
2020
Annual Report
Ngā Āhuatanga
nmit
Nelson Marlborough Institute of Technology

2020 Collectively preparing world and work ready graduates

6,555 Total learners

2,646 EFTS

974 International students

NZQA CATEGORY 1

Telarc. Registered Quality ISO 9001

63% qualification completion **(66% 2019)**

71% retention rate **(70% 2019)**

87% NMIT graduates in employment **(88% in 2019)**

Despite COVID-19 and its resultant lockdowns, learner achievement rates improved over the previous year

"I found not only did the course tutors offer a lot of support, but the people behind the course were always there for you also"

Alicia Sixtus, Culinary Arts (Level 5)

We are delivering skills for industry

By working more closely with industry advisory groups, including the Defence Force and Civil Aviation, NMIT's aviation programmes are providing better training and work experience for students.

Horticulture programmes now have multiple entry points throughout the year to better accommodate the needs of school leavers.

We have delivered one day workshops for the salmon industry, with a range of courses also being developed for those interested in working in the wine industry.

Through consultation with Te Tauihu industry, NMIT developed our Level Five Tourism and Hospitality Management Diploma, which meets the industry need for staff who understand the value and practice of Maanakitanga and Kaitiakitanga in successful business.

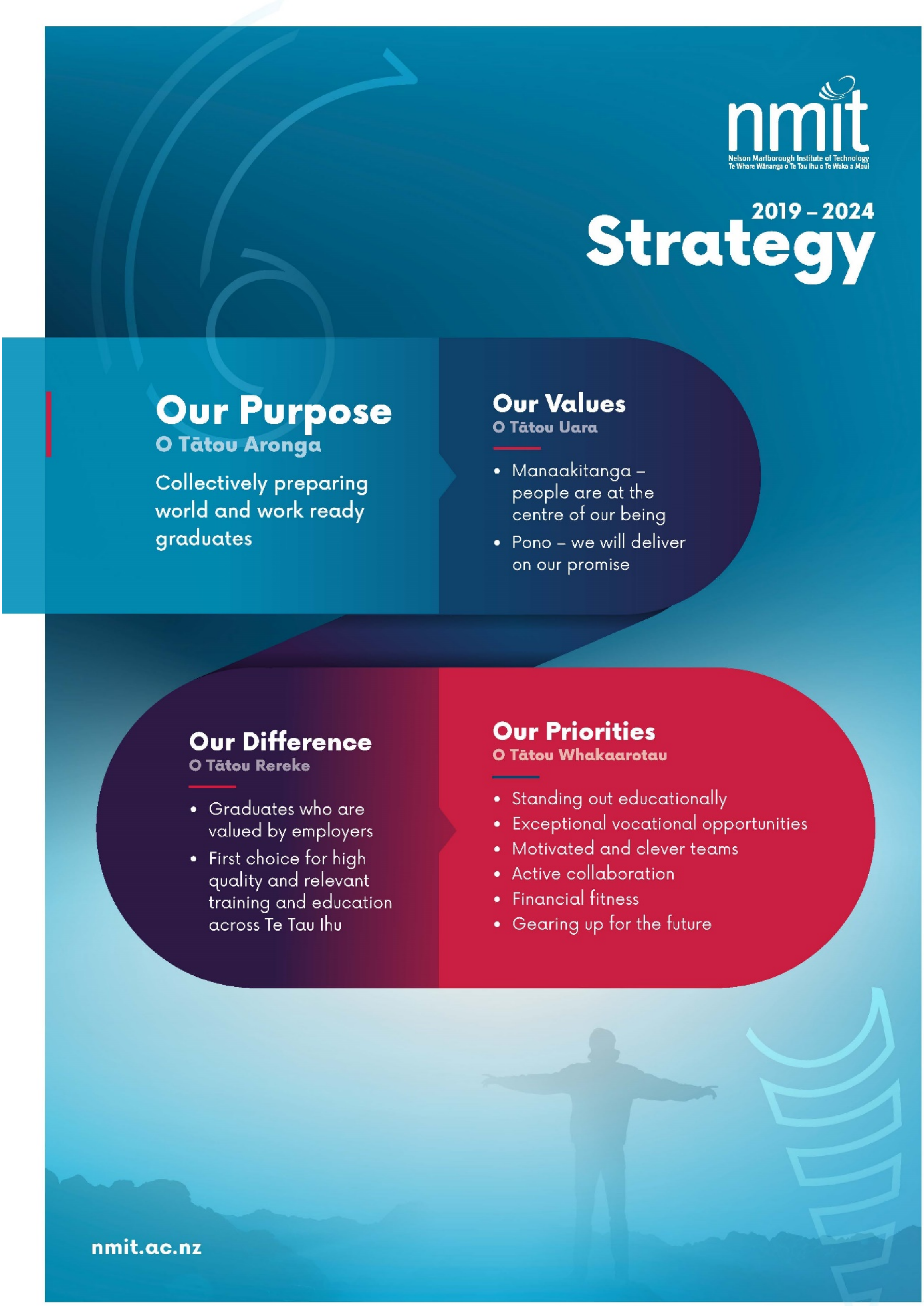
We continue to progress our partnership with iwi and Māori, signing Manaakitanga MOUs with iwi and Marae as well as certification of Māori corporate in-house wānanga.

"It all came together when I looked online and saw that superyacht course. That really just stuck out to me and it was the best thing I ever did. It pretty much created this whole career path for me."

Matty Pigou, Certificate in Superyacht Crewing Graduate

Contents

NMIT Strategy



Board 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.

E rau rangatira mā, tēnā koutou

Nei rā ngā mihi ki a koutou katoa ngā hunga whaipānga o te Whare Wānanga o Te Tauihu o te Waka a Māui

Kua mahi tahi tātou i roto i te tau kua taha ake mo tō tātou hapori, me ngā akonga o te whare wānanga nei

"Mā whero mā pango ka oti ai te mahi"

Nō reira, tēnā koutou, tēnā koutou, tēnā koutou katoa

As Nelson Marlborough Institute of Technology Limited (NMIT) Board Chair, it gives me great pleasure in presenting the NMIT Annual Report for the year to December 31, 2020.

2020 was a challenging and character-building year, as the COVID-19 crisis struck and continues to have health, social and economic consequences across the world. I am most pleased with how NMIT responded to the difficulties the pandemic presented and the position we now find ourselves in. Our priorities throughout the crisis were to keep our students and staff safe and to meet the needs of those who are part of our community.

I am especially proud of our staff who professionally and proficiently adapted to deliver online course teaching and materials and student support in a short period of time. This was not an easy task, nor was managing ongoing research efforts. This pride extends to our students who rose to the challenge of a very different style of learning.

NMIT delivers a vocational education experience that puts learners at the centre – a shift from fitting life around learning, to learning that fits around people and their world.

We have severe skills shortages across many industry sectors and the current vocational education system does not always fit this paradigm – meeting the needs of learners, employers, industry sectors or regions.

Educational challenges, such as skills shortages and under-serving some learner groups, have led to the Reform of Vocational Education (RoVE). This is the most significant change for the tertiary education sector in more than 25 years.

As an outcome of RoVE, on 1 April 2020, NMIT became a subsidiary company of Te Pūkenga, with a new board of directors comprising Daryl Wehner (Chair), Tracy Johnston (Deputy Chair), Judene Edgar, Toni Grant, Kathy Grant, Charles Newton, Patrick Smith and Joanie Wilson.

This transition added complexity and workload to the NMIT Board as it assisted Te Pūkenga with the commencement of the tertiary sector reforms.

I would take this opportunity to thank NMIT's Directors for their dedication and thoughtful contributions throughout the year.

A special mention and acknowledgement is made to the Council members who retired on 31 March 2020: Gabrielle Hervey, Paul Steere, Des Ashton, Win Greenaway and Cornelius Prinsloo (SANITI Student President and student representative on Council). I also wish to further acknowledge the contribution of Cornelius Prinsloo in his role as SANITI Student President as he and the SANITI team supported our learners throughout a difficult 2020.

As a result of NMIT becoming a subsidiary of Te Pūkenga, we have been required to report a financial result for the nine month period from 1 April to 31 December 2020. As the majority of NMIT's operating revenue was received and accounted for in the first three months of the calendar year, the nine month accounts record a deficit of $16.1 million for the period. By combining the two periods, I am pleased to report that for the 12 months to 31 December 2020, NMIT delivered an operating surplus of $3.2 million, with cash reserves of $17.2 million.

NMIT's 2020 revenue was adversely impacted by the international travel ban and lockdowns due to COVID-19. However, NMIT's historically strong financial performance and current financial position ensured it was well-positioned to financially navigate the challenge that was 2020.

I had several notable occasions to meet members of the wider NMIT community during 2020. Graduation is always a special event for our graduates and their families. It was a pleasure to be part of the ceremonies where over 500 students graduated with the skills needed to be work and world ready.

In conclusion, I wish to thank Liam Sloan, NMIT's Chief Executive until his resignation in August 2020. His leadership, particularly throughout the difficult COVID-19 period was pivotal to the stability of NMIT during this time.

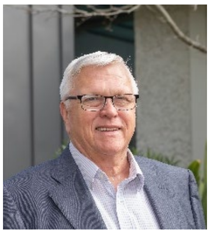
I thank our Chief Executive, Wayne Jackson, NMIT staff, our iwi partners, collaboration partners, industry, sponsors and supporters for their continued commitment to, and enthusiasm for NMIT and the significant role it plays in the Nelson, Tasman and Marlborough regions.

NMIT continues to define an aspirational future for learning and research. NMIT's 2020 Annual Report demonstrates it is strongly positioned to continue this aspiration into the future.

Kia ora mai tātou katoa

Daryl Wehner
Chair, NMIT Board

Chief Executive's Report



There has already been a lot of comment about the extraordinary and unexpected impact of COVID-19 in 2020, however NMIT began 2020 facing a high degree of change which was foreshadowed as RoVE started to take effect. Adding further to our challenges was the move of the Chief Executive, Liam Sloan, to Australia to take up a position at Federation University, Melbourne, in August 2020.

I am pleased to report that NMIT navigated both the anticipated and unexpected changes well, and finished the year with a continuation of the delivery of high-quality educational outcomes and a strong financial result. NMIT remains a Category 1 Polytechnic and a core vocational educational asset for the Top of the South region.

I pay tribute to the NMIT team and our colleagues across the network who responded quickly and innovatively to ensure that our mission of the delivery of high-quality qualifications, programmes and courses to learners, was sustained.

On 1 April 2020, NMIT became a subsidiary company of Te Pūkenga – NZIST, which means that NMIT Ltd is now part of a wider network of 15 other subsidiaries around Aotearoa New Zealand, with a new central office based in Hamilton. NMIT, along with the other subsidiaries, is working closely with the leadership of Te Pūkenga to develop the design of an operating model for the future.

One of the key objectives of the change is to ensure a stronger delivery of our programmes to our region. 2020 saw us laying the foundations for a merging together of the Industry Training Organisations (ITOs) and the Polytechnics (ITPs).

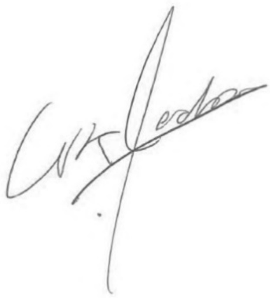
This will mean a new integrated approach to vocational training, offering a seamless pathway of training and skills from introductory levels up to postgraduate qualifications in some areas.

We continued to invest in key facilities that add to our delivery during 2020. This included working with industry with our joint investment in viticulture in Marlborough and the move of our construction resources to our Richmond campus, expanding our delivery capability threefold to meet the huge growth in learner numbers for these skills.

Being truly learner centred means we must take account of the valuable lessons learnt from the innovative use of technology during the COVID-19 closedown period, by delivering skills to learners in ways that meet their needs, whether that is on-campus or as part of their working lives.

I am confident that NMIT will prosper and grow within the new structure, with opportunities for staff and learners by being able to access greater resources from the whole of Te Pūkenga.

Thank you to the NMIT Board for their guidance and support during 2020 and to Team NMIT for continuing to deliver excellence every day, even under extraordinary circumstances. This commitment reflects the core values that drive our Institute - "people at the centre of our being" and "delivering on our promise".



Wayne Jackson
Chief Executive

Role of Annual Report and the Board

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

> Assessing Nelson Marlborough Institute of Technology Limited'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, NMIT.

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 the Education and Training Act 2020, NMIT must prepare and adopt the following key documents:

> Statement of Objectives including performance measures

> Investment Plan 2019-2020

> Annual Report

Role of the Board

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

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

NMIT Board 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 Committee to advise the Board on matters relating to courses of study or training and other academic matters.

Board Directors

NMIT Board Directors

Daryl Wehner	Chair, Te Pūkenga Appointment
Tracy Johnston	Deputy Chair, Te Pūkenga Appointment
Charles Newton	Te Pūkenga Appointment
Joanie Wilson	Te Pūkenga Appointment
Judene Edgar	Te Pūkenga Appointment
Kathy Grant	Te Pūkenga Appointment
Patrick Smith	Te Pūkenga Appointment
Toni Grant	Te Pūkenga Appointment
Brian Johnston	Company Secretary, Te Pūkenga Appointment

NMIT Board Directors Register of Interests

Daryl Wehner	• Port Nelson Ltd: Chief Financial Officer • Tasman Bay Stevedoring Co. Ltd: Director
Tracy Johnston	• TRC Tourism: Consultant • Dayvinleigh Limited: Executive Director • Wine Marlborough Ltd: Director • Institute of Directors: Nelson/Marlborough Committee Member • Eastern Institute of Technology: NZIST Appointee • Marlborough Local Advisory Committee Fire and Emergency: Deputy Chair.
Judene Edgar	• Nelson City Council: Deputy Mayor • Nelson Regional Transport Committee: Deputy Chair • Nelson Tasman Regional Landfill Business Unit: Chair • Network Tasman Ltd: Shareholder • Network Tasman Trust: Trustee • Network Tasman Charitable Trust: Trustee • NTT Investments Ltd: Director/Shareholder • Encompass Strategic Services Ltd: Director/Shareholder • David Verhagen Consulting Ltd: Director/Shareholder • Nelson Airport Ltd: Shareholder • Nelson Port Ltd: Shareholder • Tasman Bays Heritage Trust: Shareholder • Nelmac Ltd: Shareholder • Nelson Regional Development Agency: Shareholder • Bishop Suter Trust: Shareholder • City of Nelson Civic Trust: Shareholder • Nelson Municipal Band Trust: Shareholder

NMIT Board Directors Register of Interests cntd.

