
2018 Annual Report

Ngā Āhuatanga

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

E S T A B L I S H E D I N 1 9 0 5





2018

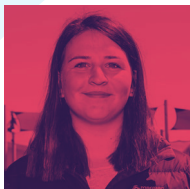
NMIT preparing work and world ready graduates



Luca graduated in December 2018 and completed his Bachelor of Viticulture and Winemaking with NMIT because he wanted to learn and work in the heart of New Zealand's wine industry. An internship with Huia Vineyards at the end of his first year of study quickly turned into a full time role which he attributed to the skills he learnt at NMIT.

"NMIT is in the middle of everything plus in Marlborough you get to experience the reality of small, medium and large wineries."

Luca Fant, Bachelor of Viticulture and Winemaking, now working at Huia Vineyards



Janelle Van Der Westhuizen, graduated in December 2018 with Merit in the Diploma in Adventure Tourism. She also won the 2018 New Zealand Outdoor Instructor Association's Polytechnic Best Student Award. Janelle has had 'the best two years' at NMIT.

"We were always out doing something." Now the 19 year old graduate is off to the Abel Tasman National Park to work for Kaiteriteri Kayaks. The Adventure Tourism Diploma programme has 100% success rate for learners gaining employment.

Janelle Van Der Westhuizen, Diploma in Adventure Tourism, now working at Kaiteriteri Kayaks



7,218

Total learners

3,001

EFTS

1,357

International students



A positive learner experience every time

95% of learners were satisfied with NMIT overall **(93% 2017)**

We are improving our SAC education performance indicators*

86% course completion **(83% 2017)**

83% qualification completion **(78% 2017)**

73% learner retention **(68% 2017)**

We are delivering skills for industry

Number of qualifications we are now accredited to deliver:

8 Level 8+

108 Level 4 - 7

43 Level 1 - 3

We are improving achievement of Māori and Pasifika*

81% Māori course completion **(75% 2017)**

87% Pasifika course completion **(74% 2017)**



7

years in a row Telarc accredited, now to ISO 9001:2015

*Provisional figures

Contents

Council Chair's Foreward	2
Chief Executive's Report	3
Role of Annual Report and Council	4
Councillors and organisation representation	5
Statement of service performance	6
NMIT vision and strategic objectives	7
Build a high-performing customer-focused team.....	8
Deliver a personalised customer experience through the learner life-cycle.....	11
Enable learning that develops and inspires capable and connected graduates.....	14
Optimise our programme mix to meet work and world ready outcomes.....	17
Grow partnerships that provide opportunities and solutions	19
Capital asset management.....	23
Statement of resources.....	24
NMIT performance commitment reporting.....	25
2018 EFTS	28
Equal education opportunities (EEo) report	29
Learner profile	31
Equal employment opportunities (EEO) report	32
Human resources statistics	33
Research activity report.....	34
Independent auditor's report	41
Statement of responsibility.....	44
Two year performance summary for the group	45
Statement of comprehensive revenue & expense	47
Statement of financial position.....	48
Statement of changes in equity	49
Statement of cash flows.....	50
Notes to the financial statements	52
Compulsory student services levy	79
Glossary.....	80

Council Chair's Foreward

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.



Nelson Marlborough Institute of Technology (NMIT) takes pride in our position as the largest provider of education and training courses across Te Tau Ihu with the goal of preparing work and world ready graduates. Our annual results reflect the progress we have made in ensuring that goal is a reality.

It is important to remember that for us as a learning Institute, financial results are not our sole driver. The achievements of our learners are also of significant importance.

The NMIT Council, Executive Team and a wide range of stakeholders were engaged during the year in the development of our new five-year strategy. The revised purpose, values and plan, will see NMIT embark on a new set of implementation plans to ensure we meet our defined goals and objectives in relation to the development of work and world ready graduates. The strategy will be rolled out across NMIT during 2019.

In May 2018, NMIT appointed Liam Sloan as Chief Executive Officer. During the year, Liam has provided strong leadership of NMIT and effective and strategic management of a range of issues. These skills will be in further demand during 2019 during the period of proposed reforms of the Institutes of Technology and Polytechnics (ITP) sector. Liam has constantly and consistently placed the needs and requirements of NMIT centre stage and Council thanks him for this level of commitment.

Thank you to the NMIT Council for your energy and drive during 2018. This has helped ensure NMIT achieved a step-up in performance and endorsement as an innovative market-led provider of education and training. I want to acknowledge the hard work and commitment of each of the NMIT members of Council. This is a complex area of governance and it has very specific challenges and requirements. It has

been important for me to know I have the strong support of my fellow Council members.

During 2018, Andy Rowe resigned from NMIT Council following eight years of service to the organisation. As a councillor, Andy could be relied upon to provide an insightful contribution to our debate at a governance level.

Abbey Paterson also concluded her term on the NMIT Council during 2018. Abbey was a community representative and as her role as Students Association of Nelson Marlborough Institute of Technology Inc (SANITI) president reached its conclusion, so too did her term on Council. On behalf of NMIT, I would like to thank Andy and Abbey for their significant contributions to NMIT and the community.

During 2018, we welcomed Tracy Johnston to the NMIT Council, and in early 2019 we welcomed Cornelius Prinsloo. Both new members will bring a strong governance lens to their respective roles and their knowledge and expertise will be put to full use during the change period facing the ITP sector in 2019.

Finally, I want to thank all those diverse and knowledgeable members of our learning community who contribute extensively to our day to day success. This includes Team NMIT, Iwi, community partners, industry and international partners. I have no doubt that 2019 will be a challenging year for us all as we face widespread sector change. We will need to be flexible, nimble, coordinated and strident in ensuring great outcomes for our region. The knowledge that we have such a strong group of stakeholder support, with each one of you determined to ensure the best possible outcome for NMIT, provides a significant amount of security around this process.

Daryl Wehner

Council Chair, on behalf of the NMIT Council

Chief Executive's Report



The past year has been another year of milestones and improved performance for NMIT.

During 2018 we had 7,218 students and 289 full-time equivalent staff, delivering quality vocational training from our five campuses*.

Eighty per cent of our graduates told us that they felt their qualification prepared them for the world of work. This impressive statistic shows a high degree of relevancy of the NMIT learner experience and also highlights the incredibly strong levels of engagement we continue to work hard on developing.

Pleasingly, for the second consecutive year, course and qualification completion rates exceeded targets and exceeded 2017 achievements:

- Provisional overall Course Completion in 2018 was 86%, 4% higher than target and a 3% improvement on 2017.
- Provisional overall Course Completion for Māori learners was 81%, 6% higher than target and a 6% improvement on 2017.
- Provisional overall Qualification completion in 2018 was 83%, 8% higher than target and a 5% improvement on 2017.
- Provisional overall Qualification completion for Māori learners was 78%, 4% higher than target and a 10% improvement on 2017.

During 2018, the region's first colab was established at NMIT's Nelson Campus. Alongside strategic partners, the Nelson Regional Development Agency (NRDA) and the Nelson Tasman Chamber of Commerce (NTCC), the colab was created to place local businesses and NMIT at the heart of the innovation and business community. The Mahitahi Colab is for new, existing and aspiring start-up businesses and it has created multiple opportunities for NMIT learners to access live project briefs and network with key businesses.

During 2018, we completed an organisational restructure of our Executive Team and Curriculum Management Team. The focus of this change was to ensure that NMIT is well placed to remain competitive and respond strategically to the challenges the sector faces. We are comfortable that we now have the best team available to help face the future sector review and position our organisation well for anticipated change.

During 2017, the decision was made to close our Global Campus in Auckland. This decision was in no way a reflection of the very competent team we had on site, but it was a reflection of the difficulties facing the sector across the country. NMIT is not immune to this impact. We acknowledge the Global Campus team members who demonstrated a high level of professionalism throughout the 2018 closure period. This was a difficult time for everyone.

After one-off adjustments, the total comprehensive revenue and expense for the year was \$3.9m. One-off adjustments included gains from property revaluations and cost of exiting Global Campus Auckland. NMIT remains financially strong with healthy liquidity and an asset base in excess of \$100m.

We are excited about 2019 – welcoming new learners, launching our new five-year strategy, continuing to deliver quality outcomes and experiences. We are also excited about developing new partnerships and exploring opportunities to diversify and better support the government to ensure the New Zealand tertiary sector is effective and sustainable.

Finally, on behalf of the NMIT Executive Team, we thank the NMIT Council members for their strong governance in 2018 and also every team member and every student at NMIT for their commitment to our institution. While we know there is uncertainty ahead, we believe our strong team focus will ensure we are well placed for future challenges.

Liam Sloan
Chief Executive

*Following the closure of our Auckland Campus in September 2018 we now operate across four campuses.

Role of Annual Report and Council

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

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

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

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

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

- > Statement of Objectives including performance measures
- > Investment Plan 2017-2018
- > Annual Report

Role of Council

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

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

NMIT Council responsibilities

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



Nelson Marlborough Institute of Technology Council 2018

Front row L-R: Gabrielle Hervey, Des Ashton, Abbey Paterson, Win Greenaway

Back row L-R: Charles Newton, Paul Steere (Deputy Chair), Tracy Johnston, Daryl Wehner (Chair)

Councillors and organisation representation

NMIT Council membership

Daryl Wehner	Chair, Council Appointment
Andrew Rowe	Deputy Chair, Ministerial Appointment – term ended April 2018
Paul Steere	Deputy Chair (from May 2018), Ministerial Appointment
Gabrielle Hervey	Ministerial Appointment
Charles Newton	Ministerial Appointment
Tracy Johnston	Ministerial Appointment – appointed May 2018
Abbey Paterson	Council Appointment
Win Greenaway	Council Appointment
Des Ashton	Council Appointment

Kaumatua & Kuia

Priscilla Paul	Nelson / Tasman Region
Helen Joseph	Marlborough Region

Executive Team

Liam Sloan	Chief Executive
Sue Smart	Executive Director – Customer Experience and Excellence
Carole Crawford	Executive Director – Learning Innovation and Delivery
Vicki Bryson	Executive Director – Finance, Compliance and Business Intelligence
Grant Kerr	Executive Director – Strategy, Enterprise and Sustainability
Andrew Luke	Executive Director – Māori

Curriculum Areas

Susannah Roddick	Curriculum Director
Justin Carter	Curriculum Director
Monique Day	Curriculum Manager – Primary Industries
Rae Perkins	Curriculum Manager – Applied Business
Stuart Campbell	Curriculum Manager – Digital Technologies, Arts and Media
Chris Dunn	Curriculum Manager – Health and Fitness
Caroline Day	Curriculum Manager – Social Sciences
Marty Dixon	Curriculum Manager – Maritime
Duncan Sharp	Curriculum Manager – Aviation
Wayne Cooper	Curriculum Manager – Engineering and Construction
Marja Kneepkens	Curriculum Manager – Hospitality and Service Sectors
Reid Carnegie	Curriculum Manager – Tertiary Pathways
John Inglis	Dean of International Curriculum
Olivia Hall	Curriculum Manager – Te Toki Pākohe

Statement of service performance

As the Top of the South's largest education and training provider, Team NMIT worked collaboratively across Te Tau Ihu to prepare work and world ready graduates and this Statement of Service Performance comprises the set of performance indicators that, when read in conjunction with the balance of the Annual Report, provides an assessment of NMIT's performance against its vision and strategic objectives for 2018.

NMIT Investment Plan 2017-2018

NMIT's Investment Plan identified a number of priority commitments that were strategically aligned to the Tertiary Education Strategy (TES). Throughout 2018 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 Investment Plan 2019-2020

During 2018, NMIT's Executive Team engaged a significant number of internal and external stakeholders in the development of its Investment Plan for 2019-2020. The Tertiary Education Commission (TEC) recognised that the Investment Plan demonstrated:

- > A strong approach that responded to the Tertiary Education Strategy 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.

The Tertiary Education Strategy 2014-2019

The Tertiary Education Strategy 2014-2019 sets out a number of priorities for the sector. Throughout 2018, NMIT has made significant contributions towards the delivery of the priorities. The key below is used throughout this Annual Report to demonstrate achievement towards the TES priorities.

Priority Number	Priority
	Delivering skills for industry
	Getting at-risk young people into a career
	Boosting achievement of Māori and Pasifika
	Improving adult literacy and numeracy
	Strengthening research based institutions
	Growing international linkages

NMIT vision and strategic objectives

NMIT Vision

A future-focused learning organisation preparing work and world ready graduates

NMIT Mission & Purpose

Supporting the development of Nelson, Tasman and Marlborough through the provision of applied vocational and professional education and training

Our Values

<p>Rangiratanga</p> <p>We treat people with fairness and equity acknowledging our communities and heritage; we provide a safe and nurturing environment. We demonstrate honesty, transparency, fairness and clear boundaries in all our interactions</p>	<p>Manaakitanga</p> <p>Care for others / behaviours that enhance the mana of others and therefore our own</p>	<p>Passion</p> <p>We strive and stand up for what we believe in and go the extra distance; we want to make a difference to people's lives</p>	<p>Ownership</p> <p>We hold ourselves accountable for our actions, take ownership and deliver on our promises</p>
---	--	--	--

Our Commitment

<p>Team NMIT</p> <p>Caring, connected and passionate</p>	<p>Customer Experience</p> <p>A positive experience every time</p>	<p>Learning and Teaching</p> <p>Life changing learning</p>	<p>Programme Range</p> <p>Dynamic, world class programmes</p>	<p>Effective Partnerships</p> <p>Making a difference through partnerships</p>
---	---	---	--	--

Primary Strategic Objectives

<p>Build a high-performing customer-focused team</p> <ul style="list-style-type: none"> > Team NMIT understand the KPIs they are being measured against > Team NMIT has regular coaching conversations that facilitate continuous improvement > All PD activities are aligned to NMIT's strategic objectives > We share good practice and celebrate outstanding performance across NMIT 	<p>Deliver a personalised customer experience through the learner life cycle</p> <ul style="list-style-type: none"> > Every team has a 'marketing strategy canvas' that describes its personalised customer experience 	<p>Enable learning that develops and inspires capable and connected graduates</p> <ul style="list-style-type: none"> > All learners have active learning plans that are destination focused > All programmes deliver the LDF strategy > All programmes, learners and staff are currently engaged with industry > Team NMIT supports learning that leads to outstanding outcomes 	<p>Optimise our programme mix to meet work and world ready outcomes</p> <ul style="list-style-type: none"> > Internal and external partnerships deliver opportunities for learning that drive continuous improvement 	<p>Grow partnerships that provide opportunities and solutions</p> <ul style="list-style-type: none"> > A process and strategy that successfully delivers current and future customer demands and needs > Programme portfolio delivers value for money outcomes
--	---	--	---	---

nmit.ac.nz

nmit

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

Build a high-performing customer-focused team

Performance and Recognition Framework

NMIT's Performance and Recognition Framework, introduced in 2017, became well embedded at the Institute in 2018. New team members were introduced to the practice as part of their induction so that team members and managers alike could continue to have an opportunity to discuss an individual's progress, celebrate successes, provide feedback and identify opportunities. This resulted in a more personalised approach to professional and personal development.

Empowering teams

Throughout 2018 NMIT took a targeted approach to developing and engaging its Institute Leadership Team (ILT).

Development focused on ensuring ILT members became more influential in shaping and responding to cross-institute challenges and concerns. As a result, a number of Leadership Working Groups (LWGs) were formed. The LWGs addressed areas such as the resource-intensive awards process, inconsistent approaches to curriculum timetabling and a review of NMIT's self-assessment report framework.

ILT members said they felt more influential and empowered to support NMIT to become a more effective Institute. It was evident that ILT members were active outside of ILT meetings and began to network and collaborate more with their peers which had not always been the case in previous years.

In addition, a thought leadership agenda item was included at each ILT meeting giving members an opportunity to learn more about effective leadership and management across complex organisations. Items included how-to topics on leading teams, managing budgets, motivation and managing performance.

Feedback from ILT members was very encouraging and they confirmed that the inclusion of thought leadership topics helped them to develop as leaders but also helped them to develop some of their team members.

A wellbeing focus was incorporated into all 2018 staff professional development (PD) days with topics such as Psychological First Aid Training, Wellbeing at Work and Personal Productivity on offer. This assisted team members to recognise and manage their own and others wellbeing. All these offerings were recorded and uploaded to the intranet for future reference, helping to develop and

support a culture in which team members were upskilled to take initiative and increase ownership within their areas of responsibility.

