcomes, was discontinued at the end of 2019.

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| Commitment: | Increase EFTS for Youth Guarantee L1-2 Foundation Studies programmes with a more comprehensive pastoral care service to improve retention and completion for Not in Education, Employment or Training (NEET) students. |
| Previous Year: | 16.50 |
| Target: | No specific target set for 2019 |
| Actual: | 27.50 |

Commentary:

EFTS across Foundation Studies Level 1 and Level 2 increased from 16.50 in 2018 to 27.50 in 2019.

Changes made to enhance pastoral care, and therefore increase retention and completion rates for NEETs, included:

- Additional enrolment entry points for Foundation Studies introduced in 2019 where students could enrol at four times during the academic year. These additional entry points provided greater flexibility for NMIT partners such as secondary schools, Ministry of Social Development (MSD) and Oranga Tamariki who could place young people into Foundation Studies at multiple times throughout the year, rather than being limited to two intakes. Additional entry points meant students were potentially less likely to spend time as NEET.
- Appointment of a tutor assistant to work alongside tutors in the classroom providing additional support for the high level social and learning needs of some students re-engaging with education.
- Development of further collaboration with curriculum areas across NMIT offering Level 3+ pathways. Foundation students gained on-campus experiences in Trades, Hospitality, Hairdressing, Beauty, Arts and Adventure Tourism.

In the New Zealand Qualifications Authority (NZQA) Consistency Review, the Foundation Studies Level 2 programme was rated “Consistent” in meeting designated Graduate Outcomes.

# Boosting achievement of Māori

Māori course achievement continued to improve at NMIT and as part of implementing NMIT's Māori Strategy, Te Ara Wai, there was a facilitation of improved iwi, hapū and whānau engagement in programme development.

NMIT actively sought input from Te Tau Ihu iwi about their strategic aims, and what part NMIT could play in realising those aims to help inform NMIT's programme mix, both short-term and in future developments.

NMIT continued to engage advisory committees to give a clearer steer to programme areas about iwi priorities and to provide quality assurance that there is iwi, hapū and whānau support and buy-in to the programmes being approved for delivery.

Te Toki Pākohe (TTP) plans to not only meet the increasing needs of iwi and communities, but also to meet in-house NMIT needs. At the TTP Advisory Committee, iwi participants expressed the view that TTP is best placed to deliver kaupapa Māori topics, or other topics, to specifically Māori cohorts. It is planned to develop and deliver courses for iwi Māori from within TTP or from within NMIT partnerships through which TTP "service teach" kaupapa Māori topics and specific cohorts.

Commencing in 2018, TTP tutors service taught Levels 5, 6 and 7 Māori content within the Bachelor of Social Work and Bachelor of Counselling programmes. In 2019, the programme was expanded with TTP service teaching Māori and Treaty of Waitangi content across all Social Sciences programmes.

NMIT aimed to embed its commitment to partnership, protection and participation through its revised Treaty of Waitangi Policy as well as the NMIT Council's Tikanga Statement of Commitment. Through the Treaty of Waitangi policy NMIT aims to be:

- a Māori relevant Institute
- a place where the Māori language and culture can flourish
- a place where Māori students succeed
- a place where Māori feel welcomed and supported
- an Institute that contributes to the educational and developmental aspirations of whānau, hapū and iwi
- an Institute that celebrates its Treaty partnership and multiculturalism

To underpin these activities and ensure NMIT can achieve the performance commitments below, NMIT will refresh and update Te Ara Wai, in 2020. The Treaty of Waitangi policy will be reviewed again within two years and NMIT will investigate the potential for framing it as a Kawenata (covenant, agreement, charter) as opposed to a policy, and investigate developing a Te Reo Policy for use across NMIT, consistent with the aims of Te Ara Wai.

The Tikanga Statement of Commitment is a pledge by the NMIT Council with an accompanying competency plan to ensure tikanga principles and practices such as the use of te reo (language), mihi (greet), karakia (prayer), koha (donation) and hospitality for manuhiri (visitors) is put into practice alongside and as part of, best practice governance principles. It is a commitment by the Council to recognise their journey to build cultural competency as a Board, and to embrace the weaving of Te Ao Māori into the way it leads the organisation and the business, and how it engages with local iwi, hapū, whānau, Māori businesses and mātā waka.

## Performance Commitments

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|---|---|---|
| Commitment: | Improve Education Performance Indicators (EPIs) for Māori learners | |
| Previous Year: | Course completion: | 81% |
| | Cohort Qualification completion: | 54% |
| | First Year Retention: | 53% |
| Target: | Increase EPIs | |

| | | |
|---|---|---|
| Actual: | Course completion: | 75% (+6%) |
| | Cohort Qualification completion: | 53% (-1%) |
| | First Year Retention: | 62% (-9%) |

Commentary: With the exception of 2018, the past five years have seen the overall EPI for Māori leaners at between 13-16% below that of All Learners. This year there was a slight improvement on previous results with a difference of 12% between Māori Learner EPI (75%) and All Learner EPI (84%). The result was disappointing however, as in 2018, Māori Learner EPI achievement was only 6% behind that of All Learner EPI (81% vs 86%) and this year, whilst only a small drop in All Learner EPI achievement was seen (from 86% to 84%), a greater reduction in Māori Learner EPI was experienced (81% in 2018 to 75% in 2019).

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Commitment: Facilitate one Māori learner hui per term by 2020.

Previous Year: New measure in 2019.

Target: 4

Actual: 4

Commentary: One Māori hui per term was held in 2019 to enable whanaungatanga and connections to occur between learners and with staff. Also, Māori learners attended 'Kia ora hauora' hui onsite in Nelson to increase applications for tertiary funding for Māori learners to study locally.

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Commitment: Engage two whānau, hapū, iwi, or Māori entities and involve them in programme/curriculum development and design each year for four years.

Previous Year: New measure in 2019.

Target: 2

Actual: 2

Commentary: Through Te Toki Pākohe Advisory Committee, feedback from iwi was sought on 2019 and 2020 Māori offerings (te reo, tikanga and toi).

NMIT worked directly with Ngāti Kuia on a potential waka course and partnered with Ngāti Koata to deliver Kaumātua offering, which was delivered both onsite and in their offices.

Programme development for 2019/2020 Te Reo me ona tikanga offerings received local iwi content via mana whenua staff who actively engaged with their iwi, hapū, whanau and marae both formally and informally.

There was email and face to face feedback from iwi on a limited number of programmes being developed for delivery in 2020 and there are plans to strengthen the process in 2020 to enable sufficient time for meaningful engagement and participation of iwi. This will include working with Māori entities to develop specific training for their own staff including micro credentials and short courses.

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Commitment: Include a Māori cultural component with elements of te reo, tikanga, Treaty of Waitangi and regional Māori history in each programme at NMIT by 2022.

Previous Year: New measure in 2019.

Target: No specific target set for 2019

Actual: No specific target set for 2019

Commentary: Te Toki Pākohe service teaching arrangements trialled during 2019 with the Social Sciences curriculum area. 2020 will see service teaching arrangements

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| | with five additional curriculum areas. Development of micro-credentials for Te Tau Ihu te reo Māori, tikanga and history planned for 2020 delivery. |

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| Commitment: | Establish and roll out a Māori capability development programme for team professional development by 2020. |
| Previous Year: | New measure in 2019. |
| Target: | Competency programme developed |
| Actual: | Competency programme developed |
| Commentary: | All managers progressed Te Ara Wai by increasing the use of te reo Māori, karakia and waiata within their own teams and then reported progress of teams in their proficiency of using te reo Māori, utilising karakia and waiata at Performance Panels. |

# Boosting achievement of Pasifika

Pasifika course achievement continued to improve. The percentage of NMIT's enrolled learners who identified as Pasifika fluctuated at around 2%, which compared with a regional population of around 3%. While the regional population is small compared with other parts of New Zealand, there were strong community supports and networks with which NMIT was well linked including the Nelson Tasman Pasifika Community Trust.

To further improve the achievement of Pasifika learners, NMIT worked on the development of a Pasifika strategy for the Institute with measurable goals. It also undertook a synthesis of existing data/research on Pasifika achievement at NMIT using learner analytics and conducted a literature scan/desk review of good practice across ITPs with good Pasifika achievement rates.

NMIT also began work on the design of a process for attaining Pasifika student feedback and engaging with Pasifika learners within all programmes at the early stages of enrolment to understand their learning needs.

## Performance Commitments

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|---|---|---|
| Commitment: | Improve EPIs for Pasifika learners | |
| Previous Year: | Course completion: | 87% |
| | Cohort Qualification completion: | 45% |
| | First Year Retention: | 50% |
| Target: | Increase EPIs | |
| Actual: | Course completion: | 77% (-10%) |
| | Cohort Qualification completion: | 62% (+17%) |
| | First Year Retention: | 67% (+17%) |
| Commentary: | From 2018 to 2019 Pasifika EPIs improved by an average of 10%. Course completions, however, decreased by 11%. This was largely due to the National Certificate in Care of the Older Person ending in 2018 and being replaced by the New Zealand Certificate in Health and Wellbeing Level 3 in 2019. The certificate had a high number of Pasifika students and the transition to the new programme resulted in a drop in successful course completions. | |

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| Commitment: | Engage one Pasifika Community entity year on year by 2020. |
| Previous Year: | New measure in 2019 |
| Target: | 1 |

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| Actual: | 1 |
| Commentary: | During 2019, representatives from NMIT and the Nelson Tasman Pasifika Community Trust met five times to establish and implement a plan to engage with Pasifika communities and develop support for Pasifika students, an NMIT Pasifika strategy and staff development programme. |

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| Commitment: | Establish and implement a Pasifika competency programme for team professional development by 2020. |
| Previous Year: | New measure in 2019 |
| Target: | Competency programme developed |
| Actual: | Plan to establish competency programme commenced |
| Commentary: | In 2019, planning began with the Nelson Tasman Pasifika Community Trust to work collaboratively with NMIT to establish an NMIT Pasifika strategy, a support programme for the pathways, learning and wellbeing of Pasifika students and a development programme for NMIT staff. |

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| Commitment: | Facilitate one Pasifika learner, and family, gathering per semester by 2020. |
| Previous Year: | New measure in 2019 |
| Target: | 4 |
| Actual: | 0 |
| Commentary: | In 2019, planning began with the Nelson Tasman Pasifika Community Trust to facilitate in 2020 at least four whānau hui to welcome Pasifika communities onto NMIT campuses and engage the NMIT community with other Pasifika communities, including an event week during Pasifika language week. |

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| Commitment: | Develop transition pathways to NMIT from secondary for Pasifika learners by 2019. |
| Previous Year: | New measure in 2019 |
| Target: | Transition pathway developed |
| Actual: | Plan to establish Transition pathways commenced |
| Commentary: | Planning began with the Nelson Tasman Pasifika Community Trust to support people from Nelson, Tasman, and Marlborough Pasifika communities to start studying and continue achieving at NMIT. |

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| Commitment: | Increase Pasifika cultural liaison and supervision with learners by 0.3 FTE by 2019. |
| Previous Year: | 0.2 FTE |
| Target: | Increase FTE by 0.3 |
| Actual: | Contract for provision established |
| Commentary: | A contract for provision of services was developed with the Nelson Tasman Pasifika Community Trust to provide a range of support services for Pasifika students across all NMIT campuses that went beyond previous allocated FTE for support services. |

# Improving adult literacy and numeracy

NMIT has a whole-of-organisation approach to the improvement of literacy and numeracy.

Literacy and numeracy are embedded in all learning programmes from Levels 1 – 5 including the provision of self-assessment policies and tools to assist teams to embed literacy and numeracy practices through a process of continuous improvement, and using literacy and numeracy specialists from within the Learner Services team to provide guidance and resources and assist teams with planning.

Tutors worked with learners to set appropriate goals in individual learning plans and to monitor learner progress, using diagnostic assessment information provided by the Adult Literacy and Numeracy Assessment Tool (ALNAT), and literacy and numeracy data was integrated with other student management system (SMS) information to assist in the provision of targeted learner support. NMIT also supported tutors to access appropriate development and clarified literacy and numeracy expectations and requirements for tutors through appointment processes and the performance management system.

NMIT used whole-of-organisation literacy and numeracy data to inform decision making by NMIT Council, Executive Team and management, as well as literacy and numeracy learning progressions and graduate profiles to inform curriculum and assessment design. NMIT continued to use ALNAT, ensuring learners had every opportunity to meet or exceed the New Zealand standard in literacy and numeracy and as the basis for measuring the progress that learners made in the time they were enrolled with NMIT, using the results to establish targets on both a programme and institution-wide basis.

## Performance Commitments

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| Commitment: | Increase average significant gains for Level 1-5 learners by at least 2% each year for the period of this Plan. | |
| Previous Year: | Numeracy gains | 15.27% |
| | Reading gains | 13.53% |
| Target: | Numeracy gains | +2% |
| | Reading gains | +2% |
| Actual: | Numeracy gains | 9.78% (-5.49%) |
| | Reading gains | 10.77% (-2.76%) |

Commentary:

From 2018 to 2019, numeracy and reading gains decreased. These decreases may have occurred because significant numbers of students did not complete reassessments and did not engage in additional tutoring support.

Learner Services plans to collaborate more closely with curriculum areas to ensure students complete assessments and students that require numeracy and reading support receive additional tutoring through Learner Services.

## Literacy and numeracy significant gains 2019

| Programme level | Numeracy gains 2018 | Numeracy gains 2019 | Reading gains 2018 | Reading gains 2019 |
|---|---|---|---|---|
| Level 1 | 13.79% | 6.0% | 28.42% | 22.36% |
| Level 2 | 18.18% | 5.26% | 7.32% | 8.00% |
| Level 3 | 15.00% | 12.70% | 10.61% | 9.68% |
| Level 4 & 5 | 14.10% | 15.15% | 7.78% | 3.03% |
| Average gains | 15.27% | 9.78% | 13.53% | 10.77% |

# Strengthening research based institutions

NMIT strengthened accountability for research at all levels of the Institute, clarified expectations and provided mentoring support to increase research capability. As a result, 61% of team members with a research time allocation produced at least one Quality Assured (QA) output (i.e. a peer-reviewed journal article, excluding conference presentations) in 2019.

The broadening of capability across the Institute ensured more team members were actively involved in research that influenced and continuously improved teaching and learning practice at NMIT.

In 2019, 41 people were research active and allocated research time, up from 36 people in 2018. Of these 41, five were new and emerging researchers, and a further five were still waiting to hear if their 2019 research would be accepted for publication in 2020.

NMIT implemented a strategic framework in 2018 to strengthen research capability and delivery by supporting team members' research, clarifying the roles of those responsible and resourcing them appropriately. In 2019, this framework was bedded in where research professors mentored researchers, and the Research Manager systematically supported Curriculum Managers with responsibility for research-active staff and integrated this into their curricula.

## Performance Commitments

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| Commitment: | Increase Quality Assured research outputs to 70 in 2018, 75 in 2019 and 80 in 2020. |
| Previous Year: | 70 |
| Target: | 75 |
| Actual: | 53 |
| Commentary: | In total, 90 research outputs were produced by 41 NMIT researchers. Of these, 53 qualified as QA outputs. In 2019, NMIT lost a number of prolific researchers with experience in achieving QA outputs from its staff. |

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| Commitment: | Increase the percentage of our research team members who meet NMIT research expectations (at least one Quality Assured output per year) to 85% in 2018, 88% in 2019 and 90% in 2020. |
| Previous Year: | 85% |
| Target: | 88% |
| Actual: | 61% |
| Commentary: | 61% of research team members produced at least one QA research output, down from 69% in 2019. Of the 17 staff who did not meet expectations:<br>> Five who submitted to QA journals are still awaiting confirmation of acceptance<br>> One succeeded in securing a residency for 2020<br>> Three staff left NMIT<br>> One passed away |

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| Commitment: | Support new and emerging researchers to successfully complete the Applied Research Training Scheme as follows: Eight in 2018 (the first year this course has been offered), five in 2019 and five in 2020. |
| Previous Year: | 10 |
| Target: | 5 |
| Actual: | 3 |

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| Commentary: | Five staff members enrolled in the scheme. Three passed both courses while the remaining two left NMIT. |

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| Commitment: | Implement an Annual Research Performance Review with NMIT Directorate each year during the period of the Plan. |
| Previous Year: | New measure in 2019 |
| Target: | Annual Research Performance review undertaken |
| Actual: | Annual Research Performance review undertaken |
| Commentary: | NMIT Research performance was reviewed at the start, middle and end of 2019. Performance data was shared among Curriculum Managers and Curriculum Directors to maintain transparency NMIT-wide. |

# Growing international linkages

Historically, NMIT relied heavily on enrolments from a limited range of nations, particularly China and India. Since 2016, NMIT has made positive efforts to improve international student diversity with an increasing number of students from a range of other countries.

NMIT also developed institution-to-institution partnerships for delivery in both New Zealand and offshore, to provide a more reliable source of international student enrolments shielded from the impacts of tightening immigration policy.

As at the end of 2019, NMIT had nine institutional partners in China utilising two types of partnerships – "co-op" and "non-co-op" – this international engagement is termed the "China Programme".