Toni Grant	• Rata Foundation Ltd: Director • Canterbury Direct Investments Ltd: Director • Canterbury Trust House Ltd: Director • Tama Asset Holding Company Ltd: Director • Kotato Ltd: Director • Tui GP Ltd: Chair • Central Districts Cricket Assn Inc: Director • The Basketball Development Nelson Trust: Trustee • Waikato 1B Ltd: Executive Director • Waikato 1C Ltd: Executive Director • Waikato 1D Ltd: Executive Director • Puramakau 2L Ltd: Executive Director • Puramakau 2M Ltd: Executive Director • Puramakau 2N Ltd: Executive Director • Puramakau 2O Ltd: Executive Director • Te Kumara 3L Ltd: Executive Director • Chatham Is Quota Holding Co Ltd: Director • Tasman District Council Port Tarakohe Governance Steering Group: Member • Wakatu Incorporation: Tamariki Shareholding – Trustee **Iwi Affiliation** • Ngāti Rarua and Ngāti Rarua Atiawa Iwi Trust: Tamariki beneficiaries
Kathy Grant	• Dunedin City Holdings Ltd: Deputy Chair • Dunedin City Treasury Ltd: Deputy Chair • Dunedin Stadium Property Ltd: Deputy Chair • Whitireia Community Polytechnic Ltd: Director • Wellington Institute of Technology Ltd: Director • NZIST: Council Member • Trustee of various private trusts (former clients) • Dunedin Railway Limited: Director.
Charles Newton	• Charles Newton Consulting Ltd: Director
Joanie Wilson	• Ngāti Koata Trust: Chair • Ministry of Education NMWC Region: Strategic Advisor, Maori • Te Tau Ihu Intergenerational Strategy: Iwi Steering Group Member
Patrick Smith	• Patrick Smith Human Resources Ltd: Managing Director

Organisation Representation

Kuia

Priscilla Paul	Nelson / Tasman Region
Helen Joseph	Marlborough Region

Executive Team

Liam Sloan	Chief Executive – until August 2020
Wayne Jackson	Chief Executive – from August 2020
Sue Smart	Executive Director – Customer Experience & Excellence
Grant Kerr	Executive Director – Strategy, Enterprise & Sustainability
Vicky Bryson	Executive Director – Finance, Compliance & Business Intelligence – until May 2020

Curriculum Areas

Carole Crawford	Director Marlborough
Olivia Hall	Director Māori
Susannah Roddick	Curriculum Director
Marja Kneepkens	Curriculum Director
Nicole Akuhata	Poumanaaki Bicultural Manager, Te Puna Manaaki
Misty Ormsby	Pouwhakahaere Curriculum Manager Mātaranga Māori
Monique Day	Curriculum Manager – Maritime, Aquaculture and Conservation
Rae Perkins	Curriculum Manager – Applied Business and English Language
Michele Coghlan	Curriculum Manager – Health and Fitness
Victoria Whitmore	Curriculum Manager – Social Sciences
Wayne Cooper	Curriculum Manager – Aviation
Reid Carnegie	Curriculum Manager – Engineering and Construction
Kate Neame	Curriculum Manager – Hospitality and Service Sector Pathways
Pam Wood	Curriculum Manager – Viticulture, Wine and Horticulture
Grant Newport	Curriculum Manager – Digital Technologies, Arts & Media

Statement of Service Performance

We take pride in our position as the largest provider of education and training courses across Te Tauihu. 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. The 2014 – 2019 Strategy ran through until November 2020, at which time the 2020 – 2024 Strategy was released. 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 2020, 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

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.

Commitment:	That the financial statements reflect the full scope of the institution's activities.
Commentary:	The audited group accounts of NMIT for the nine month period ended 31 December 2020 include the results of Nelson Polytechnic Educational Society Incorporated (NPES) and the NMIT Research Trust. To provide readers with a more meaningful financial result, an un-audited set of group accounts for the 12 months ended 31 December 2020 has been included in Appendix 1 to the Annual Report.
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 the institution's operating in the education sector. 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:	As a result of becoming a subsidiary company of Te Pūkenga on 1 April 2020, NMIT's capital asset management programme has been deferred pending the outcome of a review of all assets now under the management the newly formed Crown Entity.

Delivering skills for industry

Aviation programmes at the Woodbourne Campus continued to grow throughout the 2020 year, delivering Aeronautical Engineering and Mechanical Engineering programmes for the New Zealand Defence Force (NZDF) and the Civilian Aviation sector. Industry relationships have been enhanced through a refreshed industry advisory group, allowing access to both work experience for students as well as training aircraft and equipment that would normally have been too expensive to purchase in our own right. With the downturn in training investment by Air New Zealand, NMIT is now the biggest provider of aviation engineering training in New Zealand.

The Aquaculture programme area delivered a one day short course in Biosecurity and Health Issues in Chinook Salmon to New Zealand King Salmon employees. This workshop was delivered to six different New Zealand King Salmon sites during the year. Other existing industry connections continued to support the programmes, and NMIT stayed engaged with the Smart+Connected Aquaculture group.

In response to post-COVID-19 staff shortages for the 2021 vintage, the Primary Industries team in Marlborough developed a range of course options in Cellar Operations (Levels 3 and 4) and a Ministry for Primary Industries (MPI) funded 'taster day' for those interested in better understanding what type of work and roles are involved in the wine industry. Students from the NZ Wine School also completed a STAR funded course in semester 2 giving them credits towards NCEA, with some applying for full time NMIT programmes at the end of the school year.

Horticulture programmes in Richmond and Marlborough have been reconfigured to allow for multiple entry points during the year so that students leaving school during the year can get underway with their studies.

Performance Commitments

Commitment:	Increase Aviation EFTS annually for 2019 and 2020.
Previous Year:	119.09 EFTS
Target:	151.5 EFTS
Actual:	148.44 EFTS
Commentary:	In 2020 an increase in Aviation EFTS of 25% (29.35 EFTs) was achieved.

Overall EFTS were only 3.06 EFTs below target.

Learner numbers are determined by the New Zealand Defence Force (New Zealand Army and Royal New Zealand Air Force {RNZAF}). Consequently, any variation of actual from expected numbers has an impact on performance. For example, the General Engineering Officer Training programme, with a target of 10 EFTS only achieved 6.68 EFTS, with the new Defence Aeronautical Regulations (DARs) programme achieving 49.45 EFTS against a budgeted target of 54.12 EFTS.

The DARs programme saw a total of 66 learners in 2020, requiring complex timetabling and staffing to ensure access to learning resources and quality delivery. This was achieved through collaborative engagement between NMIT and RNZAF.

Numbers were more consistent in the New Zealand Certificate in Aeronautical Engineering (CAE) Level 4 programme, with learning being quickly pivoted to online during the COVID-19 lockdown.

Both the Certificate in Mechanical Engineering Level 3 and Diploma in Aeronautical Certification programmes exceeded target with 14.08 EFTS (up 2.20EFTS on target) and 36.82 EFTS (up 4.82 EFTS on target) respectively.

Commitment:	Increase programmes delivered via eCampus from six to ten.
Previous Year:	8 programmes with several strands, plus 5 training schemes delivered
Target:	10
Actual:	Delivered 8 programmes - 3 with multiple strands, and 3 across multiple years
Commentary:	Eight different programmes were delivered via eCampus. Several programmes delivered multiple strands including NZ Certificate in Business Level 3 (3 strands) and Level 4 (4 strands) and the NZ Diploma in Business Level 5 (6 strands). Across all programmes, enrolments ranged from 1 to 94 learners and generated 119 EFTS. eCampus withdrew the new NZ Diploma in Construction Level 6 from any further development and delivery, citing difficulty in recruiting Subject Matter Experts (SMEs) for development, and insufficient enrolments to make the investment worthwhile. NMIT engaged with eCampus as the sector responded to COVID-19 and moved to online teaching and learning. While there was no need to access the eCampus digital learning resource repository, academic staff were able to engage in short courses designed to assist staff to transition to an online environment. Discussions commenced with eCampus and New Zealand Qualifications Authority (NZQA) to explore the feasibility of offshore online delivery of existing eCampus programmes to our Pacific fisheries partners. 66 learners graduated, 29% of whom were not from the Nelson Marlborough region.

Commitment:	Increase Aquaculture EFTS annually for 2019 and 2020.
Previous Year:	41.02 EFTS
Target:	50 EFTS
Actual:	46.23 EFTS
Commentary:	2020 was the final year for the teaching out of the Diploma in Aquaculture. Two new NZ Certificates at Level 3 and 4 focusing on practical skills required for the aquaculture industry were approved in 2019, however these were not delivered in 2020 due to low enrolment numbers. These programmes are now underway in 2021 with strong enrolments. Significant resources were used in 2020 to develop online content for the Level 3 programme which is ready to deliver at the start of 2021 along with the face-to-face cohort. EFTS for the Bachelor of Aquaculture and Marine Conservation and Postgraduate Diploma in Sustainable Aquaculture grew by 13.6% and 125% respectively. The significant increase in numbers in the postgraduate programme was due to an increase in international enrolments in this programme.

Student Satisfaction and Graduate Destinations

	2018	2019	2020
Student Satisfaction	95%	95%	89%
Graduate Employment	88%	88%	87%

In 2020, student satisfaction declined 6% and graduates in paid or voluntary employment declined slightly by 1% (84% in paid employment and 3% in voluntary work).

The student satisfaction figure for 2020 reflects the combined results of two student surveys (total sample size 678) in which students were asked to rate their impressions/experiences in relation to programme satisfaction, teaching satisfaction, learning environment satisfaction and NMIT satisfaction (using a rating scale of favourable, slightly agree, slightly disagree, unfavourable). The results showed 89% of those students surveyed rated NMIT as 'favourable'. The decline in student satisfaction is attributed to the impact on learning delivery of COVID-19, as classes were moved from face to face to online, with the practical elements of several courses either delayed or unable to be completed.

The small decline in the graduate employment percentage reflects a reduction in the number of graduates in paid or voluntary work. This data reflects the responses from 192 students who graduated in 2019. Comments from the 2020 Graduate Destinations survey included "I was highly supported through my studies by an incredible team of tutors. The degree is comprehensive and gave me the confidence I need to work in this field with confidence".

Getting at-risk young people into a career

NMIT ran bridging programmes to enable learners to progress into fields of study and get into careers in areas that they might not have been able to undertake due to previous underachievement at school. Acting as a Youth Guarantee fund provider, NMIT offered free training to young people with little or low prior qualifications, which included pastoral care and a travel subsidy.

NMIT's Foundation programme continued to experience consistent enrolment growth through 2020. As part of this programme, our learners spend time in other curriculum areas offering vocational programmes, exposing potential career options and opportunities for future progression. Awarded qualifications in our Foundation programme saw a small decline in our Level one programme to 71% in 2020 (82% in 2019), and a more significant decline in our Level two programme to 67% in 2020 (81% in 2019). Both these declining statistics are attributed to the complications of COVID-19 during the year. Despite best efforts, the adverse impact that COVID-19 had on face-to-face delivery for these high needs learners is indicative in these figures.

NMIT's collaboration with the Top of the South Trades Academy (TOTSTA) provided provision for 209 secondary school students (236 in 2019) onto our Nelson and Marlborough campuses one day per week in 2020 to engage in learning that creates pathways to further education, work and training. The progression rate to further NMIT programmes was 28% in 2020 (29% in 2019).

NMIT continued to partner with the West Coast Trades Academy (WCTA) in 2020 offering programmes to West Coast secondary students. This included a year-long model, one day per week, 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 programme to WCTA students.

During the COVID-19 response, NMIT partnered with Te Hā Mātauranga (Learning in Kaikoura) to offer Intro to Espresso courses, delivered in Kaikōura, to upskill and support under 25-year-olds into employment.

Other activities focused on youth transition included proactive engagement with the Marlborough Interim Regional Skills Leadership Group and the Education to Employment hui.

The use of Performance Panels and Power BI information continue as valuable tools in identifying and tracking at-risk learners. The ability to monitor and provide a targeted support focus with our taitamariki has resulted in EPI improvements year-on-year since 2018.

Performance Commitments

Commitment:	Optimise and develop use of all youth funding streams to meet the regional needs of learners.
Previous Year:	63.7
Target:	49.4
Actual:	63.5
Commentary:	In 2020, NMIT enrolled 63.5 EFTS in Youth Guarantee, 29.5 in Engineering & Construction programmes and 34 in Hospitality and Service Sector Pathways, optimising its Youth Guarantee funding for those learners in the region.

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:	15% progression within 12 months
Target:	23% in 2020
Actual:	20% progression within 12 months

Commentary:	Of the 236 school students who participated in a Trades Academy programme in 2019, 47 students (20%) enrolled in a mainstream programme at NMIT within 12 months, i.e. they left school and enrolled in an NMIT programme in 2020. This reflects a significant increase on progression data for the previous year. (In 2018, 30 out of 204 students (15%) progressed to a mainstream programme within 12 months). Most students participate in Trades Academy programmes while in Year 11 or Year 12, thus it can take three years to see that experience lead to a progression onto a mainstream programme. Of the 2018 Trades Academy cohort, 50 students (25%) progressed within 24 months and 55 students (27%) within 36 months. For the 2019 cohort, the figures have already increased to 61 of 236 (26%) if we use interim 2021 enrolments to indicate progression within 24 months enrolments to date. Progressions from 2020 Trades Academy programmes already sit at 24% based on interim enrolment figures. These trends indicate that progression figures are rising markedly and steadily. This reflects a number of factors, including increased opportunities for students to access fees-free study; an increased focus within our Trades Academy programme on supporting students to make informed decisions about their future career and study options; and a regular review process to ensure that the Trades Academy is relevant, current, and strongly engaged with programmes across the curriculum areas.