Recruitment and induction

The use of a micro-teach component, amongst other tools, to assess candidates for learning and teaching roles continued in 2018. This saw learners become more involved in the selection of tutors and a subsequent positive impact evidenced by the reduction in student complaints.

A focus on further improving on-boarding of new team members saw a greater emphasis on personalising training to individual needs resulting in a different approach to the induction of academic staff compared to business support staff.

Meeting capability needs

2018 saw the implementation of a new Executive Directorate team structure driven by the need to ensure NMIT remains sustainable. Executive Team roles and job descriptions were updated to ensure they continued to be fit for purpose. With the realignment of portfolios, two highly experienced senior managers were appointed bringing the team to six.

With financial sustainability a key focus in the Institutes of Technology and Polytechnics (ITP) sector, NMIT made an appointment to the new role of Executive Director – Strategy, Enterprise and Sustainability. Over the next five years this role will look to grow commercial income, develop strategic plans for every department across NMIT and ensure NMIT's strategy continues to be fit for purpose.

In addition, the role of Executive Director – Learning Innovation and Delivery was created to ensure that the development and delivery of programmes respond to the global mega trends experienced across the sector, ensuring NMIT continues to be a relevant and future-focused organisation.

During 2018, NMIT also restructured its curriculum leadership to ensure a future focus. Two new Curriculum Director roles were created along with a new Dean of International Curriculum. The Curriculum Directors focused on specific curriculum groupings based on strengths and expertise with one group including the vocational programmes, such as Trades and Service Industries, and the other on Degree and Master qualifications. The Curriculum Directors reviewed coordination roles leading to a process of implementing non-academic

1

coordinator roles across all areas and freeing academic staff to focus on innovation in their own curriculum and professional work. With the ability to work across all Curriculum Managers, the Curriculum Directors have also raised the transparency of academic staff workloads, innovative practice, academic expectations and new leadership opportunities across academic teams.

The Dean of International Curriculum role was introduced to strengthen academic relationships alongside rigorous quality monitoring / pedagogy oversight with offshore partners and to ensure clear sustainable pathways for international learners into NMIT. The new role has already led to a greater acceptance of Chinese universities to lift levels of student English to assist in educational success. Other impacts included the clarification of quality requirements and an improved induction for tutors before delivering programmes offshore.

Literacy and numeracy professional development

The completion of the base-line programmes of the New Zealand Certificate in Adult and Tertiary Teaching (NZCATT) continued to be a probationary requirement for all teaching team members and the literacy and numeracy paper in this qualification was a key focus. In 2018, around 70% of those on probation completed the qualifications that moved them out of probation. As an alternative for those teaching at Level 3 and below, probationary staff could instead complete the New Zealand Certificate in Adult Literacy and Numeracy Education (NZCALNE). This qualification placed the emphasis on embedding literacy and numeracy in the classroom as part of all learning.

4

Te Ara Wai Strategy development

3

NMIT's Māori strategy Te Ara Wai was presented at Professional Development sessions with an outline for developing an implementation plan. A working group was established from across the Institute that developed a framework for a three-phase plan to begin implementing in 2019. Maintaining and building the Māori capability across NMIT will be a key focus in the first phase, with phase two progressing earlier learning and reviewing policy and processes to increase Māori learner success and enhance NMIT's relationship with Te Tau Ihu whānau, hapū and Iwi. Phase three will embed Te Tau Ihu whānau, hapū, Iwi and Māori perspectives across NMIT to ensure NMIT is a culturally safe place of learning and NMIT is an active Treaty partner. Progress will be reported to NMIT Council throughout the year.

Further engagement with staff occurred at scheduled Professional Development sessions where delivery of te reo Māori was provided on pronunciation and greetings, introductions in Māori and waiata. For some staff the sessions inspired further learning and development in Māori culture and in 2018 there was an increase on previous years in staff enrolments on te reo Māori programmes delivered at NMIT.

2018 saw the start of Café Reo in the library, Te Puna Mātauranga. Café Reo was set up for staff to enjoy a coffee break while encouraging each other to speak te reo. The first session was supported and attended by NMIT's Executive Team and there are now around 10 to 20 members consistently attending each week.

The popularity of these social learning occasions led to it moving into the NMIT student restaurant, the Rata Room, with Café Reo VIP membership cards providing discounted coffee and cake.

Performance Panels

NMIT continued to build on the success of its Performance Panels extending them to include Business Support teams alongside Curriculum teams in 2018. Using Power BI to report on performance, the panels saw managers and team leaders meet with the Executive Team to review performance and any areas for improvement.

In 2018 cross-over sessions between Curriculum Areas and Business Support Areas were introduced to further develop NMIT capability and responsiveness to data and performance. The sessions created opportunities for improving cross-institutional discussion and development. Specific reports were developed such as helpdesk and international applications tracking to provide appropriate and instant data to the teams in a similar fashion to Curriculum teams.

Feedback from both Business Support teams and Curriculum Teams regarding the introduction of Performance Panels for Business Support Areas has been positive.

"Performance Panels this year have helped me and my team get more insight into the bigger NMIT picture. It was good to hear the Executives' ideas and get a feeling for what the rest of the business is doing. The cross over sessions also made us realise that there are a lot of wins to be made by talking and communicating amongst teams as we might have something of value to add towards a shared goal. Performance Panels also assist us in documenting and monitoring our performance against objectives set at the beginning of the year, therefore already giving us the evidence for our self-assessment reporting at the end of the year."



Business Support team at a Performance Panel session.

Deliver a personalised customer experience through the learner life-cycle

Customer Experience Strategy delivered

NMIT's Customer Experience Strategy continued to guide initiatives and support for learners in 2018. The strategy focused on delivering improvements to the customer experience along the NMIT learner journey.

In 2017, the digital component of the NMIT experience was identified as vitally important and the Digital Customer Experience Strategy was introduced. Building on those efforts, NMIT completed several major projects that have delivered the anticipated one-stop learner portal, MyNMIT, and revolutionised the way learners interact using the website. Now formalised as the Student Portal, MyNMIT is fully personalised to each learner's journey by providing relevant and timely features depending on where they are with their studies. Integrating Office 365 has ensured the website is now part of the NMIT technical eco-system which supports easy access for learners between systems.

A2E5 business improvement process

The success of the A2E5 (Application to Enrolment in 5 days) process improvement initiative continued into 2018 after its launch in 2017. The initiative aimed to reduce delays in application processing and results for 2018 showed the overall average time was 2.5 days, an improvement from the 2017 average of 5.4 days. The A2E5 initiative empowers programme coordinators to manage their applications through various stages and to track their programme numbers through reporting tools such as Power BI.

Keep Warm Strategy helps to secure enrolments

NMIT continued with the Keep Warm Strategy following its launch in 2017. The strategy was aimed at keeping learners engaged in the time between applying to study and day one of class, and to reduce the number of withdrawals. In 2018 the scope was broadened to include those who had applied to study as well as those with confirmed enrolments. There was a decrease of 9% in withdrawals over the previous year in the week before Semester 1 started. As part of the strategy, a blog post targeting learners over 30 in the lead up to Semester 1 was the most popular blog post during that period.

The positive effect of the communications with new students will see the same series being delivered for 2019 intakes, particularly to gauge the impact of fees free and to analyse withdrawal data over a two year period.

Student Management System (SMS) a powerful tool to support learners



NMIT's commitment to identifying learners requiring personalised support continued in 2018 with the pilot roll-out of the Pastoral Care module. The module, which plugs into the existing student management system staff portal, allows tutors, coordinators and support staff to record and manage pastoral care issues for individual learners.

The module enhances NMIT's ability to monitor and respond to at-risk learners by bringing existing pastoral recording into a centralised system. The information can then be combined with other existing sources of data (attendance, assessments and online engagement) to give a holistic view of a learner and provide informed, targeted and personalised support.

2018 saw the continued development of key performance tracking reports for both academic and support areas. The suite of reports developed in Power BI and reviewed as part of Performance Panels helped Team NMIT gain a 360 degree view of the business, gain actionable insights, identify opportunities and ask questions that support continuous improvement.

Reports added to the suite in 2018 included the development of a detailed Adult Literacy and Numeracy Assessment Tool (ALNAT) dashboard reflecting TEC methodology for tracking literacy and numeracy testing. The introduction of the Curriculum Timetable Monitor report, which reconciled timetabled teaching hours against course regulations, was also key to the commitment of increasing visibility of SMS data at all levels of the Institute.

Tiered approach to learning support

The 'Have your say' project that began in 2017 was further developed by the Learner Services team in 2018.

Students provided over 100 items of feedback which was considered and followed up. This resulted in positive changes such as the

extension of the Library Learning Centre opening hours over summer.

During Youth Week 2018, NMIT learners under 26 years of age identified mental health as the biggest challenge for youth. As a result, Learner Services, SANITI and the NMIT student counselling service collaborated to improve access to mental health support and resources for learners. At the same time, NMIT provided professional development opportunities for staff to build their capability in managing mental health, identifying 'red flags' and understanding their professional boundaries.

In 2018, Learner Services consolidated its Tier 1 Helpdesk Service, including collaborating with NMIT's Information Technology (IT) team to provide seamless access to IT and computing support for students. The team also focused on ensuring professional 'buck stops here' customer service for every student. This helped to remove unnecessary barriers to learning and directly impacted students' ability to succeed, for example, assistance with logging in to NMIT apps, downloading free Office 365 and booking support appointments.

Snapshot data collected for this service showed that during an average six-week period in 2018, Tier 1 Helpdesk staff provided a total of 3,688 units of assistance with 30% IT, 52% library and 18% other support.

Online customer service initiatives aimed at improving the student experience, and empowering students with user friendly tools and resources, were introduced or improved in 2018. Initiatives included MyNMIT (see page 13) and the Student Learning Hub on Moodle.

In its approval and accreditation evaluation report for the Bachelor of Computer Generated Imagery, the New Zealand Qualifications Authority (NZQA) panel commended NMIT's breadth and quality of integrated learner support services and said that "undoubtedly these services contribute hugely to the students learning commitment and ultimate success".

Focus groups embedded in programme areas

Students had an opportunity to be heard as Curriculum Areas carried out focus group sessions with each programme during the second semester. Students were encouraged to comment on their learning experience to a Curriculum Manager, understanding that focus groups complement other feedback channels, and are driven by a focus on continual improvement. Managers were able to facilitate robust discussion as they represented an 'independent' party with the ability to work with staff to effect change.

Student feedback was distributed to teams who were encouraged to discuss and consider from a reflective, self-assessment perspective with a focus on continual improvement. Student feedback was immensely valuable, providing insights into their perception of the value of their training, highlighting good practice and teaching strategies that work for students and drawing attention to other areas for improvement. Outcomes across different Curriculum Areas included programmes strengthening standard operating procedures to embed high, consistent standards for all specialised teaching spaces, better quality programme information provided to students and improved communication channels between tutors and students outside of scheduled classes. The success of these frank, open, face-to-face sessions between management staff and students will see them embedded throughout 2019 as business as usual.

Progress with online and blended learning

In 2018 the Engineering and Construction Curriculum Area moved to learning outcome evidence-based assessments with the emphasis on online student portfolio methods of collecting learning evidence. This saw a shift in pedagogy from teacher-led learning to a more student-centred learning package. Apprentices undergoing on the job training received real-world industry experience that corresponded to their learning outcomes. The online portfolio method allowed students to use their mobile devices to take photos, collect evidence and upload these against outcomes, accumulatively building evidence to prove they have meet the outcome requirements. Working online has allowed more accuracy and authenticity in their learning along with quicker feedback from tutors and opportunities to self-monitor progress.

Through its Tertiary Accord of New Zealand (TANZ) eCampus partnership, NMIT offered 24 programmes ranging from Arts and Media training schemes and the New Zealand Diploma in Business through to the New Zealand Certificate in Adult and Tertiary Teaching. NMIT is well positioned to offer further new programmes as they are developed by TANZ eCampus. Through this delivery model, NMIT delivered over 140 equivalent full-time students (EFTS), with 593 learners enrolled, and there is a target to deliver 200 EFTS in 2020. This online delivery extended NMIT's reach in the market to those unable to participate in on-campus delivery and also meant students could enrol from outside the region.

In 2018, 31 NMIT learners graduated having studied wholly online via the TANZ eCampus platform and over half of those learners resided outside the Top of the South region.

Learning environments support engagement 1

NMIT continued its commitment to authentic learning environments for Level 8 IT Security Management students by moving its isolated lab network from its (now closed) Auckland Campus to the Nelson Campus. The lab, which brings together enterprise level computer virtualisation, storage solutions and operating systems, provides an environment where learners can create scenarios and solve problems for situations that would not be possible in a live production network.

The development of the Bachelor of Computer Generated Imagery qualification in 2018 provided another opportunity to invest in a real-world learning environment. The programme will provide learners and industry with a new set of skills that overlay technical and creative skills for work in virtual reality and visual effects, whether for games, film, education, architecture, medical or other growing industry demands. By reproducing a production studio environment, the learners will develop industry practice. Complementing the high specification studio environment will be a learning design framework that exposes

students to real life industry tasks and collaborations.

In its Degree approval and accreditation evaluation report the NZQA panel commended the Institute's "strongly integrated and learner friendly workspaces for the programmes".

Learner-centric prototyping continues 1

The prototyping pilot launched in 2017 continued into 2018 in the Automotive and Applied Business Curriculum Areas. The pilot was set up to explore new enhanced delivery models for learners where the delivery was more student-led and applied.

Feedback from students was very positive with one going on to say, "...thank you for our new modern learning programme. We can assure you that it has been a success and an experience we have thoroughly enjoyed as a team. I am looking forward to experiencing 'project based' classes in future and cannot wait to see what other innovations are developed".

As a result of the pilot, NMIT identified requirements for a more Institute-wide roll out over the next three years which will include updating systems and processes, improving the design and fit-out of flexible learning spaces and ongoing staff development in new teaching and technology practices.

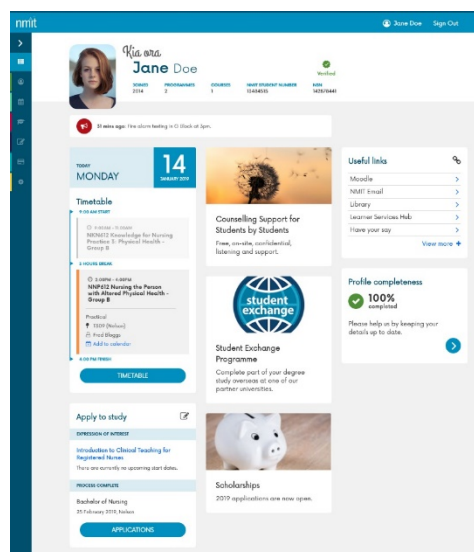
MyNMIT relaunched

In 2018, NMIT delivered the final elements of its website transformation project that significantly improved the way learners interact with NMIT by providing a one-stop learner portal, 'MyNMIT'.

NMIT radically improved the sign up/sign in process through the introduction of its own identity service, enabling current students to sign into the website using their Office 365 account to be automatically linked to their details. New learners can now easily create a MyNMIT account which will merge with existing learner accounts in the student management system (ebs). It was found that 94% of users liked the new sign up process.

With the launch of profile management (by enabling real-time self-service of personal details), the previous eight step application form was replaced with a simple four click application process. The system also now formally supports expression of interest applications (where no intake exists) and actively manages these enquiries. Customer feedback has been very favourable, "It's amazing how easy and fast you can apply to a programme, no hassle no fuss", "Very easy and quick. I like that!".

Following the initial launch, two new sections were added to MyNMIT that presented course results (including easy transcript ordering) and a personalised timetable. Combined with Office 365 sign in and tailored dashboard messaging, MyNMIT now empowers all learners with a one-stop learner portal.



Enable learning that develops and inspires capable and connected graduates

Learning conversations help learners work towards employment goals

2

NMIT delivered the New Zealand Certificate in Foundation Skills (Levels 1-2) in 2018 with a key focus of getting at-risk young people into a career.

Learning plans and conversations with students were a major component of the programme with tutors and students working together to identify personal strengths, aspirations and areas for development, specifically those most likely to enhance future employment prospects and/or further study. Assessments required students to set clear goals, then plan and take realistic steps required to develop core skills unique to themselves and their aspirations. Tutors actively supported each individual to achieve these.