Formal "co-op" partners, which are approved by the Chinese Ministry of Education, require that NMIT sends teachers into China to deliver curriculum. These collaborations also involve Chinese students having the option to complete study at NMIT. NMIT has five such partners:

- Hubei Polytechnic University (HBPU)
- Zhejiang University of Water and Electric Power (Water College)
- Hunan University of Technology (HUT)
- Guangdong Engineering Polytechnic (GEP)
- Guangdong Polytechnic Institute (GDPI)

Informal or "non-co-op" partnerships comprise articulation agreements with cross credits, such as a '3+1' or '2+2'. These agreements do not involve NMIT sending teachers. NMIT has four such partnerships:

- Beijing University of Agriculture (BUA)
- Ningxia University, Wine College
- Qingdao Agricultural University (QAU)
- Tianjin Agriculture University (TAU)

NMIT provided pastoral care to support international students based in New Zealand as well as New Zealand tutors teaching in China on its partnership programmes. This was achieved by providing on-site orientation, online resources, dedicated support staff and a homestay service and wrap around pastoral support for all students studying with NMIT from China partner universities. Students were supported to transition successfully to study by a network of services provided by Student Learning Advisors, Students Association of Nelson Marlborough Institute of Technology Incorporated (SANITI) and NMIT Learner Services. International Support advisors ensured that students had a safe and comfortable living environment and received a robust orientation which included accommodation assistance, town tours, support with opening a bank account and presentations from local community representatives such as Nelson Marlborough Health, New Zealand Police and Nelson Bays Community Law Service.

All NMIT China Programme students were officially welcomed to NMIT at a pōwhiri on campus. SANITI hosted trips and events where students could mix with and meet other international and domestic students. SANITI also offered independent advocacy support and, where applicable, employment training and support. NMIT offered an academic mentoring service for China Programme students. This service provided extra, subject-specific tuition over and above the academic support already available from tutors and learning facilitators. Mentors were provided with an orientation and ongoing support from NMIT academic team members and they worked closely with tutors to ensure students received a useful, relevant and rewarding learning experience.

NMIT sought to not only meet, but exceed, the Code of Practice for the Pastoral Care of International Students by providing ongoing support and advice to students which was available at the NMIT library learning centres.

## Performance Commitments

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| Commitment: | Grow international EFTS to 550 in 2019 and 600 in 2020. |
| Previous Year: | 479 EFTS |
| Target: | 550 EFTS |
| Actual: | 486 EFTS (excluding In China deliveries of 264) |
| Commentary: | In 2019, NMIT experienced the largest volume of international student applications on record. However, EFTS were only slightly higher than in 2018. This was due to Immigration New Zealand's (INZ) highly publicised student visa processing delays, which resulted in deferred enrolment. INZ also underwent a recalibration of risk settings, which resulted in a higher student visa decline rate for NMIT i.e. fewer successfully enrolled students. This negative impact was felt across New Zealand's international education industry, especially by the tertiary sector. Despite not meeting the international development team's own ambitious target of 550 international EFTS, NMIT easily surpassed the 2019 budget target of 439.45 international EFTS, and achieved NMIT's first international EFTS increase since 2016. In 2019, NMIT also enrolled the largest ever number (head count) of international students on the Nelson campus. This was due to very large intakes in the second half of 2019. |

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| Commitment: | Spread international student enrolments across a wider range of markets, focusing on enrolling students who are not primarily motivated by immigration pathways. We will aim for the China and India markets to contribute no more than 60% of our EFTS by 2020 (in 2017 they contributed to 68% of total EFTS) through investing in recruitment from new and developing markets. |
| Previous Year: | 71% |
| Target: | No specific target set |
| Actual: | 65% |
| Commentary: | After an increase in the proportion of EFTS from China and India to 71% of international enrolments in 2018, NMIT successfully reduced this to 65% in 2019. This was achieved through two years of consistent investment in developing markets. In 2019, NMIT achieved 20% growth in EFTS from markets excluding India and China compared to 2018. Total 2019 international EFTS increased, despite a reduction in Chinese and Indian EFTS. NMIT has forecast a large increase in Indian EFTS for 2020 due to the popularity of its new postgraduate applied management programmes, so reducing the reliance on the Chinese and Indian markets to 60% of total international EFTS in 2020 is unlikely. |

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| Commitment: | Increase the number of Study Abroad students from seven in 2018 to ten in 2019 and 20 in 2020. |
| Previous Year: | 8 |
| Target: | 10 |
| Actual: | 13 |
| Commentary: | In 2019, NMIT hosted 13 study abroad students. |

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| Commitment: | Achieve growth back to 70 students per year in 2020 in our China programme (which we consider to be a sustainable number), through improvements to marketing and recruitment efforts and establishing new articulation agreements. Last year the number of students fell as a result of new English language requirements. |

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| Previous Year: | 37 |
| Target: | No specific target set for 2019 |
| Actual: | 29 |
| Commentary: | This target is unlikely to be met in 2020, as the more rigorous English entry criteria for the NZ Certificate in English Language (NZCEL) was a fundamental change which heavily reduced the eligibility of the pool of students from NMIT's partner universities. This was ultimately the best for NMIT, as it sought to recruit students who were more likely to be more successful in their studies. Recruitment of other Chinese students through new sources with agents helped balance the loss of China Programme students. |

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| Commitment: | Increase the number of students participating in the student exchange programme from three in 2018 to six in 2019 and ten in 2020. |
| Previous Year: | 3 |
| Target: | 6 |
| Actual: | 0 |
| Commentary: | These aspirational targets were set for a new programme that proved difficult to meet. After the success in recruiting two students to go on exchange in 2018 upon launch of the programme, in 2019 no further NMIT students chose to go on exchange. In 2020, it is forecast four students will go on exchange as promotions in local high schools saw some domestic students enrolling in NMIT degree programmes specifically due to the student exchange programme. |

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| Commitment: | Continue our partnership for the English Language Training for Officials (ELTO) programme with Viclink as successful programmes and outcomes have been in place for many years. |
| Previous Year: | New measure in 2019 |
| Target: | No specific targets set |
| Actual: | No specific targets set |
| Commentary: | NMIT continued to work closely with Eastern Institute of Technology (EIT), Victoria University of Wellington and Viclink (now known as Wellington UniVentures) to deliver the ELTO programme with NMIT now in Phase 5 of the programme. In 2019, NMIT signed a new contract with Viclink to ensure the delivery of the next three years' of ELTO until 2022. |

# Statement of resources

For the year ended 31 December 2019

| Institute Owned Properties and Buildings | 2019 Land Area Ha | 2019 Buildings Area m2 | 2018 Land Area Ha | 2018 Buildings Area m2 |
|---|---|---|---|---|
| Nelson Campus | 4.15 | 23,335 | 4.15 | 23,335 |
| Richmond Campus | 4.65 | 1,486 | 4.65 | 1,486 |
| Marlborough Campus | 5.47 | 2,751 | 5.47 | 2,751 |
| Brook Campus | 0 | 374 | 0 | 374 |
| Woodbourne Campus | 0 | 1,376 | 0 | 1,376 |
| Total | 14.27 | 29,322 | 14.27 | 29,322 |
| Grand Total | 14.27 | 29,322 | 14.27 | 29,322 |

| Leased Properties and Buildings | 2019 Buildings Area $m^2$ | 2019 Annual Rental ($000) | 2018 Buildings Area $m^2$ | 2018 Annual Rental ($000) |
|---|---|---|---|---|
| Woodbourne RNZAF | 5,812 | 33 | 5,812 | 33 |
| Cawthron Aquaculture Facility | 204 | 40 | 204 | 40 |
| Global Campus Auckland (lease ended Sept 2018) | 0 | 0 | 2,908 | 556 |
| Total | 6,016 | 73 | 8,924 | 629 |

| Library Resources | 2019 | 2018 |
|---|---|---|
| Available resources include: | | |
| Monographs | 27,900 | 30,191 |
| Serials | 10,289 | 12,188 |
| Non-book items e.g. DVDs | 3,407 | 2,336 |
| E-resources e.g. eBooks, eSerials | 563 | 353 |

# NMIT performance commitment reporting

The following Education Performance Indicator targets are drawn from NMIT's 2019-2020 Investment Plan. The Institute's provisional 2019 performance is reported against the planned performance together with the Institute's performance from the previous three years. Note that the previous three years' rates have been updated to reflect TEC's current Educational Performance Indicator Commitment (EPIC) scope as well as the new cohort based methodology. The new cohort methodology replaced the previous EFTS based calculations used by TEC to report Qualification Completions and Retention.

| **SAC Eligible EFTS Performance Commitments** | | Previous Years' Actuals | | | Target | Provisional Outcome |
|---|---|---|---|---|---|---|
| | | 2016 | 2017 | 2018 | 2019 | 2019 |
| **Course Completion Rate** | | | | | | |
| Non-Māori, non-Pasifika | Levels 1-10 | 84.6% | 86.4% | 86.7% | 86.5% | 83.2%[1] |
| Māori | Levels 1-10 | 71.4% | 76.8% | 81.4% | 78.0% | 74.8% |
| Pasifika | Levels 1-10 | 69.4% | 76.2% | 87.2% | 78.0% | 75.3% |
| **Cohort Qualification Completion Rate** | | | | | | |
| Non-Māori, non-Pasifika | Levels 1-3 | 473 (66%) | 465 (70%) | 329 (55%) | 450 | 490 (70%) |
| Māori | Levels 1-3 | 194 (61%) | 207 (63%) | 201 (63%) | 250 | 180 (62%) |
| Pasifika | Levels 1-3 | 15 (63%) | 20 (63%) | 24 (57%) | 45 | 96 (73%) |
| **Progression Rate** | | | | | | |
| Non-Māori, non-Pasifika | Levels 1-3 | 17.7% | 17.8% | 14.2% | 20.0% | 26.3% |
| Māori | Levels 1-3 | 41.4% | 46.1% | 37.3% | 48.0% | 25.7%[2] |
| Pasifika | Levels 1-3 | 40.0% | 28.6% | 6.5% | 30.0% | 6.9%[3] |
| **First Year Cohort Retention Rate** | | | | | | |
| Non-Māori, non-Pasifika | Levels 4-7 | 42.9% | 48.4% | 57.9% | 50.0% | 42.4% |
| Māori | Levels 4-7 | 34.8% | 43.9% | 51.2% | 46.0% | 51.6%[4] |
| Pasifika | Levels 4-7 | 30.0% | 57.1% | 66.7% | 59.0% | 50.0%[5] |

[1] Course completions have decreased by 3.5% for non-Māori/non-Pasifika learners compared to 2018. Māori and Pasifika rates had a more significant decrease of 6.5% for Māori learners and 12% for Pasifika learners. It should be noted that despite the decrease from 2018 to 2019, rates are all within 3.5% of the targets set for 2019.

[2] While the internal progression rate is 21%, TEC have a rate of 25.7% which may increase as TEC data is updated reflecting progressions to training providers other than NMIT.

[3] 52 of the 72 Pasifika learners completing a Level 1-3 qualification were enrolled on the National Certificate in Seafood Processing. A majority of these learners are in-work students training for the job and rarely progress to a higher level of study. It's worth noting, however, that the Pasifika course completion rate for the same qualification was 95%.

[4] The number of Māori learners included in the first-year retention rate calculation is relatively low (approx. 30 learners at each of the two levels) making the percentage retention rate volatile to small changes in the number of learners re-enrolling.

[5] The Pasifika first year retention rate is subject to large variances year on year due to the low number of learners included in the measure. The rate for Levels 4-7 reflects two successful retentions from a possible four based on TEC methodology. In addition, the retention rate for Level 7 degree reflects two re-enrolments from a possible two.

| | | | | | | |
|---|---|---|---|---|---|---|
| Non-Māori, non-Pasifika | Level 7 Degree | 64.4% | 69.1% | 72.3% | 72.0% | 72.9% |
| Māori | Level 7 Degree | 65.8% | 79.3% | 52.6% | 81.0% | 75.9% |
| Pasifika | Level 7 Degree | 100.0% | 66.7% | 66.7% | 69.0% | 100.0% |

## Participation Rate

| | | | | | | |
|---|---|---|---|---|---|---|
| Non-Māori, non-Pasifika | Levels 1-3 | 67.5% | 61.5% | 65.2% | 60.0% | 69.0% |
| Māori | Levels 1-3 | 30.5% | 34.4% | 25.8% | 35.0% | 24.6% |
| Pasifika | Levels 1-3 | 2.5% | 4.7% | 10.2% | 5.0% | 7.3% |
| Non-Māori, non-Pasifika | Levels 4-7 (non-degree) | 75.0% | 73.8% | 73.2% | 72.0% | 79.3% |
| Māori | Levels 4-7 (non-degree) | 19.6% | 17.3% | 19.3% | 18.0% | 17.8% |
| Pasifika | Levels 4-7 (non-degree) | 6.2% | 10.0% | 7.7% | 10.0% | 3.6% |
| Non-Māori, non-Pasifika | Level 7 degree | 83.8% | 83.7% | 85.1% | 83.0% | 84.7% |
| Māori | Level 7 degree | 14.3% | 14.7% | 13.7% | 15.0% | 12.8% |
| Pasifika | Level 7 degree | 2.5% | 1.8% | 1.5% | 2.0% | 3.0% |
| Non-Māori, non-Pasifika | Levels 8-10 | 85.6% | 74.1% | 82.3% | 80.0% | 86.6% |
| Māori | Levels 8-10 | 11.7% | 25.9% | 14.2% | 17.0% | 7.2% |
| Pasifika | Levels 8-10 | 2.7% | 0.0% | 6.2% | 3.0% | 6.5% |

| **Youth Guarantee Eligible EFTS Performance Commitments** | | Previous Years' Actuals | | | Target | Provisional Outcome |
|---|---|---|---|---|---|---|
| | | 2016 | 2017 | 2018 | 2019 | 2019 |
| **Youth Guarantee Course Completion Rate** | | | | | | |
| YG eligible EFTS | Levels 1-3 | 70.3% | 64.9% | 72.5% | 67.0% | 82.7% |
| **Youth Guarantee Graduate Numbers** | | | | | | |
| Non-Māori, non-Pasifika | Levels 1-3 | 57 (73%) | 47 (62%) | 63 (67%) | 65 | 37 (68%) |
| Māori | Levels 1-3 | 19 (59%) | 14 (44%) | 14 (47%) | 2 | 18 (62%) |
| Pasifika | Levels 1-3 | 2 (40%) | 0 (0%) | 1 (17%) | 0 | 2 (40%) |
| **Youth Guarantee Progression Rate** | | | | | | |
| Non-Māori, non-Pasifika | Levels 1-3 | 32.1% | 33.9% | 24.6% | 31.0% | 36.6% |
| Māori | Levels 1-3 | 44.4% | 29.4% | 53.8% | 30.0% | 47.1% |
| Pasifika | Levels 1-3 | 100.0% | - | - | - | 100.0% |

## Other Commitments

| | | | | | |
|---|---|---|---|---|---|
| International EFTS (NZ based) | 701 | 563 | 479 | 742.34 | 486 |
| External research income | $0 | $0 | $3,600 | $352,000 | $182,900 |

# 2019 EFTS

| | SAC | Int'l | ITO | YG | STAR | MPTT | ACE | Other | Total |
|---|---|---|---|---|---|---|---|---|---|
| 2019 Target* | 2,082 | 711 | 17 | 116 | 52 | - | 35 | 56 | 3,068 |
| 2019 Actual | 1,875 | 750 | 21 | 59 | 43 | 5 | 37 | 93 | 2,883 |

| Target 2019* (by Curriculum Area) | SAC | Int'l | ITO | YG | STAR | MPTT | ACE | Other | Total |
|---|---|---|---|---|---|---|---|---|---|
| Applied Business & English Language | 241 | 238 | - | - | - | - | - | 15 | 494 |
| Aviation | 110 | - | - | - | - | - | - | 8 | 118 |
| In China Deliveries | - | 271 | - | - | - | - | 1 | - | 272 |
| Digital Technologies, Arts & Media | 308 | 97 | - | - | - | - | 28 | - | 432 |
| Engineering and construction | 184 | 11 | 17 | 42 | 5 | - | 2 | 21 | 262 |
| Health and Fitness | 253 | 17 | - | - | - | - | - | 1 | 271 |
| Hospitality and Service Sector Pathways | 142 | 9 | - | 43 | 47 | - | 5 | 2 | 246 |
| Learner Services | - | - | - | - | - | - | - | 1 | 1 |
| Maritime, Aquaculture & Conservation | 333 | 50 | - | - | - | - | - | 26 | 409 |
| Research and Innovation | 4 | - | - | - | - | - | - | - | 4 |
| Social Sciences | 277 | 2 | - | 32 | - | - | - | - | 311 |
| Te Toki Pākohe | 149 | - | - | - | - | - | - | - | 149 |
| Viticulture, Wine & Horticulture | 82 | 17 | - | 17 | 44 | - | - | 1 | 100 |
| Total | 2,082 | 711 | 17 | 116 | 52 | - | 35 | 56 | 3,068 |

| Actual 2019* (by Curriculum Area) | SAC | Int'l | ITO | YG | STAR | MPTT | ACE | Other | Total |
|---|---|---|---|---|---|---|---|---|---|
| Applied Business & English Language | 167 | 317 | - | - | - | - | - | 56 | 540 |
| Aviation | 106 | 1 | - | - | - | - | - | 11 | 119 |
| In China Deliveries | - | 264 | - | - | - | - | 1 | - | 265 |
| Digital Technologies, Arts & Media | 227 | 69 | - | - | - | 1 | 32 | - | 329 |
| Engineering and construction | 210 | 5 | 14 | 26 | - | 3 | 1 | - | 259 |
| Health and Fitness | 208 | 24 | - | - | - | - | - | 1 | 233 |
| Hospitality and Service Sector Pathways | 94 | 5 | 7 | 33 | 43 | - | 3 | - | 185 |
| Learner Services | - | - | - | - | - | - | 1 | - | 1 |
| Maritime, Aquaculture & Conservation | 345 | 40 | - | - | - | 1 | - | 25 | 411 |
| Research and Innovation | 4 | - | - | - | - | - | - | - | 4 |
| Social Sciences | 272 | 4 | - | - | - | - | - | - | 276 |
| Te Toki Pākohe | 178 | - | - | - | - | - | - | - | 178 |
| Viticulture, Wine & Horticulture | 64 | 20 | - | - | - | 0.23 | 0.23 | - | 84 |
| Total | 1,875 | 750 | 21 | 59 | 43 | 5 | 37 | 93 | 2,883 |

*Numbers do not exactly add up due to rounding

# Equal education opportunities (EEdO) report

NMIT has a clear strategy and practices in place to address inequities, increase engagement, progress and achievement of the diverse population of NMIT students and meet the requirements of the Education Act 1989.