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	7 offerings; 14 occurrences; 109 enrolments
	Student for a Day	23% progression
Target:	STAR offerings	3+
	Student for a Day	>40%
Actual:	STAR offerings	10 offerings; 19 occurrences; 138 enrolments
	Student for a Day	24% progression
Commentary:	Despite the challenges, including a high level of STAR course cancellations, our range of course offerings expanded (from 7 to 10) and participation increased by 27%. In a disrupted year, STAR provided an opportunity to re-engage students on their return to school and to gain NCEA credits. Student for a Day numbers were lower than expected with 41 enrolments compared to 57 in 2019, although progression into mainstream NMIT enrolments remains relatively static for enrolments confirmed to date. Moving forward, Student for a Day will be replaced with a more extensive and structured programme of Taster opportunities that can feed into STAR courses, Trades Academy and beyond.	

Commitment:	Increase youth funding options currently offered in Horticulture to other programme areas across the Top of the South catchment area.
Previous Year:	0.23 EFTS (under MPTT)
Target:	No specific target set for 2020
Actual:	0.17 EFTS (under MPTT) – funding streams ended.

Commentary:	The proposed initiative to deliver Horticulture and other programmes whereby classes were to be made up of students funded by a variety of pathways (MPTT, Dual Pathways, Youth Guarantee, STAR, SAC) did not eventuate in 2020 due to the removal of the Dual Pathways funding in 2019, and the discontinuing of MPTT funding at NMIT when the partnership with Whenua Kura ended. However, in mid-2020, the addition of the TEC Targeted Training and Apprenticeship Fund (TTAF) resulted in Level 4 Certificate in Horticulture classes becoming free and attracting a new mix of students with actual EFTS exceeding budget EFTS by 2.48. In Marlborough a STAR funded course was delivered in the Cellar Operations area. There was some mixing of these students with the full time Cellar Operations Level 3 group.

Commitment:	Increase EFTS for Youth Guarantee Level 1-2 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:	27.5 EFTS
Target:	36 EFTS
Actual:	27.8 EFTS
Commentary:	EFTS across Foundation Studies Level 1 and Level 2 remained static in 2020 and the expected growth of previous years was not achieved. The April and July intakes were significantly impacted by COVID-19, with few enrolments over that period. Despite an interrupted year, developments made within the Foundation programme continue to strengthen student outcomes and to signal significant growth for 2021. These include: Strong and consistent progression of students from Level 1 into Level 2 to complete a full year of study. More students from Level 2 enrolling in mainstream, fulltime programmes in 2021. A greater degree of structure and consistency brought into the Mahi days, where Foundation students work with tutors from other Curriculum Areas to investigate future study pathways. Successful integration of tutorial assistant and social work placement students to assist tutors in classroom and work one-to-one with students to achieve learning goals. Successful external moderation.

Boosting achievement of Māori

Through the guidance and direction of Te Pūkenga, NMIT has focused on equity, support, and success for Māori students; developing the cultural competency of staff; partnership with whānau, hapū and iwi; Māori leadership within NMIT and knowing our learners. The Ōritetanga Tertiary Success for All methodologies and learnings are also being bettter understood to lead and guide NMIT activity to better meet Māori learner needs and success.

Engagement with iwi, hapū, whānau and Māori organisations was improved due to greater capacity within NMIT and a focus on effective partnership with mutually agreeable outcomes. This work was guided by NMIT's Te Ara Wai Strategy as well as Te Pae Tawhiti Te Tiriti o Waitangi Excellence Framework, that as initiated by Te Pūkenga during 2020.

Te Toki Pakohe (TTP) through the Mātauranga Māori curriculum area, increased their capacity to meet the increasing needs of iwi and Māori communities, but also the increasing in-house NMIT needs across all departments. This model of "service-teaching" from Mātauranga Māori to other departments, moved passed the trail stage in 2019 and is now a fully embedded process within the planning, budgeting, and scheduling of all curriculum areas.

NMIT continues to strengthen its commitment to partnership, protection, and participation through its revised Treaty of Waitangi Policy with a strong focus on NMIT being:

- 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.

Performance Commitments

Commitment:	Improve Education Performance Indicators (EPIs) for Māori learners	
Previous Year (2019):	Course completion:	76%
	Cohort Qualification completion:	52%
	First Year Retention:	63%
Target:	Increase EPIs	
Actual:	Course completion:	70%
	Cohort Qualification completion:	55%
	First Year Retention:	50%

Commentary:

Course completion rates fell from 76% in 2019 to 70% in 2020 for Māori learners. This compares to completion rates for SAC Funded non-Māori / non-Pasifika learners reducing from 85% in 2019 to 81% in 2020.

The Cohort Qualification completion rates for Māori increased from 52% in 2019 to 55% in 2020 while the completion rate for SAC Funded non-Māori / non-Pasifika learners remained steady at 60%.

Results for Māori learners in 2020 were impacted by Covid, with Māori disproportionately affected socially, culturally, and economically by the pandemic. Further work being undertaken to address Māori achievement at a department level and greater supports for Māori across the institute.

Commitment:	Facilitate one Māori learner hui per term by 2020.
Previous Year:	4
Target:	4
Actual:	6
Commentary:	Six Māori hui were held during the year. Two were all of institute Māori learner hui and four were targeted at a department level.

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:	2
Target:	2
Actual:	3
Commentary:	NMIT worked directly with Ngāti Kuia on co-delivery of a Horticulture course to Ngāti Kuia whānau members in 2021. Programme development of short Te Reo and Te Tiriti courses received local iwi content via mana whenua staff who engage with Te Tauihu iwi formally and informally. Partnership relationship initiated with Wakatu Incorporation, beginning with the joint development of a short course to support their 2021 Ahi Kaa Wānanga offering. MOU signed with Whakatū Marae and a Te Tauihu iwi.

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:	No actuals for 2019
Target:	No specific target set for 2020
Actual:	No actuals for 2020
Commentary:	The Mātauranga Māori team at Te Toki Pakohe service taught Māori related content to the Social Sciences Curriculum Area including programmes of study in Social Work, Counselling, Foundation Studies, Professional Supervision as well as in Conservation, Hospitality, Adventure Tourism, Business and Beauty programmes.

Commitment:	Establish and roll out a Māori capability development programme for team professional development by 2020.
Previous Year:	Competency programme developed
Target:	1
Actual:	2
Commentary:	Two ACE (Adult Community Education) courses were developed and made available to staff and community free of charge. These were an introduction to Te Reo Māori and an introduction to Te Tiriti and the iwi of the region.

Boosting achievement of Pasifika

The Nelson Tasman Pasifika Community Trust has, since March 2020, been providing a wide variety of support to NMIT, Pasifika staff and students and the local Pasifika communities.

Numbers of Pasifika students enrolled in NMIT courses and programmes decreased slightly: in 2019, 231 Pasifika students were enrolled, and in 2020, 195 Pasifika students were enrolled.

Through established collaboration with the Nelson Tasman Pasifika Community Trust, local Pasifika communities are increasingly engaging with the NMIT community through NMIT programmes, custom-made courses, on-campus events and celebrations and various fono.

Performance Commitments

Commitment:	Improve EPIs for Pasifika learners	
Previous Year:	Course completion:	76%
	Cohort Qualification completion:	62%
	First Year Retention:	68%
Target:	Increase EPIs	
Actual:	Course completion:	79%
	Cohort Qualification completion:	67%
	First Year Retention:	81%
Commentary:	From 2019 to 2020, Pasifika learner achievement has improved across all EPI measures. The gap between Pasifika Course completions and SAC Funded non-Māori / non-Pasifika learners was reduced to 2%. Cohort Qualification Completion increased by 5% in 2020 to 67%. This surpasses the SAC Funded non-Māori / non-Pasifika learner rate of 60% for 2020. First Year Retention for Pasifika learners increased 13% from the previous year with 81% retention achieved in 2020.	

Commitment:	Engage one Pasifika Community entity year on year by 2020.
Previous Year:	1
Target:	1
Actual:	1
Commentary:	From 12 March 2020, integrated and overlapping with their NMIT Service Level Agreement, the Nelson Tasman Pasifika Community Trust has engaged every week with Pasifika students and staff, families, local schools, local employers and local and national community groups.

Commitment:	Establish and implement a Pasifika competency programme for team professional development by 2020.
Previous Year:	Plan to establish competency programme commenced
Target:	Develop competency programme
Actual:	Planning to establish competency programme commenced in 2020 and was delayed due to focusing support resources on students' and families' needs during responses to COVID-19.

Commentary:	In 2020, the Nelson Tasman Pasifika Community Trust started working collaboratively with NMIT to plan a Pasifika strategy, a support programme for the pathways, learning and wellbeing of Pasifika students and a development programme for NMIT staff.

Commitment:	Facilitate one Pasifika learner, and family, gathering per semester by 2020.
Previous Year:	0
Target:	4
Actual:	10+
Commentary:	In 2020, the Nelson Tasman Pasifika Community Trust engaged every week with Pasifika staff and students, including open-door drop-in-support in their on-campus room, in an online social media forum, through check-up calls to all Pasifika students during COVID-19 lockdown, during a welcome fono, graduation celebrations, a series of IT classes for families, a scholarship fono, Mental Health week events, Mental Health 101 staff training and three events during Pasifika languages weeks that included student groups from local secondary schools performing and sharing a meal on campus.

Commitment:	Develop transition pathways to NMIT from secondary for Pasifika learners by 2019.
Previous Year:	Plan to establish Transition pathways commenced
Target:	Develop Transition pathway
Actual:	Transition pathway developed
Commentary:	In 2020, the Nelson Tasman Pasifika Community Trust worked to establish relationships, processes and pathways to empower people to start and continue studying at NMIT. These initiatives included supporting students from local secondary schools and adults returning to education to successfully enrol in NMIT in 2021, facilitating an ongoing series of IT classes for families, informing students about scholarships and application processes and holding regular events that welcomed the local Pasifika community and school groups to NMIT and onto NMIT campuses.

Commitment:	Increase Pasifika cultural liaison and supervision with learners by 0.3 FTE by 2019.
Previous Year:	Contract for provision established (0.2 FTE)
Target:	Increase FTE by 0.3
Actual:	The previous FTE was replaced with a Service Level Agreement with the Nelson Tasman Pasifika Community Trust.
Commentary:	From 12 March 2020 under their Service Level Agreement, the Nelson Tasman Pasifika Community Trust (NTPCT) provided a wide range of support services for Pasifika staff and students that exceeded previous allocated FTE for support services, with flexible support provided from NTPCT staff, who were available throughout the week and on the Nelson campus two days per week.

Improving adult literacy and numeracy

NMIT has a whole-of-organisation approach to embed the development of literacy and numeracy across Level 1 – 5 programmes and inform the planning and review of learning progression, graduate profiles and curriculum and assessment designs. NMIT supports staff to understand and support students' needs, use the Literacy and Numeracy for Adults Assessment Tool (LNAAT) and the student management system (SMS) to record students' achievement and progress, evaluate risk and identify barriers for success, and develop and review individual learning plans. NMIT provides targeted support to facilitate students to meet or exceed the New Zealand literacy and numeracy standards.

Performance Commitments

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	9.78%
	Reading gains	10.77%
Target:	Numeracy gains	+2%
	Reading gains	+2%
Actual:	Numeracy gains	19.55% (+9.77)
	Reading gains	16.95% (+6.18)

Commentary: LNAAT testing completed in both the first and second half of courses identifies changes in achievement and development of literacy and numeracy skills. In 2020, the initial testing for LNAAT was not comprehensively completed at the beginning of the academic year because of responses to COVID-19 and the need to prioritise students' wellbeing and learning needs. Also, the follow-up testing to identify possible gains was unable to be comprehensively completed because the initial testing was significantly hindered. Large numbers of students did not complete initial or follow-up testing which has compromised the integrity of the data about gains. Small numbers of students have showed gains, but this does not accurately reflect the NMIT student population. In 2021, NMIT has made significant investments into new digital systems and LNAAT support team training to improve testing processes and data integrity.

Strengthening research based institutions

NMIT worked to maintain a focus on research and research outputs in 2020, while also managing the impact COVID-19 had on the Institute. In 2020, 37 people were research active and allocated research time, down from 41 people in 2019. 24 of the 37 researching staff achieved a minimum of one Quality Assured (QA) research output. NMIT exceeded its 2020 target of 80 QA research outputs, after staff produced 82 in 2020.

COVID-19 significantly impacted on our research activity particularly with the sudden shift to online teaching and revised timetabling and assessment and this impacted on the number of staff achieving the expectation of at least one QA output (i.e. a peer-reviewed journal article, excluding conference presentations) in 2020. With lower international postgraduate student numbers in 2020, there were slightly fewer research-active staff. Also, some staff lost the opportunities to submit and present QA outputs at international and domestic conferences, and worked with our mentors to find alternatives.

NMIT continued to implement its strategic framework to strengthen research capability and delivery by supporting team members' research, clarifying the roles of those responsible and the NMIT-wide systems that support these. In 2020, this framework was bedded in across NMIT and our research professors mentored researchers with a particular focus on collaboration between NMIT colleagues.

Stewart Field received an accolade for his research work, winning the American Society for Enology and Viticulture (ASEV) Best Paper Award of 2020. Stewart's paper 'Soil Temperature Prior to Veraison Alters Grapevine Carbon Partitioning, Xylem Sap Hormones, and Fruit Set' was chosen from all the published research papers in the 2020 American Journal of Ecology and Viticulture, Volume (No.71), the paper being deemed outstanding in its content and a substantial contribution to the field.

Performance Commitments

Commitment:	Increase Quality Assured research outputs to 70 in 2018, 75 in 2019 and 80 in 2020.
Previous Year:	53
Target:	80
Actual:	82
Commentary:	In total, 82 research outputs were produced by 37 NMIT researchers.