The national average of students in this group that graduate programmes is approximately 60%. NMIT Foundation Skills students had a high level of success with 79% of learners graduating from the Level 1 qualification and 81% of learners graduating with the Level 2 qualification. Initial tracking indicated approximately half of Level 2 graduates will go on to further study (most within NMIT) and more than a quarter into entry level employment.

Meanwhile, across the Institute, survey results showed that 84% of learners in 2018 agreed they were guided through an effective learning plan.

In-work learning builds relationships and skills

1

NMIT offers a range of in-work learning options across its programmes. Results from the 2018 Graduate Destination Survey showed that 80% of graduates agreed their qualification prepared them well for work and 88% were satisfied with their qualification.

NMIT's Civil Engineering curriculum area worked closely with industry to provide authentic real-world scenarios for the Diploma of Engineering programme. Students were involved with designing and planning a real urban subdivision development incorporating skills learnt in class. This included interpreting land profiles and designing roading, drainage and utilities for the development. Designs were then presented to NMIT's Engineering Industry Advisory Group which assessed students against industry requirements. Feedback from

the group was that the standard overall was consistently high.

The advisory group also took part in interview panel sessions with students during the year, giving the learners an opportunity to practice interview techniques and employers the chance to build relationships with students who could potentially become employees.

Students studying the New Zealand Certificate in Construction and Trade Skills (Level 3) received authentic real-world learning when they took on a house build project for an external client. Students were required to work with industry suppliers and local Council to fulfil the owner's specifications and meet Council building compliance requirements. While the project was under tutor supervision, the project was student-led. See page 18 for more on this project.

First year Bachelor of Commerce learners took part in a reimagined learning experience engaging in group projects which combined subject areas to simulate an authentic business environment. These projects were part of the prototyping pilot launched in 2017.

The creator entrepreneurial project was presented to a highly successful 'Dragon's Den' panel comprised of local employers. The panel gave feedback on presentation, relevance and group work and noted the high standard of critical thinking and business acumen shown by students. Other projects included planning events on campus to enhance student culture and engagement, for example, SPCA dog day, and the Investor Project which saw learners creating an investment portfolio and competing with each other to generate the most revenue. Industry feedback on the projects was very positive with some companies looking to further develop their relationships with NMIT and one Marlborough company offering internships to NMIT students off the back of the Dragons Den exchange.

The New Zealand Certificate in Cellar Operations (Level 3) was piloted successfully in 2018 with good feedback from students and industry. The programme aimed to provide students with a taster of working in the wine industry, developing the skills required to work successfully as a vintage cellar hand and introductory knowledge about the wine industry and winemaking. The programme ran in tandem with industry and three wineries assisted with onsite training during the initial six weeks, followed by vintage placements. This was of mutual benefit to NMIT and the large

wineries who each required 70-100 extra staff during the vintage.

Working with employers to upskill the workforce

NMIT has built strong relationships with industry to upskill those already out in the workforce. The Engineering and Construction Curriculum Area collaborated with Competenz to deliver courses in mechanical engineering for its members. Relationship building and investment in technology saw NMIT secure the delivery of nine joinery courses for BCITO throughout 2019. NMIT was also able to provide short courses for industry and delivered a course on the Safety and Use of a Bench Saw to a large employer in the region.

NMIT worked with the Institute of Directors Nelson Marlborough branch to deliver a Te Reo Māori workshop at the start of Māori Language Week. The workshop offered directors and business people the chance to learn key Māori phrases and protocol in an informal setting and was a sell-out event with more than 45 people attending and others on a waiting list.

International student exchange programme continues

Following the establishment of NMIT's student exchange programme in 2017, NMIT went on to send two students abroad as part of the programme. Both students attended the Cologne Business School in Germany for the first semester and one of the students extended their visit for a second semester.

Innovative solutions, higher learning and global expertise

As part of the curriculum planning process, NMIT built on industry conversations to design learning outcomes and delivery for programmes. This worked well with the Bachelor of Computer Generated Imagery where engagement with the film and gaming industry ensured a qualification was developed that would meet their needs. Employers are now looking forward to the opportunity to provide real examples for learners to work on during their study.

Through its development of the Bachelor of Computer Generated Imagery, NMIT has begun to build international networks in the film and gaming industries. Already one US software company has endorsed the new programme. In addition, the delivery of the

NMIT Diploma in Animation courses in China has led to a growing network with other universities and studies, with the aim of encouraging inter-country projects and work experience for NMIT learners.

Development of Māori and Pasifika Trades Training (MPTT) programme

NMIT continued its delivery of the New Zealand Certificate in Horticulture (General) (Level 3) in partnership with Whenua Kura in Banks Peninsula.

The training was run out of Rehua Marae in Christchurch where students built vegetable gardens for the kaumātua as part of their course. Students also spent time at Koukourāta Marae with work placements in Hāpai Heritage Produce in Banks Peninsula.

A graduation ceremony was held in Christchurch in December where six students received the certificate.

Curriculum cultural alignment

NMIT worked closely within the community, and also with Toi Ohomai Institute of Technology, to understand which qualifications on the New Zealand Qualification Framework (NZQF) would best meet learners' needs. Consequently te reo programmes from Levels 1 to 5 were designed and approved as well as three programmes with a focus on tikanga and one on Nga Toi. Work is underway to develop the resources for all of the courses, for delivery from 2019 onwards.

During 2018 it was agreed to establish an advisory group to the Academic Board on programme approvals, with a particular focus on Te Ao Māori courses within programmes, as well as culturally appropriate processes for internal approval of Te Ao Māori programmes. This group will also be important in helping maintain Te Hono o Te Kahurangi accreditation for the newly approved Te Toki Pākohe programmes (these are the first NMIT programmes to be evaluated under this framework).

In 2019 it is the intent to establish the advisory group and representation on Programme Approval Committees for previously agreed new developments. Involvement and consultation using the advisory group mechanism, as well as Te Tau Ihu Iwi Chairs/NMIT Council, will be used to identify new areas for programme development for implementation in 2020.

Learners connecting with the community

2018 saw the second year Bachelor of Social Work students put their classroom learning into practice and go on to forge ongoing links in the local community. Students in the Community Development course considered community-led initiatives to support local people in need. They went on to contact local charity Loaves and Fishes which feeds homeless people. After consulting with a number of people, they decided to provide a breakfast for the homeless. Students negotiated with local food suppliers for free contributions and arranged with Loaves and Fishes to use their kitchen for the breakfast. The students prepared and served the food and spent time getting to know the people they were working with.

Following the success of the breakfast, Loaves and Fishes contacted NMIT to continue the new relationship and for the remainder of 2018 first year students adopted a roster whereby one student helped at the charity for one morning per week. The result was invaluable experience for students in working with community needs and vital preparation for voluntary placement hours in the second year of their degree. The arrangement was so successful that both parties were thrilled to continue this as a class project for the first year social work students in 2019.



Bachelor of Social Work students outside Loaves and Fishes.

Optimise our programme mix to meet work and world ready outcomes

Industry input into programme development

As part of the curriculum planning process, NMIT builds on industry conversations to design learning outcomes and delivery for programmes. This worked to good effect with the Bachelor of Computer Generated Imagery where engagement with the film and gaming industry ensured a qualification was developed that would meet their needs. Employers are now looking forward to the opportunity to provide real examples for learners to work on during their study.

Industry working with NMIT

NMIT planned, coordinated and hosted a one-day symposium bringing together 22 secondary tourism teachers and career advisors, tertiary tourism educators, tourism operators and key industry representatives. Interactive workshops and presentations from industry employers and NMIT graduates enabled attendees to identify challenges and issues facing the regional tourism sector and explore actions that would enhance tourism as a viable long-term career option within Te Tau Ihu region. Brought together by a shared commitment to collaboration, sustainability, and strengthening the pathways and relationships between secondary school, tertiary providers, and industry stakeholders, this group now represents a strong stakeholder voice for the development and delivery of tourism education.

The symposium sparked immediate benefits for all parties including:

- > NMIT tourism staff presented a tourism career pathways seminar to Year 12-13 tourism students in six Top of the South secondary schools.
- > An agreement is being developed between NMIT and a large tourism operator so students can work with the company and NMIT can train its existing employees.
- > Strengthened engagement between NMIT and industry stakeholders through programme delivery and practical experiences, industry employment of NMIT graduates and industry sponsorship of awards for high achieving NMIT graduates.

Meanwhile, NMIT brought together organisations and individuals from the



agriculture, infrastructure, construction, forestry, and mining sectors for a Drones for Business workshop and practical two day hands-on training programme. With speakers from New Zealand Civil Aviation Authority, Airways, Dronemate, Ferntech and ServiceIQ, NMIT was able to facilitate a timely and robust discussion between regulators, training providers and industry on topics such as legal compliance, business applications, changes in technology and regulations. Feedback from the event and a subsequent hands-on training session was positive and highlighted the requirement for training providers to work with industry and regulators to ensure that this emerging technology and its uses within different business sectors are well catered for.

Programme reviews

In 2018, 46 new programme approvals were gained from NZQA, mostly to align NMIT's qualifications with the NZQF. As part of this process, the overall learning design of each programme was reviewed to include more real-world learning opportunities and provide greater consistency in how courses are delivered within a programme.

Recognising and celebrating skills and competencies



Across Trades areas NMIT supported students to compete within a number of regional and national competitions as a way to challenge themselves and demonstrate their knowledge and skills. In 2018, Thomas Ashley, a NMIT fourth year carpentry apprentice, won both the New Zealand Certified Builders and the Master Builders BCITO Top of the South Apprentice of the Year Competition. NMIT worked hard to ensure that competitions were aligned to Worldskills NZ competitions and were in some cases used to determine student suitability to compete at an international level. NMIT Aviation Curriculum Area staff also supported the New Zealand Worldskills Aeronautical Engineering competition.

Employers assessing competency



NMIT assessed employer feedback in several ways to ensure it continued to meet their needs and NZQA's consistency review process provided an external validation of internal findings.

In 2018, ten NMIT programmes underwent a consistency review. For the six reviews where results were available, all were deemed "sufficient" or successfully achieved.

In research conducted, employers of graduates from the Food and Beverage (Level 4) programme confirmed all graduates were “work-ready” after completing the qualification. This finding was further supported by the graduate destinations for the cohort where 86% went directly into the hospitality sector and the remaining 14% moved on to further education. Work placement employers during the programme rated students as “Excellent” for 99% of placements across the range of personal skills, work habits, people skills, competence and skill level learning outcomes.

Programme sharing and collaboration

NMIT’s TANZ partnerships enabled the Institute to continue sharing programmes and collaborating on development in 2018. NMIT used programmes of study from other institutes, for example, Beauty Therapy developed by Northtec. It also jointly created programmes and resources as shown in the automotive consortium where the consortium partners divided the development of course resources between a number of institutes. NMIT created four of the courses and in return gained access to the entire master programme. It also allowed NMIT to be more time efficient in designing and creating content so that with a small team it could meet time constraints and deliver high quality learner resources.

Carpentry students experience real-world house build

2018 was a year of firsts for the Engineering and Construction Curriculum Area at NMIT with the team securing a two-bedroom house build project for the academic year. This in turn paved the way for NMIT to become the first polytechnic in New Zealand to become a business member of New Zealand Certified Builders (NZCB) and a recognised building company. This was achieved on the back of the industry experienced and registered Licenced Building Practitioners amongst the carpentry staff. Another first was the delivery of a new qualification in Carpentry, the New Zealand Certificate in Construction Trade Skills with strands in Carpentry and Joinery (Level 3).

The team worked closely with the building industry and used a local building merchant to negotiate trade prices for materials.

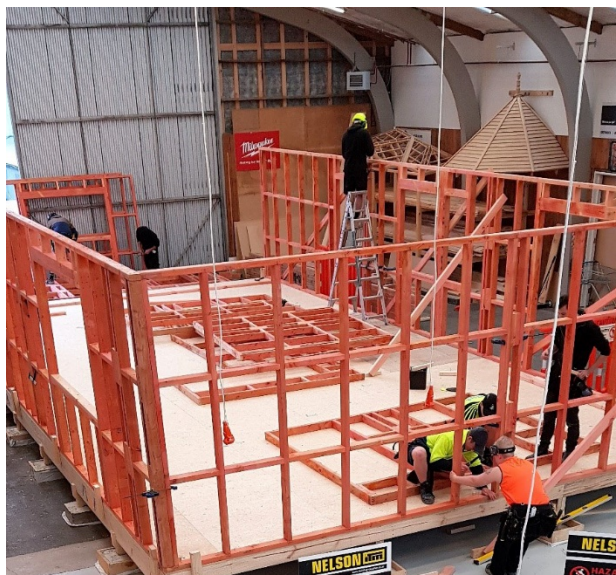
As part of the programme of study, learners were responsible for all aspects of the build and maintaining a ‘record of works’ which was uploaded into their portfolios.

All learners participated throughout all aspects of the build, from initial site set out through to interior linings. This replicated industry practice and gave each learner a real-life experience of building a house. All aspects of the project had to meet strict local authority compliance standards and Tasman District Council inspectors complimented the learners on their craftsmanship.

The new joinery aspect to the qualification gave learners the opportunity to design and build a bespoke kitchen and bespoke furniture as part of their programme.

The project was delivered on budget, within the timeframe and of a high quality, making it a very successful undertaking for NMIT.

Feedback from the clients was also very positive, “We would recommend this model for anyone looking for a cost saving way to build a small but complete home with the added benefit of knowing that there will be new builders and carpenters being trained as a direct result”.



Students work on the house build project.

Grow partnerships that provide opportunities and solutions

TANZ partnerships

3

NMIT continued to share in the development of new programmes with its TANZ partners in 2018.

At the annual TANZ senior managers workshop there was a focus on the challenges facing the sector. The group identified strategic actions they could take to help ensure the ITP sector was sustainable, viable and, more importantly, relevant.

There was overwhelming support from Senior Managers to collaborate on the development of a Māori Capability Framework and a working group was established for 2019. The working group responsible for the development of a Kaupapa Māori framework will work on increasing cultural competence, understanding and confidence in Te Ao Māori. Overall, the intent is for institutes to be culturally safe places of learning, have effective and enduring partnerships with whānau, hapū and Iwi and be an active Treaty partner. The collaboration development of the Māori Capability Framework will support NMIT in the delivery of its Māori Strategy Te Ara Wai.

TANZ also worked towards formalising a proposal to create a shared programme development entity, Shared Curriculum Service (SCS). It is anticipated Institutes will benefit in five areas from the SCS collaboration:

- > A shared repository of programmes
- > Programme accreditation
- > Programme development and approval
- > Programme delivery
- > Learning and teaching resource development

Partnerships provide benefits to learners and industry

2

NMIT continued its very successful partnership with the Department of Conservation (DOC) in 2018 with the delivery of its Trainee Ranger programme. Course completion in 2018 was 100% and qualification completion was at 88%. The development of the programme since 1999 has been highly collaborative with additions made to the programme in response to identified DOC staff training requirements, industry feedback and NMIT input. The conservation field skills workshops have now grown to become a significant way for DOC to transfer conservation skills and information to

the wider conservation community of councils, sanctuaries, contractors and volunteer groups.

Continuing professional development in industry

In 2018, NMIT continued working with industry partners to provide ongoing professional development opportunities for employees. The Introduction to Clinical Teaching for Registered Nurses course was run four times in Nelson and twice in Motueka. These courses had 32 enrolments with 28 students successfully completing the course and achieving an 87.5% completion rate. The programme was available to all stakeholders who provided Bachelor of Nursing learners with clinical placement experience and assisted registered nurses to facilitate an effective learning environment for nursing learners.

Working with with secondary schools

2

The Dual Pathways Pilot developed in 2017 offered a 17-week programme commencing in Semester 2. The programme delivered 45 credits which led to the NZ Certificate in Agriculture (Vehicles, Machinery & Infrastructure) (Level 3). Students from Waimea College and Nayland College participated in the two day per week model. Unfortunately, funding for Dual Pathways was withdrawn for 2019 and will not continue.

NMIT's partnership with the Top of the South Trades Academy (TOTSTA) saw just under 200 learners attend Trades Academy at NMIT in 2018. Of those learners, approximately 40% plan to continue to NMIT mainstream programmes. This was helped by increased professional development opportunities for tutors which included a half day workshop facilitated by the Nelson College Principal and report writing workshops which contributed to improved reports to help schools and learners keep track of their progress. Student evaluations showed a 96% favourable response to the Trades Academy delivery.