## 1. Elimination of unnecessary barriers to the progress of students (Education Act 1989, s 220(2A)(c))

### 1.1 Physical

In 2019, NMIT issued seven campus disability car park permits to students with additional needs. NMIT staff were prepared to provide additional assistance to three students identified as requiring this assistance in the event of an emergency evacuation. Learner Services coordinated a diverse range of learning and wellbeing support services for students with Autism Spectrum Disorder, specific learning disabilities, vision and hearing impairments and temporary and chronic physical and mental health needs.

### 1.2 Academic

In 2019, 196 students were recorded on the NMIT Disability Register, 177 students at the Nelson campus and 19 students at the Marlborough campus. Throughout 2019 the Equity Support Workers provided 1,157 hours of individual support to 103 students with specific learning needs, including facilitating the use of assistive technologies. Reader/Writers and assessment modifications were provided for 13 students. Learning Facilitators completed 49 Lucid Adult Dyslexia Screening (LADS+) Assessments with students and then referred these students through for further ongoing support.

Learner Services support staff provided a total 3,205 individual sessions and 367 group sessions to support the learning progress and achievement of a diverse range of students, for example, in sessions focusing on research, study, revision and writing skills.

To facilitate support services, the Learner Services staff worked collaboratively with NMIT programme and customer excellence teams, and external stakeholders such as SANITI, Workbridge, the Blind Foundation, Workstar, Epilepsy NZ, Hearing House, CCS Disability Action, Nelson Marlborough District Health Board and Adult Learning Support Nelson.

### 1.3 Institutional/Administrative

Learner Services continued to work with the ACHIEVE national network to ensure equal opportunity and access to post-secondary education and training for people with impairments.

Learner Services coordinated a comprehensive range of support services and tools to ensure the diverse NMIT student population accessed appropriate support to facilitate achievement of equitable progress, sustainable wellbeing and work and world ready skills. Learner Services consistently responded to diverse students' needs with support to remove barriers to progress, facilitate equitable achievement, inclusive learning, and support wellbeing.

## 2. Avoidance of creation of unnecessary barriers to the progress of students (Education Act 1989, s 220(2A)(d))

### 2.1 Physical

NMIT provided support for a wide range of learning and wellbeing needs of students. Learner Services staff facilitated access for all students to counselling through the Organisational Counselling Programme (OCP).

### 2.2 Academic

In 2019, Te Puna Mātauranga Māori Support team continued to build bi-cultural capability and safe, inclusive environments for learners, for example through Kaupapa Māori support and supervision, cultural development, resources and advice to improve confidence regarding Te Ao Māori throughout the Institute.

## 3. Developments to attract under-represented groups or those disadvantaged in terms of ability to attend (Education Act 1989, s 220(2A)(e.ii)

### 3.1 Academic

NMIT continued its strong commitment to creating an inclusive environment for Māori and Pasifika learners through one-to-one support, group session and institute-wide events.

During 2019, the Pasifika Cultural Advisor maintained a strong ongoing community presence, for example, liaising with Pasifika whānau, church and youth groups. NMIT staff worked together with the Nelson Tasman Pasifika Community Trust to ensure that a plan was in place for 2020 for the community trust to work collaboratively with NMIT to develop a Pasifika educational strategy, provide staff development, facilitate communication and connection to local Pasifika whānau and communities and a range of services to support Pasifika students.

# Learner profile

| Analysis of enrolments | 2019 | 2018 |
|---|---|---|
| Total unique learners | 7029 | 7,218 |
| Enrolments per EFTS | 2.4 | 2.4 |

## Learner ethnicity

| | | |
|---|---|---|
| NZ European | 58% | 56% |
| NZ Māori | 13% | 13% |
| Chinese | 9% | 10% |
| Indian | 7% | 7% |
| Pasifika | 3% | 5% |
| Other Asian | 8% | 7% |
| Other | 13% | 14% |

## Learner gender

| | | |
|---|---|---|
| Percentage female learners | 51% | 53% |
| Percentage male learners | 49% | 47% |
| Number of female learners | 3,602 | 3,850 |
| Number of male learners | 3,427 | 3,368 |

## Learner age

| | | |
|---|---|---|
| <17 years | 4% | 3% |
| 17 years | 3% | 3% |
| 18 years | 4% | 4% |
| 19 years | 6% | 6% |
| 20 years | 6% | 7% |
| 21 years | 6% | 6% |
| 22 years | 4% | 4% |
| 23 years | 4% | 3% |
| 24 years | 3% | 3% |
| 25+ years | 60% | 62% |

# Equal employment opportunities (EEO) report

Over the past year NMIT continued its commitment to the principles of non-discrimination. Regardless of gender, race, religious belief, disability, marital status or sexual orientation, NMIT focused recruitment and appointment decisions on business needs, job requirements, individual qualifications and merit.

Where found, NMIT challenged and addressed practices shown to disadvantage or potentially disadvantage employees or applicants. As a direct result, NMIT continued to celebrate the diversity of its employees and applicants that benefited not just Team NMIT and the workplace, but also the wider community.

NMIT's goal remains building a team that represents a variety of backgrounds, perspectives and skills.

**Equal Employment Opportunity Principles**

- NMIT celebrates the special place of Māori as the tāngata whenua/indigenous people of New Zealand, and embraces the special relationship and obligations that this entails. NMIT acknowledges the Treaty of Waitangi as the founding document of New Zealand, and is committed to acknowledging the principles of the Treaty of Waitangi.
- NMIT wishes to promote greater access to both the workforce and learner body from the Pasifika communities.
- The Institute is committed to reducing barriers to maintaining stable paid employment for people affected by domestic violence and assisting any staff in finding pathways out of violence and rebuilding their lives.
- The Institute wishes to ensure access to all parts of the campus by all staff, learners and visitors regardless of physical ability or sensory appreciation.
- NMIT strives to ensure that all communications are expressed in an inclusive way ensuring non-sexist and non-racist language.
- The Institute expects all employees to adhere to these principles when operating on behalf of NMIT.

**NMIT's commitment to equal employment opportunities was demonstrated by:**

- All new staff are encouraged to provide EEO information prior to commencement.
- EEO issues are managed at a senior level and reported to the Chief Executive and NMIT Council.
- Treaty of Waitangi information is integrated into curriculum and there are opportunities for learners to attend workshops as part of the implementation of NMIT's Te Ara Wai strategy. It also forms part of NMIT's online and face-to-face induction programme for new colleagues and has an increased focus in all staff professional development.
- Regular reminders to Team NMIT and learners of the employee assistance programme and support services provided by independent providers.
- Currently NMIT provides work-life balance features such as flexible working hours, managing child and elder care, gradual retirement, work away from the office, educational leave, employee assistance programme, breastfeeding support and parental leave. NMIT seeks to enable all colleagues the opportunity to balance their work and life commitments and in turn generate a more flexible, engaged and productive workforce.
- NMIT collaborates with similar tertiary institutions around New Zealand to maintain up-to-date EEO practices. Additionally, monthly newsletters from the EEO Trust in New Zealand are received by the People and Organisation Development team which keeps the organisation both up-to-date and in touch with what is new and how other organisations are approaching EEO issues.
- As an EEO employer, NMIT attempts to eliminate any barriers employee candidates may have when applying for a job, for example, candidates may bring a support person with them to interviews.

# Human resources statistics

| Staff numbers[6] | 2019 | 2018 |
|---|---|---|
| Academic staff full-time equivalent | 134 | 136 |
| Business Support staff | 155 | 154 |
| Total staff | 289 | 289 |
| **Staff gender** | | |
| Female staff | 161 | 162 |
| Male staff | 128 | 127 |
| **Staff ethnicity[7]** | | |
| NZ European | 71 | 86 |
| NZ Māori | 3 | 7 |
| Asian | 5 | 5 |
| Pacific Island/Polynesian | 2 | 2 |
| Indian | 2 | 1 |
| African | 1 | 1 |
| Other or not stated | 205 | 189 |
| **Staff age** | | |
| 15 – 20 years | 1 | 0 |
| 21 – 30 years | 15 | 17 |
| 31 - 40 years | 45 | 46 |
| 41 - 50 years | 90 | 86 |
| 51 - 60 years | 84 | 90 |
| 61 – 70 years | 45 | 39 |
| 71 - 90 years | 1 | 1 |
| Not stated | 8 | 10 |

[6] Figures above are full-time equivalent (FTE) and do not include casual staff who are not allocated an FTE value.

[7] Notification of ethnicity is not compulsory.

# Research activity report

## Research outputs

## Chapter in book

Davison, J. (2019). UK pension provision briefing for small businesses. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/pension-planning?product=136. UK: Croners.

Davison, J. (2019). Expanding a business briefing for small businesses In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/how-expand-your-business?product=136. UK: Croners.

Davison, J. (2019). Finance briefing for small businesses. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/financing-your-business?product=136. UK: Croners.

Davison, J. (2019). Local authority tenders. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/winning-public-sector-contracts?product=136. UK: Croners.

Davison, J. (2019). Import and export rule changes. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/customs-reliefs?product=136. UK: Croners.

Davison, J. (2019). Statutory sick pay. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/managing-illness-and-absence-work?product=136. UK: Croners.

Davison, J. (2019). VAT reverse charge on construction services. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/vat-reverse-charge?product=136. UK: Croners.

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Davison, J. (2019). Tax reliefs for small businesses. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/tax-reliefs?product=136. UK: Croners.

Davison, J. (2019). Managing customs procedures. In P. Coulan (Ed.), iCroner Handbook for Small Businesses. Retrieved from: https://app.croneri.co.uk/feature-articles/customs-guidance?product=136. UK: Croners..

## Journal articles

Alison, M. (2019). Prescribing medical cannibis. Kai Tiaki Nursing New Zealand, 25(8), 3.

Cochrane, T., Dam, L., Kahwaji, A. & Benson, N. (2019). The Avocado Pincer– towards giving Git/GitHUB a better squeeze. Journal of Applied Computing and Information Technology, 23(1), 4.

Davison, J. (2019). Is input tax claimable? In D. Scorey & E. Pugh (Eds), De Voils ITI Business Intelligence, 277, 8-10.

Davison, J. (2019). Proof required for zero rating. In D. Scorey & E. Pugh (Eds), De Voils ITI Business Intelligence, 274, 15-18.

Davison, J. (2019). VAT assessments. In D. Scorey & E. Pugh (Eds), De Voils ITI Business Intelligence, 280, 5-7.

Fell, C. (2019). Gordon Challis Obituary. New Zealand Review of Books, 29(2), Issue 126.

Fraser, S. & Briggs, L. (2019). A new lens for social work and the social work curriculum in Australasia (Part I). Social Work Education, 39(2), 175-187, doi: 10.1080/02615479.2019.1618818

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Holzapfel, B. P., Smith, J. P. & Field, S. K. (2019). Seasonal vine nutrient dynamics and distribution of Shiraz grapevines. OENO One, 53(2). doi:10.20870/oeno-one.2019.53.2.2425

Hunter, K. (2019). The significant cultural value of our Māori nursing workforce [Editorial]. Nursing Praxis in New Zealand, 35(3), 5-7.

Hunter, S. R. (2019). Drawing soldiers out of post-traumatic stress disorder. Military Medical Research, 6, 5. doi:10.1186/s40779-019-0195-8

Jones, B. (2019). Fifteen minutes could decrease nursing burnout: A discussion paper. International Journal of Nursing Sciences, accepted.

Li, D., Xiao, J-Q., Liu, W-Y., Zhang, C-F., Akihisa, T., Masters, E. ... Zhang, J. (2019). Vitellaria paradoxa nutshells from seven sub-Saharan countries as potential herbal medicines for treating diabetes based on chemical compositions-HPLC fingerprints and bioactivity evaluation. Chinese Journal of Natural Medicines, 17(6), 446-460. doi: 10.1016/S1875-5364(19)30052-4

Lulijwa, R., Alfaro, A. C., Merien, F., Burdass, M., Meyer, J., Venter, L. & Young, T. (2020) Metabolic and immune responses of Chinook salmon (Oncorhynchus tshawytscha) smolts to a short-term Poly (I:C) challenge. Journal of Fish Biology. doi: 10.1111/jfb.14266

Lulijwa, R., Alfaro, A. C., Merien, F., Burdass, M., Venter, L. & Young, T. (2019). In vitro immune response of chinook salmon (Oncorhynchus tshawytscha) peripheral blood mononuclear cells stimulated by bacterial lipopolysaccharide. Fish & Shellfish Immunology, 94, 190-198. doi: 10.1016/j.fsi.2019.09.003

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Watts, N., Amann, M., Arnell, N., Ayeb-Karlsson, S. & Belesova, K., Boykoff, M., ... & Montgomery, H. (2019). The 2019 Report of The Lancet Countdown on Health and Climate Change. The Lancet, 394, 1836-1878. doi:10.1016/S0140-6736(19)32596-6

Wraight, J. A. (2019). Assessing English Language Skills of Internationally Qualified Nurses in New Zealand. Kai Tiaki Nursing Research New Zealand, 10(1), 57-58.

## Thesis

Cochrane, T. (2019). How can multi-user virtual environments be designed for vocational education and training? (Doctoral thesis, University of Canterbury, Christchurch, New Zealand). Retrieved from: https://ir.canterbury.ac.nz/handle/10092/16908.

## Published poetry, short stories and literary reviews

Fell, C. (2019). Where the World Looks In [poem]. In K. Sunderland (curator), Pukapuka Talks Poster Poetry, Nelson Arts Festival, Nelson, 18-28 October.

Fell, C. (2019). The Pincushion [poem]. In K. Sunderland (curator), Pukapuka Talks Poster Poetry, Nelson Arts Festival, Nelson, 18-28 October.

## Performance/Presentation

Baanvinger, M., Breukel, K. & Mason, M. (2019). Aperture: A new play about Ans Westra and the beginnings of her long and influential career as one of New Zealand's best-known social documentary photographers [visuals & stage design]. In C. Unwin (curator), Nelson Arts Festival, Nelson, 18-28 October.

Braunias, S., Fell, C., Neale, E., Tibble, T. & Tse, C. (2019). The Friday Poem [workshop chair]. In K. Sunderland (curator), Pukapuka Talks, Nelson Arts Festival, Nelson, 25 October.

## Conference – proceedings or full conference paper

Cusack, B., Ghazizadeh, E. & Deylami, H. (2019). Defining cloud identity security and privacy issues: A Delphi method. Twenty-fifth Americas Conference on Information Systems, Cancun, Mexico.

Fell, C. (2019). Singin' the Muse: Bob Dylan, Robert Graves and the renewal of the Triple Moon Goddess Within Traditions of the American West. The World of Bob Dylan Symposium, University of Tulsa, Oklahoma.

Fraser, S. & Meadows, L. (2019). Whakamana tangata: Combining educational and social work theory to create an innovative programme for enhancing the health and wellbeing of social work students in New Zealand. Proceedings of the Global Social Work Conference on Multi-sectoral and Interdisciplinary Responses to Health and Wellbeing. India: Bonfring.

Gregory, S., Gregory, B., Jacka, L., Ellis, D., McDonald, M., Lierse, S., ... & Gaukrodger, B. (2019). Vision - A space for digital learning and exploring pedagogies: Virtual world education. Proceedings of the ASCILITE 2019: 36th International Conference on Innovation, Singapore.

Jones, A. (2019). Is Motivation Different Across Generations - Matching Theory to Participant Views. Paper presented at the New Zealand Applied Business Education (NZABE) Conference (peer-reviewed section), Christchurch.