Commitment:	Increase the percentage of our research team members who meet NMIT research expectations (at least one QA output per year) to 85% in 2018, 88% in 2019 and 90% in 2020.
Previous Year:	69%
Target:	90%
Actual:	65%
Commentary:	65% of research team members produced at least one QA research output, down from 69% in 2019. Of the 37 researchers, 24 produced at least one QA output. Among the 13 staff who did not meet expectations:

One submitted to a QA journal, received positive reviews and is awaiting confirmation of acceptance.

One completed an Applied Research Training Scheme, and produced a non-QA research output.

One submitted their PhD, while a further two progressed on track on their Masters and PhD.

Two overcame delays in data collection (caused by COVID-19), and are on track to submit to journals by 1 March 2021.

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:	3
Target:	5
Actual:	5
Commentary:	Five staff members enrolled in the scheme. Two passed, and three (all contract staff) did not complete.

Commitment:	Implement an Annual Research Performance Review with NMIT Directorate each year during the period of the Plan.
Previous Year:	Annual Research Performance review undertaken
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 2020. Performance data was shared among Curriculum Managers and Curriculum Directors to maintain transparency NMIT-wide. Curriculum Managers also collaborated with the Research Professors and Research Manager to consider and award applications for research funding.

Growing international linkages

For a modern institution to remain relevant and provide value-added learning opportunities for their learners and staff, it is essential that an institute be internationally connected and promote the mobility of learners between nations. Beyond the financial benefit that an institute may receive through international learner recruitment, international linkages bring enhanced learning experiences for all, particularly where a class is composed of learners from a wide range of cultures bringing differing perspectives to enhance discussion and learning. The wider community also benefits from this increased cultural diversity. Historically, the vast majority of the international cohort enrolled at NMIT has been from India and China. Since 2016, NMIT has made positive efforts to improve international learner diversity with an increasing number of learners from a wider range of other countries, while still maintaining our enrolment numbers in India and China through careful attention and support of our important partnerships held in these nations.

2020 has been the most disruptive year in history for international education, unfortunately stopping learners' plans to come to New Zealand for their studies and preventing current NMIT learners from embarking on overseas student exchanges. Despite these challenges, the International EFTS enrolled at NMIT in 2020 have exceeded the budgeted figure. This was achieved through the recruitment of large international intakes in late 2019 and February 2020, and quick action to gain NZQA approval to deliver a range of qualifications online to learners offshore.

Beyond individual international learner recruitment, NMIT has developed cohort recruitment through institution-to-institution partnerships. Delivery to these cohorts is carried out both in New Zealand and offshore. This has provided a more reliable source of international enrolments, shielded from the impacts of tightening immigration policy. Due to the cohorts' pathway of engaging in education offshore with NMIT, the number of learners in these cohorts have also proven resilient to fluctuations and are more likely to have taken up offshore online education since the COVID-19 pandemic. These institution-to-institution partners are currently all in China, however work is ongoing to establish similar partnerships in other countries.

At the end of 2020, NMIT had nine institutional partners in China utilising two types of partnerships – "co-op" and "non-co-op" – this international engagement being 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 learners 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) – expires June 2021
- 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
- Ningxia East Helan Mountains Foothill Wine Education Institute
- Qingdao Agricultural University (QAU)
- Tianjin Agriculture University (TAU)

NMIT provided pastoral care to support international learners, aiming to exceed the requirements outlined in *The Education (Pastoral Care of International Students) Code of Practice 2016*. This was achieved by providing on-site orientation, online resources, dedicated support staff and wrap around pastoral support for all learners studying with NMIT. Learners were supported to transition successfully to study by a network of services provided by NMIT Learner Services and SANITI. International support advisors ensured that learners 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. This excellence in care for international learners was evidenced in the mobilisation of support phone calls when the COVID-19 lockdowns commenced, staff went above and beyond to support international learners with crises, and emergency funds were made available to international learners who were struggling financially.

In addition to delivering education to international learners, NMIT was approved by the Ministry of Education in late 2016 to establish a student exchange programme. This programme allows our domestic learners to experience a semester or year of learning overseas with our approved student exchange partner institutes. Success in recruitment for this programme was to be realised in 2020 with strong application numbers, however the border closures meant learners had to cancel their plans. We remain hopeful that learners may defer their exchange plans until it is once again deemed safe for them to travel internationally.

Performance Commitments

Commitment:	Grow international EFTS to 550 in 2019 and 600 in 2020.
Previous Year:	486 EFTS
Target:	600 EFTS
Actual:	495 EFTS (excluding in-China enrolments of 146 at Water College)
Commentary:	Despite the looming threat of a global pandemic, NMIT had an exceptionally strong Semester 1, 2020 intake of international students. This laid a good foundation that allowed us to exceed the international EFTS budget for 2020 (excluding in-China enrolments at the Water College). The 600 EFTS target referenced here appeared achievable in 2020 after the strong February intake, however border restrictions after that point meant no international students were able to travel to New Zealand for their studies in our May, July, September and November intakes. NMIT was a leader in the ITP sector with our response to the border restrictions by becoming the first institute to receive NZQA approval to deliver online to students offshore. This allowed NMIT to recruit 32 EFTS for offshore online study in the second half of 2020, and consequently we achieved the 2020 international EFTS budget (excluding in-China enrolments at the Water College).

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 68% of total EFTS) through investing in recruitment from new and developing markets.
Previous Year:	65%
Target:	60%
Actual:	69%
Commentary:	After an increase in the proportion of our EFTS from China and India to 71% of international enrolments in 2018, NMIT successfully reduced this to 65% in 2019, and looked on track to potentially achieve the target of 60% in 2020. This would have been achieved through our three years of consistent investment in developing markets. However, in 2020, the proportion of students from India and China increased to 69%. This was due to the COVID-19 pandemic skewing enrolments to India and China for two main reasons: Due to the border closure, we were unable to recruit or retain our short-term students who generally come from a wide diversity of countries, not India and China. 92% of our offshore online enrolments were Chinese students.

Commitment:	Increase the number of Study Abroad students from seven in 2018 to ten in 2019 and 20 in 2020.
Previous Year:	13
Target:	20
Actual:	3
Commentary:	NMIT achieved the target in 2019 and was on track to receive a record high number of Study Abroad enrolments in July 2020, which would have made our target of 20 achievable. However, the COVID-19 border closures meant these prospective students needed to cancel their plans to study abroad at NMIT.

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.
Previous Year:	29
Target:	70
Actual:	11
Commentary:	COVID-19 impacted China Programme recruitment to New Zealand, as the border was closed to international students by the time our main intake (July) took place. Not all China Programme students were willing to study offshore online. Even without the effect of COVID-19, this target was unlikely to have been 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 Chinese partner universities. This was ultimately the best for NMIT, as it sought to recruit students who were more likely to be successful in their studies. Recruitment of other Chinese students through new sources with agents helped balance the loss of China Programme students.

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:	0
Target:	10
Actual:	1 (but this student returned to New Zealand within weeks of arriving in Germany due to COVID-19 travel restrictions)
Commentary:	These aspirational targets were overly optimistic due to lower student interest than anticipated in the initial years since the programme was established in late 2016. However, in Semester 2, 2020 we were finally on track to meet expectations, with the largest ever cohort of NMIT students applying to go on exchange for a semester (five students approx). In comparison, prior to 2020 we had only ever sent two students on exchange semesters annually. In Semester 1, 2020, NMIT had one exchange student who had newly arrived at our partner university in Frankfurt, Germany when the COVID-19 outbreak happened. The International Development team put a lot of effort into supporting her safe return to New Zealand when border closures and flight cancellations began to take hold.

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:	76
Target:	No specific targets set
Actual:	31
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 in 2020, which is now in Phase 5 of the programme. Though a new contract was signed in 2019 between NMIT and Viclink to ensure the delivery of the next three years' of ELTO, because of the border closures due to COVID-19, it meant that only one cohort studied in 2020. The future delivery of NZELTO in New Zealand unfortunately remains tied to the ability of scholars to enter the country and therefore, specific targets for 2021/2022 are unknown.

Statement of resources

For the year ended 31 December 2020

Institute Owned Properties and Buildings	2020 Land Area Ha	2020 Buildings Area m2	2019 Land Area Ha	2019 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	0	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	2020 Buildings Area m^2	2020 Annual Rental ($000)	2019 Buildings Area m^2	2019 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	0	0
Total	6,016	73	6,016	73

Library Resources	2020	2019
Available resources include:		
Monographs	29,302	27,900
Serials	10,126	10,289
Non-book items e.g. DVDs	4,044	3,407
E-resources e.g. eBooks, eSerials	603	563

NMIT performance commitment reporting

The following Education Performance Indicator targets are drawn from NMIT's 2019-2020 Investment Plan. The Institute's provisional 2020 performance is reported against the planned performance together with the Institute's performance from the previous three years.

SAC Eligible EFTS Performance Commitments		Previous Years' Actuals			Target	Provisional Outcome
		2017	2018	2019	2020	2020
Course Completion Rate						
Non-Māori, non-Pasifika	Levels 1-10	86.4%	86.7%	84.7%	87.0%	81.4%
Māori	Levels 1-10	76.8%	81.4%	76.0%	80.0%	70.0%
Pasifika	Levels 1-10	76.2%	87.2%	75.3%	80.0%	78.5%
Cohort Qualification Completion Rate						
Non-Māori, non-Pasifika	Levels 1-3	465 (70%)	329 (55%)	490 (70%)	450	447 (70%)
Māori	Levels 1-3	207 (63%)	201 (63%)	180 (61%)	250	167 (66%)
Pasifika	Levels 1-3	20 (63%)	24 (57%)	96 (73%)	45	42 (67%)
Progression Rate						
Non-Māori, non-Pasifika	Levels 1-3	17.8%	14.2%	26.2%	22.0%	24.5%
Māori	Levels 1-3	46.1%	37.3%	25.8%	50.0%	25.2%
Pasifika	Levels 1-3	28.6%	6.5%	6.9%	32.0%	16.4%
First Year Cohort Retention Rate						
Non-Māori, non-Pasifika	Levels 4-7	48.4%	57.9%	42.4%	52.0%	59.6%
Māori	Levels 4-7	43.9%	51.2%	51.6%	48.0%	43.5%
Pasifika	Levels 4-7	57.1%	66.7%	50.0%	61.0%	80.0%
Non-Māori, non-Pasifika	Level 7 Degree	69.1%	72.3%	72.9%	74.0%	70.5%
Māori	Level 7 Degree	79.3%	52.6%	75.9%	83.0%	57.9%
Pasifika	Level 7 Degree	66.7%	66.7%	100%	71.0%	81.8%
Participation Rate						
Non-Māori, non-Pasifika	Levels 1-3	61.5%	65.2%	69.0%	60.0%	74.6%
Māori	Levels 1-3	34.4%	25.8%	24.6%	35.0%	21.4%
Pasifika	Levels 1-3	4.7%	10.2%	7.3%	5.0%	4.9%
Non-Māori, non-Pasifika	Levels 4-7 (non-degree)	73.8%	73.2%	79.3%	72.0%	81.2%
Māori	Levels 4-7 (non-degree)	17.3%	19.3%	17.8%	18.0%	15.6%
Pasifika	Levels 4-7 (non-degree)	10.0%	7.7%	3.6%	10.0%	3.9%
Non-Māori, non-Pasifika	Level 7 degree	83.7%	85.1%	84.7%	83.0%	87.1%
Māori	Level 7 degree	14.7%	13.7%	12.8%	15.0%	9.3%
Pasifika	Level 7 degree	1.8%	1.5%	3.0%	2.0%	3.8%

Non-Māori, non-Pasifika	Levels 8-10	74.1%	82.3%	86.6%	80.0%	78.1%
Māori	Levels 8-10	25.9%	14.2%	7.2%	17.0%	14.8%
Pasifika	Levels 8-10	0.0%	6.2%	6.5%	3.0%	7.1%

Youth Guarantee Eligible EFTS Performance Commitments		Previous Years' Actuals			Target	Provisional Outcome
		2017	2018	2019	2020	2020
Youth Guarantee Course Completion Rate						
YG eligible EFTS	Levels 1-3	64.9%	72.5%	82.7%	69.0%	79.0%
Youth Guarantee Graduate Numbers						
Non-Māori, non-Pasifika	Levels 1-3	47 (62%)	63 (67%)	39 (71%)	65	55 (80%)
Māori	Levels 1-3	14 (44%)	14 (47%)	18 (62%)	2	16 (64%)
Pasifika	Levels 1-3	0 (0%)	1 (17%)	2 (40%)	0	3 (75%)
Youth Guarantee Progression Rate						
Non-Māori, non-Pasifika	Levels 1-3	33.9%	24.6%	37.2%	33.0%	28.6%
Māori	Levels 1-3	29.4%	53.8%	47.1%	32.0%	50.0%
Pasifika	Levels 1-3	-	-	100.0%		0.0%

Other Commitments					
International EFTS (NZ based)	563	479	486	492	467
External research income	$0	$3,600	$182,900	$183,975	$183,975

2020 EFTS

	SAC	Int'l	ITO	YG	STAR	MPTT	ACE	Other	Total
2020 Target*	1,965	668	24	49	51	0	34	88	2,880
2020 Actual	1,771	641	14	64	44	0	38	74	2,646

Target 2020* (by Curriculum Area)	SAC	Int'l	ITO	YG	STAR	MPTT	ACE	Other	Total
Applied Business & English Language	204	320	-	-	-	-	-	51	575
Aviation	140	2	-	-	-	-	-	10	152
Dean International Curriculum	-	176	-	-	-	-	1	-	177
Digital Technologies, Arts & Media	279	60	-	-	-	-	25	-	364
Engineering & Construction	199	12	18	20	-	-	3	1	253
Health & Fitness	158	38	-	-	-	-	-	1	197
Hospitality and Service Sector Pathways	120	2	6	29	51	-	3	2	213
Learner Services	-	-	-	-	-	-	-	1	1
Learning Innovation & Delivery	5	-	-	-	-	-	-	-	5
Maritime, AVT & Conservation	195	22	-	-	-	0	1	23	241
Primary Industries	200	36	-	-	-	-	-	-	236
Research & Innovation	4	-	-	-	-	-	-	-	4
Social Sciences	255	1	-	-	-	-	-	-	256
Te Toki Pakohe	207	-	-	-	-	-	2	-	209
Total	1,965	668	24	49	51	0	34	88	2,880

Actual 2020* (by Curriculum Area)	SAC	Int'l	ITO	YG	STAR	MPTT	ACE	Other	Total
Applied Business & English Language	154	332	-	-	-	-	-	49	535
Aviation	139	2	-	-	-	-	0	7	148
Dean International Curriculum	-	146	-	-	-	-	1	-	147
Digital Technologies, Arts & Media	177	60	-	-	-	-	27	-	264
Engineering & Construction	207	10	14	30	-	-	1	-	261
Health & Fitness	169	16	-	-	-	-	0	1	186
Hospitality and Service Sector Pathways	72	4	-	34	44	-	2	0	156
Learner Services	-	-	-	-	-	-	-	-	-
Learning Innovation & Delivery	7	1	-	-	-	-	-	-	7
Maritime, AVT & Conservation	198	37	-	-	-	0	1	13	248
Primary Industries	210	33	-	-	-	0	-	1	244
Research & Innovation	5	0	-	-	-	-	-	-	5
Social Sciences	250	-	-	-	-	-	-	-	250
Te Toki Pakohe	184	-	-	-	-	-	6	4	194
Total	1,771	641	14	64	44	0	38	74	2,646

*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 levels of the diverse population of NMIT students and meet the requirements of the Education and Training Act, 2020.