NMIT continued to partner with the Young Enterprise Trust in 2018 to deliver the Lion Foundation Young Enterprise Scheme (YES) in the Top of the South through the employment of a Regional Coordinator. YES had a very successful year with 227 students participating, the largest since YES has run in the region. Students from six colleges created 55 businesses and a team from Nelson College took third place nationally. Two local students

were also selected to take part in the overseas enterprise in action trips to Chile and Singapore.

Partnerships with Iwi

3

NMIT has been working with DOC and the Regional Intersectoral Forum (RIF) through regular meetings between government departments, local bodies and Iwi representatives. The vision of the resulting partnership proposal is to build on existing initiatives, and work with Iwi as they grow their capacity and competency in environmental leadership.

Project Moturoa (Moturoa is also known as Rabbit Island) incorporates mātauranga Māori so that rangatahi can gain a qualification in kaitiaki whenua technical skills and knowledge, embedded within the context of Te Ao Māori. For example, Iwi students will learn not just plant identification, but also the whakapapa and rongoa (medicinal application) of local plants. In another example, students will learn animal pest control skills and knowledge, within the context of related tikanga and Māori ecology principles or whanaungatanga.

The 10-month programme will begin in February 2019. Through learning at NMIT, on marae and on Moturoa, the rangatahi from all eight Te Tau Ihu Iwi and Ngāti Waewae, will experience applied learning, receive pastoral care from their own Iwi and gain exposure to further pathways through DOC, Iwi, local councils, tourism and recreation, primary industries and further education.

The delivery of the Certificate in Māori Language programme continued in 2018 to a Kaumātua cohort predominantly from Ngāti Koata. With the strong Ngāti Koata numbers in the cohort it was possible to deliver the programme both at the Nelson Campus and one day a month at the Iwi office preceding the monthly Iwi Kaumātua hui.

Offsite delivery of te reo Māori programmes also continued in 2018 with one programme delivered at Te Hora Marae. This delivery enabled a te reo Māori programme to be taught on a Ngāti Kuia Marae and delivered by a Ngāti Kuia tutor which assisted Ngāti Kuia in progressing their aspirations in building te reo Māori competency within the Iwi.

Growth in international university relationships

6

In 2018, NMIT continued to deliver courses at Guangdong Engineering Polytechnic, Zhejiang University of Water Resources and Electric Power, Hunan University of Technology and Hubei Polytechnic University. In addition, NMIT started teaching its Computer Generated

Imagery programme at new partner institute Guangdong Polytechnic Institute (GDPI). Students from GDPI will study NMIT courses delivered by both GDPI and NMIT contracted tutors for two years in China followed by the option to study in the second year of the NMIT New Zealand Diploma in Animation, taught in Nelson. Students will also have the option to spend a further year at NMIT to complete the Bachelor of Computer Generated Imagery.

New partnership agreements established in 2016 resulted in the first students from Tianjin Agricultural University and Qingdao Agricultural University studying at NMIT with enrolments in Viticulture and Winemaking and Aquaculture and Marine Conservation Bachelor programmes.

Student base diversifies

6

With the establishment of the International Development team in 2017, NMIT continued to develop its new markets in 2018. NMIT showed an improvement in international learner diversity with 19% of learners in 2018 from countries outside the five nationalities which have historically had the strongest enrolments (China, India, Nepal, Philippines and Sri Lanka) compared to 17% in 2017 and 13% in 2016.

Study Abroad enrolments from partner institutes in Europe and USA doubled in 2018 going from four to eight. This is expected to more than double again in 2019 with 12 study abroad students already likely to enrol for Semester 1.

Growing international education sustainably

6

In 2018, NMIT continued with the delivery of short-term international programmes begun in 2017. These included the South Korean Aquaculture plus English programme, Ningxia Normal University English programme, J. F. Oberlin University English plus service learning programme and the China Programme professional development training for tutors. In addition, NMIT hosted the Sino-NZ professional development training for the first time, which involved mentoring 16 Chinese faculty members from a vocational college in Xi'an. This further enhanced NMIT's capacity for training tertiary educators and increased exposure for existing NMIT tutors to their international counterparts.

Challenges in international education

In 2018, NMIT's international student numbers dropped to 1,357 from 1,581 in 2017. A significant factor in the drop was the change in government immigration policy resulting in less

student visas being issued than in previous years.

Another contributing factor was NMIT's decision in 2017 to close its Auckland campus following lower than expected recruitment causing the campus to become financially unsustainable. The closure in October 2018 allowed time for existing students to complete their studies at the Auckland campus with the same tutors.

During 2018, NMIT negotiated an early exit from its campus lease incurring a higher cost than initially budgeted, however, the early exit allowed a full and final exit without the need for NMIT to identify a potential tenant and manage a sub-lease.

A number of employees were able to secure similar positions at NMIT's Nelson Campus and have since relocated to Nelson.

Programmes established for delivery at Auckland Campus are now being delivered at the Nelson Campus, allowing enrolments to continue in programmes such as Postgraduate Diploma in Logistics and Supply Chain Management.

A significant number of physical assets were also relocated to Nelson and Marlborough Campuses such as the Hack Lab (see page 13), café furniture and classroom equipment.

NMIT has mitigated some of the impact caused by dropping international enrolments through improving international partnerships, for example, new partnerships in China and the

development of new markets such as Russia and Egypt.

Looking ahead

With the change in government came challenges around the suitability and sustainability of the ITP sector. Throughout 2018 all areas of NMIT were actively engaged in consultation regarding the ITP Roadmap 2020. Consequently, NMIT took a strategic approach to increase communications with internal and external stakeholders to reassure them of NMIT's sustainability.

NMIT performed well educationally and, despite two years of deficit budgets, Team NMIT has worked hard to identify cost and efficiency savings to enable it to recommence delivering surpluses without compromising quality.

The current funding model has been a concern across the sector for over a decade and the disestablishment of competitive funding was one step towards supporting the sector to become more responsive to learner and employer needs.

Overall, enrolments in Marlborough were lower than anticipated and therefore the Council and NMIT Executive Team began work on the development of a strategy for Marlborough Campus that could potentially see the future development of a Centre of Vocational Excellence for Viticulture and Wine.

Mahitahi Colab

NMIT realised its shared vision with the NRDA and NTCC in October with the opening of the Mahitahi Colab. The colab, located in the former reception and staffroom of A Block, provides an environment for the three strategic partners to work together to influence the region's economic development.

The redeveloped space provides a hub for start-up businesses to easily connect and grow. Collaboration partners need to have a public good focus, such as business or talent development, public funded business development, education organisation or the wider community.

Mahitahi Colab provides multiple opportunities that will benefit NMIT team members and learners and contribute to the organisational vision of preparing graduates that are work and world ready. Learners will benefit from having direct access to real-life work experience, create new professional networks and will work with businesses on real life project briefs and identification of solutions for customers. Team members from NMIT will benefit from a range of professional development opportunities.

"Growing and developing the existing strong relationships between the partners will ensure that NMIT is better informed, connected and abreast of the employment, economic and commercial opportunities within our regions. Mahitahi Colab will provide an exciting platform for NMIT to continue in its role as a pivotal partner in ensuring Nelson Tasman continues to thrive and develop," said NMIT's Council Chair, Daryl Wehner.

And from its inception, the colab has provided opportunities for students with NMIT student Luke Hippolite designing the colab logo and NMIT interior design graduate Bec Deacon designing the interior spaces.



Luke Hippolite in front of the Mahitahi Colab logo he designed.

Capital asset management

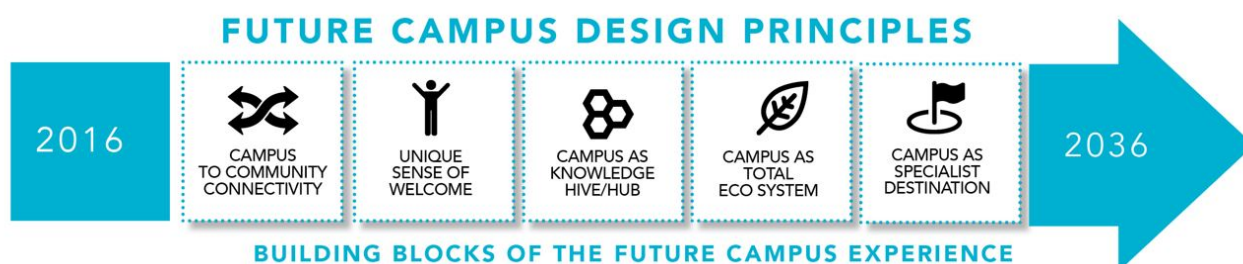
Campus Strategy

Space utilisation was a major focus for NMIT's capital asset management programme in 2018. Following on from the Capital Asset Management (CAM) Plan completed in 2017, classroom and office spaces were reviewed with the aim of making their use more efficient. Subsequently, the ground floor A Block office spaces were redeveloped to provide a home for the region's new Mahitahi Colab. Classrooms on the third floor of A Block were renovated into open plan offices where NMIT's Marketing, International, Academic and Quality and People and Organisation Development teams are now housed. A storage shed was remodelled to provide a new Team Tearoom which has been well used and created a new campus focus for bringing colleagues together.

In addition to space reorganisation, NMIT purchased a block of land on the north boundary of the Nelson Campus to support the CAM Plan objective of opening the campus to the Nelson central business district (CBD) and creating greater physical linkages between the campus and the community.

Work began at the end of 2018 on a future campus think tank focused on the Marlborough Campus. The strategy will look at future programme delivery in Marlborough along with how the programme delivery will impact existing infrastructure. The strategic think tank kicked off with a stakeholder workshop with representatives from education, business, industry, Iwi and the wider community. Information gathering will continue in 2019 with one-to-one meetings and further consultation.

Investment in technology infrastructure in 2018 saw Skype for Business telephony installed across the Institute and all campuses. As well as reducing costs and risks to the Institute, the technology has improved working flexibility, communications and access for all staff and made it easier for students to contact staff and join classes from off-site. One tutor said the "introduction of Skype for Business was really great, useful and increased overall efficiency". In the annual IT Satisfaction Survey 71% of respondents said it had been quite or very beneficial to them.



Statement of resources

For the year ended 31 December 2018

Institute Owned Properties and Buildings	2018 Land Area Ha	2018 Buildings Area m ²	2017 Land Area Ha	2017 Buildings Area m ²
Nelson Campus	4.15	23,335	4.14	23,335
Richmond Campus	4.65	1,486	4.65	1,486
Marlborough Campus	5.47	2,751	5.47	2,751
Brook Campus	0	374	0	374
Woodbourne Campus	0	1,376	0	1,376
Total	14.27	29,322	14.26	29,322
Grand Total	14.27	29,322	14.26	29,322

Leased Properties and Buildings	2018 Buildings Area m ²	2018 Annual Rental (\$000)	2017 Buildings Area m ²	2017 Annual Rental (\$000)
Woodbourne RNZAF	5,812	33	5,812	56
Brook Campus	0	0	0	0
Cawthron Aquaculture Facility	204	40	204	40
Global Campus Auckland (lease ended 28 September)	2,908	556	2,908	850
Total	8,924	629	8,924	946

Library Resources	2018	2017
Available resources include:		
Monographs	30,191	32,811
Serials	12,188	14,926
Non-book items e.g. DVDs	2,336	2,029
E-resources e.g. eBooks, eSerials	353	286

NMIT performance commitment reporting

The following Education Performance Indicator (EPI) targets are drawn from NMIT's 2017-2018 Investment Plan and the Level 1 and 2 competitive funding bid. The Institute's provisional 2018 performance is reported against the planned performance together with the Institute's performance from the previous three years.

		Previous Years' Actuals			Target	Provisional Outcome
		2015	2016	2017	2018	2018
Course Completion						
All students	Levels 1-2	68.0%	72.6%	62.6%	82.0%	78.2%
	Level 3+	80.5%	81.6%	84.6%	82.0%	85.8%
	Level 4+	82.7%	83.3%	84.7%	83.0%	86.6%
Māori	Level 3+	69.5%	71.0%	78.3%	74.0%	81.3%
	Level 4+	73.8%	70.9%	76.1%	76.0%	82.3%
Pasifika	Level 3+	71.1%	70.4%	76.8%	74.0%	87.2%
	Level 4+	71.6%	70.6%	75.1%	76.0%	85.7%
Under 25	Level 3+	82.1%	83.8%	87.3%	83.0%	85.9%
	Level 4+	83.6%	84.0%	87.3%	85.0%	87.8%
Youth Guarantee	Levels 1-2	69.0%	45.6%	44.7%	69.0%	84.1% ¹
	Level 3	74.9%	88.4%	80.3%	77.0%	67.1%
Qualification Completion						
All students	Levels 1-2	65.0%	70.3%	45.5%	78.0%	63.6% ²
	Level 3+	74.0%	71.9%	79.6%	75.0%	85.0%
	Level 4+	77.3%	73.9%	81.1%	78.0%	87.4%
Māori	Level 3+	58.2%	55.8%	72.5%	74.0%	81.9%
	Level 4+	59.3%	55.5%	74.6%	74.0%	85.6%
Pasifika	Level 3+	69.7%	71.4%	60.1%	74.0%	86.8% ³
	Level 4+	70.5%	70.9%	58.0%	74.0%	95.7%
Under 25	Level 3+	73.2%	67.7%	86.1%	75.0%	82.6%
	Level 4+	74.4%	66.9%	88.1%	76.0%	83.8%
Youth Guarantee	Levels 1-2	63.9%	43.7%	32.9%	66.0%	75.8% ⁴
	Level 3	70.2%	80.9%	72.6%	73.0%	61.9% ⁵

¹ The significant improvement is due to the introduction of the NZ Certificate in Foundation Skills to replace the Certificate in Introduction to Trades, which was discontinued due to under-performance.

² The lower than expected rate was impacted by the Certificate in Te Rito o Te Reo. As a result of a review of te reo qualifications, current students would stay on Level 1 in the following year. This caused some to not complete and wait to enrol in the new Level 1 qualification the next year.

³ In 2018 there were overall more Pasifika students than in 2017, but fewer programmes where the EFTS delivered were over three or more. Higher numbers and improved performance in the Certificate in Community Support Services (Care for the Older Person) Level 4 (with embedded Level 3), brought up the overall total.

⁴ See Footnote 1.

⁵ The lower number was affected by the Certificate in Automotive Engineering which had high enrolments but poorer completion rates than in previous years due to students gaining employment and/or apprenticeships.

		Previous Years' Actuals			Target	Provisional Outcome
		2015	2016	2017	2018	2018
Student Progression						
All students	Levels 1-2, to a higher level	35.0%	33.0%	34.6%	42.0%	43.8%
	Levels 1-3, to a higher level	20.5%	23.8%	25.5%	33.0%	21.9% ⁶
Māori	Levels 1-3, to a higher level	27.6%	41.5%	46.1%	33.0%	37.3%
Pasifika	Levels 1-3, to a higher level	23.8%	40.0%	28.6%	33.0%	6.5% ⁷
Youth Guarantee	Levels 1- 2, to a higher level	22.7%	42.9%	42.9%	25.0%	36.4%
	Level 3, to a higher level	23.8%	30.0%	29.3%	26.0%	26.9%
Student Retention						
All students	Levels 1-2	71.0%	63.3%	66.4%	77.0%	52.3% ⁸
	Level 3+	66.1%	67.4%	68.6%	71.0%	71.4%
Māori	Level 3+	62.0%	69.8%	61.3%	71.0%	66.0%
Pasifika	Level 3+	67.1%	65.7%	63.7%	71.0%	70.3%
Youth Guarantee	Levels 1-2	56.8%	74.1%	48.1%	59.0%	41.4%
	Level 3	81.5%	71.2%	80.8%	84.0%	77.9%

⁶ Student progression figures vary as internal tracking cannot track students who have progressed to other training providers.

⁷ Lower than expected progression was affected by the National Certificate in Seafood Processing where the intake was higher than expected. These students very rarely progress onto higher levels as they are in-work students undertaking training for the job.

⁸ The Level 2 Computer Technology and Certificate in Trades and Primary Industries had lower than expected completions and consequently fewer students were able to re-enrol into a higher level.