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Olsen, W. (2019). Contract Cheating: Intrinsic Motivation and Enculturation. Paper presented at the New Zealand Applied Business Education (NZABE) Conference (peer-reviewed section), Christchurch.

Smith, H., Mann, S., Benson, N., Campbell, S., Caukill, M., Deylami, H., ... & Trounson, R. (2019). Developing a Model of Educational Innovation. In E. Ertuck (ed.), Proceedings of the 10th Annual CITRENZ Conference (pp. 109-119), Nelson.

## Technical report – peer reviewed

Kjellstrom, T., Maitre, N., Saget, C., Otto, M. & Karimova, T. (2019). Working on a Warmer Planet: The Effect of Heat Stress on Productivity and Decent Work. International Labour Organisation Publications, Geneva.

## Conference – presentation

Clendon, J. & Graham, K. (2019). Literature review of communication skills in undergraduate nursing education. Presented at the Australasian Nursing Educators Conference, Dunedin, New Zealand.

Cochrane, T. (2019). How can Multi-User Virtual Environments be designed for Vocational Education and Training. E-Learning Laboratory Symposium 25 November 2019 University of Canterbury New Zealand https://drive.google.com/file/d/14Ey8xHwQr1sl6hqkn_SUVBRdAO6xZ0L9/view?usp=sharing

Deylami, H., Beisembayeva, D., Roberts, D., & Probst, C. (2019). Recent educational developments in Cybersecurity. 10th annual conference of Computing and Information Technology Research and Education New Zealand (CITRENZ2019) and the 32nd Annual Conference of the National Advisory Committee on Computing Qualifications Nelson New Zealand October 9-11 ITx 2019.

Elder, R. (2019) Do counselling skills enhance the effectiveness of coaching. Asia Pacific Career Development Association Conference Vietnam Dates?

Elder, R. (2019) Coaching and Supervision and the BCD. Presentation to the Career Advisors in Schools Professional Development Day date?

Fell, C., Hughes, J. & Miles, K. (2019). England Calling II. The World of Bob Dylan Symposium University of Tulsa.

Field, S. K., King, P., Vasconcelos, M. C., Ball, K., Montgomery, H., & Olejar, K. (2019 August). Anti-transpirantâ€™s impact on the aromatic attributes of RosÃ© wine. Presented at the Bragato National Conference Napier New Zealand.

Holzapfel, B. P., Smith, J. P., & Field, S. K. (2019 June). Seasonal vine nutrient dynamics and distibution of Shiraz grapevines. Presented at the 21st GiESCO International Meeting Thessaloniki Greece.

Hunter, K. (2019). The cultural and clinical practice realities of MÄ ori nurses: A MÄ ori-centred research study [Conference presentation]. Australasian Nurse Educators Conference.

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Laurenson Elder, R. (2019). Do counselling skills enhance the effectiveness of coaching. Presentation to the Career Development Association AGM date?

Lee J. et al (2019). Meeting on the Occupational Health and Productivity Impacts of Workplace Heat in Relation to Global and Local Climate Change

Malthus, S. (2019). Matchmaking between accounting graduates and employers: the role of human capital. 9th Asia-Pacific Interdisciplinary Research in Accounting (APIRA) Conference, Auckland, 1-3 July.

Malthus, S. (2019). Matchmaking between accounting graduates and employers: the role of human capital. Victoria University of Wellington PhD colloquium, Wellington, 27 February.

Masters, E. (2019). Presentation and talk on traditional food plants study of northern Uganda at the World Agroforestry Centre (ICRAF), Nairobi – 9th October 2019

Meadows L. (2019). Assembling Professional Identity in Abortion Care: Cold Rooms Warm Hearts. Paper presented at the Children by Choice Conference Brisbane Australia

Meadows L. & Fraser S. (Sept 2019). Pressures Preservation & Perseverance: Exploring the wellbeing of social work students . Presentation presented at the NMIT social work symposium: showcasing local voices Nelson New Zealand

Mitchell, D & Chapman, P. (2019). You're in the Right Place. An exploration of services for male survivors of abuse. A presentation to Toah-Nnest Conference: Challenging Conversations & Complicated Spaces. Wellington September

Olejar K. Vasconcelos M. C. King P. Smart R. Ball K. & Field S. K. (2019 August). Herbicide reduction through the use of weedmat under vine treatment and its impact

on the aromatic profile volatile composition and sensory of Malbec wines. Presented at the Bragato National Conference Napier New Zealand.

Olejar, K. Vasaconcelos M. C. King P. Smart R. Ball K. & Field S. K. (2019 June). Herbicide reduction through organic undervine treatment and its impact on Malbec wine volatile composition. Presented at the American Society for Enology and Viticulture 70th National Conference Napa CA USA.

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Smith, C. (2019). 10 years of Foreign Delivery Praxis Observation. New Zealand Applied Business Education (NZABE) Conference, Christchurch, October 3-4.

Wilson, M. (2019). Use of Computer-generated and Self-marking Accounting Assessments. New Zealand Applied Business Education (NZABE) Conference, Christchurch, October 3-4.

Wraight, J. A. (2019) . Interprofessional Education (IPE): Nursing Students Providing Collaborative Patient Care. Australian Nurse Educators conference Nov 2019

## Conference – poster

Deylami, H (2019). Deduction Abduction and Induction: A Survey of Live Virtual Machine Job Migration in Cloud Systems. The 10th New Zealand Information Systems Doctoral Consortium (NZISDC). University of Waikato.

Deylami, H. (2019). Tailoring the Cyber Security Framework How to Overcome the Complexities of Secure Live Virtual Machine Migration in Cloud Computing. 10th annual conference of Computing and Information Technology Research and Education New Zealand (CITRENZ2019) and the 32nd Annual Conference of the National Advisory Committee on Computing Qualifications Nelson New Zealand October 9-11 ITx 2019.

O'Brien, L. (2019) The impact of the Wicked Tooth Fairy on reducing Anxiety in young people, Nelson. New Zealand. AAAH Conference. Melbourne. 27-29 November 2019

## Conference – symposium

O'Brien, L., Walters, E., Palmer, Z. & Vigden, R. (2019). Hauora and wairua; keys to building resilience in our youth. Oral presentation at the 5th Australian Association for Adolescent Health (AAAH) Conference, Melbourne, September 9-11. Symposium 12

## Exhibition – non-curated

Fell, C. (2019). Nelson Hospice Project-Poems.

## Technical report

Heasman, K. & Burdass, M. C. (2019). Improving fish nutrition, feed conversion rates, fish health and survival of king salmon (Oncorhynchus tshawytscha) - milestone 8. 19°c high energy anti-inflammatory feeding trial November 2018 - April 2019.

Mitchell, D. (2019). Circumcision: A controversial topic. A Literature review commissioned by Male Survivors Aotearoa.

## Industry article

Laurenson Elder, R. (2019) Reflections on Vietnam. Te Mohiotanga

Mitchell, D; Alison, M; & Goldthorpe, M. (Mar/Apr 2019). Suffering in Silence. Safeguard. 174. p32.

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Proctor-Thomson, S. (2019 3 May). Love isn't enough to sustain our teachers. NZ Herald https://www.nzherald.co.nz/nz/news/article.

Proctor-Thomson, S. (2019 1 May). Academics still under pressure to pass students: TEU survey. Radio NZ Article and Radio Interview https://www.radionz.co.nz/national/programmes/ninetonoon/audio/2018693056/academics-still-under-pressure-to-pass-students-teu-survey

Proctor-Thomson, S. (2019). Radio interviews with News Talk ZB and NewsHub (1 May)

Kenny, L. (2019 1 May). Tertiary staff 'bullied' to pass students new report says. https://www.stuff.co.nz/national/education/112356567/tertiary-staff-bullied-to-pass-students-new-report-says?fbclid=IwAR0Kzo5jVXv_7WJ5vKM9ZOJUTl7WqbJcxUxXgBLHRufGyZoyLXXoFyyOAhE (interviewed for article) Parry,

# Independent auditor's report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of Nelson Marlborough Institute of Technology and group's financial statements and statement of service performance for the year ended 31 December 2019.

The Auditor-General is the auditor of Nelson Marlborough Institute of Technology (the Institute) and group. The Auditor-General has appointed me, John Whittal, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the Institute and group on his behalf.

Opinion

We have audited:

> the financial statements of the Institute and group on pages 42 to 75, that comprise the statement of financial position as at 31 December 2019, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and

> the performance information prepared by the Institute and group on pages 7 to 27.

In our opinion:

> the financial statements of the Institute and group on pages 42 to 75:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2019; and
    - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards; and

> the performance information of the Institute on pages 7 to 27:
  - presents fairly, in all material respects, the Institute and group's service performance achievements measured against the proposed outcomes described in the investment plan for the year ended 31 December 2019; and
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 27 March 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw your attention to the financial statements being appropriately prepared on a disestablishment basis. In addition, we outline the responsibilities of the Council and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

**The financial statements have been appropriately prepared on a disestablishment basis**

Without modifying our opinion, we draw your attention to the accounting policy on page 47, about the financial statements being prepared on a disestablishment basis. We consider the disestablishment basis to be appropriate because the Institute will cease as an entity and transfer its assets and liabilities to the New Zealand Institute of Skills and Technology on 1 April 2020 as a result of the reform of the institutes of technology and polytechnics sector.

**COVID-19 subsequent event**

Without modifying our opinion, we draw attention to the disclosures in note 21 on page 71 which outline the possible effects to the Institute as a result of the COVID-19 pandemic. It is difficult to determine the full effect of it on the Institute at this time.

**Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of the Council for the financial statements and the statement of service performance**

The Council is responsible on behalf of the Institute and group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Council is also responsible on behalf of the Institute and group for preparing a statement of service performance that is fairly presented and that complies with generally accepted accounting practice in New Zealand.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the statement of service performance, the Council is responsible on behalf of the Institute and group for assessing the Institute and group's ability to continue as a going concern. If the Council concludes that the going concern basis of accounting is inappropriate, the Council is responsible for preparing financial statements on a non-going concern basis and making appropriate disclosures.

The Council's responsibilities arise from the Crown Entities Act 2004 and the Education Act 1989.

**Responsibilities of the auditor for the audit of the financial statements and the statement of service performance**

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and statement of service performance.

For the budget information reported in the financial statements and the statement of service performance, our procedures were limited to checking that the information agreed to the Institute and group's investment plan.

We did not evaluate the security and controls over the electronic publication of the financial statements and the statement of service performance.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

> We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

> We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute and group's internal control.

> We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

> We conclude on the appropriateness of the use of the non-going concern basis of accounting by the Council.

> We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.

> We obtain sufficient appropriate audit evidence regarding the financial statements and the statement of service performance of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated statement of service performance. We are

responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

**Other information**

The Council is responsible for the other information. The other information comprises the information included on pages 2 to 77, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the financial statements and the statement of service performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the statement of service performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of service performance or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independence**

We are independent of the Institute and group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the Institute or any of its subsidiaries.

John Whittal

Audit New Zealand

On behalf of the Auditor General

Wellington, New Zealand

# Statement of responsibility

In the financial year ended 31 December 2019, the Council and management of Nelson Marlborough Institute of Technology were responsible for:

- The preparation of the financial statements and targeted performance report and the judgements therein; and
- Establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of Council and management of Nelson Marlborough Institute of Technology, the financial statements for the financial year fairly reflect the financial position and operations of Nelson Marlborough Institute of Technology.

The financial statements were authorised for issue and the 2019 Annual Report approved by the Council on 27 March 2020.

D Wehner

Council Chair

P Steere

Audit Sub-Committee Chair

L Sloan

Chief Executive

V Bryson

Executive Director - Finance, Compliance and Business Intelligence

# Two year performance summary for the group

For the year ended 31st December 2019

| | 2019 ($000) | 2018 ($000) |
|---|---|---|
| **Revenue** | | |
| Government grants | 19,661 | 20,241 |
| Tuition fees | 13,807 | 13,672 |
| Interest revenue | 657 | 688 |
| Other revenue | 6,391 | 6,679 |
| **Total revenue** | **40,515** | **41,280** |
| **Expenses** | | |
| Personnel costs | 23,665 | 23,638 |
| Depreciation and amortisation expense | 4,805 | 4,530 |
| Impairment expense | - | 106 |
| Other expenses | 12,620 | 15,926 |
| **Total expenses** | **41,090** | **44,201** |
| **Share of associate's surplus / (deficit)** | **(44)** | **79** |
| **Surplus / (deficit) ($000)** | **(620)** | **(2,842)** |
| **Ratio analysis** | | |
| Surplus as a % of Total Revenue | (1.5)% | (6.9)% |
| Return on Fixed Assets (:$1) | (0.01) | (0.03) |
| Return on Equity (:$1) | (0.01) | (0.03) |
| Operating Revenue /Fixed Assets (:$1) | 0.5 | 0.5 |
| Current Ratio (:$1) | 1.8 | 1.6 |
| Debt Equity Ratio (:$1) | 0:1 | 0:1 |
| Equity ($000) | 101,474 | 102,094 |
| Fixed Assets ($000) | 89,021 | 91,713 |
| Bank and Short Term Funds ($000) | 20,001 | 16,213 |
| Net Assets per EFTS ($) | 35,196 | 34,012 |
| Net Cash Flows from Operating Activities ($000) | 5,881 | 1,060 |
| Total Cash Flows from Operations incl Investing & Financing Activities ($000) | 2,088 | 365 |
| Purchase of Fixed Assets ($000) | 1,810 | 3,944 |
| Purchase of Fixed Assets / Depreciation (:$1) | 0.4 | 0.9 |
| Net Cost of Services ($000) | 41,090 | 44,200 |
| Net Cost of Services per EFTS ($) | 14,252 | 14,725 |
| Personnel Costs per EFTS ($) | 8,208 | 7,875 |
| Capital Expenditure per EFTS ($) | 628 | 1,314 |
| Fixed Assets per EFTS ($) | 30,876 | 30,554 |

| **Key student and staff performance indicators** | **2019** | **2018** |
|---|---|---|
| TEC EFTS | 1,917 | 2,087 |
| International EFTS | 486 | 479 |
| International EFTS (Overseas Delivery) | 264 | 265 |
| ITO | 21 | 21 |
| Youth Guarantee | 59 | 61 |
| STAR | 43 | 37 |
| Other EFTS | 93 | 53 |
| **Total** | **2,883** | **3,002** |
| | | |
| Total enrolments | 7,002 | 7,218 |
| | | |
| TEC funding per TEC funded EFTS ($) | 10,255 | 9,698 |
| Domestic student fees per TEC funded EFTS ($) | 3,202 | 3,058 |
| International fees per international EFTS ($) | 15,780 | 15,215 |
| Total revenue per total EFTS ($) | 14,052 | 13,752 |
| Student satisfaction (overall) | 95% | 95% |
| Graduate destination employment (overall) | 88% | 88% |
| Student completion | 84% | 86% |
| Total academic staff (FTE) | 134 | 136 |
| Total support staff ( FTE) | 155 | 154 |
| Total staffing (FTE) | 289 | 290 |
| Academic staff FTE / support staff FTE (:1) | 0.86:1 | 0.88:1 |

# Statement of comprehensive revenue & expense

For the year ended 31st December 2019

| | | Institute | | | Group | |
|---|---|---|---|---|---|---|
| | Notes | Actual 2019 ($000) | Budget 2019 ($000) | Actual 2018 ($000) | Actual 2019 ($000) | Actual 2018 ($000) |
| **Revenue** | | | | | | |
| Government grants | 3 | 19,661 | 21,535 | 20,241 | 19,661 | 20,241 |
| Tuition fees | 3 | 13,807 | 13,848 | 13,672 | 13,807 | 13,672 |
| Interest revenue | 3 | 628 | 700 | 661 | 657 | 688 |
| Other revenue | 3 | 6,391 | 6,874 | 6,615 | 6,391 | 6,679 |
| **Total revenue** | **2** | **40,486** | **42,956** | **41,190** | **40,515** | **41,280** |
| **Operating expenses** | | | | | | |
| Personnel costs | 4 | 23,665 | 24,825 | 23,638 | 23,665 | 23,638 |
| Depreciation and amortisation | 15 & 16 | 4,805 | 4,000 | 4,530 | 4,805 | 4,530 |
| Impairment expense | 15 | - | - | 106 | - | 106 |
| Other expenses | 5 | 12,589 | 13,989 | 15,835 | 12,620 | 15,926 |
| **Total operating expenses** | **2** | **41,059** | **42,814** | **44,109** | **41,090** | **44,201** |
| Share of associate's surplus / (deficit) | 14 | (44) | - | 79 | (44) | 79 |
| **Surplus / (deficit)** | | **(618)** | **143** | **(2,841)** | **(620)** | **(2,842)** |
| **Other comprehensive revenue and expense** | | | | | | |
| *Items that will not be reclassified to surplus / (deficit)* | | | | | | |
| Gains on property revaluations | 15 | - | - | 6,707 | - | 6,707 |
| Impairment of PP&E | 15 | - | - | (2) | - | (2) |
| **Total other comprehensive revenue and expense** | | - | - | 6,705 | - | 6,705 |
| **Total comprehensive revenue and expense** | | **(618)** | **143** | **3,864** | **(620)** | **3,863** |

Explanations of major variances against budget are provided in note 20.