1. Elimination of unnecessary barriers to the progress of students (Education and Training Act, 2020)

1.1 Physical

In 2020, NMIT issued nine campus disability car park permits to students with additional needs. NMIT staff were prepared to provide additional assistance to three students who required additional assistance in the event of an emergency. NMIT coordinated a diverse range of learning and wellbeing support services for students with Autism Spectrum Disorder, learning disabilities, vision and hearing impairments and temporary and chronic physical and mental health needs.

1.2 Academic

In 2020, 105 students were recorded on the NMIT Disability Register: 92 students at the Nelson campus and 13 students at the Marlborough campus. Throughout 2020, NMIT provided 1,503 hours of individual support to 101 students with impairments and additional learning needs. NMIT provide adapted assessments and/or Reader/Writers as required for 12 students.

NMIT worked collaboratively to provide study support with external stakeholders, such as SANITI, the Nelson Tasman Pasifika Community Trust, 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

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

NMIT coordinated a comprehensive range of support services and tools to ensure diverse NMIT students were supported to remove barriers to progress, facilitate inclusive learning contexts, achieve equitable progress, maintain wellbeing and achieve work and world ready skills.

2. Avoidance of creation of unnecessary barriers to the progress of students (Education and Training Act, 2020)

2.1 Physical

NMIT provided responsive and proactive wellbeing support for students, including making over 1,000 wellbeing check-up calls during COVID-19 lockdown. NMIT also provided counselling on-campus, and facilitated access to other health services and the Organisational Counselling Programme (OCP).

NMIT worked collaboratively to provide wellbeing support with external stakeholders, such as SANITI, the Nelson Tasman Pasifika Community Trust, Nikau Apartments, Host Families NZ and the Nelson Marlborough District Health Board.

2.2 Academic

NMIT provided 3,781 individual sessions and group sessions for 844 students to support students' progress and achievement alongside, and in addition to, students' courses and programmes, for example, for research skills and academic writing.

3. Developments to attract under-represented groups or those disadvantaged in terms of ability to attend (Education and Training Act, 2020)

3.1 Academic

NMIT continued its strong commitment to create inclusive environments for Māori and Pasifika learners through one-to-one support, group sessions and institute-wide and community events.

In 2020, NMIT continued to build bi-cultural capability and safe inclusive environments for Māori students, for example, through support, supervision and training with students, staff, external agencies and community groups.

In 2020, the Nelson Tasman Pasifika Community Trust as part of their Service Level Agreement with NMIT, maintained a strong community presence, for example, collaborating with and providing support to Pasifika students, families and local school and community groups.

Learner profile

Analysis of enrolments	2020	2019
Total unique learners	6,555	7,029
Enrolments per EFTS	2.5	2.4

Learner ethnicity

NZ European	62%	58%
NZ Māori	12%	13%
Chinese	7%	9%
Indian	6%	7%
Pasifika	3%	3%
Other Asian	6%	8%
Other	13%	13%

Learner gender

Percentage female learners	50%	51%
Percentage male learners	50%	49%
Number of female learners	3,251	3,602
Number of male learners	3,301	3,427
Number of gender diverse learners	3	2

Learner age

<17 years	4%	4%
17 years	4%	3%
18 years	4%	4%
19 years	5%	6%
20 years	6%	6%
21 years	5%	6%
22 years	4%	4%
23 years	3%	4%
24 years	3%	3%
25+ years	61%	60%

Equal employment opportunities (EEO) report

Over the previous year NMIT has continued our commitment to the principles of equity. Regardless of who you are, NMIT has focused recruitment and appointment decisions on business needs, job requirements, individual qualifications and merit by not including considerations on gender, race, religious belief, disability, marital status or sexual orientation.

As a direct result, we continue to celebrate the diversity of our people, which benefits not just NMIT and the workplace, but also the wider community.

NMIT's goal continues to be building an inclusive and diverse team that represents a wide variety of backgrounds, perspectives and skills.

Equal Employment Opportunity Principles.

We:

- Celebrate the special place of Māori as the tāngata whenua/indigenous people of New Zealand, and embrace 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.
- Aim to promote greater access to employment from our Pasifika communities.
- Are committed to reducing barriers to the maintenance of stable paid employment for people affected by domestic violence and assisting any staff in finding pathways out of violence and rebuilding their lives.
- Ensure access to all parts of the campus by all staff, learners and visitors regardless of physical ability or sensory appreciation.
- Strive to ensure that all communications are expressed in an inclusive way, ensuring appropriate language and interaction.
- Expect all of our people to adhere to EEO principles when operating within and on behalf of NMIT.

NMIT's commitment to equal employment opportunities was shown by:

- All new staff being encouraged to provide EEO information prior to commencement. The data provides tangible evidence of who our people are and the opportunities for developing a diverse workforce.
- EEO issues being managed at a senior level and reported to the Chief Executive and NMIT Board.
- Treaty of Waitangi policy as part of induction process and classes on Te Reo Māori and Treaty of Waitangi available to staff members.
- Provision of employee assistance programme and support services provided by independent providers for all of our people.
- COVID-19 lockdown provided an opportunity to ensure pastoral care for all. Features of this included flexible working hours, managing child and elder care, work away from the office, educational leave, employee assistance programme, flexible leave arrangements along with working online. These options allowed the opportunity to balance work and life commitments and in turn generate a more flexible, engaged and productive workforce.
- Being an EEO employer and striving to eliminate barriers employee candidates may have when applying for a job. For example, online and face-to-face interviews, candidates bringing a support person with them to interviews and a strategy of hiring "the person" who is a good fit for NMIT.

Human resources statistics

Staff numbers[1]	2020	2019
Academic staff full-time equivalent	137	134
Business Support staff	157	155
Total staff	294	289

Staff gender		
Female staff	160	161
Male staff	134	128

Staff ethnicity[2]		
NZ European	66	71
NZ Māori	3	3
Asian	6	5
Pacific Island/Polynesian	2	2
Indian	2	2
African	1	1
American	1	0
Other or not stated	213	205

Staff age		
15 – 20 years	0	1
21 – 30 years	19	15
31 - 40 years	50	45
41 - 50 years	86	90
51 - 60 years	81	84
61 – 70 years	53	45
71 - 90 years	4	1
Not stated	1	8

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

[2] Notification of ethnicity is not compulsory.

Research activity report

Research outputs

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Independent auditor's report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of Nelson Marlborough Institute of Technology Limited's financial statements and statement of service performance for the nine months ended 31 December 2020.

The Auditor-General is the auditor of Nelson Marlborough Institute of Technology Limited (the company) and its subsidiary Nelson Polytechnic Educational Society Incorporated (the 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 Company and group on his behalf.

Opinion

We have audited:

- the financial statements of the Company and group on pages 50 to 75, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income, 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 statement of service performance of the Company and group on pages 13 to 35.

In our opinion:

- the financial statements of the Company and group on pages 50 to 75:
    - present fairly, in all material respects:
        - the financial position as at 31 December 2020; 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 Reporting Standards; and
- the statement of service performance on pages 13 to 35:
    - presents fairly, in all material respects, the Company and group's service performance achievements as compared with the forecast outcomes included in the investment plan for the year ended 31 December 2020; and
    - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 9 April 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw attention to other matters. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Emphasis of matter

Without modifying our opinion, we draw your attention to:

Te Pūkenga subsidiaries to exist until 31 December 2022

Basis of preparation / Note 1 on page 54 outlines that all Te Pūkenga subsidiaries will continue in existence until 31 December 2022. There have been no changes to the financial statements as the rights, assets, and liabilities of the company will be transferred to Te Pūkenga.

Impact of Covid-19

Note 21 on page 73 to the financial statements and pages 13 to 35 of the the statement of service performance information outlines the impact of Covid-19 on the Company.

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 Board of Directors for the financial statements and the statement of service performance

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

The Board of Directors is also responsible on behalf of the company 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 Board of Directors 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 Board of Directors is responsible on behalf of the company and group for assessing the company and group's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company and group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Education and Training Act 2020 and the Crown Entities Act 2004.

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.

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 company and group's annual 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 company 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 Board of Directors.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company and group to cease to continue as a going concern.

- 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 Board of Directors 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 Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 12, pages 36 to 49 and pages 76 to 79, but does not include the financial statements and the statement of service performance, 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 company 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 issued by the New Zealand Auditing and Assurance Standards Board.

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

John Whittal
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Statement of responsibility

During the financial period ended 31 December 2020, the Board and management of Nelson Marlborough Institute of Technology Limited 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 Board and management of Nelson Marlborough Institute of Technology Ltd, the financial statements for the financial period fairly reflect the financial position and operations of Nelson Marlborough Institute of Technology Limited.

The financial statements were authorised for issue and the 2020 Annual Report approved by the Board on 09 April 2021.

D Wehner
Board Chair

K Grant
Audit & Risk Sub-Committee Chair

W Jackson
Chief Executive

B Johnston
Company Secretary

Statement of Comprehensive Revenue & Expense

For the nine months ended 31st December 2020

	Notes	Institute Actual Dec 2020 ($000)	Institute Budget Dec 2020 ($000)	Group Actual Dec 2020 ($000)
Revenue				
Government grants	3	105	5,930	105
Tuition fees	3	7,928	4,378	7,928
Interest revenue	3	318	364	338
Other revenue	3	4,509	4,309	4,509
Total revenue	**2**	**12,860**	**14,981**	**12,880**
Expenditure				
Personnel costs	4	18,347	19,543	18,347
Depreciation and amortisation	15 & 16	3,365	3,600	3,365
Impairment expense	15	16	-	16
Other expenses	5	7,287	8,813	7,311
Total expenditure	**2**	**29,016**	**31,956**	**29,040**
Share of associate's surplus / (deficit)	14	65	-	65
Surplus / (deficit)		**(16,091)**	**(16,975)**	**(16,095)**
Other comprehensive revenue and expense				
Items that will not be reclassified to surplus / (deficit)				
Impairment of PP&E	15	(288)	-	(288)
Total other comprehensive revenue and expense		(288)	-	(288)
Total comprehensive revenue and expense		(16,379)	(16,975)	(16,382)

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 2020	Notes	Institute Opening Balance 1 April 2020 ($000)	Institute Actual Dec 2020 ($000)	Budget Dec 2020 ($000)	Group Actual Dec 2020 ($000)
Assets					
Current assets					
Cash and cash equivalents	6	3,470	4,032	3,470	4,032
Debtors and other receivables	7	19,260	1,123	19,260	1,123
Other financial assets	8	20,250	17,200	20,250	17,200
Prepayments		762	848	762	848
Total current assets		43,742	23,203	43,742	23,203
Non-current assets					
Investments accounted for using the equity method	14	1,048	1,114	1,160	1,114
Prepayments		5	12	-	12
Property, plant and equipment	15	88,185	87,294	90,642	87,294
Intangible assets	16	1,862	1,142	2,527	1,142
Total non-current assets		91,099	89,562	94,328	89,562
Total assets		134,841	112,765	109,455	112,765
Liabilities					
Current liabilities					
Creditors & other payables	9	2,411	2,584	2,404	2,584
Revenue received in advance	10	9,545	3,881	6,250	3,881
Provisions	11	909	1,948	1,608	1,948
Other financial liabilities	12	2,001	1,264	1,286	205
Total current liabilities		14,866	9,676	11,547	8,617
Non-current liabilities					
Provisions	11	231	265	225	265
Total non-current liabilities		231	265	225	265
Total liabilities		15,097	9,941	11,772	8,882
Net assets		**119,744**	**102,824**	**97,683**	**103,882**
Equity					
Capital introduced	13	29,039	29,039	29,039	29,039
Accumulated surplus / (deficit)	13	34,400	17,767	12,339	18,826
Property revaluation reserve	13	53,450	53,163	53,450	53,163
Capital reserves	13	2,855	2,855	2,855	2,855
Total equity		**119,744**	**102,824**	**97,683**	**103,882**

Explanations of major variances against budget are provided in note 20.
* Investments are not budgeted separately from Cash and cash equivalents.