		Previous Years' Actuals			Target	Provisional Outcome
		2015	2016	2017	2018	2018
Participation						
Māori	Levels 1-2	3.2%	3.3%	0.7%	50.0%	2.0% ⁹
	Level 3+	18.1%	18.0%	20.4%	18.0%	17.8%
	Level 4+	12.3%	12.6%	12.2%	12.0%	12.4%
Pasifika	Levels 1-2	0.2%	0.3%	0.1%	2.0%	0.1%
	Level 3+	4.0%	3.9%	6.5%	4.0%	6.9%
	Level 4+	3.4%	3.5%	5.3%	3.5%	4.0%
Under 25	Level 3+	42.4%	40.0%	39.8%	43.0%	42.6%
	Level 4+	32.5%	32.6%	32.2%	36.0%	31.4%
Other Commitments						
International EFTS (NZ based)		844	701	563	740	479 ¹⁰
External research income		\$0	\$0	\$0	\$165,000	\$3,600 ¹¹

⁹ Higher targets were set for all categories for the Level 1-2 competitive funding bid with Māori-focused programmes in mind. These programmes, which typically have good completion outcomes, were not funded and so did not proceed.

¹⁰ The International New Zealand EFTS figure was well below target due to immigration rule changes making fewer students eligible for study visas and the closure of Global Campus in Auckland where NMIT had previously predicted growth in the international market in Auckland.

¹¹ External research income comes from the Performance-based Research Fund (PBRF). It is calculated annually and paid at the maturity of the project after December 2019.

2018 EFTS

	SAC	Int'l	ITO	YG	STAR	Other	ACE	Total
2018 Target*	2,031	775	17	108	44	28	73	3,075
2018 Actual	2,044	744	21	60	37	33	63	3,001

By Department Target 2018*	SAC	Int'l	ITO	YG	STAR	ACE	Other	Total
Applied Business	163	157	-	-	-	-	-	319
Arts, Media and Digital Technology	220	61	-	-	-	26	-	307
Aviation	129	13	-	-	-	-	12	154
In China Deliveries		300	-	-	-	-	2	302
Engineering and construction	175	15	17	30	-	1	1	239
Global Campus		89	-	-	-	-	-	89
Health and Fitness	288	18	-	-	-	-	0	306
Hospitality and Service Sectors	128	19	-	12	-	-	5	164
Learner Services	-	-	-	-	-	-	1	1
Maritime	202	41	-	-	-	-	22	265
Primary Industries	251	30	-	-	-	-	1	281
Research and Innovation	-	-	-	-	-	-	-	-
Social Sciences	189	3	-	-	-	-	-	192
Te Toki Pākohe	141		-	-	-	-	-	141
Tertiary Pathways	71	38	-	66	44	-	29	248
Total	2,031	775	17	108	44	28	73	3,075

By Department Actual 2018*	SAC	Int'l	ITO	YG	STAR	ACE	Other	Total
Applied Business	241	162	-	-	-	1	-	404
Arts, Media and Digital Technology	220	61	-	-	-	26	-	307
Aviation	115	1	-	-	-	-	9	125
In China Deliveries		265	-	-	-	-	-	265
Engineering and construction	195	9	21	34	-	1	5	265
Global Campus	-	84	-	-	-	-	-	84
Health and Fitness	300	16	-	-	-	-	1	318
Hospitality and Service Sectors	109	11	-	10	-	4	-	133
Learner Services	-	-	-	-	-	-	1	1
Maritime	229	30	-	-	-	-	26	285
Primary Industries	168	28	-	-	-	0.45	3	200
Research and Innovation	4		-	-	-	-	-	4
Social Sciences	261	2	-	-	-	-	-	263
Te Toki Pākohe	147		-	-	-	-	-	147
Tertiary Pathways	56	76		17	37	0.32	17	203
Total	2,044	744	21	60	37	33	63	3,001

*Numbers do not exactly add up due to rounding

Equal education opportunities (EEo) report

NMIT's EEo plan reflects Nelson Marlborough Institute of Technology's vision, mission and objectives. It aims to address inequity, increase participation and improve the learning experience across the Institute.

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

1.1 Physical

In 2018, the following activities were implemented at NMIT:

- > To ensure adequate access to education for wheelchair users, NMIT reconfigured an access ramp and bathroom/toilet and also built equipment to facilitate access to the A Block science lab. This work was assessed and approved by ACC.
- > NMIT expanded student after-hours access to facilities via its Cardax network.
- > Ten disability car park permits were issued in 2018.

1.2 Academic

Delivery of 1,076 learning support sessions to learners at Nelson, Marlborough and Auckland campuses by Learning Facilitators including one-to-one, small group and class sessions.

- > Free dyslexia screening made available to NMIT learners via Lucid Adult Dyslexia Screening (LADS) Plus software. Results from this screening, and learning conversations with trained Learner Services staff, informed individual learning and support plans.
- > NMIT remained committed to supporting learners to trial and effectively use assistive technologies including Smartpens, Google Voice, Apps and Live Skype.
- > Equity funding continued to be used for providing tailored support and assistance to learners with specific needs:

- There were 345 learners on the Disability Register in 2018, with 33 on Marlborough/ Woodbourne Campuses.
- Five learners identified as requesting assistance in the event of an emergency evacuation.
- Total one-to-one Support Worker sessions for 2018 was 715 hours.
- A total of 65 learners received ongoing support from NMIT Equity Services:
 - 39 passed, 8 failed, 4 pending, 14 withdrawn.
 - Learning conversations and learning plans were key to effective equity provision. NMIT's Equity Coordinator maintained and developed collaborative relationships which particularly included academic staff, SANITI and community support organisations such as Workbridge, The Blind Foundation, Workstar, Epilepsy NZ, Hearing House, Nelson Marlborough District Health Board and Adult Learning Support Nelson.
 - NMIT engaged SANITI to assist learners with applications for Studylink funding.

> Literacy and Numeracy 2018:

- 1,479 learners studying at Levels 1-5 were assessed for reading using ALNAT and 1,493 for numeracy.
- 84 learners were assessed using the Starting Points assessments on ALNAT.

Literacy and numeracy significant gains 2018

Programme Levels	Numeracy Gains 2018	Numeracy Gains 2017	Reading Gains 2018	Reading Gains 2017
Level 1	13.79%	10.61%	28.42%	22.35%
Level 2	18.18%	13.59%	7.32%	22.95%
Level 3	15.00%	14.42%	10.61%	19.83%
Average Gains	15.65%	12.87%	15.45%	21.71%

1.3 Institutional/Administrative

- > Continued membership with ACHIEVE, a national professional network established to ensure equal opportunity and access to post-secondary education and training for people with impairments.
- > Learner Services provided one-stop-shop support and guidance to NMIT learners from Library Learning Centres on all campuses, focusing on friendly, easily accessible, excellent customer service and referral no matter what the issue or request.

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

2.1 Physical

- > NMIT continued to provide all learners with access to free professional counselling via the Organisational Counselling Programme (OCP). In 2018, 47 NMIT learners received 157 free counselling sessions.
- > The NMIT Student Counselling Service continued to provide free counselling sessions to NMIT learners.
- > NMIT's Equity Coordinator worked with colleagues and learners to identify barriers and proactively support learners and family members with disabilities wanting to attend graduation.
- > NMIT continued its strong commitment to creating an inclusive environment for Māori learners by acknowledging indigenous events such as Matariki.

2.2 Academic

- > In 2018 NMIT's Te Puna Mātauranga Māori Support team continued to build bi-cultural capability and safe, inclusive environments for learners including:
 - Kaupapa Māori support and supervision, e.g. Māori learner hui, social media support, Matariki and Te Wiki o Te Reo celebrations.
 - Cultural development, resources and advice to grow learner confidence

regarding Te Ao Māori in their respective study contexts and environments.

- Study to Mahi workshops for Māori learners studying in the fields of health, fitness and social sciences.
- Kia ora Hau Ora and other scholarship workshops.
- Programme specific bi-cultural support for tutors.
- Bi-cultural capability training and initiatives for learners and staff, e.g. Café Reo and taonga puoro workshops.
- Bicultural NMIT-specific research was conducted to investigate and inform bicultural strategy development for the advancement of indigenous outcomes.

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

3.1 Academic

- > During 2018, the NMIT Cultural Advisor (Pasifika) maintained a strong, ongoing community presence including:
 - Liaising with Pasifika parents regarding programme options, Studylink and scholarships.
 - Talking with church and youth groups about the benefits of tertiary education.
 - Regularly meeting and supporting initiatives with Nelson Tasman Pacific Island Community Trust, Tongan community group and scholarship providers.
 - Participating in the Pacific Island Community policy development group and planning Pacific Island Community Education and Health Fono.
- > During 2018, NMIT continued its flexible online education options to learners via TANZ eCampus.

Learner profile

Analysis of enrolments	2018	2017
Total unique learners	7,218	7,437
Enrolments per EFTS	2.40	2.39

Learner ethnicity

NZ European	56%	54%
NZ Maori	13%	14%
Chinese	10%	10%
Indian	7%	8%
Pasifika	5%	5%
Other Asian	7%	7%
Other	14%	12%

Learner gender

Percentage female learners	53.30%	52.7%
Percentage male learners	46.70%	47.3%
Number of female learners	3,850	3,917
Number of male learners	3,368	3,871

Learner age

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

Equal employment opportunities (EEO) report

With a firm and ongoing commitment to the principle of non-discrimination, NMIT continued to ensure that all colleagues and applicants for employment had equal employment opportunities regardless of gender, race, religious belief, disability, marital status or sexual orientation.

The Institute was also strongly committed to a policy of appointing to all positions based on merit and challenged any practices shown to disadvantage, or potentially disadvantage, applicants or employees.

Equal Employment Opportunity Principles

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

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

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

Human resources statistics

Staff numbers ¹²	2018	2017
Academic staff full-time equivalent	136	163
Business Support staff	154	179
Total staff	289	342

Staff gender

Female staff	162	192
Male staff	127	149

Staff ethnicity¹³

NZ European	86	103
NZ Maori	7	7
Asian	5	8
Pacific Island	2	1
Indian	1	0
African	1	1
Other or not stated	189	221

Staff age

15 – 20 years	0	0
21 – 30 years	17	24
31 – 40 years	46	57
41 – 50 years	86	100
51 – 60 years	90	101
61 – 70 years	39	46
79 – 90 years	1	3
Not stated	10	11

Our Values

Rangatiratanga

We treat people with fairness and equity acknowledging our communities and heritage; we provide a safe and nurturing environment. We demonstrate honesty, transparency, fairness and clear boundaries in all our interactions.

Manaakitanga

Care for others / behaviours that enhance the mana of others and therefore our own.

Passion

We strive and stand up for what we believe in and go the extra distance; we want to make a difference to people's lives.

Ownership

We hold ourselves accountable for our actions, take ownership and deliver on our promises.

¹² Figures above are full-time equivalent (FTE) and do not include casual staff who are not allocated an FTE value.

¹³ Notification of ethnicity is not compulsory.

Research activity report

Strengthening research-based institutions

5

NMIT entered the Performance-Based Research Fund (PBRF) in 2018 following the submission of 14 evidence portfolios. This was the first time NMIT entered the PBRF since the 2006 round, directly aligning with the Tertiary Education Strategy priority 5 of “strengthening research-based institutions”.

With its increased focus on supporting research activity, NMIT continued its high level of Quality Assured (QA) outputs. As a result, NMIT staff produced 71 QA outputs and 85% of staff with a research time allocation produced at least one output (e.g. a peer-reviewed journal article, excluding conference presentations). This was a marked improvement from years prior to 2017 where achievement was at around 30-40%. The broadening of capability across the Institute ensured more staff were actively involved in research that influenced and continuously improved teaching and learning practice at NMIT. 2018 also saw more robust student research occurring as part of their courses.

In addition, the quality of research is at the highest levels, evidenced by outputs published in the world's top academic journals such as *The Lancet* and the *British Medical Journal*.

Other successes in 2018 included bringing on experienced researchers in the Viticulture programme and a newly developed relationship with Plant & Food Research.

In 2018, NMIT's newly created Applied Research Training Scheme provided wrap-around, one-on-one mentoring to take novice researchers through the complete research process, culminating in a publication in a peer-reviewed journal. A critical part of NMIT's ongoing journey to research success has been providing novice researchers with the critical, practical skills needed to build their own capability and further their research careers. Of the 11 students, all submitted work to academic journals, with most submitting two QA outputs. This included one NMIT tutor who went from publishing in a New Zealand nursing journal to publishing in the top ranked nursing journal internationally.

Research outputs

Book

Davison, J. (2018). *CCH VAT Planning 2018-19*. London: Woulters Kluwer.

Chapter in book

Cochrane, T., Davis, N. E., & Mackey, J. (2018). Design-Based Research with AGILE Sprints to Produce MUVES in Vocational Education. In I. Management Association (Ed.), *Application Development and Design: Concepts, Methodologies, Tools, and Applications* (pp. 607-624). Hershey, PA: IGI Global. doi:10.4018/978-1-5225-3422-8.ch026.

Davison, J. (2018). Accounts. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/accounts/summary?product=6>. UK: Croners.

Davison, J. (2018). Bookkeeping. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/bookkeeping/summary?product=6>. UK: Croners.

Davison, J. (2018). Capital Gains Tax. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/capital-gains-tax/summary?product=6>. UK: Croners.

Davison, J. (2018). Corporate Tax. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/corporate-tax/summary?product=6>. UK: Croners.

Davison, J. (2018). Credit management. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/credit-management/summary?product=6>. UK: Croners.

Davison, J. (2018). Exports. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/exports/summary?product=6>. UK: Croners.

Davison, J. (2018). Imports. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. UK: Croners.

Davison, J. (2018). Insolvency. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/insolvency/summary?product=6>. UK: Croners.

Davison, J. (2018). NIC. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from:

<https://app.croneri.co.uk/topics/nic/summary?product=6>. UK: Croners.

Davison, J. (2018). PAYE. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/payee/summary?product=6>. UK: Croners.

Davison, J. (2018). Pricing of products. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/pricing-of-products/summary?product=6>. UK: Croners.

Davison, J. (2018). Profits. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/profits/summary?product=6>. UK: Croners.

Davison, J. (2018). Taxing Business. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/taxing-business/summary?product=6>. UK: Croners.

Davison, J. (2018). VAT. In P. Johnson (Ed.), *iCroner Handbook for Small Businesses*. Retrieved from: <https://app.croneri.co.uk/topics/vat/summary?product=6>. UK: Croners.

Davison, J. (2018). Cross border transactions. In S. Dencher (Ed.), *British Indirect VAT Reporter* (section 63-000 – 69-000). London, UK: Wolters Kluwer.

Davison, J. (2018). Land and construction. In S. Dencher (Ed.), *British Indirect VAT Reporter* (section 33-000 – 39-000). London, UK: Wolters Kluwer.

Davison, J. (2018). VAT. *Reference Book for the Self Employed and Small Businesses* (chapter Bi – B863). Croners.

Fell, C. (2018). Adultery in the Age of Pisces. In J. Bornholdt (Ed.), *Short Poems of New Zealand* (p. 160). Victoria University Press.

Salmon, C. (2018). Pūkeko and Butter Papers: Reflections on an Environmental Art Practice. In P. Stupples (Ed.), *Art and Future: Energy, Climate, Cultures* (pp. 173-190). UK: Cambridge Publishers.

Taylor, B. M., Trip E. D. L. & Choat, J. H. (2018). Dynamic demography: investigations of life-history variation in the parrotfishes. In A.S. Hoey & R.M. Bonaldo (Eds.), *The Biology and Ecology of Parrotfishes* (pp. 69-98). Boca Raton: CRC Press.

Tuapawa, K. (2018). A phenomenological interpretation of teachers' online technology experiences with students in blended tertiary environments. In M. Habib (Ed.), *Advanced Online Education and Training Technologies*

(pp 27-47). DOI: 10.4018/978-1-5225-7010-3.ch002.

Tuapawa, K. (2018). A phenomenological interpretation of teachers' online technology experiences with students in blended tertiary environments. In R. Sharma (Ed.), *Innovative Applications of Online Pedagogy and Course Design* (pp. 338-357). Hershey, PA: IGI Global. DOI: 10.4018/978-1-5225-5466-0.ch017.