*The accompanying notes form part of these financial statements.*

# Statement of financial position

As at 31st December 2019

| | | Institute | | | Group | |
|---|---|---|---|---|---|---|
| | | Actual | Budget | Actual | Actual | Actual |
| | | 2019 | 2019 | 2018 | 2019 | 2018 |
| | Notes | ($000) | ($000) | ($000) | ($000) | ($000) |
| **Assets** | | | | | | |
| **Current assets** | | | | | | |
| Cash and cash equivalents* | 6 | 5,201 | 15,584 | 3,113 | 5,201 | 3,113 |
| Debtors and other receivables | 7 | 1,420 | 693 | 1,262 | 1,420 | 1,262 |
| Other financial assets | 8 | 14,800 | - | 13,100 | 14,800 | 13,100 |
| Prepayments | | 738 | 463 | 738 | 738 | 738 |
| **Total current assets** | | 22,158 | 16,741 | 18,212 | 22,158 | 18,212 |
| **Non-current assets** | | | | | | |
| Investments accounted for using the equity method | 14 | 1,095 | 1,081 | 1,160 | 1,095 | 1,160 |
| Prepayments | | 6 | - | 28 | 6 | 28 |
| Property, plant and equipment | 15 | 89,021 | 84,637 | 91,713 | 89,021 | 91,713 |
| Intangible assets | 16 | 2,017 | 4,052 | 2,571 | 2,017 | 2,571 |
| **Total non-current assets** | | 92,139 | 89,770 | 95,472 | 92,139 | 95,472 |
| **Total assets** | | 114,297 | 106,511 | 113,684 | 114,297 | 113,684 |
| **Liabilities** | | | | | | |
| **Current liabilities** | | | | | | |
| Creditors & other payables | 9 | 2,387 | 3,167 | 3,164 | 2,387 | 3,164 |
| Revenue in advance | 10 | 7,718 | 6,139 | 5,854 | 7,718 | 5,854 |
| Provisions | 11 | 1,608 | 1,529 | 1,525 | 1,608 | 1,525 |
| Other financial liabilities | 12 | 1,941 | 1,070 | 1,887 | 878 | 824 |
| **Total current liabilities** | | 13,654 | 11,904 | 12,432 | 12,591 | 11,368 |
| **Non-current liabilities** | | | | | | |
| Provisions | 11 | 231 | 192 | 222 | 231 | 222 |
| **Total non-current liabilities** | | 231 | 192 | 222 | 231 | 222 |
| **Total liabilities** | | 13,885 | 12,096 | 12,653 | 12,823 | 11,590 |
| **Net assets** | | **100,412** | **94,415** | **101,030** | **101,474** | **102,094** |
| **Equity** | | | | | | |
| Capital introduced | 13 | 29,039 | 29,039 | 29,039 | 29,039 | 29,039 |
| Accumulated surplus / (deficit) | 13 | 15,068 | 15,775 | 15,686 | 16,130 | 16,749 |
| Property revaluation reserve | 13 | 53,450 | 46,745 | 53,450 | 53,450 | 53,450 |
| Capital reserves | 13 | 2,855 | 2,855 | 2,855 | 2,855 | 2,855 |
| **Total equity** | | **100,412** | **94,415** | **101,030** | **101,474** | **102,094** |

Explanations of major variances against budget are provided in note 20.

* Investments are not budgeted separately from Cash and cash equivalents.

*The accompanying notes form part of these financial statements.*

# Statement of changes in equity

For the year ended 31st December 2019

| | | Institute | | | Group | |
|---|---|---|---|---|---|---|
| | | Actual | Budget | Actual | Actual | Actual |
| | | 2019 | 2019 | 2018 | 2019 | 2018 |
| | Notes | ($000) | ($000) | ($000) | ($000) | ($000) |
| **Public equity as at 1 January** | | 101,030 | 94,272 | 97,166 | 102,094 | 98,231 |
| Total comprehensive revenue and expense for the year | | (618) | 143 | 3,864 | (620) | 3,863 |
| **Public equity as at 31 December** | **13** | **100,412** | **94,415** | **101,030** | **101,474** | **102,094** |

Explanations of major variances against budget are provided in note 20.

*The accompanying notes form part of these financial statements.*

# Statement of cash flows

For the year ended 31st December 2019

| | Institute | | | Group | |
|---|---|---|---|---|---|
| | Actual 2019 ($000) | Budget 2019 ($000) | Actual 2018 ($000) | Actual 2019 ($000) | Actual 2018 ($000) |
| **Cash flows from operating activities** | | | | | |
| Receipts from government grants | 18,812 | 21,535 | 19,834 | 18,812 | 19,834 |
| Receipts from tuition fees, including fees free | 16,357 | 13,848 | 13,488 | 16,357 | 13,488 |
| Receipts from other revenue | 6,571 | 6,849 | 6,362 | 6,571 | 6,362 |
| Interest received | 618 | 700 | 756 | 618 | 756 |
| Payments to employees | (23,542) | (24,825) | (23,627) | (23,542) | (23,627) |
| Payments to suppliers | (12,899) | (13,989) | (15,648) | (12,899) | (15,648) |
| GST (net) | (36) | - | (104) | (36) | (104) |
| **Net cash flows from operating activities** | **5,881** | **4,118** | **1,060** | **5,881** | **1,060** |
| | | | | | |
| **Cash flows from investing activities** | | | | | |
| Receipts from sale of PP&E | 34 | - | 66 | 34 | 66 |
| Receipts from sale of investments | - | - | 2,904 | - | 2,904 |
| Purchase of PP&E | (1,948) | (3,025) | (2,838) | (1,948) | (2,838) |
| Purchase of intangible assets | (199) | (548) | (827) | (199) | (827) |
| Acquisition of investments | (1,680) | - | - | (1,680) | - |
| **Net cash flows from investing activities** | **(3,793)** | **(3,573)** | **(695)** | **(3,793)** | **(695)** |
| | | | | | |
| **Net (decrease) / increase in cash and equivalents** | **2,088** | **545** | **365** | **2,088** | **365** |
| | | | | | |
| Cash and cash equivalents at beginning of the year | 3,113 | 15,040 | 2,747 | 3,113 | 2,747 |
| | | | | | |
| **Cash and cash equivalents at end of the year** | **5,201** | **15,584** | **3,112** | **5,201** | **3,112** |

Explanations of major variances against budget are provided in note 20.

*The accompanying notes form part of these financial statements.*

# Statement of cash flows (continued)

For the year ended 31st December 2019

## Reconciliation of net surplus / (deficit) to the net cash flow from operating activities

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| **Net surplus / (deficit)** | (618) | (2,841) | (620) | (2,842) |
| **Add / (less) non -cash items :** | | | | |
| Depreciation and amortisation expense | 4,805 | 4,530 | 4,805 | 4,530 |
| Share of associate's surplus / (deficit) | 44 | (79) | 44 | (79) |
| Impairment charges | - | 106 | - | 106 |
| **Add / (less) items classified as investing or financing activities:** | | | | |
| Net (gain) / loss on sale of fixed assets | 188 | 844 | 188 | 844 |
| **Add / (less) movements in working capital items:** | | | | |
| Increase / (decrease) in non-current provisions | 10 | 30 | 10 | 30 |
| Increase / (decrease) in capital creditors | 366 | (277) | 366 | (277) |
| (Increase) / decrease in non-current prepayments | 22 | 41 | 22 | 41 |
| (Increase) / decrease in accounts receivable | (158) | 65 | (158) | 65 |
| (Increase) / decrease in prepayments | (0) | (343) | (0) | (343) |
| Increase / (decrease) in trade creditors | (777) | (15) | (777) | (15) |
| Increase / (decrease) in revenue in advance | 1,863 | (172) | 1,863 | (172) |
| Increase / (decrease) in provisions | 82 | (36) | 82 | (36) |
| Increase / (decrease) in other current financial liabilities | 53 | (794) | 55 | (793) |
| **Net cash inflow / (outflow) from operating activities** | **5,881** | **1,060** | **5,881** | **1,060** |

Explanations of major variances against budget are provided in note 20.

*The accompanying notes form part of these financial statements.*

# Notes to the financial statements

## 1. Statement of accounting policies

### REPORTING ENTITY

Nelson Marlborough Institute of Technology (the Institute) is a Tertiary Education Institute (TEI) that is domiciled and operates in New Zealand. The relevant legislation governing the Institute's operations includes the Crown Entities Act 2004 and the Education Act 1989.

The Institute and group consists of Nelson Marlborough Institute of Technology and its subsidiaries Nelson Polytechnic Educational Society Incorporated (100% owned) and NMIT Research Trust (100% owned). Nelson Polytechnic Educational Society Incorporated is incorporated, domiciled and operates in New Zealand. NMIT Research Trust is registered, domiciled and operates in New Zealand.

The primary objective of the Institute and group is to provide tertiary education services for the benefit of the community rather than making a financial return. Accordingly the Institute has designated itself and the group as public benefit entities for financial reporting purposes.

The financial statements of the Institute and group are for the year ended 31st December 2019. The financial statements were authorised by the Council on 27 March 2020.

### BASIS OF PREPARATION

The Minister of Education announced the Government's decisions on the Reform of Vocational Education proposals on 1 August 2019. The Education (Vocational Education and Training and Reform) Amendment Bill (the Bill) includes proposals to create a new entity, the New Zealand Institute of Skills and Technology, and to convert all existing ITPs into crown entity subsidiary companies on 1 April 2020. The Bill has had its first reading.

Due to the Government's intention to convert all existing ITPs into companies, the Institute has prepared its financial statements on a disestablishment basis. However, there have been no changes to the measurement or classification of assets and liabilities in the financial statements due to the disestablishment basis of preparation. This is because all assets and liabilities of ITPs are expected to transfer across to, and be relevant to, the receiving Crown entity subsidiary. Decisions about the future of these assets and liabilities will be the responsibility of the new entities.

#### Statement of compliance

The financial statements of the Institute and group have been prepared in accordance with the requirements of the Crown Entities Act 2004 and the Education Act 1989, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The Institute is a Tier 1 entity. The financial statements have been prepared in accordance with and comply with PBE accounting standards.

#### Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values, other than the Council member remuneration disclosure in Note 4, are rounded to the nearest thousand dollars ($000).
The Council member remuneration disclosure is rounded to the nearest dollar.

#### Standards issued and not yet effective that have been early adopted

Standards and amendments to standards, issued but not yet effective that have been early adopted are:

*PBE IFRS 48 Service Performance Reporting*

PBE IFRS 48 replaces the service reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2021. The Institute has elected to early adopt this standard in order to provide users of these financial statements with more information about its performance towards, and commitment to, achieving its broader aims and objectives.

#### Standards issued and not yet effective and not early adopted

Standards and amendments to standards, issued but not yet effective that have not been early adopted, and that are relevant to these Financial Statements are:

*PBE IPSAS 41 Financial Instruments*
PBE IPSAS 41 *Financial Instruments* replaces PBE IPSAS 29 *Financial Instruments: Recognition and Measurement* and *PBE IFRS 9 Financial Instruments* and is effective for financial years beginning on or after 1 January 2022, with earlier adoption permitted. The main changes compared to PBE IPSAS 29 that are relevant to the Institute are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which might result in the earlier recognition of impairment losses.

The Institute intends to adopt PBE IPSAS 41 for the 31 December 2022 financial year. The Institute has not yet assessed in detail the impact of the new standard.

*Amendment to PBE IPSAS 2 Statement of Cash Flows*
An amendment to PBE IPSAS 2 *Statement of Cash Flows* requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Institute does not intend to early adopt the amendment.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**
Significant accounting policies are included in the notes to which they relate.
Significant accounting policies that do not relate to a specific note are outlined below.

**Basis of consolidation**
The group financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses and cash flows of entities in the group on a line by line basis. All significant intragroup balances, transactions, revenue and expenses are eliminated on consolidation.

The group financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date the Institute takes control of the entity and ceases when the Institute loses control of the entity.

**Foreign currency transactions**
Foreign currency transactions are translated into NZ$ (the functional currency) using the exchange rates prevailing at the date of settlement of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

**Goods and services tax**
All items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

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

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

Commitments and contingencies are disclosed exclusive of GST.

**Income tax**
The Institute and group is exempt from income tax under the Income Tax Act 2007. Accordingly, no provision has been made for income tax.

**Budget figures**
The budget figures for the Institute are those approved by the Council at the start of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements.

**Critical accounting estimates and assumptions**

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Employee entitlements - refer to Note 11
- Estimating the fair value of land and buildings - refer to Note 15

## 2. Summary cost of services

| | | Institute | |
|---|---|---|---|
| | Actual 2019 ($000) | Budget 2019 ($000) | Actual 2018 ($000) |
| **Revenue** | | | |
| Applied Business & English Language | 7,658 | 7,136 | 7,040 |
| Maritime, Aquaculture & Conservation | 4,953 | 5,646 | 4,348 |
| Viticulture, Wine & Horticulture | 1,620 | 1,569 | 1,323 |
| Aviation | 2,106 | 1,993 | 2,168 |
| Engineering & Construction | 3,283 | 3,483 | 3,340 |
| Dean International Curriculum | 2,100 | 2,732 | 2,908 |
| Digital Technologies & Arts & Media | 4,164 | 5,293 | 3,750 |
| Social Sciences | 2,557 | 2,579 | 2,218 |
| Hospitality, Service Sectors & Pathways | 2,860 | 3,677 | 2,885 |
| Health & Fitness | 3,270 | 3,544 | 3,413 |
| Te Toki Pakohe | 1,287 | 991 | 940 |
| Global Campus | - | - | 1,390 |
| Sub Contractors | 2,353 | 2,236 | 3,223 |
| Other activities | 1,647 | 1,377 | 1,583 |
| Total revenue from services | 39,858 | 42,256 | 40,529 |
| Interest revenue | 628 | 700 | 661 |
| **Total revenue** | 40,486 | 42,956 | 41,190 |
| **Expenditure** | | | |
| Applied Business & English Language | 4,601 | 4,231 | 4,266 |
| Maritime, Aquaculture & Conservation | 2,734 | 2,962 | 2,460 |
| Viticulture, Wine & Horticulture | 1,056 | 1,156 | 1,057 |
| Aviation | 1,238 | 1,278 | 1,190 |
| Engineering & Construction | 1,943 | 2,283 | 2,422 |
| Dean International Curriculum | 1,182 | 1,598 | 1,417 |
| Digital Technologies & Arts & Media | 2,306 | 3,011 | 2,236 |
| Social Sciences | 1,081 | 1,093 | 1,276 |
| Hospitality, Service Sectors & Pathways | 2,356 | 2,428 | 2,109 |
| Health & Fitness | 1,507 | 1,715 | 1,661 |
| Te Toki Pakohe | 577 | 708 | 460 |
| Global Campus | - | - | 3,635 |
| Sub Contractors | 1,518 | 1,626 | 1,977 |
| Other activities | 18,959 | 18,724 | 17,943 |
| Total cost of services | 41,059 | 42,814 | 44,109 |
| **Total expenditure** | 41,059 | 42,814 | 44,109 |

During the year, NMIT restructured its programme areas. The 2018 comparatives have been restated to reflect the new structure.

## 3. Revenue

### Accounting Policy

*Revenue measurement*

Revenue is measured at fair value.

*Revenue recognition*

The specific accounting policies for the recognition of significant revenue items are explained below:

*Student Achievement Component (SAC) funding*

SAC funding is the Institute's main source of operational funding from the Tertiary Education Commission (TEC). The Institute considers SAC funding to be non-exchange and recognises SAC funding as revenue when the course withdrawal date has passed, based on the number of eligible full-time equivalent students enrolled in the courses at that date and the value of the course.

*Tuition fees*

Domestic student tuition fees subsidised by government funding are considered non-exchange. Revenue is recognised when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course.

International student tuition fees are accounted for as exchange transactions and recognised as revenue on a course percentage of completion basis. The percentage of completion is measured by reference to the days of the course completed as a proportion of the total course days.

*Fees-free revenue*

The Institute considers fees-free revenue is non-exchange revenue and recognises revenue when the course withdrawal date for an eligible student has passed. The Institute has presented funding received for fees-free as part of tuition fees. This is on the bais that receipts from TEC are for payment on behalf of the student as specified in the relevant funding mechanism.

*Performance-Based Research Fund*

The Institute considers funding received from Performance-Based Research Fund (PBRF) to be non-exchange in nature. PBRF funding is specifically identified by the TEC as being for a funding period as required by section 159YA of the Education Act 1989. The Institute recognises its confirmed allocation of PBRF funding at the commencement of the specified funding period, which is the same as the Institute's financial year. PBRF revenue is measured based on the Institute's funding entitlement adjusted for any expected adjustments as part of the final wash-up process. Indicative funding for future periods is not recognised until confirmed for that future period.

*Other grants received*

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

*Sale of goods*

Revenue from sales of goods is recognised when the product is sold to the customer.

*Donations & sponsorship revenue*

Donations and sponsorship revenue are recognised as revenue in the Nelson Polytechnic Educational Society Incorporated when received or invoiced, unless there is an obligation in substance to return the funds if conditions of the donation or sponsorship revenue are not met. If there is such an obligation, they are initially recorded as revenue in advance when received and recognised as revenue when the conditions are satisfied.