Statement of Changes in Equity

For the nine months ended 31st December 2020

	Notes	Institute Actual Dec 2020 ($000)	Institute Budget Dec 2020 ($000)	Group Actual Dec 2020 ($000)
Balance at 1 April		119,744	114,658	120,807
Opening balance adjustment	13	(542)	-	(542)
Other comprehensive revenue and expense				
Surplus/(deficit)	21	(16,091)	(16,975)	(16,095)
Other comprehensive revenue	21	(288)	-	(288)
Total comprehensive revenue and expense		(16,379)	(16,975)	(16,382)
Balance at 31 December		**102,824**	**97,683**	**103,882**

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 nine months ended 31st December 2020	Institute Actual Dec 2020 ($000)	Institute Budget Dec 2020 ($000)	Group Actual Dec 2020 ($000)
Cash flows from operating activities			
Receipts from Government funding	16,711	16,611	16,711
Receipts from student fees	3,198	4,984	3,198
Receipt of other revenue	4,275	4,298	4,275
Receipt of interest	405	364	405
Payments to employees	(17,432)	(18,883)	(17,432)
Payments to suppliers	(8,440)	(9,589)	(8,440)
Goods and services tax (net)	(111)	(61)	(111)
Net cash flows from operating activities	**(1,395)**	**(2,276)**	**(1,395)**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	11	-	11
Proceeds from sale or maturity of investments	3,050	2,700	3,050
Purchase of property, plant and equipment	(1,032)	(127)	(1,032)
Purchase of intangible assets	(72)	(203)	(72)
Purchase of investments	-	-	-
Net cash flows used in investing activities	**1,957**	**2,370**	**1,957**
Net (decrease) / increase in cash and equivalents	**562**	**94**	**562**
Cash and cash equivalents at 1 April	3,470	2,059	3,470
Cash and cash equivalents at end of the year	**4,032**	**2,153**	**4,032**

Explanations of major variances against budget are provided in note 20.
The accompanying notes form part of these financial statements.

For the nine months ended 31st December 2020
Reconciliation of net surplus / (deficit) to the net cash flow from operating activities

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Net surplus / (deficit)	(16,091)	(16,095)
Add / (less) non -cash items :		
Depreciation and amortisation expense	3,365	3,365
Share of associate's surplus / (deficit)	(65)	(65)
Impairment charges	16	16
Add / (less) items classified as investing or financing activities:		
Net (gain) / loss on sale of fixed assets	12	12
Add / (less) movements in working capital items:		
(Increase) / decrease in accounts receivable	18,137	18,137
(Increase) / decrease in prepayments	(86)	(86)
(Increase) / decrease in non-current prepayments	(7)	(7)
Increase / (decrease) in employee entitlements	1,039	1,039
Increase / (decrease) in non-current employee entitlements	34	34
Increase / (decrease) in trade and other payables	173	173
Increase / (decrease) in capital creditors	(1,521)	(1,521)
Increase / (decrease) in fees in advance	(5,664)	(5,664)
Increase / (decrease) in other current financial liabilities	(738)	(734)
Net cash inflow / (outflow) from operating activities	**(1,395)**	**(1,395)**

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 Limited (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 and Training Act 2020.

The financial statements are presented on a consolidated group basis. The group consists of the Nelson Marlborough Institute of Technology Limited and its wholly-owned subsidiaries Nelson Polytechnic Educational Society Incorporated and NMIT Research Trust. 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 Institute and group provides educational and research services for the benefit of the community. It does not operate to make a financial return. The Institute has designated itself and the group as public benefit entities (PBE's) for the purposes of complying with generally accepted accounting practice.

The financial statements of the Institute and group are for the nine months ended 31st December 2020, and were authorised for issue by the Board on 09 April 2021.

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) gained royal assent on 24 February 2020 and came into effect on 1 April 2020. The Education (Vocational Education and Training and Reform) Amendment Act 2020 created a new Crown entity, the New Zealand Institute of Skills and Technology (NZIST) renamed as Te Pūkenga, and converted all existing ITPs into crown entity subsidlary companies on 1 April 2020.

The Education and Training Act 2020 (schedule 1, clause 21) states that all Te Pūkenga subsidiaries will continue in existence until 31 December 2022. Thereafter the rights, assets and laibilities of Nelson Marlborough Institute of Technology Ltd (NMIT) will be transferred to Te Pūkenga - New Zealand Institute of Skills and Technology (Te Pūkenga). There are mechanisms in the legislation to vary this date.

Despite these provisions, the financial statements have been prepared on a going concern basis, as the disestablishment is more than 12 months after the date the financial statements are issued, and because the operational delivery of the functions of NMIT will continue through Te Pūkenga after 31 December 2022. Consequently, there have been no changes to the recognition and measurement, or presentation of information in these financial statements.

These are the first financial statements for Nelson Marlborough Institute of Technology Limited and are prepared on a going concern basis, and the accounting policies have been applied consistently throughout the nine month reporting period.

Reporting period

These financial statements are for the nine month period 1 April 2020 to 31 December 2020. The budget is for the nine month period 1 April 2020 to 31 December 2020. No comparative period is disclosed.

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 and Training Act 2020, 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 PBE Standards. These financial statements comply with PBE Standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values, other than the Board member remuneration disclosures and the related party transaction disclosures in Note 19, are rounded to the nearest thousand dollars (S000). The Board member remuneration and related party transactions disclosures are rounded to the nearest dollar.

Standards issued and not yet effective and not early adopted

Standards and amendments issued but not yet effective that have not been early adopted and which are relevant to the Institute 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.

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 not yet determined how application of PBE FRS 48 will affect its statement of service performance.

PBE IPSAS 13 Acounting for Leases
PBE IPSAS 13 Accounting for Leases is effective for reporting periods beginning on or after 1 January 2021 with early adoption permitted in the financial year starting 1 January 2020. The Institute has chosen not to early adopt this standard and intends to adopt the standard for the 31 December 2021 financial year. The Institute has not yet assessed in detail the impact of the new standard.

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.

Budget figures

The budget figures for the Institute are those approved by the Board for the 2020 financial year and reported for only the nine month period 1 April 2020 to 31 December 2020.
The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board 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

Foreign currency transactions

Foreign currency transactions are translated into NZS (the functional currency) using the spot exchange rates at the dates of the transactions. 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

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 then 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 are exempt from income tax under the Income Tax Act 2007. Accordingly, no provision has been made for income tax.

2. Summary cost of services

	Institute Actual Dec 2020 ($000)	Budget Dec 2020 ($000)
Revenue		
Applied Business & English Language	4,611	3,850
Maritime, Aquaculture & Conservation	1,750	1,639
Primary Industries	1,176	572
Aviation	1,148	1,173
Engineering & Construction	1,219	1,041
Dean International Curriculum	1,802	1,490
Digital Technologies & Arts & Media	1,383	464
Social Sciences	568	321
Hospitality, Service Sectors & Pathways	1,195	882
Health & Fitness	562	499
Te Toki Pakohe	60	281
Sub Contractors	1,028	1,239
Other activities	(3,959)	1,164
Total revenue from services	12,542	14,617
Interest revenue	318	364
Total revenue	12,860	14,981
Expenditure		
Applied Business & English Language	2,499	3,182
Maritime, Aquaculture & Conservation	1,982	2,046
Primary Industries	870	965
Aviation	1,303	1,373
Engineering & Construction	1,549	1,561
Dean International Curriculum	786	1,136
Digital Technologies & Arts & Media	1,423	1,510
Social Sciences	878	883
Hospitality, Service Sectors & Pathways	1,426	1,554
Health & Fitness	1,079	1,377
Te Toki Pakohe	559	547
Sub Contractors	676	839
Other activities	13,987	14,985
Total cost of services	29,016	31,956
Total expenditure	29,016	31,956

3. Revenue

Accounting Policy

Revenue Measurement

Revenue is measured at fair value.

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

Student Achievement Component funding

Student Achievement Component (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 students enrolled in the course at that date and the value of the course.

Tuition fees

Domestic student tuition fees are subsidised by Government funding and 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 as 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 basis that receipts from the 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 425 of the Education and Training Act 2020. 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.

Research revenue
For an exchange research contract, revenue is recognised on a percentage completion basis. The percentage of completion is measured by reference to the actual research expenditure incurred as a proportion to total expenditure expected to be incurred.

For a non-exchange research contract, the total funding receivable under the contract is recognised as revenue immediately, unless there are substantive conditions in the contract. If there are substantive conditions, revenue is recognised when the conditions are satisfied. A condition could include the requirement to complete research to the satisfaction of the funder to retain funding or return unspent funds. Revenue for future periods is not recognised where the contract contains substantive termination provisions for failure to comply with the requirements of the contract. Conditions and termination provisions need to be substantive, which is assessed by considering factors such as contract monitoring mechanisms of the funder and the past practice of the funder.

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.

Donations, trust funds, endowments, bequests and pledges
Donations, trust funds, endowments, and bequests for the benefit of the Institute and group are recognised as an asset and revenue when the right to receive the funding or asset has been established, unless there is an obligation in substance to return the funds if conditions are not met. If there is such an obligation, they are initially recorded as revenue in advance and then recognised as revenue when the conditions are satisfied. Pledges are not recognised as assets or revenue until the pledged item is received.

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

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

(i) Breakdown of Government grants

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Student Achievement Component (SAC) funding	(1)	(1)
Youth Guarantee (YG) funding	106	106
Performance-based research funding	-	-
Other TEC funding	-	-
Total	**105**	**105**

(ii) Breakdown of tuition fees

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Fees from domestic students	1,934	1,934
First year fees free funding	-	-
Free trades training funding	434	434
Fees from international students	5,561	5,561
Total	**7,928**	**7,928**

(iii) Breakdown of interest revenue

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Interest revenue	318	338
Total	**318**	**338**

(iv) Breakdown of other revenue

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Re-saleable items	22	22
Other funding	658	658
Rental revenue	305	305
Gain on sale of PP&E & intangibles	7	7
Donations / sponsorship	2	2
Student services levy	300	300
Self funded courses	490	490
Other revenue	2,725	2,725
Total	**4,509**	**4,509**

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 Dec 2020 ($000)	Group Dec 2020 ($000)
Academic staff salaries & wages	8,011	8,011
Support staff salaries & wages	8,338	8,338
Defined contribution plan employer contribution	307	307
Contractors	1,401	1,401
Redundancies	290	290
Total	**18,347**	**18,347**

Board member remuneration

Remuneration paid or payable to Board members during the period was:

	Institute Dec 2020 $	Group Dec 2020 $
Edgar, Judene #	12,653	12,653
Grant, Antonina #	12,559	12,559
Grant, Kathy #	12,559	12,559
Johnston, Tracy #	15,816	15,816
Newton, Charles #	12,653	12,653
Wehner, Daryl #	25,305	25,305
Smith, Patrick #	12,653	12,653
Wilson, Joanie #	12,653	12,653
# current NMIT Board at 31 December.	116,851	116,851

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.

Scholarships

Scholarships awarded by the Institute that reduce the amount of tuition fees payable by the student are accounted for as an expense and not offset against student tuition fees revenue.

Breakdown of other expenses and further information

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Audit fees paid to Audit NZ for audit of the annual report	81	86
Repairs & maintenance	410	410
Rent expense	126	126
Other occupancy costs	763	763
Subcontractor payments	1,134	1,134
Course purchases	829	829
Net loss on disposal of PP&E and investments	19	19
Bad debts	56	56
Other expenses	3,868	3,887
Total	7,287	7,311

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 Dec 2020 ($000)	Group Dec 2020 ($000)
Not later than one year	46	46
Later than one year and not later than five years	0	0
Later than five years	-	-
Total non-cancellable operating leases	**47**	**47**

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 Dec 2020 ($000)	Group Dec 2020 ($000)
Not later than one year	357	357
Later than one year and not later than five years	356	356
Later than five years	640	640
Total non-cancellable operating leases	**1,353**	**1,353**

6. Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.
Bank overdrafts are shown within borrowings in current liabilities in the Statement of financial position.

Breakdown of cash and cash equivalents and further information

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Cash at bank and on hand	4,032	4,032
Term deposits with maturities less than 3 months	-	-
Total	**4,032**	**4,032**

Cash reserves and ring fencing

The Government set a policy whereby existing reserves from the previous Institutes of Technology and Polytechnics (above a set limit) would be consolidated through the central balance sheet of Te Pūkenga, but would only be able to be drawn upon for projects and capital expenditure in the relevant region that have been approved by the Te Pūkenga Council. The objective is that existing reserves are in the future spent on the regions in which they had been accumulated by the relevant legacy ITPs. The use of ring-fenced amounts is restricted to particular uses, which may include major capital expenditure projects, routine/minor capital expenditure, operating investments (e.g. funding the establishment of a new capability) or operating losses of the regional operation. The total value of the Institute's ring fenced funds at 31 December 2020 was $11,702,000 (included in the value of term deposits in Note 8).

7. Debtors and other receivables

Accounting Policy

Short term receivables are recognised initially at fair value (the amount due) and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

At the end of each reporting period an assessment is made of whether there is objective evidence that short-term receivables are impaired. They are impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the receivable (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the receivable that can be reliably estimated.

Evidence of the impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the receivable's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the receivable's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in surplus or deficit.

Breakdown of receivables and further information

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Debtors	1,023	1,023
TEC funding receivable	143	143
Provision for doubtful debts	(43)	(43)
Total	**1,123**	**1,123**

Debtors comprises:		
Receivables from exchange transactions	1,011	1,011
Receivables from non-exchange transactions	12	12
Total	**1,023**	**1,023**

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:

Aged debtors	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Current	100	100
30+ days	871	871
60+ days	4	4
90+ days	48	48
Other debtors	-	-
Total	**1,023**	**1,023**

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.

Movements in the provision for impairment of receivables are as follows:	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Balance at 1 April	19	19
Additional provisions made during the year	24	24
Receivables written off during the year	-	-
Total at 31 December	**43**	**43**

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.