Tuapawa, K. (2018). Classifying educational online technologies: a new multi-dimensional taxonomy. In M. Habib (Ed.), *Advanced Online Education and Training Technologies* (pp 1-26). DOI: 10.4018/978-1-5225-7010-3.ch001.

Journal articles

Airehrour, D., Gutierrez, J. A. & Ray, S. K. (2018). SecTrust-RPL: A secure trust-aware RPL routing protocol for Internet of Things, Future Generation Computer Systems. *Future Generation Computer Systems*. <https://doi.org/10.1016/j.future.2018.03.021>.

Airehrour, D., Gutierrez, J., & Ray, S. K. (2018). A Trust-based Defence Scheme for Mitigating Blackhole and Selective Forwarding Attacks in the RPL Routing Protocol. *Australian Journal of Telecommunications and the Digital Economy*, 6(1), 41-59.

<https://doi.org/https://doi.org/10.18080/ajtd.v6n1.138>.

Airehrour, D., Vasudevan Nair, N. & Madanian, S. (2018). Social Engineering Attacks and Countermeasures in the New Zealand Banking System: Advancing a User-Reflective Mitigation Model. *Information*, 9, 110. <https://doi.org/10.3390/info9050110>.

Buenz, E. J. (2018). Novel natural products are the perfect assassination tools. *Journal of Intercultural Ethnopharmacology*, 7(1), 95-96.

Buenz, E. J. & Parry, G. J. (2018). Conservation efforts risk poisoning endangered New Zealand kea. *Science of the Total Environment*. Available online 13 October. <https://doi.org/10.1016/j.scitotenv.2018.10.159>

Bröde, P., Fiala, D., Lemke, B., & Kjellstrom, T. (2018). Estimated work ability in warm outdoor environments depends on the chosen heat stress assessment metric. *Int J Biometeorol*, 62(3), 331-345. doi: 10.1007/s00484-017-1346-9

Graham, K. (2018). Critical need for effective communication skills education in nursing. *International Journal for Nursing Sciences*. <https://doi.org/10.1016/j.ijnss.2018.08.006>

Hampton, J. O., Laidlaw, M., Buenz, E. & Arnemo, J. M. (2018). Heads in the sand: public health and ecological risks of lead-based bullets for

wildlife shooting in Australia. *Wildlife Research*, 45(4), 287-307.

Hardcastle, M. (2018). The importance of cultural fit in the success of internationally qualified nurses: A comment on Brunton & Cook. *International Journal of Nursing Studies*, 87, 148.

Hunter, K. & Cook, C. (2018). Role modelling and the hidden curriculum: New graduate nurses' professional socialisation. *Journal of Clinical Nursing*, 27(15-16), 3157-3170.

Kalawilapathirage, H. D. & Omisakin, O. M. (2018). A Data Analytic Approach of Job Satisfaction: A Case Study on Singapore Airlines. *Journal of Information and Data Management*.

Kaur, C. & Omisakin, O. M. (2018). Data Mining Methods to Improve Clinical Trials in Diabetic Patients. *Ann Clin Lab Res*, 6(4):266.

Laurenson Elder, R., Agee, M. & Adamson, C. (2018). Workplace counselling and the contemporary world of work. *NZ Journal of Counselling*, 38(1), 50-67.

Malthus, K. & Tranter, S. (2018). Supporting family carers of people with dementia. *Kai Tiaki Nursing Research*, 24(10) 22-24.

Masters, E. (2018). The phytochemical diversity and product quality of shea butter present confounding factors to product standardization in research. *Int J Basic Clin Pharmacol*, 7, 2070-1.

Mundy, D. C., Vanga, B. R., Thompson, S. & Bulman, S. (2018). Assessment of wood sampling and DNA extraction methods for identification of grapevine trunk microorganisms using metabarcoding. *New Zealand Plant Protection*, 71, 10-18.

Omisakin, O. & Jyoti, R. (2018). Recycling of Beverage Containers in New Zealand: Critical Analysis of Existing Status and Proposed Best Practices. *International Journal of Waste Resources*, 8: 347. doi:10.4172/2252-5211.1000347

Omisakin, O. M. (2018). Exploring the African migrants' decisions to migrate to New Zealand. *International Journal of Interdisciplinary Social Science Studies*, 4(1).

Parry, G.J. & Buenz, E.J. (2018). Adventures in self-experimentation. *BMJ*, 363:k5006. <https://doi.org/10.1136/bmj.k5006>.

Selak, J.O., Vasconcelos, M.C., Dearing, C. & Field, S. (2018). The influence of under-vine reflector panels on bunch zone microclimate and berry composition of *Vitis vinifera* L. *Syrah*. *New Zealand Winegrower* 108, 50-51.swift.

Tranter, S. & Robertson M. (2018) Improving initial physical health assessments for psychiatric clients *Mental Health Practice Journal?*

Van der Burg, J., Song, X. & Tippett, M. (2018). A hyperbolic model of optimal cash balances. *The European Journal of Finance*, 25(2), 101-115, doi: 10.1080/1351847X.2018.1482834.

Visconti, V., Trip, E.D.L., Griffiths, M.H. & Clements, K.D. (2018) Life-history traits of the leatherjacket *Meuschenia scaber*, a long-lived monacanthid. *Journal of Fish Biology*, 92, 470-486.

Watts, N., Amann, M., Arnell, N., Ayeb-Karlsson, S., Belesova, K., Berry, H., ...Wilkinson, P. (2018). The 2018 report of the Lancet Countdown on health and climate change: shaping the health of nations for centuries to come. *The Lancet*. Retrieved from: [http://dx.doi.org/10.1016/S0140-6736\(18\)32594-7](http://dx.doi.org/10.1016/S0140-6736(18)32594-7)

Thesis

van der Burg, J. G. J. (2018). Stochastic Continuous-time Cash flows - A coupled linear-quadratic model (Doctor of Philosophy). Victoria University of Wellington. Retrieved from: <http://hdl.handle.net/10063/8008>.

Published poetry, short stories and literary reviews

Sunderland, K. (2018). Scared to Death. In N. Arnold (Ed.), *Headlands: New Stories of Anxiety* (pp. 155-163). Victoria University Press, Wellington.

Performance

Breukel, K. (2018). Nova X-Press [Video Jockey performance]. In [curators]. Light Nelson, Nelson, 6-10 July.

Breukel, K. & Baanvinger, M. (2018). Aperture [Visuals]. See <http://www.nelsonartsfestival.co.nz/home/aperture-festival-in-development/>.

Exhibitions – curated

Baskett, M. (2018) On that place where we stand [solo exhibition]. A. Braunsteiner (curator), Refinery Artspace, Nelson, 7 October – 17 November.

Breukel, K. (2018). Beam me up [installation]. In (curators), Light Nelson 2018, Nelson, 6 - 10 July.

Breukel, K. (2018). Lumen. In L. Allan (curator), Parker Gallery, Nelson, 29 June - 20 July.

Breukel, K. (2018). Projector 303 [installation]. In (curators), Light Nelson 2018, Nelson, 6-10 July.

Plank, C. (2018). Inspirit [textile]. R. Martin, A. Snow, J. Kinross (curators), Changing Threads exhibition, The Refinery Artspace, Nelson <http://www.acn.org.nz/changing-threads-2018.html>.

Plank, C. (2018). Thoughts and Insights. 11th International Shibori Symposium, Arimatsu, JAPAN. <https://www.11iss.org/11-iss-publications/dd30c1ja7pck4ld5f4zwd5zw6qqsx>.

Curation

Breukel, K., Fell, C. & Rule, C. (2018). Poetry Lane - 21 Poems by Nelson Poets. C. Fell (curator), Nelson City Council and Nelson Arts Festival <http://www.nelsonartsfestival.co.nz/home/poetry-lane/>

Fell, C. & Sunderland, K. (2018). kiss me hardy 2. Editors - NMIT Literary and Arts Journal.

Conference – proceedings or full conference paper

Airehrour, David; Gutiérrez, Jairo and Ray, Sayan Kumar, "SecTrust: A Trust and Recommendation System for Peer-2-Peer Networks" (2018). CONF-IRM 2018 Proceedings.

Airehrour, D., Madanian, S. & Abraham, A.M. (2018). Designing a Memory-Aid and Reminder System for Dementia Patients and Older Adults, The 17th International Conference on Informatics in Economy, Iași, Romania, May 17 – 20.

Chooi, K.M., Blouin, A. G., Cohen, D., Bell, V.A., Mundy, D., Nobilo, S. & MacDiarmid, R. M. (2018). The influence of Grapevine leafroll-associated virus 3 genetic variants on management initiatives in New Zealand. *Proceedings of the 19th meeting of International Council for the study of virus and virus-like diseases of the grapevine (ICVG)*. Santiago, Chile.

Deylami, H. (2018). More than Old Wine in New Bottles: A Secure Live Virtual Machine Job Migration Framework for Cloud Systems Integrity. 11th IEEE International Conference on Mobile Computing and Ubiquitous Networking (ICMU), Unitec Institute of Technology, Auckland, New Zealand, 5-8 October.

Lulijwa R, Alfaro A. C., Merien F., Burdass M., Young T, Meyer J., Nguyen T. V. and Trembath C. (2018) Characterisation of New Zealand King Salmon Whole Blood for Immunological Assays. Proceedings of the New Zealand Marine Sciences Conference.

Madanian, S., Airehrour, D., Kumar, N. & Cherrington, M. (2018). Smart Cap for Visually

Impaired in Disaster Situations, ISCRAM Asia Pacific Conference, Wellington, Nov 5 - 7.

Omisakin, O.M (16-18 July 2018). New Zealand trade agreements and its economic and societal impacts: A Review. Presented at the Academic International Conference on Business, Marketing and Management at Harvard University, Boston USA. www.flelearning.ca

Raghavan, V., Airehrour, D., Ndashimye, E., Baffa, A.B. (2018). PEGADyn: A Cluster-Based Energy Efficient Routing Protocol for Ad Hoc Networks, 28th International Telecommunication Networks and Application Conference (ITNAC), Sydney, Australia, Nov 21 - 23.

Salmon, C. (2018). Efficacy of eco aesthetics as a means to communicate about climate change. In ... (Eds), International Arts and Society Conference, 27-29 Jun, Vancouver, Canada.

Smith, H., Cartman, D., Keaney, P., Roberts, D., Mann, S., Caukill, M. ... & Sutton, K. (2018). Rich picture systems mapping of capabilities and learner journeys. In E. Ertuck (ed.), Proceedings of the 9th Annual Conference of Computing and Information Technology Research and Education New Zealand (CITREnz2018) and the 31st Annual Conference of the National Advisory Committee on Computing Qualifications, pp 125-132. Wellington, July 11-13.

Conference – oral presentation

Dam, L.O., Heinrich, E. & Budd, J.M. (2018). Presentation at ITX 2018, IT Professionals NZ, Wellington, New Zealand.

Deylami, H. (2018). Building Security That Thinks: Cyber Security Best Practices and Expectations for the Future. Cyber Security Summit, Auckland, New Zealand.

Donnelly, N. & Proctor-Thomson, S. (2018). Progressing gender equality through collective 'voice': The role of collective bargaining in the provision of flexible work in New Zealand. Paper presented at 10th Biennial Gender, Work & Organisation Conference 2018, Macquarie University, Sydney, 13-16 June.

Elder, R (2018). The Perfect Match? Matching organisational role expectations with employee role identity: Possibilities and pitfalls. CDANZ, Te Mohiotanga, 12 Feb 2018. Retrieved from <http://www.cdanz.org.nz/te-mohiotanga/the-perfect-match-matching-organisational-role-expectations-with-employee-role-identity-possibilities-and-pitfalls/278/>

Laurenson, R. & Proctor-Thomson, S. (2018). Power dynamics and reflective practice in career development. Career Development Association of New Zealand National Symposium, Victoria University, Wellington, October 23-24.

Parry, G.J. (2018). Challenges in diagnosing CIDP in patients with diabetes. Nervecon III International Conference, Hyderabad, India, August 24-26.

Parry, G.J. (2018). Inflammatory plexus neuropathies. Nervecon III International Conference, Hyderabad, India, August 24-26.

Parry, G.J. (2018). Diabetic amyotrophy – a treatable diabetic vasculitis. 26th Annual Conference of the Indian Academy of Neurology (IANCON-2018), Raipur, India, September 27-30.

Proctor-Thomson, S., Pausé, C. & Grey, S. (2018). The gendered impact of the neoliberal project in tertiary education. Feminist Engagements in Aotearoa: 125 years of Suffrage and Beyond. Women Studies Association/pae Akotanga Wāhine, 21-23 September, Victoria University of Wellington.

Stenhouse, D., Atkins, S. & Cochrane, T. (2018). Case study: NMIT Music Curriculum Redesign. Presented at SoTEL : Scholarship of Technology Enhanced Learning 2018, 15-16 Feb, Unitec, Auckland, New Zealand.

Swift, D. (2018). Coming out of the academic closet. Paper presented at Tackling Dementia, New Zealand Alzheimers Conference, Auckland, NZ. October 25-27.

Swift, D. (2018) Working with violent girls. Keynote presented at the 'Just Say'n youth workers symposium'. Mangere, Auckland. April 18-19, 2018.

Conference – poster

Deylami, H. (2018, August). More than old wine in new bottles: A secure live virtual machine job migration framework for cloud systems integrity. Poster session presented at the Auckland University of Technology Postgraduate Research Symposium, Auckland, New Zealand.

Dong Van Hoang An, K., Cochrane, T. & Tuapawa, K. (2018). Self-Service Analytics and its implementation. In E. Ertuck (ed.), Proceedings of the 9th Annual Conference of Computing and Information Technology Research and Education New Zealand (CITRENZ2018) and the 31st Annual Conference of the National Advisory Committee on Computing Qualifications, pp. 152-153. Wellington, July 11-13.

Wang, F., Nicoll, C. & Cochrane, T. (2018). Web Application (PWA) Design and Development for Eastern Cuisine Chinese Restaurant. In E. Ertuck (ed.), Proceedings of the 9th Annual Conference of Computing and Information Technology Research and Education New Zealand (CITRENZ2018) and the 31st Annual Conference of the National Advisory Committee on Computing Qualifications, pp. 150-151. Wellington, July 11-13.

Yu Chen, Cochrane, T., & Tuapawa, K. (2018). Applications of Virtual Reality and Augmented Reality. In E. Ertuck (ed.), Proceedings of the 9th Annual Conference of Computing and Information Technology Research and Education New Zealand (CITRENZ2018) and the 31st Annual Conference of the National Advisory Committee on Computing Qualifications, pp. 154-155. Wellington, July 11-13.

Research, industry and technical reports

Bruijl, G. (2018). The relevance of porter's five forces in today's innovative and changing business environment [Discussion Paper]. ??

Bruijl, G. (2018). The concept of innovation concerning multinationals and small- and medium-sized enterprises (sme's) in a competitive environment [Working paper]. ??

Davison, J. (2018). Tax news. De Voil Indirect Tax Intelligence

Field, S., King, P., Vasconcelos, M.C. & Holzapfel, B. (2018). Limiting Syrah berry size; Investigating the use of anti-transpirant sprayed after fruit set. *Hawke's Bay Wine* 41, 10-11.

Greven, M. M., Wood, P. M. & Mundy, D. C. (2018). Vineyard ecosystems RA 1.1 progress report January 2018, & May 2018. Plant & Food Research Technical Reports.

Greven, M. M., Wood, P. M. & Mundy, D. C. (2018). Vineyard ecosystems RA 1.1 progress report January 2018, & May 2018. A Plant Food Research report report prepared for New Zealand Winegrowers.

Mundy DC, Woolley R, Blouin A, Vanga BR, MacDiarmid R 2018. Vineyard ecosystems RA 1.3 progress report January 2018. A Plant Food Research report report prepared for New Zealand Winegrowers. Client Project No. NZW14-102. Milestone No. PFR Milestone No. 65250. Contract No. Contract No. 32476. SPTS No. 15908.

Heasman, K. & Burdass, M. (2018). Improving fish nutrition, feed conversion rates, fish health and survival of King Salmon (*Oncorhynchus tshawytscha*) 16°C High Energy Feeding Trial

September 2017 to December 2017. Technical Report to SIL?