*Interest revenue*

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

### (i) Breakdown of Government grants

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Student Achievement Component (SAC) funding | 18,033 | 18,792 | 18,033 | 18,792 |
| Youth Guarantee (YG) funding | 818 | 819 | 818 | 819 |
| Performance-based research funding | 183 | - | 183 | - |
| Other TEC funding | 627 | 631 | 627 | 631 |
| **Total** | **19,661** | **20,241** | **19,661** | **20,241** |

### (ii) Breakdown of tuition fees

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Fees from domestic students | 4,193 | 4,207 | 4,193 | 4,207 |
| First year fees free funding | 1,947 | 2,176 | 1,947 | 2,176 |
| Fees from international students | 7,667 | 7,289 | 7,667 | 7,289 |
| **Total** | **13,807** | **13,672** | **13,807** | **13,672** |

### (iii) Breakdown of interest revenue

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Interest revenue | 628 | 661 | 657 | 688 |
| **Total** | **628** | **661** | **657** | **688** |

### (iv) Breakdown of other revenue

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Re-saleable items | 41 | 44 | 41 | 44 |
| Other funding | 748 | 674 | 748 | 674 |
| Rental revenue | 420 | 382 | 420 | 382 |
| Gain on sale of PP&E & intangibles | 47 | 4 | 47 | 4 |
| Donations / sponsorship | 11 | 5 | 11 | 5 |
| Student services levy | 375 | 384 | 375 | 384 |
| Self funded courses | 887 | 903 | 887 | 903 |
| Other revenue | 3,863 | 4,219 | 3,863 | 4,283 |
| **Total** | **6,391** | **6,615** | **6,391** | **6,679** |

## 4. Personnel costs

### Accounting policy

*Superannuation Schemes*

*Defined contribution schemes*

Employer contributions to KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit when incurred.

**Breakdown of personnel costs and further information**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Academic staff salaries & wages | 10,582 | 11,051 | 10,582 | 11,051 |
| Support staff salaries & wages | 10,686 | 10,474 | 10,686 | 10,474 |
| Defined contribution plan employer contribution | 413 | 411 | 413 | 411 |
| Contractors | 1,600 | 1,707 | 1,600 | 1,707 |
| Redundancies | 384 | (5) | 384 | (5) |
| **Total** | **23,665** | **23,638** | **23,665** | **23,638** |

**Council member remuneration**

Remuneration paid or payable to Council members during the year was:

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 $ | 2018 $ | 2019 $ | 2018 $ |
| Ashton, Desmond # | 15,366 | 15,366 | 15,366 | 15,366 |
| Greenaway, Hamuera # | 15,366 | 15,366 | 15,366 | 15,366 |
| Hervey, Gabrielle # | 15,366 | 15,366 | 15,366 | 15,366 |
| Johnston, Tracy # | 15,366 | 10,047 | 15,366 | 10,047 |
| Newton, Charles # | 15,366 | 15,366 | 15,366 | 15,366 |
| Paterson, Abbey | 591 | 15,366 | 591 | 15,366 |
| Prinsloo, Cornelius # | 13,002 | - | 13,002 | - |
| Rowe, Andrew | - | 7,387 | - | 7,387 |
| Steere, Paul # | 19,207 | 17,878 | 19,207 | 17,878 |
| Wehner, Daryl # | 29,878 | 29,878 | 29,878 | 29,878 |
| # current NMIT council at 31 December 2019 | 139,508 | 142,020 | 139,508 | 142,020 |

No Council members received compensation or other benefits in relation to cessation (2018: $Nil).

## 5. Other expenses

**Accounting Policy**

*Operating leases*

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

*Research costs*

Research costs are recognised as an expense in the year in which they are incurred.

**Breakdown of other expenses and further information**

| | Institute 2019 ($000) | Institute 2018 ($000) | Group 2019 ($000) | Group 2018 ($000) |
|---|---|---|---|---|
| Audit fees paid to Audit NZ for audit of the annual report | 97 | 94 | 101 | 98 |
| Repairs & maintenance | 540 | 547 | 540 | 547 |
| Rent expense | 145 | 1,873 | 145 | 1,873 |
| Other occupancy costs | 1,051 | 1,052 | 1,051 | 1,052 |
| Subcontractor payments | 2,032 | 1,876 | 2,032 | 1,876 |
| Course purchases | 1,690 | 1,868 | 1,690 | 1,868 |
| Net loss on disposal of PP&E and investments | 235 | 849 | 235 | 849 |
| Bad debts | 57 | 37 | 57 | 37 |
| Other expenses | 6,742 | 7,639 | 6,769 | 7,727 |
| **Total** | **12,589** | **15,835** | **12,620** | **15,926** |

**Operating leases as lessee**

The Institute leases property, plant and equipment in the normal course of its business. The future minimum lease payments to be paid under non-cancellable operating leases are as follows:

| | Institute 2019 ($000) | Institute 2018 ($000) | Group 2019 ($000) | Group 2018 ($000) |
|---|---|---|---|---|
| Not later than one year | 49 | 48 | 49 | 48 |
| Later than one year and not later than five years | 1 | 17 | 1 | 17 |
| Later than five years | - | - | - | - |
| **Total non-cancellable operating leases** | **50** | **65** | **50** | **65** |

**Operating leases as lessor**

The Institute leases property, plant and equipment in the normal course of its business. The future minimum lease revenue to be collected under non-cancellable operating leases are as follows:

| | Institute 2019 ($000) | Institute 2018 ($000) | Group 2019 ($000) | Group 2018 ($000) |
|---|---|---|---|---|
| Not later than one year | 311 | 276 | 311 | 276 |
| Later than one year and not later than five years | 561 | 556 | 561 | 556 |
| Later than five years | 675 | 446 | 675 | 446 |
| **Total non-cancellable operating leases** | **1,548** | **1,278** | **1,548** | **1,278** |

## 6. Cash and cash equivalents

**Accounting policy**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

**Breakdown of cash and cash equivalents and further information**

| | Institute 2019 ($000) | Institute 2018 ($000) | Group 2019 ($000) | Group 2018 ($000) |
|---|---|---|---|---|
| Cash at bank and on hand | 4,201 | 2,113 | 4,201 | 2,113 |
| Term deposits with maturities less than 3 months | 1,000 | 1,000 | 1,000 | 1,000 |
| **Total** | **5,201** | **3,113** | **5,201** | **3,113** |

## 7. Debtors and other receivables

### Accounting Policy

Short term receivables are recorded at the amount due, less any provision for uncollectability.

A receivable is considered uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

**Breakdown of receivables and further information**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Debtors | 993 | 1,326 | 993 | 1,326 |
| TEC funding receivable | 436 | 75 | 436 | 75 |
| Provision for doubtful debts | (10) | (140) | (10) | (140) |
| **Total** | **1,420** | **1,262** | **1,420** | **1,262** |

| | | | | |
|---|---|---|---|---|
| **Debtors comprises:** | | | | |
| Receivables from exchange transactions | 946 | 1,294 | 946 | 1,294 |
| Receivables from non-exchange transactions | 483 | 108 | 483 | 108 |
| **Total** | **1,429** | **1,401** | **1,429** | **1,401** |

*Fair value*

Student fees are due before a course begins or are due on enrolment if the course has already begun. Student fee receivables are non-interest bearing and are generally paid in full by the course start date. Therefore, their carrying value approximates their fair value.

Other receivables are non-interest bearing and are generally due for payment on the 20th of the month following invoice date. Therefore the carrying value of other receivables approximates their fair value.

*Assessment for uncollectability*

The ageing profile of debtors and other receivables is detailed below:

| | Institute | | Group | |
|---|---|---|---|---|
| **Aged debtors** | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Current | 119 | 148 | 119 | 148 |
| 30+ days | 19 | 38 | 19 | 38 |
| 60+ days | 7 | 7 | 7 | 7 |
| 90+ days | 72 | 171 | 72 | 171 |
| Other debtors | 776 | 964 | 776 | 964 |
| **Total** | **993** | **1,326** | **993** | **1,326** |

The provision for uncollectability has been calculated based on a review of all individual debtor balances over 60 days overdue. Where management considers that the debt is unlikely to be collectable, a provision is made for the amount not expected to be recovered.

Other debtors include accrued revenue and accrued interest.

| | Institute | | Group | |
|---|---|---|---|---|
| **Movements in the provision for impairment of receivables are as follows:** | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Balance at 1 January | 140 | 202 | 140 | 202 |
| Additional provisions made during the year | (22) | (62) | (22) | (62) |
| Receivables written off during the year | (108) | - | (108) | - |
| **Total at 31 December** | **10** | **140** | **10** | **140** |

## 8. Other financial assets

**Accounting policy**

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

*Bank term deposits*

Investments in bank term deposits are initially measured at the amount invested. Where applicable, interest is subsequently accrued and added to the investment balance.

At year end, term deposits are assessed for indicators of impairment. If they are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

**Breakdown of other financial assets and further information**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 | 2018 | 2019 | 2018 |
| **Current portion** | ($000) | ($000) | ($000) | ($000) |
| Term deposits with maturities greater than 3 months and less than 12 months | 14,800 | 13,100 | 14,800 | 13,100 |

**Fair value**

*Term deposits*

The carrying value of the current portion of investments approximates their fair value.

**Impairment**

There were no impairment provisions for other financial assets. None of the financial assets are either past due or impaired.

## 9. Creditors and other payables

**Accounting Policy**

Short-term creditors and other payables are recorded at the amount payable.

**Breakdown of creditors and other payables and further information**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 | 2018 | 2019 | 2018 |
| | ($000) | ($000) | ($000) | ($000) |
| **Payables under exchange transactions:** | | | | |
| Trade payables | 401 | 948 | 401 | 948 |
| Accrued expenses | 1,533 | 1,640 | 1,533 | 1,640 |
| **Total payables under exchange transactions** | **1,933** | **2,588** | **1,933** | **2,588** |
| **Payables under non-exchange transactions:** | | | | |
| PAYE & Withholding tax | 255 | 228 | 255 | 228 |
| GST (net) | 199 | 349 | 199 | 349 |
| **Total payables under non-exchange transactions** | **454** | **577** | **454** | **577** |
| **Total creditors and other payables** | **2,387** | **3,164** | **2,387** | **3,164** |

Creditors and other payables are non-interest bearing and are normally settled on 30 day terms. The carrying value of creditors and other payables approximates their fair value.

## 10. Revenue received in advance

**Breakdown of revenue received in advance and further information**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Tuition fees | 7,713 | 5,801 | 7,713 | 5,801 |
| Other revenue received in advance | 4 | 54 | 4 | 54 |
| **Total** | **7,718** | **5,854** | **7,718** | **5,854** |

Revenue received in advance from tuition fees includes both liabilities recognised for domestic student fees received for which the course withdrawal date has not yet passed and for international student fees, which is based on the percentage completion of the course.

## 11. Provisions

**Accounting Policy**

*Provisions*

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

*Restructuring*

A provision for restructuring is recognised when either an approved detailed formal plan for the restructuring has been announced publicly to those affected, or implementation of it has already started.

*Short-term employee entitlements*

Employee benefits that are expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

*Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information.

*Presentation of employee entitlements*

Sick leave, annual leave and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities are classified as a non-current liability.

**Critical accounting estimates and assumptions**

*Employee entitlements*

The liability for annual leave has been calculated based on actual entitlements based on current rates of pay. The liabilities for long service leave and retirement leave have been calculated on an employee's expected entitlement using an actuarial basis as supplied by NZ Treasury. The liability for sick leave is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Institute and group anticipates it will be used by staff to cover those future absences.

**Breakdown of provisions and further information**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| **Provisions:** | | | | |
| Provisions for redundancies | 151 | 8 | 151 | 8 |
| **Total** | **151** | **8** | **151** | **8** |
| | | | | |
| **Employee entitlements:** | | | | |
| Accrued salaries & wages | 635 | 608 | 635 | 608 |
| Annual leave | 719 | 804 | 719 | 804 |
| Long service leave | 133 | 135 | 133 | 135 |
| Retirement gratuities | 118 | 112 | 118 | 112 |
| Sick leave | 60 | 50 | 60 | 50 |
| Holiday pay | 8 | 15 | 8 | 15 |
| ACC accrual | 17 | 15 | 17 | 15 |
| **Total** | **1,688** | **1,739** | **1,688** | **1,739** |
| | | | | |
| **Comprising:** | | | | |
| Current | 1,608 | 1,525 | 1,608 | 1,525 |
| Non-current | 231 | 222 | 231 | 222 |
| **Total Provisions** | **1,839** | **1,747** | **1,839** | **1,747** |

## 12. Other financial liabilities

**Breakdown of other financial liabilities**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Funds held on behalf of others | - | 10 | - | 10 |
| TEC payable | 653 | 616 | 653 | 616 |
| Nelson Polytechnic Educational Society | 1,037 | 1,035 | - | - |
| NMIT Research Trust | 25 | 28 | - | - |
| Other | 225 | 198 | 225 | 198 |
| Total | 1,940 | 1,887 | 878 | 824 |

## 13. Equity

**Accounting policy**

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- Capital introduced
- Accumulated surplus / (deficit)
- Property revaluation reserve
- Capital reserves

*Property revaluation reserve*

This reserve relates to the revaluation of land and buildings to fair value.

**Breakdown of equity and further information**

| | Institute | | Group | |
|---|---|---|---|---|
| | **2019 ($000)** | **2018 ($000)** | **2019 ($000)** | **2018 ($000)** |
| **Capital introduced** | | | | |
| As at 1 January | 29,039 | 29,039 | 29,039 | 29,039 |
| As at 31 December | 29,039 | 29,039 | 29,039 | 29,039 |
| **Accumulated surplus / (deficit)** | | | | |
| As at 1 January | 15,686 | 18,526 | 16,749 | 19,591 |
| Surplus / (deficit) for the year | (618) | (2,841) | (620) | (2,842) |
| As at 31 December | 15,068 | 15,686 | 16,130 | 16,749 |
| **Property revaluation reserves** | | | | |
| As at 1 January | 53,450 | 46,745 | 53,450 | 46,745 |
| Revaluation of land | - | 2,271 | - | 2,271 |
| Revaluation of buildings | - | 4,435 | - | 4,435 |
| Impairment of PP&E | - | (2) | - | (2) |
| As at 31 December | 53,450 | 53,450 | 53,450 | 53,450 |
| **Capital reserves** | | | | |
| As at 1 January | 2,855 | 2,855 | 2,855 | 2,855 |
| As at 31 December | 2,855 | 2,855 | 2,855 | 2,855 |
| **Total equity as at 31 December** | **100,412** | **101,030** | **101,474** | **102,094** |

*Capital management*

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

The Institute is subject to the financial management and accountability provisions of the Education Act 1989, which includes restrictions in relation to disposing of assets or interests in assets, ability to mortgage or otherwise charge assets or interests in assets, granting leases of land or buildings or parts of buildings, and borrowing.

The Institute manages its revenues, expenses, assets and liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. The Institute's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing the Institute's equity is to ensure that it effectively and efficiently achieves the goals and objectives for which it has been established, while remaining a going concern.

## 14. Investments in subsidiaries and associates

### Accounting Policy

The Institute and group has adopted the new group standards, PBE IPSAS 34 to 38, in preparing these financial statements. In adopting these new standards, the Institute and group has updated its accounting policies for its investments in subsidiaries and associates. Disclosures have also been updated for the new disclosure requirements of PBE IPSAS 38. There is no financial effect arising from the adoption of the new standards.

*Subsidiaries*
The Institute consolidates in the group financial statements those entities it controls. Control exists where the Institute is exposed, or has rights, to variable benefits (either financial or non-financial) and has the ability to affect the nature and amount of those benefits from its power over the entity. Power can exist over an entity if, by virtue of its purpose and design, the relevant activities and the way in which the relevant activities of the entity can be directed has been predetermined by the Institute.

Investments in subsidiaries are measured at cost in the Institute's parent financial statements.

*Associate*
An associate is an entity over which the Institute has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments in associates are accounted for in the group financial statements using the equity method of accounting.

Investments in associates are accounted for using the equity method of accounting in the Institute's parent financial statements.

*Equity method of accounting in group financial statements*
Investments in associates are accounted for in the group financial statements using the equity method of accounting.

Under the equity method of accounting, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the group's share of the change in net assets of the entity after the date of acquisition. The group's share of the surplus or deficit is recognised in the group surplus or deficit. Distributions received from the investee reduce the carrying amount of the investment in the group financial statements.

If the share of deficits of the entity equals or exceeds the interest in the entity, the group discontinues recognising its share of further deficits. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the entity. If the entity subsquently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

**Breakdown of investment in associates and further information**

The Institute has a 16.67% (2018: 16.67%) interest in an associate, TANZ eCampus Limited, which provides online delivery of educational courses. TANZ eCampus Limited is domiciled and operates in New Zealand.

The Institute's interest in TANZ eCampus Limited is measured using the equity method of accounting in the parent and group financial statements.