Term deposits

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

Current portion	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Term deposits with maturities greater than 3 months and less than 12 months	17,200	17,200

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 payables are recorded at the amount payable. Payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

Breakdown of creditors and other payables and further information

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Payables under exchange transactions:		
Trade payables	912	912
Accrued expenses	1,292	1,292
Total payables under exchange transactions	**2,205**	**2,205**
Payables under non-exchange transactions:		
PAYE & Withholding tax	231	231
GST (net)	148	148
Total payables under non-exchange transactions	**379**	**379**
Total creditors and other payables	**2,584**	**2,584**

10. Revenue received in advance

Breakdown of revenue received in advance and further information

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Tuition fees	3,865	3,865
Other revenue received in advance	16	16
Total	**3,881**	**3,881**

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 (either 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.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using market yields on Government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash outflows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

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 due to be settled within 12 months after the end of the year in which the employee provides 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 due to be settled beyond 12 months after the end of the year in which the employee provides 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; and the present value of the estimated future cash flows.

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 expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation 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.

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 Dec 2020 ($000)	Group Dec 2020 ($000)
Provisions:		
Provisions for redundancies	205	205
Total	**205**	**205**
Employee entitlements:		
Accrued salaries & wages	797	797
Annual leave	857	857
Long service leave	147	147
Retirement gratuities	141	141
Sick leave	58	58
Holiday pay	5	5
ACC accrual	4	4
Total	**2,008**	**2,008**
Comprising:		
Current	1,948	1,948
Non-current	265	265
Total Provisions	**2,213**	**2,213**

12. Other financial liabilities

Breakdown of other financial liabilities

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Nelson Polytechnic Educational Society	1,039	-
NMIT Research Trust	20	-
Other	205	205
Total	1,264	205

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 reserves

These reserve relate to the revaluation of land, buildings and infrastructure assets to fair value.

Breakdown of equity and further information

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Capital introduced		
As at 1 April	29,039	29,039
As at 31 December	29,039	29,039
Accumulated surplus / (deficit)		
As at 1 April	34,400	35,462
Opening balance adjustment	(542)	(542)
Surplus / (deficit) for the year	(16,091)	(16,095)
As at 31 December	17,767	18,826

The opening balance adjustment is the write off of previously capitalised programme development costs on amalgamation, in accordance with the accounting policy of the parent entity, Te Pūkenga.

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Property revaluation reserves		
As at 1 April	53,450	53,450
Impairment of PP&E	(288)	(288)
As at 31 December	53,163	53,163
Capital reserves		
As at 1 January	2,855	2,855
As at 31 December	2,855	2,855
Total equity as at 31 December	**102,824**	**103,882**

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 Crown Entities Act 2004 and the Education and Training Act 2020, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives and is compliant with these requirements.

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

14. Investments in subsidiaries and associates

Accounting Policy

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.

Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint ventures are measured at cost in the parent financial statements. Investments in associates and joint ventures are accounted for in the group financial statements using the equity method of accounting.

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

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% 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:

	Dec 2020 ($000)
Institute	
Investment in TANZ eCampus Limited (equity accounted)	1,114
Group	
Dividends or similar distributions received	-
Summarised financial information of associate	
Assets	7,966
Liabilities	(953)
Revenues	9,003
Surplus/(deficit)	108
Other comprehensive revenue and expense	-
Total comprehensive revenue and expense	108
Reconciliation to equity accounted carrying amount	
Net assets	7,013
Group's share	16.67%
Elimination of unrealised gain on downstream sale	(50)
Equity accounted carrying amount	1,114
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 nine asset classes: land, buildings, infrastructure, leasehold improvements, computer hardware, furniture and equipment, motor vehicles, library collection and heritage collections.

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

Revaluation

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

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 the 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 measured reliably.

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

In most instances, 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 its 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.

Additions over $2,000 in value are capitalised. Amounts under this are expensed.

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 general funds within equity.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, and heritage collections, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Heritage collections are not depreciated because they are maintained such that they have indefinite or sufficiently long useful lives that any depreciation is considered to be negligible.
The useful lives and associated depreciation rates of major asset classes have been estimated as follows:

Class of assets	Rate	Useful life
Buildings (including components)	1%-50% per annum	2-100 years
Infrastructure	2%-10% per annum	10-50 years
Leasehold improvements	10-33.3% per annum	3-10 years
Furniture and equipment	7.7%-50% per annum	2-13 years
Motor vehicles	25% per annum	4 years
Computer hardware	20% per annum	5 years
Library collection	10% per annum	10 years

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

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 value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

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, following physical inspection. Subsequent reviews for 2019 and 2020 have been via a 'desk-top' valuation.

Restrictions on title
Under the Education and Training Act 2020, 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 Dec 2020 ($000)	Group Dec 2020 ($000)
K Block (English Language Dept) refurbishment	372	372
IT equipment purchases	301	301
Carpentry Barn relocation	164	164
Extraction system for Engineering workshops	79	79
Marlborough Campus building upgrades	65	65
A Block stairwell strengthening	51	51
Richmond Campus building upgrades	51	51
Furniture replacements	34	34
Woodbourne Campus building upgrades	32	32
Other building upgrades	29	29
Course equipment purchases	26	26
Total capital commitments	**1,205**	**1,205**

15. Property, plant and equipment continued

Institute - 2020	Land ($000)	Buildings ($000)	Computer Hardware ($000)	Lease Computers ($000)	Furniture & Equipment ($000)	Motor Vehicles ($000)	Library books ($000)	Total ($000)
Gross carrying amount								
Balance as at 1 April	27,900	57,183	5,769	131	10,607	1,574	1,160	104,325
Work in progress	-	264	-	-	-	-	-	264
Total opening cost	**27,900**	**57,448**	**5,769**	**131**	**10,607**	**1,574**	**1,160**	**104,589**
Additions	-	444	607	-	476	110	68	1,705
Disposals	-	-	(106)	-	(236)	(7)	(217)	(566)
Impairment	-	(304)	-	-	-	-	-	(304)
Work in progress movement	-	695	15	-	22	8	-	740
Balance as at 31 December	**27,900**	**58,283**	**6,285**	**131**	**10,869**	**1,685**	**1,011**	**106,164**
Accumulated depreciation								
Balance as at 1 April	-	2,624	3,959	131	7,839	1,157	692	16,403
Reversal on disposal	-	-	(92)	-	(231)	(7)	(217)	(547)
Depreciation	-	1,564	558	-	732	84	74	3,013
Balance as at 31 December	**-**	**4,188**	**4,426**	**131**	**8,340**	**1,233**	**550**	**18,868**
Total Institute property, plant and equipment	**27,900**	**54,095**	**1,859**	**-**	**2,529**	**451**	**461**	**87,295**

15. Property, plant and equipment continued

Group - 2020	Land ($000)	Buildings ($000)	Computer Hardware ($000)	Lease Computers ($000)	Furniture & Equipment ($000)	Motor Vehicles ($000)	Library books ($000)	Total ($000)
Gross carrying amount								
Balance as at 1 April	27,900	57,183	5,769	131	10,607	1,574	1,160	104,325
Work in progress	-	264	-	-	-	-	-	264
Total opening cost	**27,900**	**57,448**	**5,769**	**131**	**10,607**	**1,574**	**1,160**	**104,589**
Additions	-	444	607	-	476	110	68	1,705
Disposals	-	-	(106)	-	(236)	(7)	(217)	(566)
Impairment	-	(304)	-	-	-	-	-	(304)
Work in progress movement	-	695	15	-	22	8	-	740
Balance as at 31 December	**27,900**	**58,283**	**6,285**	**131**	**10,869**	**1,685**	**1,011**	**106,164**
Accumulated depreciation								
Balance as at 1 April	-	2,624	3,959	131	7,839	1,157	692	16,403
Reversal on disposal	-	-	(92)	-	(231)	(7)	(217)	(547)
Depreciation	-	1,564	558	-	732	84	74	3,013
Balance as at 31 December	**-**	**4,188**	**4,426**	**131**	**8,340**	**1,233**	**550**	**18,868**
Total Institute and group property, plant and equipment	**27,900**	**54,095**	**1,859**	**-**	**2,529**	**451**	**461**	**87,295**

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 and relevant professional fees.

Staff training costs are recognised as an expense when incurred.

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

Course-related software and websites

Course-related software and website development costs are classified as software and accounted for in accordance with the accounting policy for software. Capitalised costs are tested for impairment and, once available for use, amortised in accordance with that policy.

Courses purchased from other organisations

Separately acquired courses and programmes (including trademarks and licences) acquired from outside the Te Pūkenga group are initially recognised at historical cost. They have a finite useful life and, subsequent to initial recognition, should be carried at cost less accumulated amortisation and impairment losses. They are amortised over a period not exceeding five years.

Internally developed courses

Course development costs are expensed when incurred unless the course development costs are directly attributable to the design of identifiable courses and programmes controlled by the group in which case they are recognised as intangible assets where all of the following criteria are met:

(a) The course material is identifiable and the use and redistribution of course materials is controlled by the group through legal or other means.

(b) It is probable that the courses will generate future economic benefits attributable to the course and the cost can be reliably measured. This is the case when:

(i) it is technically feasible to complete the development so that the course or programme will be available for use and/or sale;

(ii) management intends to complete the development of the course or programme and use or sell it;

(iii) there is an ability to use or sell the course or programme;

(iv) it can be demonstrated how the course or programme will generate probable future economic benefits;

(v) there are adequate technical, financial and other resources available to complete development of the course or programme and to use or sell the course or programme; and

(vi) the expenditure attributable to the course or programme development can be reliably measured.

Capitalised course development costs related to courses that are not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Capitalised course development costs are amortised from the point at which the course or programme is ready for use and are amortised over a period not exceeding five years. They are carried at cost less accumulated amortisation and impairment losses. They are tested for impairment whenever there is an indication that the asset may be impaired.

Costs associated with maintaining courses and programmes are recognised as expenses as incurred.

As a result of the adoption of Te Pūkenga's accounting policy with respect to the capitailsation of course development costs from 1 April 2020, intangible assets with a depreciated value of $542,000 have been fully impaired, with the amount accounted for as an amalgamation adjustment through retained earnings (see Note 13)

Intellectual property development

Research costs are expensed as incurred in the surplus or deficit. Development costs that are directly attributable to the design, construction, and testing of pre-production or pre-use prototypes and models associated with intellectual property development are recognised as an intangible asset if all of the following can be demonstrated:

(i) It is technically feasible to complete the product so that it will be available for use or sale.

(ii) Management intends to complete the product and use or sell it;

(iii) There is an ability to use or sell the product;

(iv) It can be demonstrated how the product will generate probable future economic benefits;

(v) Adequate technical, financial and other resources to complete the development and to use or sell the product are available;

(vi) The expenditure attributable to the product during its development can be reliably measured.

Other development expenses that do not meet these criteria are recognised as an expense as incurred in the surplus or deficit.

Development costs previously recognised as an expense cannot be subsequently recognised as an asset.

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 recognised 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 - 6 years 16.7% - 33.3% 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.

Leased assets
At the commencement of the lease term, the Institute and group shall recognise assets acquired under finance leases as assets, and the associated lease obligations as liabilities in the Statement of Financial Position. Although the legal form of a lease agreement is that the lessee may acquire no legal title to the leased asset, in the case of finance leases the substance and financial reality are that the lessee acquires the economic benefits or service potential of the use of the lease asset for the major part of its economic life in return for entering into an obligation to pay for that right, an amount approximating, at the inception of the lease, the fair value of the asset and the related finance charge. A finance lease gives rise to a depreciation expense for depreciable assets as well as a finance expense. The depreciation policy for depreciable leased assets shall be consistent with that for the depreciable assets that are owned. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the assets shall be fully depreciated over the shorter of the lease term or its useful life.

Breakdown of intangible assets and further information

Computer Software	**Institute Dec 2020 ($000)**	**Group Dec 2020 ($000)**
Opening cost at 1 April	3,658	3,658
Opening balance adjustment	(109)	(109)
Additions	31	31
Disposals	-	-
Work in progress movement	144	144
Closing cost at 31 December	**3,724**	**3,724**
Opening accumulated amortisation at 1 April	2,378	2,378
Opening balance adjustment	(19)	(19)
Amortisation	322	322
Disposals	-	-
Closing accumulated amortisation at 31 December	**2,682**	**2,682**
Net carrying amount	**1,042**	**1,042**

Programme Development Costs	**Institute Dec 2020 ($000)**	**Group Dec 2020 ($000)**
Opening cost at 1 April	1,289	1,289
Opening balance adjustment	(1,081)	(1,081)
Additions	(1)	(1)
Disposals	-	-
Closing cost at 31 December	**208**	**208**
Opening accumulated amortisation at 1 April	708	708
Opening balance adjustment	(629)	(629)
Amortisation	30	30
Disposals	-	-
Closing accumulated amortisation at 31 December	**108**	**108**
Net carrying amount	**100**	**100**

Total Intangible Assets	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Opening cost at 1 April	4,948	4,948
Opening balance adjustment	(1,190)	(1,190)
Additions	30	30
Disposals	-	-
Work in progress movement	144	144
Closing cost at 31 December	**3,932**	**3,932**
Opening amortisation at 1 April	3,086	3,086
Opening balance adjustment	(648)	(648)
Amortisation	352	352
Disposals	-	-
Closing accumulated amortisation at 31 December	**2,790**	**2,790**
Net carrying amount	**1,142**	**1,142**

The opening balance adjustment is the write off of previously capitalised programme development costs on amalgamation, in accordance with the accounting policy of the parent entity, Te Pūkenga.

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

Capital commitments
The amount of contractual commitments for the acquisition of intangible assets is:

	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Document management system	57	57
Total capital commitments	**57**	**57**

17. Contingencies

Contingent liabilities
The Institute and group has no contingent liabilities.

Contingent assets
The Institute and group has no contingent assets.

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.
The maximum estimated exposure to staff and student grievances is $0.

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 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 has 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 (then) 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 $1,038,561 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 December 2020 audit fee is $4,380.

NMIT Research Trust
The Institute has entered into transactions with the NMIT Research Trust. 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 S20,199 are included within the accumulated funds in the Consolidated Statement of Financial Position.