Heasman K, Burdass M, Lupatsch I 2018. Improving Fish Nutrition, Feed Conversion Rates, Fish Health and Survival of king salmon (*Oncorhynchus tshawytscha*) – 19°C high energy anti-inflammatory feeding trial August 2018 to October 2018 Milestone 9. Seafood Innovations Ltd and New Zealand King Salmon Co. Ltd. Cawthron Report No. 3256. 13 pp.

Heasman K., Burdass M. & Lupatsch I. (2018). Improving fish nutrition, feed conversion rates, fish health and survival of king salmon (*Oncorhynchus tshawytscha*) 19°C high energy anti-inflammatory feeding trial May 2018 to August 2018.

Mitchell, D. & Chapman, P. (2018). The word from the street: The views of homeless men on a supportive pathway forward. Unpublished report on NZ Community Research. Retrieved from <http://www.communityresearch.org.nz/research/the-word-from-the-street-the-views-of-homeless-men-on-a-supportive-pathway-forward/>.

Mundy, D. C. (2018). Model System Development for Grapevine Trunk Diseases year 1 annual report. Plant & Food Research Technical Report.

Mundy, D. C. & Ridgway, H. J. (2018). 2018 Model system development for grapevine trunk diseases. Plant & Food Research Internal Report.

Mundy, D. C., Woolley, R., Blouin, A., Vanga, B. R. & MacDiarmid, R. (2018). Vineyard ecosystems RA 1.3 progress report January 2018, & May 2018. Plant & Food Research Technical Reports.

Ridgway, H. J., Mungianu, M. P. M. & Jones, E. E. (2018). Understanding the transition from latency to disease for grapevine trunk diseases (GTD). A Plant and Food Research report prepared for Wine Leadership Team.

Sosnowski, M. R., Mundy, D. C. & van Zijl de Jong, E. (2018). Optimising management of grapevine trunk diseases for vineyard longevity 2017/18 Annual Report, & Feb 2018. Plant & Food Research Technical Reports.

Seminars, workshops and oral presentations

Deylami, H. (2018). A migration framework for cloud systems integrity. 2018 IEEE Communication Society (ComSoc) Distinguished Lecturer Talks, Auckland University of Technology, Auckland, New Zealand, November.

Deylami, H. (2018). A Secure Live Virtual Machine Job Migration Framework for Cloud Systems Integrity. NZISDC 2018 New Zealand Information Systems Doctoral Consortium 2018, Auckland University of Technology, Auckland, New Zealand, July.

Fell, C. (2018). Live performance. Nelson Live Poets, The InnBetween Hostel, Nelson, 19 June.

Fell, C. (2018). On Skinnydipping. Couch Stories, Nelson Arts Festival, 16 Oct. <http://www.couchstories.co.nz/2018-arts-festival-show.html>

Fell, C. (2018). The Life of Writing. Keynote speech at New Zealand Society of Authors Top of the South Branch AGM, The Hearing House, Nelson, May 12.

Fell, C. (2018). The Writing Life. Oral presentation at the Richmond Writing Group, 20 November.

Fell, C. (2018). Why Bald Poets Are the Best Poets. Pecha Kucha, NCMA, August 3. <http://events.stuff.co.nz/manawatu-standard/2018/pecha-kucha-night/nelson>

Mundy, D. (2018). Grapevine Trunk Diseases. Farmlands technical advisors workshop, 11 July.

Mundy, D. (2018). Grapevine Trunk Diseases. Matua grower technical day, 13 July.

Mundy, D. (2018). Study Exchange to Davis. Marlborough Research Centre, 30 May.

Mundy, D. (2018). Trunk Disease. Wine Marlborough pruning day, 17 May.

Mundy, D. (2018). Trunk Disease and its Management. Marlborough Grape Producers Cooperative, 12 June.

Otto, M., Lemke, B. & Kjellstrom T. (2018). Methods for Estimating Heat Effects on Working People. FAME Laboratory, Dept. of Exercise Science, University of Thessaly, Trikala, Greece. September 18 – 21.

Parry, G. J. (2018). Approach to Brachial Plexus Disorders. St John's Medical Centre Grand Rounds, Bangalore, India, August 11.

Parry, G. J. (2018). Approach to the Evaluation of Patients with Neuropathy. Christian Medical Centre, Vellore, India, November 3.

Parry, G. J. (2018). Challenges in the Diagnosis and Management of CIDP in Diabetes, & Review of Multifocal Motor Neuropathy. Kerala Association of Neurologists, Kochi, India, October 27.

Parry, G. J. (2018). Diagnosis and Management of CIDP in Patients with Diabetes mellitus. Vydehi Medical Center, Bangalore, India, September 11.

Parry, G. J. (2018). Immune-mediated Neuropathies. Rajarata University, Anuradhapura, Sri Lanka, November 21.

Parry, G. J. (2018). Musings on Multifocal Motor Neuropathy – a story 30+ years in the making. Amritsar, India, December 2.

Parry, G. J. (2018). Neuropathies Secondary to Diabetes. Bangalore Neuro Update, Bangalore, India, December 8.

Plank, C. (2018). Expand your Landscape. Conference Guest Tutor, NMIT, Nelson <http://www.conference2018.co.nz>.

Plank, C. (2018). Textile Mentoring Workshop. Françoise Hoffmann, Aurec su Loire, France, 24-25 September.

Swift, D. (2018). Cliques, Crews and Catfights - the national project 5 years on. Presented at the Nelson/Tasman Soroptimist club. April 9, 2018.

Awards

Parry, G. J. (2018). Fulbright-Nehru Senior Scholar, India.

Parry, G. J. (2018). Fulbright Regional Travel Grant, Sri Lanka.

Parry, G. J. (2018). Invited judge for resident scientific presentations, Sri Lankan Association of Neurologists, Colombo.

Authored popular articles

Grey, S., Päuse, C. & Proctor-Thomson, S. (2018). Universities' pitiful response to gender inequality isn't good enough. *The Spinoff*, October 1. Retrieved from: <https://thespinoff.co.nz/society/01-10-2018/universities-pitiful-response-to-gender-inequality-isnt-good-enough/>.

Sunderland, K. (2018). Is there any such thing as literature in Nelson? *The Spinoff*, May 30. Retrieved from: <https://thespinoff.co.nz/books/30-05-2018/is-there-any-such-thing-as-literature-in-nelson/>.

Independent auditor's report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of Nelson Marlborough Institute of Technology and group's financial statements and statement of service performance for the year ended 31 December 2018.

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

Opinion

We have audited:

- > the financial statements of the Institute and group on pages 47 to 78, that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- > the statement of service performance of the Institute and group on pages 25 to 27.

In our opinion:

- > the financial statements of the Institute and group on pages 47 to 78:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2018; and
 - the financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards; and
- > the statement of service performance of the Institute and group on pages 25 to 27 presents fairly, in all material respects, the Institute and group's service performance achievements measured against the proposed outcomes described in the investment plan for the year ended 31 December 2018.

Our audit was completed on 28 March 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw your attention to uncertainties about the proposed merger of all polytechnics and institutes of technology. In addition, we outline the responsibilities of the Council and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

Uncertainties about the proposed merger of all polytechnics and institutes of technology

Without modifying our opinion, we considered the adequacy of the disclosures made in note 22 on page 75 that outline the Government's proposal to merge the activities of all polytechnics and institutes of technology. Should the merger proceed, it could have a significant impact on the future of the Institute and group. However, a final decision on the proposal is yet to be made. We consider these disclosures to be adequate.

Basis for our opinion

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

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

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

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

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

The Council is also responsible on behalf of the Institute and group for preparing a statement of service performance that is fairly presented.

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

In preparing the financial statements and the statement of service performance, the Council is responsible on behalf of the Institute and group for assessing the Institute and group's ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Council intends to liquidate the Institute and group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

- > We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- > We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute and group's internal control.
- > We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- > We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute 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 Institute 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 Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Council is responsible for the other information. The other information comprises the information included on pages 2 to 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 Institute and group in accordance with the independence requirements of the Auditor General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): 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 Institute or any of its subsidiaries.



Jacques Coetzee

Audit New Zealand

On behalf of the Auditor General

Wellington, New Zealand

Statement of responsibility

In the financial year ended 31 December 2018, the Council and management of Nelson Marlborough Institute of Technology were responsible for:

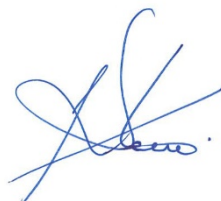
- > The preparation of the financial statements and targeted performance report and the judgements therein; and
- > Establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

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

The financial statements were authorised for issue and the 2018 Annual Report approved by the Council on 28 March 2019.



D Wehner
Council Chair



P Steere
Audit Sub-Committee Chair



L Sloan
Chief Executive



V Bryson
Executive Director - Finance, Compliance and
Business Intelligence

Two year performance summary for the group

For the year ended 31st December 2018

	2018 (\$000)	2017 (\$000)
Revenue		
Government grants	20,241	19,602
Tuition fees	13,672	14,128
Interest revenue	688	772
Other revenue	6,679	7,340
Total revenue	41,280	41,843
Expenses		
Personnel costs	23,638	24,498
Depreciation and amortisation expense	4,530	4,170
Impairment expense	106	-
Finance costs	-	4
Other expenses	15,926	15,173
Total expenses	44,201	43,846
Share of associate's surplus / (deficit)	79	(3)
Deficit	(2,842)	(2,005)

Ratio analysis

Surplus as a % of Total Revenue	(6.9)%	(4.8)%
Return on Fixed Assets (::\$1)	(0.03)	(0.02)
Return on Equity (::\$1)	(0.03)	(0.02)
Operating Revenue / Fixed Assets (::\$1)	0.5	0.5
Current Ratio (::\$1)	1.6	1.7
Debt Equity Ratio (::\$1)	0:1	0:1
Equity (\$000)	102,094	98,231
Fixed Assets (\$000)	91,713	86,733
Bank and Short Term Funds (\$000)	16,213	18,751
Net Assets per EFTS (\$)	34,012	31,621
Net Cash Flows from Operating Activities (\$000)	1,060	1,921
Total Cash Flows from Operations incl Investing & Financing Activities (\$000)	365	(1,470)
Purchase of Fixed Assets (\$000)	3,944	3,888
Purchase of Fixed Assets / Depreciation (::\$1)	0.9	0.9
Net Cost of Services (\$000)	44,200	43,842
Net Cost of Services per EFTS (\$)	14,725	14,113
Personnel Costs per EFTS (\$)	7,875	7,886
Capital Expenditure per EFTS (\$)	1,314	1,251
Fixed Assets per EFTS (\$)	30,554	27,919

TWO YEAR PERFORMANCE SUMMARY FOR THE GROUP

Key student and staff performance indicators	2018	2017
TEC EFTS	2,087	2,013
International EFTS	479	564
International EFTS (Overseas Delivery)	265	284
ITO	21	25
Youth Guarantee	61	107
STAR	37	36
Other EFTS	53	78
Total	3,002	3,107
Total enrolments	7,218	7,437
TEC funding per TEC funded EFTS (\$)	9,698	9,738
Domestic student fees per TEC funded EFTS (\$)	3,058	2,952
International fees per international EFTS (\$)	15,215	14,513
Total revenue per total EFTS (\$)	13,752	13,469
Student satisfaction (overall)	95%	93%
Student completion	86%	83%
Total academic staff (FTE)	136	163
Total support staff (FTE)	154	179
Total staffing (FTE)	290	342
Academic staff FTE / support staff FTE (:1)	0.88:1	0.91:1

Statement of comprehensive revenue & expense

For the year ended 31st December 2018

		Institute			Group	
		Actual	Budget	Actual	Actual	Actual
		2018	2018	2017	2018	2017
	Notes	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Revenue						
Government grants	3	20,241	21,172	19,602	20,241	19,602
Tuition fees	3	13,672	13,702	14,128	13,672	14,128
Interest revenue	3	661	800	743	688	772
Other revenue	3	6,615	6,195	7,258	6,679	7,340
Total revenue	2	41,190	41,869	41,732	41,280	41,843
Operating expenses						
Personnel costs	4	23,638	25,432	24,498	23,638	24,498
Depreciation and amortisation	16 & 17	4,530	4,223	4,170	4,530	4,170
Impairment expense	16	106	-	-	106	-
Finance costs	5	-	-	4	-	4
Other expenses	6	15,835	12,983	14,907	15,926	15,173
Total operating expenses	2	44,109	42,637	43,579	44,201	43,846
Share of associate's surplus / (deficit)	15	79	-	(3)	79	(3)
Surplus / (deficit)		(2,841)	(768)	(1,850)	(2,842)	(2,005)
Other comprehensive revenue and expense						
<i>Items that will not be reclassified to surplus / (deficit)</i>						
Gains on property revaluations	16	6,707	-	-	6,707	-
Impairment of PP&E	16	(2)	-	-	(2)	-
Total other comprehensive revenue and expense		6,705	-	-	6,705	-
Total comprehensive revenue and expense		3,864	(768)	(1,850)	3,863	(2,005)

Explanations of major variances against budget are provided in note 21.

The accompanying notes form part of these financial statements.

Statement of financial position

As at 31st December 2018

		Institute			Group	
		Actual	Budget	Actual	Actual	Actual
		2018	2018	2017	2018	2017
	Notes	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Assets						
Current assets						
Cash and cash equivalents*	7	3,113	15,172	2,747	3,113	2,747
Debtors and other receivables	8	1,262	1,799	1,327	1,262	1,327
Other financial assets	9	13,100	-	16,004	13,100	16,004
Prepayments		738	533	395	738	395
Total current assets		18,212	17,504	20,473	18,212	20,473
Non-current assets						
Investments in associates	15	1,160	-	1,081	1,160	1,081
Prepayments		28	-	69	28	69
Property, plant and equipment	16	91,713	84,385	86,733	91,713	86,733
Intangible assets	17	2,571	5,789	2,451	2,571	2,451
Total non-current assets		95,472	90,174	90,333	95,472	90,333
Total assets		113,684	107,677	110,806	113,684	110,806
Liabilities						
Current liabilities						
Creditors & other payables	10	3,164	5,049	3,180	3,164	3,180
Revenue received in advance	11	5,854	4,227	6,026	5,854	6,026
Provisions	12	1,525	1,307	1,561	1,525	1,561
Other financial liabilities	13	1,887	1,331	2,681	824	1,616
Total current liabilities		12,432	11,914	13,448	11,368	12,384
Non-current liabilities						
Provisions	12	222	180	192	222	192
Total non-current liabilities		222	180	192	222	192
Total liabilities		12,653	12,094	13,640	11,590	12,575
Net assets		101,030	95,583	97,166	102,094	98,231
Equity						
Capital introduced	14	29,039	29,039	29,039	29,039	29,039
Accumulated surplus / (deficit)	14	15,686	16,944	18,526	16,749	19,591
Property revaluation reserve	14	53,450	46,745	46,745	53,450	46,745
Capital reserves	14	2,855	2,855	2,855	2,855	2,855
Total equity		101,030	95,583	97,166	102,094	98,231

Explanations of major variances against budget are provided in note 21.

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

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 31st December 2018

	Notes	Institute		Actual 2017 (\$000)	Group	
		Actual 2018 (\$000)	Budget 2018 (\$000)		Actual 2018 (\$000)	Actual 2017 (\$000)
Public equity as at 1 January		97,166	96,352	99,016	98,231	100,236
Total comprehensive revenue and expense for the year		3,864	(768)	(1,850)	3,863	(2,005)
Public equity as at 31 December	14	101,030	95,583	97,166	102,094	98,231

Explanations of major variances against budget are provided in note 21.

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 31st December 2018

	Institute			Group	
	Actual	Budget	Actual	Actual	Actual
	2018	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Cash flows from operating activities					
Receipts from government grants	19,834	21,172	20,445	19,834	20,445
Receipts from tuition fees	13,488	13,702	13,843	13,488	13,843
Receipts from other revenue	6,362	6,170	7,252	6,362	7,252
Interest received	756	800	772	756	772
Payments to employees	(23,627)	(25,432)	(24,232)	(23,627)	(24,232)
Payments to suppliers	(15,648)	(11,595)	(16,386)	(15,648)	(16,386)
Interest paid	-	-	(4)	-	(4)
GST (net)	(104)	-	231	(104)	231
Net cash flows from operating activities	1,060	4,817	1,921	1,060	1,921
Cash flows from investing activities					
Receipts from sale of PP&E	66	-	15	66	15
Receipts from sale of investments	2,904	-	271	2,904	271
Purchase of PP&E	(2,838)	(2,758)	(2,919)	(2,838)	(2,919)
Purchase of intangible assets	(827)	(1,419)	(759)	(827)	(759)
Net cash flows from investing activities	(695)	(4,177)	(3,392)	(695)	(3,392)
Net (decrease) / increase in cash and equivalents	365	640	(1,470)	365	(1,470)
Cash and cash equivalents at beginning of the year	2,747	14,532	4,218	2,747	4,218
Cash and cash equivalents at end of the year	3,112	15,172	2,747	3,112	2,747

Explanations of major variances against budget are provided in note 21.