Financial information relating to TANZ eCampus Limited is provided below:

| | 2019 ($000) | 2018 ($000) |
|---|---|---|
| **Institute** | | |
| Investment in TANZ eCampus Limited (equity accounted) | 1,095 | 1,160 |
| **Group** | | |
| Dividends or similar distributions received | 20 | - |
| *Summarised financial information of associate* | | |
| Assets | 7,565 | 8,107 |
| Liabilities | (660) | (853) |
| Revenues | 6,422 | 5,795 |
| Surplus/(deficit) | (267) | 472 |
| Other comprehensive revenue and expense | - | - |
| Total comprehensive revenue and expense | (267) | 472 |

| *Reconciliation to equity accounted carrying amount* | | |
|---|---|---|
| Net assets | 6,905 | 7,254 |
| Group's share | 16.67% | 16.67% |
| Elimination of unrealised gain on downstream sale | (50) | (50) |
| Equity accounted carrying amount | 1,095 | 1,160 |

| *Risks associated with the Institute's investment in the associate* | | |
|---|---|---|
| Share of associate's contingent liabilities incurred jointly with other investors | - | - |

## 15. Property, plant & equipment

### Accounting Policy

Property, plant and equipment consists of the following asset classes: land, buildings, plant and equipment, motor vehicles, computer hardware, library books and artwork.

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation and impairment losses. All other asset classes are measured at costs, less accumulated depreciation and impairment losses.

*Revaluations*

Land and buildings are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three year.

Revaluation movements are accounted for on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

*Additions*

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

Work in progress is recognised at cost less impairment and is not depreciated.

In most cases, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Institute and group and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

*Disposals*

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to retained earnings within equity.

*Depreciation*

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.
The depreciation rates of major asset classes have been estimated as follows:

| Class of assets | Rate |
|---|---|
| Buildings | 1%-50% per annum |
| Plant and equipment | 10%-33.33% per annum |
| Motor vehicles | 10-20% per annum |
| Computer hardware | 10-25% per annum |
| Library books | 10% per annum |
| Art | 10% per annum |

*Impairment of property, plant and equipment held at cost*

Property, plant and equipment are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is considered to be impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of an impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

*Value in use for non-cash-generating assets*

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

*Value in use for cash-generating assets*

Cash -generating assets are those assets that are held with the primary objective of generating a commercial return. The Institute and group does not hold any cash-generating assets.

**Critical accounting estimates and assumptions**

*Estimating the fair value of land and buildings*

All land and buildings, excluding work in progress were valued at fair value as at 31 December 2018 by an independent registered valuer, M W Lauchlan, FNZIV, FPINZ, AREINZ, of Duke & Cooke.

*Restrictions on title*

Under the Education Act 1989, the Institute is required to obtain consent from the Secretary for Education to dispose of land and buildings. For plant and equipment, there is an asset disposal limit formula, which provides a limit up to which a TEI may dispose of plant and equipment without seeking consent from the Secretary for Education. Detailed information on the asset disposal rules can be found on the Tertiary Education Commission website.

*Capital commitments*

The amount of contractual commitments for the acquisition of property, plant and equipment is:

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Sports Turf | - | 168 | - | 168 |
| **Total capital commitments** | **-** | **168** | **-** | **168** |

## 15. Property, plant and equipment continued

| Institute - 2019 | Land ($000) | Buildings ($000) | Information Technology ($000) | Lease Computers ($000) | Plant & Equipment ($000) | Vehicles ($000) | Library books ($000) | Artwork ($000) | Total ($000) |
|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | |
| Balance as at 1 January | 28,140 | 56,956 | 7,646 | 131 | 11,454 | 1,384 | 5,024 | 96 | 110,831 |
| Work in progress | - | 396 | - | - | - | - | - | - | 396 |
| **Total opening cost** | **28,140** | **57,352** | **7,646** | **131** | **11,454** | **1,384** | **5,024** | **96** | **111,227** |
| Additions | - | 400 | 592 | - | 635 | 196 | 91 | - | 1,914 |
| Disposals | - | (87) | (2,545) | - | (1,573) | (135) | (3,991) | (9) | (8,339) |
| Reversal of prior Impairment | - | - | - | - | - | - | 26 | - | 26 |
| Work in progress movement | - | (374) | - | - | - | - | - | - | (374) |
| **Balance as at 31 December** | **28,140** | **57,291** | **5,692** | **131** | **10,516** | **1,445** | **1,150** | **88** | **104,453** |
| **Accumulated depreciation** | | | | | | | | | |
| Balance as at 1 January | - | 34 | 5,441 | 131 | 8,085 | 1,211 | 4,531 | 82 | 19,514 |
| Reversal on disposal | - | (41) | (2,509) | - | (1,515) | (135) | (3,965) | (9) | (8,173) |
| Depreciation | - | 2,120 | 837 | - | 966 | 64 | 101 | 3 | 4,092 |
| **Balance as at 31 December** | **-** | **2,113** | **3,769** | **131** | **7,536** | **1,140** | **667** | **76** | **15,433** |
| **Total Institute property, plant and equipment** | **28,140** | **55,178** | **1,923** | **-** | **2,980** | **305** | **483** | **11** | **89,020** |

## 15. Property, plant and equipment continued

| Institute - 2018 | Land ($000) | Buildings ($000) | Information Technology ($000) | Lease Computers ($000) | Plant & Equipment ($000) | Vehicles ($000) | Library books ($000) | Artwork ($000) | Total ($000) |
|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | |
| Balance as at 1 January | 25,250 | 58,538 | 7,324 | 131 | 11,840 | 1,358 | 4,932 | 108 | 109,481 |
| Work in progress | - | 144 | - | - | - | - | - | - | 144 |
| **Total opening cost** | **25,250** | **58,682** | **7,324** | **131** | **11,840** | **1,358** | **4,932** | **108** | **109,625** |
| Additions | 570 | 704 | 919 | - | 615 | 26 | 92 | - | 2,926 |
| Disposals | - | (567) | (597) | - | (1,002) | - | - | (12) | (2,178) |
| Impairment | - | (155) | - | - | - | - | - | - | (155) |
| Revaluation | 2,320 | (1,564) | - | - | - | - | - | - | 756 |
| Work in progress movement | - | 252 | - | - | - | - | - | - | 252 |
| **Balance as at 31 December** | **28,140** | **57,352** | **7,646** | **131** | **11,454** | **1,384** | **5,024** | **96** | **111,227** |
| **Accumulated depreciation** | | | | | | | | | |
| Balance as at 1 January | - | 4,005 | 5,132 | 131 | 7,949 | 1,172 | 4,422 | 81 | 22,892 |
| Reversal on disposal | - | (41) | (444) | - | (802) | - | - | (4) | (1,291) |
| Reversal on revaluation | - | (5,997) | - | - | - | - | - | - | (5,997) |
| Depreciation | - | 2,067 | 753 | - | 937 | 39 | 109 | 5 | 3,910 |
| **Balance as at 31 December** | **-** | **34** | **5,441** | **131** | **8,085** | **1,211** | **4,531** | **82** | **19,514** |
| **Total Institute property, plant and equipment** | **28,140** | **57,318** | **2,205** | **-** | **3,369** | **174** | **493** | **14** | **91,713** |

## 15. Property, plant and equipment continued

| Group - 2019 | Land ($000) | Buildings ($000) | Information Technology ($000) | Lease Computers ($000) | Plant & Equipment ($000) | Vehicles ($000) | Library books ($000) | Artwork ($000) | Total ($000) |
|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | |
| Balance as at 1 January | 28,140 | 56,956 | 7,646 | 131 | 11,454 | 1,384 | 5,024 | 96 | 110,831 |
| Work in progress | - | 396 | - | - | - | - | - | - | 396 |
| **Total opening cost** | **28,140** | **57,352** | **7,646** | **131** | **11,454** | **1,384** | **5,024** | **96** | **111,227** |
| Additions | - | 400 | 592 | - | 635 | 196 | 91 | - | 1,914 |
| Disposals | - | (87) | (2,545) | - | (1,573) | (135) | (3,991) | (9) | (8,339) |
| Reversal of prior Impairment | - | - | - | - | - | - | 26 | - | 26 |
| Work in progress movement | - | (374) | - | - | - | - | - | - | (374) |
| **Balance as at 31 December** | **28,140** | **57,291** | **5,692** | **131** | **10,516** | **1,445** | **1,150** | **88** | **104,453** |
| **Accumulated depreciation** | | | | | | | | | |
| Balance as at 1 January | - | 34 | 5,441 | 131 | 8,085 | 1,211 | 4,531 | 82 | 19,514 |
| Reversal on disposal | - | (41) | (2,509) | - | (1,515) | (135) | (3,965) | (9) | (8,173) |
| Depreciation | - | 2,120 | 837 | - | 966 | 64 | 101 | 3 | 4,092 |
| **Balance as at 31 December** | **-** | **2,113** | **3,769** | **131** | **7,536** | **1,140** | **667** | **76** | **15,433** |
| **Total Institute and group property, plant and equipment** | **28,140** | **55,178** | **1,923** | **-** | **2,980** | **305** | **483** | **11** | **89,020** |

## 15. Property, plant and equipment continued

| Group - 2018 | Land ($000) | Buildings ($000) | Information Technology ($000) | Lease Computers ($000) | Plant & Equipment ($000) | Vehicles ($000) | Library books ($000) | Artwork ($000) | Total ($000) |
|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | | | | |
| Balance as at 1 January | 25,250 | 58,538 | 7,324 | 131 | 11,840 | 1,358 | 4,932 | 108 | 109,481 |
| Work in progress | - | 144 | - | - | - | - | - | - | 144 |
| **Total opening cost** | **25,250** | **58,682** | **7,324** | **131** | **11,840** | **1,358** | **4,932** | **108** | **109,625** |
| Additions | 570 | 704 | 919 | - | 615 | 26 | 92 | - | 2,926 |
| Disposals | - | (567) | (597) | - | (1,002) | - | - | (12) | (2,178) |
| Impairment | - | (155) | - | - | - | - | - | - | (155) |
| Revaluation | 2,320 | (1,564) | - | - | - | - | - | - | 756 |
| Work in progress movement | - | 252 | - | - | - | - | - | - | 252 |
| **Balance as at 31 December** | **28,140** | **57,352** | **7,646** | **131** | **11,454** | **1,384** | **5,024** | **96** | **111,227** |
| **Accumulated depreciation** | | | | | | | | | |
| Balance as at 1 January | - | 4,005 | 5,132 | 131 | 7,949 | 1,172 | 4,422 | 81 | 22,892 |
| Reversal on disposal | - | (41) | (444) | - | (802) | - | - | (4) | (1,291) |
| Reversal on revaluation | - | (5,997) | - | - | - | - | - | - | (5,997) |
| Depreciation | - | 2,067 | 753 | - | 937 | 39 | 109 | 5 | 3,910 |
| **Balance as at 31 December** | **-** | **34** | **5,441** | **131** | **8,085** | **1,211** | **4,531** | **82** | **19,514** |
| **Total Institute and group property, plant and equipment** | **28,140** | **57,318** | **2,205** | **-** | **3,369** | **174** | **493** | **14** | **91,713** |

## 16. Intangible assets

### Accounting policy

*Software acquisition and development*

Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include software development employee costs.

Staff training costs are recognised as an expense when incurred.

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

*Course development costs*

Costs that are directly associated with the development of new educational programmes are recognised as an intangible asset to the extent that such costs are expected to be recovered. The development costs primarily consist of employee costs.

*Amortisation*

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is expensed in the surplus or deficit.

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

- Computer software 3 - 10 years 10% - 33% per annum
- Course development costs 5 years 20% per annum

*Impairment of intangible assets*

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.
For further details refer to the policy for impairment of property, plant and equipment in Note 16.
The same approach applies to the impairment of intangible assets.

### Breakdown of intangible assets and further information

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 | 2018 | 2019 | 2018 |
| **Computer Software** | **($000)** | **($000)** | **($000)** | **($000)** |
| Opening cost | 4,580 | 4,469 | 4,580 | 4,469 |
| Additions | 94 | 208 | 94 | 208 |
| Disposals | (1,013) | (97) | (1,013) | (97) |
| **Closing cost** | **3,661** | **4,580** | **3,661** | **4,580** |
| | | | | |
| Opening accumulated amortisation | 2,817 | 2,454 | 2,817 | 2,454 |
| Amortisation | 449 | 435 | 449 | 435 |
| Disposals | (999) | (71) | (999) | (71) |
| **Closing accumulated amortisation** | **2,267** | **2,817** | **2,267** | **2,817** |
| | | | | |
| **Net carrying amount** | **1,393** | **1,763** | **1,393** | **1,763** |

| Programme Development Costs | Institute 2019 ($000) | Institute 2018 ($000) | Group 2019 ($000) | Group 2018 ($000) |
|---|---|---|---|---|
| Opening cost | 1,261 | 703 | 1,261 | 703 |
| Additions | 176 | 558 | 176 | 558 |
| Disposals | (157) | - | (157) | - |
| **Closing cost** | **1,280** | **1,261** | **1,280** | **1,261** |
| | | | | |
| Opening accumulated amortisation | 453 | 267 | 453 | 267 |
| Amortisation | 265 | 185 | 265 | 185 |
| Disposals | (61) | - | (61) | - |
| **Closing accumulated amortisation** | **656** | **453** | **656** | **453** |
| | | | | |
| **Net carrying amount** | **624** | **808** | **624** | **808** |

| Total Intangible Assets | Institute 2019 ($000) | Institute 2018 ($000) | Group 2019 ($000) | Group 2018 ($000) |
|---|---|---|---|---|
| Opening cost | 5,841 | 5,172 | 5,841 | 5,172 |
| Additions | 271 | 766 | 271 | 766 |
| Disposals | (1,171) | (97) | (1,171) | (97) |
| **Closing Cost** | **4,941** | **5,841** | **4,941** | **5,841** |
| | | | | |
| Opening amortisation | 3,270 | 2,721 | 3,270 | 2,721 |
| Amortisation | 714 | 620 | 714 | 620 |
| Disposals | (1,060) | (71) | (1,060) | (71) |
| **Closing accumulated amortisation** | **2,924** | **3,270** | **2,924** | **3,270** |
| | | | | |
| **Net carrying amount** | **2,017** | **2,571** | **2,017** | **2,571** |

There are no restrictions over the title of the Institute's intangible assets. No intangible assets are pledged as security for liabilities.

*Capital commitments*

There were no contractual commitments for the acquisition of intangible assets for the Institute and group (2018: $Nil).

## 17. Contingencies

**Contingent liabilities**

The Institute and group has contingent liabilities totalling $Nil as outlined in Note 19 (2018:$Nil).

**Contingent assets**

The Institute and group has contingent assets totalling $Nil (2018:$Nil).

## 18. Staff and student grievances

At balance date there are no student or staff related claims against the Institute for which the outcomes are uncertain (2018: $Nil).

The maximum estimated exposure to staff and student grievances is $Nil (2018: $Nil).

## 19. Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Institute and group would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements with TEIs and undertaken on the normal terms and conditions for such transactions.

**Transactions with Subsidiaries & Associates**

*Nelson Polytechnic Educational Society Incorporated*

The Institute entered into transactions with the Nelson Polytechnic Educational Society Incorporated (NPES). All the transactions for the NPES are processed through NMIT's general ledger and operating bank account. NMIT has a dedicated operating bank account for NPES transactions, and separate term investments for NPES funds invested.

In 2010 the Council agreed that NMIT could give $500,000 to NPES to fund and manage the entire scholarship programme for the foreseeable future. In 2015, a further $1,000,000 was given to NPES.

The accumulated balance of these funds $1,036,618 (2018: $1,035,312) are included within the accumulated funds in the Consolidated Statement of Financial Position.

NMIT pays the audit fee on behalf of NPES and is reimbursed. The 2019 audit fee is $4,214 (2018: $4,091).

*NMIT Research Trust*

The Institute entered into transactions with the NMIT Research Trust in 2017. All the transactions for the NMIT Research Trust are processed through NMIT's general ledger and operating bank account. NMIT has a dedicated operating bank account for NMIT Research Trust transactions.

The accumulated balance of the Research Trust funds $25,250 (2018: $28,430) are included within the accumulated funds in the Consolidated Statement of Financial Position.

| **Transactions with key management personnel**<br>Key management personnel compensation | **Actual 2019 ($000)** | **Actual 2018 ($000)** |
|---|---|---|
| *Council Members* | | |
| Remuneration | 140 | 142 |
| Full time equivalent members | 8 | 8 |
| *Executive Management Team, including the Chief Executive* | | |
| Remuneration | 1,079 | 949 |
| Full time equivalent members | 6 | 5 |
| Total key management personnel remuneration | **1,219** | **1,091** |
| Total full time equivalent personnel | **14** | **13** |

An analysis of Council member remuneration is provided in Note 4.

## 20. Budget variance explanations

Explanations for major variations against the budget information at the start of the financial year are as follows:

**Statement of comprehensive revenue and expense**

*Government grants*

Government grants are unfavourable to budget due to the underdelivery of SAC funded EFTS, in particular levels 3 & above and Youth Guarantee.

*Interest revenue*

Interest revenue is unfavourable to budget due to lower than budgeted interest rates.