Transactions with key management personnel Key management personnel compensation	**Actual Dec 2020 ($000)**
Board Members	
Remuneration	117
Full time equivalent members	8
Executive Management Team, including the Chief Executive	
Remuneration	521
Full time equivalent members	3
Total key management personnel remuneration	**638**
Total full time equivalent personnel	**11**

An analysis of Board 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 earlier recognition of funding. The full 12 months funding for January to December 2020 was recognised as revenue in the financial statements for the three months ended 31 March 2020 because the Minister of Education had removed the repayment obligation in relation to underdelivery of EFTS for 2020.

Tuition fees
Tuition fees are favourable to budget. International tuition fees are higher than budget due to a difference in the phasing of the budget, which is based on enrolment rather than period of course delivery.

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

Other revenue
Other revenue is favourable to budget due to unbudgeted revenues, such as from the Technology Access Fund for Learners, and Hardship Access Fund for Learners.

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 programmes with lower international student enrolments. In addition, some new support staff roles were not filled and a recruitment freeze was put in place for non-essential staff replacement.

Depreciation and amortisation expense
Depreciation and amortisation expense is favourable to budget due to a lower than budgeted opening asset base from 2019, the write off of previously capitalised course development costs, and timing delays in current year capital expenditure.

Other expenses
Other expenses are favourable to budget due to lower payments to joint venture partners (due to lower EFTS), lower commissions paid to international agents as a result of lower international student enrolments, lower travel costs due to online delivery of in-China courses, and cancellation of international marketing travel and non-essential domestic travel due to COVID-19.

Statement of financial position

Cash and cash equivalents
Cash and investments are higher than budget due to lower operating and personnel expenditure.

Debtors and other receivables
Debtors and other receivables are lower than budget due to lower outstanding student debt.

Other financial assets
Other financial assets are higher than budget due to higher cash reserves on term deposit arising from lower capital and operating expenditure than budgeted.

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

Property, plant and equipment
Property, plant and equipment is lower than budget due to lower capital expenditure due to timing delays arising from COVID-19. In addition, capital expenditure in 2019 was also lower than budgeted, resulting in a lower opening balance than budgeted.

Intangible assets
Intangible assets are lower than budgeted due to a change in accounting policy requiring programme development expenditure to be expensed as incurred, and previously capitalised programme development expenditure written off.

Revenue received in advance
Revenue received in advance is lower than budgeted due to lower international student enrolments.

Provisions
Provisions are higher than budget due to unbudgeted redundancy costs from restructuring due to COVID-19. In addition, the annual leave liability has increased during the year, due to a reduction in leave being taken by staff during the year.

Statement of movements in equity
The deficit for the period was lower than budgeted due to the differences in revenue and expenditure as explained above.

The opening balance has been adjusted for the write off of previously capitalised programme development costs.

Statement of cash flows
Net cash flows from operating activities are lower than budgeted due to lower receipts from tuition fees. This is offset by lower than budgeted personnel costs and operating expenditure such as course travel and payments to joint venture partners.

Net cashflows from investing activities are lower than budgeted due the later than budgeted timing of capital expenditure, partly offset by higher than budgeted placement of funds on short-term deposit.

21. Events after balance date

Coronovirus (COVID-19) pandemic.
COVID-19 remains present in New Zealand, with the Government continuing to take active measures to prevent it's outbreak and spread. At the time of reporting, these include restricting entry into the country to returning residents only, who are subject to a quarantine period.
As a result of restricted entry, a decline in international students is expected. Whilst operating at Alert levels 1 and 2 has minimal impact on NMIT's ability to deliver it's educational programmes, a return to levels 3 or 4 is likely to adversely affect our operations and services. Possible effects that we have identified are:

- failure to meet educational targets may affect government funding, tuition 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 within the region
- the incurrence of additional costs as a result of developing alternative methods of education delivery
- additional costs arising from repayments to students for residential accommodation
- the direct cost impact of Alert levels 3 and 4 on staff salaries, leases and other related costs.

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 Dec 2020 ($000)	Group Dec 2020 ($000)
FINANCIAL ASSETS		
Loans and receivables		
Cash and cash equivalents	4,032	4,032
Debtors and other receivables (excl GST)	1,123	1,123
Other financial assets		
- term deposits	17,200	17,200
Total loans and receivables	22,355	22,355
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
Creditors and other payables (excl GST & PAYE)	2,205	2,205
Other financial liabilities	1,264	205
Total financial liabilities at amortised cost	3,469	2,410

The Institute does not measure any financial instruments in the Statement of Financial Position, either 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, 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.

Foreign exchange risk

Foreign exchange 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 and group is exposed to foreign exchange risk as the Institute purchases resources from overseas. 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 value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates of interest create exposure to fair value interest rate risk. The Institute does not actively manage its exposure to fair value interest rate risk.

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. Borrowings and investments issued at variable interest rates create exposure to cash flow interest rate risk. 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 Institute and group limits the amount of credit exposure to any one financial institute for term deposits to no more than 60% of total investments held. The Institute and group invests funds 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.

The Institute and group holds no collateral or other credit enhancements for financial instruments that give rise to credit risk.

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.

Counterparties with credit ratings	Institute Dec 2020 ($000)	Group Dec 2020 ($000)
Cash at bank and term deposits		
AA-	13,324	13,324
BBB	7,900	7,900
Total	**21,224**	**21,224**

Debtors and other receivables

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. Debtors and other receivables balances are monitored on an ongoing basis to ensure that the exposure to bad debts is not significant.

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 analyses financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are contractual undiscounted cash flows:

	Carrying amount ($000)	Contract cash flows ($000)	Less than 6 months ($000)	6 months or greater ($000)
Institute Dec 2020				
Creditors and other payables	2,584	2,584	2,584	-
Accrued pay	797	797	797	-
Total	3,381	3,381	3,381	-
Group Dec 2020				
Creditors and other payables	2,584	2,584	2,584	-
Accrued pay	797	797	797	-
Total	3,381	3,381	3,381	-

Sensitivity Analysis

The table below illustrates the potential effect on the surplus or deficit and equity (excluding general funds) for reasonably possible market movements in interest rates, with all other variables held constant, based on financial instrument exposures at balance date.

Institute & group Dec 2020		Dec 2020 ($000)		
Interest Rate Risk	Surplus	- 0.25% Other equity	Surplus	+ 0.25% Other equity
Financial Assets				
Cash and cash equivalents	(10)	-	10	-
Total sensitivity	(10)	-	10	-

Explanation of interest rate risk sensitivity

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease in 100 bps is equivalent to a decrease in interest rates of 1.0%.

Institute & group Dec 2020		Dec 2020 ($000)		
Foreign Exchange Risk	Surplus	- 10% Other equity	Surplus	+ 10% Other equity
Financial Assets				
Debtors and other receivables	83	-	(68)	-
Total sensitivity	83	-	(68)	-

Explanation of foreign exchange risk sensitivity

The foreign exchange rate sensitivity is based on a reasonable possible movement in exchange rates, with all other variables held constant.

Compulsory student services levy

NMIT charged learners a compulsory student services levy of S240 (incl GST) per EFTS in 2020. 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. Where cost of service delivery exceeds the NMIT contract with SANITI, SANITI has used Association savings to cover the deficit. When there is a deficit in the income received from compulsory student services levies, NMIT will offset this against a liability from a previous year where possible.

Student services levy income and expenditure 2020

Revenue	Advocacy and Legal Services	Employment Information	Sports, Recreation & Cultural Services	**Sub Total**	International Activities	**Total**
Service Level Agreement	175,100.00	58,000.00	162,440.00	**395,540.00**	14,000.00	409,540.00
Total Revenue	**175,100.00**	**58,000.00**	**162,440.00**	**395,540.00**	**14,000.00**	**409,540.00**
Expenditure						
Expenses	181,739.20	59,808.00	165,660.80	**407,208.00**	14,192.79	421,400.79
Total Expenses	**181,739.20**	**59,808.00**	**165,660.80**	**407,208.00**	**14,192.79**	**421,400.79**
Surplus/Deficit	-6,639.20	-1,808.00	-3,220.80	-11,668.00	-192.79	-11,860.79

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. In 2020 due to COVID-19, additional hardship support was processed through the Education NZ fund for international students and HAFL fund for domestic students.

Employment information

Employment information was provided to learners seeking assistance with applying for and sourcing employment. Assistance included one-on-one and group seminars 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

ACE	Adult Community Education	**NTPCT**	Nelson Tasman Pasifika Community Trust
CAE	Certificate in Aeronautical Engineering	**NZCEL**	New Zealand Certificate in English Language
CoVE	Centre of Vocational Excellence	**NZDF**	New Zealand Defence Force
DAR	Defence Aeronautical Regulations	**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
LNAAT	Literacy and Numeracy Adult Assessment Tool	**TEC**	Tertiary Education Commission
MPI	Ministry for Primary Industries	**TES**	Tertiary Education Strategy
MPTT	Māori Pasifika Trades Training	**TOTSTA**	Top of the South Trades Academy
MRC	Marlborough Research Centre	**TPP**	Te Toki Pākohe
MSD	Ministry of Social Development	**TTAF**	Targeted Training and Apprenticeship Fund
NEET	Not in Education, Employment or Training	**TTP**	Tai Poutini Polytechnic
NIWA	National Institute of Water and Atmospheric Research	**VMI**	NZ Certificate in Vehicles, Machinery and Infrastructure
NMIT	Nelson Marlborough Institute of Technology	**WCTA**	West Coast Trades Academy
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

Appendix 1

Comparison of annual revenue and expense and cash flows (unaudited information)

On the 1st of April 2020 the existing Institute's of Technology and Polytechnics (ITP's) became subsidiary companies of the newly formed Te Pūkenga. The Annual reporting period for ITP's has historically been for the calendar year (from 1 January to 31 December), however in 2020 each ITP was required to prepare two sets of financial statements - the first set for the period ending 31 March 2020 (covering the first three months of the 2020 financial year through to its disestablishment on 31 March 2020), and the second set (covering the nine months from 1 April to 31 December) as a newly formed subsidiary of Te Pūkenga.
As the new subsidiary companies did not exist in the prior year there are no comparatives provided in the Audited Financial Statements.

Te Pūkenga's GAAP compliant accounting policies govern the recognition of revenue and expenditure, which as a result of the two reporting periods, has resulted in the period to disestablishment recognising most of the ITP's annual revenue during that three month period, whilst the majority of expenditure (and resulting cashflows) occurs in the following nine month period. With the intent of providing a meaningful comparison of performance for the group between 2020 and the prior 2019 financial year, the following summaries have been provided.

The first column shows a summary of Revenue and Expenditure and Cashflows from the disestablishment financial reports (three months to 31 March), with the second reporting the first period results (from 1 April to 31 December) as a subsidiary company of Te Pūkenga. Both the three month and nine month results have been audited. The third column shows the combined result for the calandar year (irrespective of the structural changes to the entity upon the formation of the new group). The fourth column provides an unaudited consolidation of the prior year's comparative Revenue, Expenditure and Cash flows.

Comparison of revenue and expenses

All in $000s	ACTUAL 3 months 1 January - 31 March 2020	ACTUAL 9 months 1 April - 31 December 2020	TOTAL 12 months 1 January to 31 December 2020	LAST YEAR 2019
REVENUE				
Government grants	21,606	105	**21,711**	19,661
Tuition fees	6,228	7,928	**14,156**	13,807
Other revenue	1,255	4,847	**6,102**	7,047
Total revenue	**29,089**	**12,880**	**41,969**	**40,515**
EXPENDITURE				
Personnel & employee benefit costs	5,274	18,347	**23,621**	23,665
Depreciation and amortisation expenses	1,172	3,365	**4,537**	4,805
Impairment expense	-	-	**-**	-
Administration and other expenses	3,263	7,311	**10,574**	12,620
Total expenditure	**9,709**	**29,039**	**38,748**	**41,090**
Share of associate / joint venture	(47)	65	**18**	(45)
Surplus/(deficit)	**19,333**	**(16,094)**	**3,239**	**(620)**

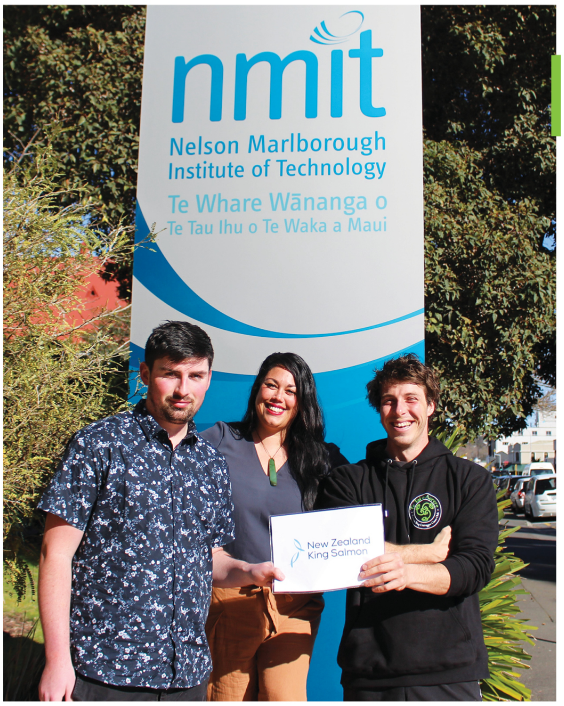
Comparison of Cash Flows

All in $000s	ACTUAL 1 January - 31 March 2020	ACTUAL 1 April - 31 December 2020	TOTAL 12 months 1 January to 31 December 2020	LAST YEAR 2019
Net cash inflow from operating activities	**3,833**	**1,395**	**5,228**	**5,881**
Net cash outflow used in investing activities	**(5,564)**	**(1,957)**	**(7,521)**	**(3,793)**
Net cash flows from financing activities	**-**	**-**	**-**	**-**
Net (decrease)/increase in cash and cash	**(1,731)**	**(562)**	**(2,293)**	**2088**
Cash and cash equivalents at beginning of the period	5,201	3,470	**5,201**	3,113
Cash and cash equivalents at end of period	**3,470**	**2,908**	**2,908**	**5,201**

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.



2020 scholarship recipients.

nmit

Nelson Marlborough Institute of Technology

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