*Other revenue*

Other revenue is unfavourable to budget due to lower numbers of students from Chinese partner institutions studying in New Zealand, resulting in lower mentoring fees.

*Personnel costs*
Personnel costs are favourable to budget due to a reduction in contractor costs, in particular for mentoring China partner students studying in New Zealand, and delivery of courses In China. In addition, there were delays in filling some new support staff roles which resulted in lower annual costs.

*Depreciation and amortisation expense*
Depreciation and amortisation expense is unfavourable to budget due to a higher than budgeted opening asset base from the 2018 revaluation of land and buildings. The increase in value was not budgeted for in the 2019 budget.

*Other expenses*
Other expenses are favourable to budget due lower payments to joint venture partners (due to lower EFTS), savings on consultants expenditure, and lower commissions paid to international agents.

**Statement of financial position**

*Cash and cash equivalents*
Budgeted cash and cash equivalents includes investments. Together these are favourable to budget due to lower expenditure (both personnel and operating costs).

*Debtors and other receivables*
Debtors and other receivables are higher than budget due to outstanding debt from China partner institutions at balance date that was budgeted to have been received prior to balance date.

*Other financial assets*
Investments are not budgeted separately from cash.

*Prepayments*
Prepayments are higher than budget due to the timing of payment of invoices for services spanning balance date.

*Property, plant and equipment*
Property, plant and equipment is higher than budget due to the revaluation of land and buildings in December 2018. The increase in value was not budgeted for when the 2019 budget was prepared.

*Intangible assets*
Intangible assets are lower than budgeted due to lower than budgeted expenditure on programme development. In addition, expenditure on programme development in 2018 was also lower than budgeted, resulting in a lower 2019 opening balance than budgeted.

*Creditors and other payables*
Creditors and other payables are lower than budget due to timing of receipt of creditor invoices and payments.

*Revenue received in advance*
Revenue received in advance is higher than budgeted due to increased revenue from programmes spanning balance date, in particular the new Masters in Applied Management programme.

*Provisions*
Provisions are higher than budget due to unbudgeted redundancy costs from the discontinuation of several programmes.

*Other financial liabilities*
Other financial liabilities are higher than budgeted due to unbudgeted funding recoveries payable to Tertiary Education Commission (TEC).

**Statement of movements in equity**

The surplus for the year was lower than budgeted due to the differences in revenue and expenditure as explained above.

**Statement of cash flows**

Net cash flows from operating activities are higher than budgeted due to lower personnel costs, payments to joint venture partners (lower EFTS), and expenditure on consultants.

## 21. Events after balance date

*Merger of polytechnics and institutes of technology into a single entity*

As a result of the passing of the Education (Vocational Education and Training and Reform) Amendment Bill, all existing Institutes of Technology and Polytechnics will become subsidiary companies of the New Zealand Institute of Skills and Technology (NZIST) on 1 April 2020. As of that date, the assets and liabilities of NMIT are expected to transfer to NZIST.
There were no significant events to report after balance date.

*Coronavirus (COVID-19) pandemic*

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic and two weeks later the New Zealand Government declared a State of National Emergency. From this, the country is at Alert Level 4 and in lockdown. As a result, economic uncertainties have arisen which are likely to negatively affect our operations and services. Noted below are the possible effects that we have identified on the Institute as a result of the COVID-19 pandemic:

* Failure to meet educational targets as a reuslt of the Level 4 lockdown may affect government tuition and research funding, as well as student fees and charges.
* Reduction in student numbers as a result of the impact of COVID-19 on the short and medium term operations of businesses involved in the building, engineering, manufacturing, fishing, tourism and horticulture sectors.
* Additional costs are likely to be incurred as a result of developing alternative methods of education delivery to students.
* Additonal costs arising from repayments to students for residential accommodation including student accommodation costs and revenue.
* The direct cost impact of the Alert Level 4 lockdown on salaries for staff, leases or other related costs.

At this time, it is difficult to determine the full effect of the COVID-19 pandemic, and there could be other matters that affect the Institute.

## 22. Financial instruments

### 22A Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| **FINANCIAL ASSETS** | | | | |
| **Loans and receivables** | | | | |
| Cash and cash equivalents | 5,201 | 3,113 | 5,201 | 3,113 |
| Debtors and other receivables (excl GST) | 1,420 | 1,262 | 1,420 | 1,262 |
| Other financial assets | | | | |
| - term deposits | 14,800 | 13,100 | 14,800 | 13,100 |
| *Total loans and receivables* | 21,420 | 17,474 | 21,420 | 17,474 |
| | | | | |
| **FINANCIAL LIABILITIES** | | | | |
| **Financial liabilities at amortised cost** | | | | |
| Creditors and other payables (excl GST & PAYE) | 1,933 | 2,588 | 1,933 | 2,588 |
| Other financial liabilities | 1,940 | 1,887 | 878 | 824 |
| *Total financial liabilities at amortised cost* | 3,874 | 4,475 | 2,812 | 3,411 |

The Institute does not measure any financial instruments in the Statement of Financial Position measured at fair value through surplus or deficit or at fair value through other comprehensive revenue and expense.

### 22B Financial instrument risks

The Institute's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. The Institute and group has policies to manage these risks and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

**Market risk**

*Price risk*

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Institute has no financial instruments that give rise to price risk.

*Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Institute purchases resources from overseas, which exposes it to currency risk. It also invoices its Chinese partner institutions in foreign currency.

This exposure is not considered significant and is not actively managed.

*Fair value interest rate risk*

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Institute's exposure to fair value interest rate risk arises from bank deposits at fixed interest rates. The Institute does not actively manage its exposure to fair value interest rate risk as investments are generally held to maturity.

*Cash flow interest rate risk*

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Institute's exposure to cash flow interest rate risk is limited to on-call deposits. This exposure is not considered significant and is not actively managed.

**Credit risk**

Credit risk is the risk that a third party will default on its obligation to the Institute and group, causing it to incur a loss. In the normal course of business, the Institute and group is exposed to credit risk from cash and term deposits with banks and debtors and other receivables. For each of these, the maximum credit risk exposure is best represented by the carrying amount in the Statement of Financial Position.

Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits which gives rise to credit risk.

The amount of credit exposure to any one financial institution for term deposits is limited to no more than 60% of total investments held. Investments are entered into only with registered banks that have a Fitch or Standard and Poor's minimum credit rating of BBB. The Institute has experienced no defaults of interest or principal payments for term deposits. Concentrations of credit risk for debtors and other receivables are limited due to the large number and variety of customers. The Tertiary Education Commission is the largest debtor. It is assessed as a low risk and high quality entity due to being a government funded purchaser of tertiary education services.

*Credit quality of financial assets*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

| | **Institute** | | **Group** | |
|---|---|---|---|---|
| | **2019** | **2018** | **2019** | **2018** |
| **Counterparties with credit ratings** | **($000)** | **($000)** | **($000)** | **($000)** |
| Cash at bank and term deposits | | | | |
| AA- | 11,042 | 9,854 | 11,042 | 9,854 |
| BBB | 8,950 | 6,350 | 8,950 | 6,350 |
| **Total** | **19,992** | **16,204** | **19,992** | **16,204** |

**Liquidity risk**

*Management of liquidity risk*

Liquidity risk is the risk that the Institute and group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. The Institute and group manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

*Contractual maturity analysis of financial liabilities*

The table below shows the maturity groupings of financial liabilities based on the remaining period at balance date to the contractual maturity date.

| | Carrying amount ($000) | Contract cash flows ($000) | Less than 6 months ($000) | 6 months or greater ($000) |
|---|---|---|---|---|
| **Institute 2019** | | | | |
| Creditors and other payables | 2,387 | 2,387 | 2,387 | - |
| Accrued pay | 635 | 635 | 635 | - |
| *Total* | 3,022 | 3,022 | 3,022 | - |
| **Group 2019** | | | | |
| Creditors and other payables | 2,387 | 2,387 | 2,387 | - |
| Accrued pay | 635 | 635 | 635 | - |
| *Total* | 3,022 | 3,022 | 3,022 | - |
| **Institute 2018** | | | | |
| Creditors and other payables | 3,164 | 3,164 | 3,164 | - |
| Accrued pay | 608 | 608 | 608 | - |
| *Total* | 3,773 | 3,773 | 3,773 | - |
| **Group 2018** | | | | |
| Creditors and other payables | 3,164 | 3,164 | 3,164 | - |
| Accrued pay | 608 | 608 | 608 | - |
| *Total* | 3,773 | 3,773 | 3,773 | - |

*Sensitivity Analysis*

The table below shows the estimated effect on the surplus or deficit and equity (excluding general funds) of movements in interest rates.

| **Institute & group 2019** | 2019 ($000) | | | |
|---|---|---|---|---|
| | | - 0.25% | | + 0.25% |
| **Interest Rate Risk** | Surplus | Other equity | Surplus | Other equity |
| *Financial Assets* | | | | |
| Cash and cash equivalents | (15) | - | 15 | - |
| **Total sensitivity** | (15) | - | 15 | - |

| **Institute & group 2018** | 2018 ($000) | | | |
|---|---|---|---|---|
| **Interest Rate Risk** | **Surplus** | **- 0.25% Other equity** | **Surplus** | **+ 0.25% Other equity** |
| *Financial Assets* | | | | |
| Cash and cash equivalents | (8) | - | 8 | - |
| **Total sensitivity** | (8) | - | 8 | - |

*Explanation of interest rate risk sensitivity*
The interest rate sensitivity is based on a possible movement in interest rates of 25 basis points, with all other variables held constant.

**Foreign Exchange Risk**
The Institute was not exposed to foreign exchange risk as it did not hold any financial instruments in foreign currency at 31 December 2019 (2018: $Nil).

## 23. Closure of Global Campus Auckland

On 28 September 2018, NMIT closed its Auckland campus (Global Campus). Revenue and expenditure from the operation of Global Campus are not separately disclosed in the Notes to the Financial Statements above except for Note 2. Details are provided below:

| | Institute | | Group | |
|---|---|---|---|---|
| **Global Campus Revenue** | **2019 ($000)** | **2018 ($000)** | **2019 ($000)** | **2018 ($000)** |
| Tuition fees from international students | - | 1,384 | - | 1,384 |
| Other revenue | - | 7 | - | 7 |
| Interest revenue | - | - | - | - |
| **Total revenue** | **-** | **1,390** | **-** | **1,390** |
| **Global Campus Expenses** | | | | |
| Personnel costs | - | 607 | - | 607 |
| Depreciation and amortisation expense | - | 102 | - | 102 |
| Other expenses | - | 2,926 | - | 2,926 |
| **Total expenses** | **-** | **3,635** | **-** | **3,635** |
| **Global Campus Surplus / (deficit) ($000)** | **-** | **(2,244)** | **-** | **(2,244)** |

**Breakdown of Global Campus personnel costs**

| | Institute | | Group | |
|---|---|---|---|---|
| | **2019 ($000)** | **2018 ($000)** | **2019 ($000)** | **2018 ($000)** |
| Academic staff salaries & wages | - | 387 | - | 387 |
| Support staff salaries & wages | - | 214 | - | 214 |
| Defined contribution plan employer contribution | - | 13 | - | 13 |
| Contractors | - | (6) | - | (6) |
| **Total** | **-** | **607** | **-** | **607** |

**Breakdown of Global Campus other expenses**

| | Institute | | Group | |
|---|---|---|---|---|
| | 2019 ($000) | 2018 ($000) | 2019 ($000) | 2018 ($000) |
| Repairs & maintenance | - | 27 | - | 27 |
| Rent expense | - | 1,766 | - | 1,766 |
| Other occupancy costs | - | 144 | - | 144 |
| Course purchases | - | 7 | - | 7 |
| Net loss on disposal of PP&E and investments | - | 833 | - | 833 |
| Other expenses | - | 148 | - | 148 |
| **Total** | - | 2,926 | - | 2,926 |

# Compulsory student services levy

NMIT charged learners a compulsory student services levy of $240 (incl GST) per EFTS in 2019. NMIT contracted SANITI to provide a range of services for the benefit of learners at all NMIT campuses, including independent advocacy and support, programme representation, representation on NMIT committees, recreation and cultural activities, an international learner's activities programme and employment information and support. Income and expenditure associated with the provision of these services is separately accounted for in NMIT's accounting system. Where the student services levy collected exceeds the annual services fee, NMIT and SANITI will consult with learners on the services to which the excess will be allocated. The excess student services levy is recorded as a liability by NMIT until it is spent. When there is a deficit, NMIT will offset this against a liability from a previous year where possible.

## Student services levy income and expenditure 2019

| **Revenue** | Advocacy and Legal Services | Employment Information | Sports, Recreation & Cultural Services | **Sub Total** | International Activities | **Total** |
|---|---|---|---|---|---|---|
| Service Level Agreement | 170,000 | 56,000 | 148,800 | 374,800 | 13,200 | 388,000 |
| Total Revenue | 170,000 | 56,000 | 148,800 | 374,800 | 13,200 | 388,000 |
| **Expenditure** | | | | | | |
| Expenses | 172,627 | 57,435 | 152,055 | 382,117 | 13,354 | 395,472 |
| Total Expenses | | | | | | |
| Surplus/Deficit | (2,627) | (1,435) | (3,255) | (7,317) | (154) | (7,472) |

## Advocacy and legal advice

Advocacy support was provided to learners both individually and in groups to help resolve problems. Advocacy was undertaken by independent advocates on behalf of learners. Referral to legal advice was made as necessary and appropriate. All issues were either resolved or escalated to a higher level to be heard or resolved. Hardship situations were assessed and at times help was provided with financial assistance and food parcels.

## Employment information

Employment information was provided to learners seeking assistance with applying for and sourcing employment. Assistance included one-on-one and group support with writing resumes and cover letters, interview techniques, LinkedIn profiles and employment application processes. SANITI continued to develop relationships with business and the local community, and received job notifications which were made available to learners.

## Sports and recreation facilities

SANITI provided a wide range of events for learners at Nelson and Marlborough campuses throughout the year. These events include Semester 1 and 2 orientation programmes, cultural activities, and a range of in-term events and graduation after-functions.

## International activities

SANITI provided activities for international students at Nelson and Marlborough campuses throughout the year. These activities included a combination of on-campus evening events and off-campus weekend trips including visits to Golden Bay and Pelorus. Activities provided international students with an opportunity to interact and see the region.

# Glossary

| | | | |
|---|---|---|---|
| **ALNAT** | Adult Literacy and Numeracy Assessment Tool | **NZCEL** | New Zealand Certificate in English Language |
| **CAE** | Certificate in Aeronautical Engineering | **NZDF** | New Zealand Defence Force |
| **CoVE** | Centre of Vocational Excellence | **NZIST** | New Zealand Institute of Skills and Technology |
| **EEO** | Equal Employment Opportunities | **NZQA** | New Zealand Qualifications Authority |
| **EEdO** | Equal Education Opportunities | **OCP** | Organisational Counselling Programmes |
| **EFTS** | Equivalent Full Time Student | **QA** | Quality Assured |
| **EIT** | Eastern Institute of Technology | **RNZAF** | Royal New Zealand Air Force |
| **ELTO** | English Language Training for Officials | **RoVE** | Reform of Vocational Education |
| **EPI** | Education Performance Indicator | **SAC** | Student Achievement Component |
| **FTE** | Full Time Equivalent (Staff) | **SANITI** | Students Association of Nelson Marlborough Institute of Technology Incorporated |
| **INZ** | Immigration New Zealand | **SMS** | Student Management System |
| **ITPs** | Institutes of Technology and Polytechnics | **STAR** | Secondary, Tertiary Alignment Resource |
| **LADS** | Lucid Adult Dyslexia Screening | **TANZ** | Tertiary Accord of New Zealand |
| **MPTT** | Māori Pasifika Trades Training | **TEC** | Tertiary Education Commission |
| **MRC** | Marlborough Research Centre | **TES** | Tertiary Education Strategy |
| **MSD** | Ministry of Social Development | **TOTSTA** | Top of the South Trades Academy |
| **NEET** | Not in Education, Employment or Training | **TPP** | Te Toki Pākohe |
| **NIWA** | National Institute of Water and Atmospheric Research | **TTP** | Tai Poutini Polytechnic |
| **NMIT** | Nelson Marlborough Institute of Technology | **VMI** | NZ Certificate in Vehicles, Machinery and Infrastructure |
| **NPES** | Nelson Polytechnic Educational Society Incorporated | **YES** | Young Enterprise Scheme |

## Directory

| | | | |
|---|---|---|---|
| **Auditor** | Audit New Zealand (on behalf of the Auditor-General) | **Solicitor** | Pitt and Moore, Nelson |
| **Banker** | BNZ, Nelson | **Insurance Broker** | Marsh Ltd, Auckland |

# NMIT is proud to work with our industry partners

NMIT works with over 100 industry partners to provide relevant, up-to-date programmes that prepare our students for careers in their chosen industry.

We would like to thank those that generously partner with us to provide scholarships to our students.


2019 scholarship recipients.

Nelson Marlborough Institute of Technology
Te Whare Wānanga o Te Tau Ihu o Te Waka a Maui

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**NMIT Marlborough,** 85 Budge Street,
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**P:** 03 578 0215.

**NMIT Woodbourne,** RNZAF Base
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