The accompanying notes form part of these financial statements.

Statement of cash flows (continued)

For the year ended 31st December 2018

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

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Net surplus / (deficit)	(2,841)	(1,850)	(2,842)	(2,005)
Add / (less) non -cash items :				
Depreciation and amortisation expense	4,530	4,170	4,530	4,170
Share of associate's surplus / (deficit)	(79)	3	(79)	3
Impairment charges	106	-	106	-
Add / (less) items classified as investing or financing activities:				
Net (gain) / loss on sale of fixed assets	844	(249)	844	(249)
Add / (less) movements in working capital items:				
Increase / (decrease) in non-current provisions	30	11	30	11
Increase / (decrease) in capital creditors	(277)	(306)	(277)	(306)
(Increase) / decrease in non-current prepayments	41	42	41	42
(Increase) / decrease in accounts receivable	65	169	65	169
(Increase) / decrease in prepayments	(343)	28	(343)	28
Increase / (decrease) in trade creditors	(15)	(1,298)	(15)	(1,302)
Increase / (decrease) in revenue in advance	(172)	(77)	(172)	(77)
Increase / (decrease) in provisions	(36)	251	(36)	251
Increase / (decrease) in other current financial liabilities	(794)	1,027	(793)	1,186
Net cash inflow / (outflow) from operating activities	1,060	1,921	1,060	1,921

Explanations of major variances against budget are provided in note 21.

The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Statement of accounting policies

REPORTING ENTITY

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

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

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

The financial statements of the Institute and group are for the year ended 31st December 2018. The financial statements were authorised by the Council on 28 March 2019.

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

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

These financial statements have been prepared in accordance with and comply with PBE accounting standards.

Presentation currency and rounding

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

The Council member remuneration disclosure is rounded to the nearest dollar.

Standards issued and not yet effective and not early adopted

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

Consolidated Financial Statements

PBE IPSAS 35 Consolidated Financial Statements issued in December 2016 (replacing IPSAS 6 Consolidated and Separate Financial Statements) is effective for annual periods beginning on or after 1 January 2019.

The new standard still requires that a controlling entity consolidates its controlled entities, but the definition of control has changed and the standard now provides considerably more guidance on assessing control. The Institute has not yet assessed the impact of the updated standard, but does not consider that it will have a significant impact on the financial statements.

Financial Instruments

PBE IRFS 9 Financial Instruments replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement and is effective for financial years beginning on or after 1 January 2021, with earlier adoption permitted.

The main changes under the standard 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 Financial Statements of the Government will early adopt PBE IFRS 9 for the 30 June 2019 financial year. The Institute intends to early adopt PBE IFRS 9 for the 31 December 2019 financial year to be consistent with the Crown's accounting policies for financial instruments. The Institute has not yet assessed in detail the impact of the new standard.

Service Performance Reporting

PBE FRS 48 Service Performance Reporting issued in November 2017 is effective for annual periods beginning on or after 1 January 2021. The standard establishes requirements for the selection and presentation of service performance information. The Institute has not early adopted this standard.

Impairment of Revalued Assets

In April 2017, the XRB issued Impairment of Revalued Assets, which amends PBE IPSAS 21 and PBE IPSAS 26 to bring revalued property, plant and equipment into the impairment accounting standards. The amendments are effective for annual periods beginning on or after 1 January 2019.

Under the amendment, a revalued asset can be impaired without having to revalue the entire class of asset to which the asset belongs.

The Institute has not yet assessed the impact of these amendments, but does not consider that it will have a significant impact on the financial statements

Statement of Cash Flows

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

Basis of consolidation

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

Foreign currency transactions

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

Goods and services tax

All items in the financial statements are stated exclusive of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the IRD, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables which are stated inclusive of GST.

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

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

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

Budget figures

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

Critical accounting estimates and assumptions

In preparing these financial statements, the Council has made estimates and assumptions 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 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 12
- Estimating the fair value of land and buildings - refer to Note 16

2. Summary cost of services

	Actual 2018 (\$000)	Institute Budget 2018 (\$000)	Actual 2017 (\$000)
Revenue			
Applied Business	4,812	3,854	3,808
Maritime	2,337	3,312	2,716
Primary Industries	3,334	4,238	3,547
Aviation	2,168	2,515	2,264
Engineering & Construction	3,340	3,036	2,734
Dean International Curriculum	2,908	2,350	2,318
Digital Technologies & Arts & Media	3,750	4,490	4,075
Social Sciences	2,218	2,296	1,864
Tertiary Pathways	2,869	3,333	2,964
Hospitality & Service Sectors	2,244	2,376	2,290
Health & Fitness	3,413	4,157	3,511
Te Toki Pakohe	940	929	1,113
Global Campus	1,390	1,695	2,303
Sub Contractors	3,223	1,249	3,160
Other activities	1,583	1,238	2,322
Total revenue from services	40,529	41,069	40,989
Interest revenue	661	800	743
Total revenue	41,190	41,869	41,732

Expenditure

Applied Business	3,009	2,074	2,035
Maritime	1,315	1,379	1,539
Primary Industries	2,202	2,732	1,914
Aviation	1,190	1,110	1,291
Engineering & Construction	2,422	2,426	2,039
Dean International Curriculum	1,417	1,614	1,163
Digital Technologies & Arts & Media	2,236	2,417	2,394
Social Sciences	1,276	1,325	992
Tertiary Pathways	1,791	1,934	1,923
Hospitality & Service Sectors	1,575	1,522	1,402
Health & Fitness	1,661	2,169	1,713
Te Toki Pakohe	460	425	594
Global Campus	3,635	2,000	3,559
Sub Contractors	1,977	727	1,971
Other activities	17,944	18,783	19,046
Total cost of services	44,109	42,637	43,575
Finance costs	-	-	4
Total expenditure	44,109	42,637	43,579

During the year, NMIT restructured its programme areas. The 2017 comparatives have been restated to reflect the new structure.

3. Revenue

Accounting Policy

Revenue classification

The Institute and group classifies its revenue into exchange and non-exchange transactions.

An exchange transaction is one in which the Institute and group receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

A non-exchange transaction is one in which the Institute and group either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Revenue measurement

Revenue is measured at fair value.

Revenue recognition

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

Student Achievement Component (SAC) funding

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

First year fees free funding

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

NOTES TO THE FINANCIAL STATEMENTS

Student tuition fees (SAC funded)

Revenue from SAC funded domestic student tuition fees are subsidised by government funding and are considered non-exchange. Revenue is recognised when the course withdrawal date has passed and there is no obligation to refund the fees.

Student tuition fees (non SAC funded)

Revenue from non-SAC funded student tuition fees are accounted for as exchange transactions and recognised over the period in which the course is taught by reference to the stage of completion of the course as at balance date. Stage of completion is by reference to the days of course completed as a percentage of total days for each course.

Other grants received

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

Sale of goods

Revenue from sales of goods is recognised when the product is sold to the customer and all risks and rewards have been transferred.

Donations & sponsorship revenue

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

Interest revenue

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

(i) Breakdown of Government grants

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Student Achievement Component (SAC) funding	18,792	17,389	18,792	17,389
Youth Guarantee (YG) funding	819	1,530	819	1,530
Other TEC funding	631	684	631	684
Total	20,241	19,602	20,241	19,602

(ii) Breakdown of tuition fees

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Fees from domestic students	4,207	5,941	4,207	5,941
First year fees free funding	2,176	-	2,176	-
Fees from international students	7,289	8,187	7,289	8,187
Total	13,672	14,128	13,672	14,128

(iii) Breakdown of interest revenue

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Interest revenue	661	743	688	772
Total	661	743	688	772

(iv) Breakdown of other revenue

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Re-saleable items	44	52	44	52
Other funding	674	686	674	686
Rental revenue	382	360	382	360
Gain on sale of PP&E & intangibles	4	249	4	249
Donations / sponsorship	5	6	5	6
Student services levy	384	407	384	407
Research revenue	-	16	-	16
Self funded courses	903	1,226	903	1,226
Other revenue	4,219	4,256	4,283	4,338
Total	6,615	7,258	6,679	7,340

4. Personnel costs

Accounting policy

Superannuation Schemes

Defined contribution schemes

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

Breakdown of personnel costs and further information

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Academic staff salaries & wages	11,051	11,425	11,051	11,425
Support staff salaries & wages	10,474	10,738	10,474	10,738
Defined contribution plan employer contribution	411	413	411	413
Contractors	1,707	1,785	1,707	1,785
Redundancies	(5)	137	(5)	137
Total	23,638	24,498	23,638	24,498

Council member remuneration

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

	Institute		Group	
	2018	2017	2018	2017
	\$	\$	\$	\$
Ashton, Desmond #	15,366	4,787	15,366	4,787
Greenaway, Hamuera #	15,366	15,366	15,366	15,366
Hervey, Gabrielle #	15,366	15,366	15,366	15,366
Johnston, Tracy #	10,047	-	10,047	-
Newton, Charles #	15,366	15,366	15,366	15,366
Paterson, Abbey #	15,366	15,366	15,366	15,366
Rowe, Andrew	7,387	19,207	7,387	19,207
Steere, Paul #	17,878	15,366	17,878	15,366
Stewart, Karen	-	8,865	-	8,865
Wehner, Daryl #	29,878	29,878	29,878	29,878
# current NMIT council at 31 December 2018	142,020	139,568	142,020	139,568

5. Finance costs

Accounting policy

Borrowing costs are expensed in the financial year in which they are incurred.

Breakdown of finance costs

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Interest expense	-	4	-	4
Total	-	4	-	4

6. Other expenses

Accounting Policy

Operating leases

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

Research costs

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

Breakdown of other expenses and further information

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Audit fees paid to Audit NZ for audit of the annual report	94	91	98	91
Repairs & maintenance	547	600	547	600
Rent expense	1,873	1,031	1,873	1,031
Other occupancy costs	1,052	1,093	1,052	1,093
Subcontractor payments	1,876	1,798	1,876	1,798
Course purchases	1,868	1,918	1,868	1,918
Net loss on disposal of PP&E and investments	849	-	849	-
Bad debts	37	166	37	166
Other expenses	7,639	8,208	7,727	8,475
Total	15,835	14,907	15,926	15,173

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		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Not later than one year	48	922	48	922
Later than one year and not later than five years	17	1,629	17	1,629
Later than five years	-	-	-	-
Total non-cancellable operating leases	65	2,552	65	2,552

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		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Not later than one year	276	147	276	147
Later than one year and not later than five years	556	232	556	232
Later than five years	446	474	446	474
Total non-cancellable operating leases	1,278	854	1,278	854

7. Cash and cash equivalents

Accounting policy

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

Breakdown of cash and cash equivalents and further information

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Cash at bank and on hand	2,113	1,647	2,113	1,647
Term deposits with maturities less than 3 months	1,000	1,100	1,000	1,100
Total	3,113	2,747	3,113	2,747

8. Debtors and other receivables

Accounting Policy

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

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

Breakdown of receivables and further information

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Debtors	1,326	1,118	1,326	1,118
TEC funding receivable	75	411	75	411
Provision for doubtful debts	(140)	(202)	(140)	(202)
Total	1,262	1,327	1,262	1,327

Debtors comprises:

Receivables from exchange transactions	1,294	1,085	1,294	1,085
Receivables from non-exchange transactions	33	33	33	33
Total	1,326	1,118	1,326	1,118

Fair value

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

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

Assessment for uncollectability

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

	Institute		Group	
	2018	2017	2018	2017
Aged debtors	(\$000)	(\$000)	(\$000)	(\$000)
Current	148	338	148	338
30+ days	38	320	38	320
60+ days	7	9	7	9
90+ days	171	31	171	31
Other debtors	964	420	964	420
Total	1,326	1,118	1,326	1,118

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

Other debtors include accrued revenue and accrued interest.

	Institute		Group	
	2018	2017	2018	2017
Movements in the provision for impairment of receivables are as follows:	(\$000)	(\$000)	(\$000)	(\$000)
Balance at 1 January	202	6	202	6
Additional provisions made during the year	(62)	196	(62)	196
Receivables written off during the year	-	-	-	-
Total at 31 December	140	202	140	202

9. Other financial assets

Accounting policy

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

Bank term deposits

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

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

Breakdown of other financial assets and further information

	Institute		Group	
	2018	2017	2018	2017
Current portion	(\$000)	(\$000)	(\$000)	(\$000)
Term deposits with maturities greater than 3 months and less than 12 months	13,100	16,004	13,100	16,004

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.

10. Creditors and other payables

Accounting Policy

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

Breakdown of creditors and other payables and further information

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Payables under exchange transactions:				
Trade payables	948	513	948	513
Accrued expenses	1,640	1,866	1,640	1,866
Total payables under exchange transactions	2,588	2,379	2,588	2,379
Payables under non-exchange transactions:				
PAYE & Withholding tax	228	216	228	216
GST (net)	349	585	349	585
Total payables under non-exchange transactions	577	801	577	801
Total creditors and other payables	3,164	3,180	3,164	3,180

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

11. Revenue received in advance

Breakdown of revenue received in advance and further information

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Tuition fees	5,801	5,696	5,801	5,696
Other revenue received in advance	54	331	54	331
Total	5,854	6,026	5,854	6,026

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.

12. Provisions

Accounting Policy

Provisions

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

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

Employee entitlements

Employee benefits that are due to be settled within 12 months of balance date are measured at nominal values 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, sick leave, retirement leave and long service 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.

Critical accounting estimates and assumptions

Employee entitlements

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

Breakdown of provisions and further information

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Provisions:				
Provisions for redundancies	8	133	8	133
Total	8	133	8	133
Employee entitlements:				
Accrued salaries & wages	608	557	608	557
Annual leave	804	767	804	767
Long service leave	135	118	135	118
Retirement gratuities	112	96	112	96
Sick leave	50	47	50	47
Holiday pay	15	16	15	16
ACC accrual	15	18	15	18
Total	1,739	1,620	1,739	1,620
Comprising:				
Current	1,525	1,561	1,525	1,561
Non-current	222	192	222	192
Total Provisions	1,747	1,753	1,747	1,753

13. Other financial liabilities

Breakdown of other financial liabilities

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Funds held on behalf of others	10	9	10	9
TEC payable	616	1,412	616	1,412
Nelson Polytechnic Educational Society	1,035	1,029	-	-
NMIT Research Trust	28	35	-	-
Other	198	195	198	195
Total	1,887	2,681	824	1,616

14. Equity

Accounting policy

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

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

Property revaluation reserve

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

Breakdown of equity and further information

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Capital introduced				
As at 1 January	29,039	29,039	29,039	29,039
As at 31 December	29,039	29,039	29,039	29,039
Accumulated surplus / (deficit)				
As at 1 January	18,526	20,376	19,591	21,596
Surplus / (deficit) for the year	(2,841)	(1,850)	(2,842)	(2,005)
As at 31 December	15,686	18,526	16,749	19,591
Property revaluation reserves				
As at 1 January	46,745	46,745	46,745	46,745
Revaluation of land	2,271	-	2,271	-
Revaluation of buildings	4,435	-	4,435	-
Impairment of PP&E	(2)	-	(2)	-
As at 31 December	53,450	46,745	53,450	46,745
Capital reserves				
As at 1 January	2,855	2,855	2,855	2,855
As at 31 December	2,855	2,855	2,855	2,855
Total equity as at 31 December	101,030	97,166	102,094	98,231

Capital management

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

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

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

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

15. Investments in associates

Accounting Policy

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. The Institute's associate investment is accounted for in the group financial statements using the equity method. The investment in an associate 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 associate after the date of acquisition. The group's share of the associate's surplus or deficit is recognised in the group surplus or deficit. Distributions received from an associate reduce the carrying amount of the investment in the group financial statements.

If the share of deficits in an associate equals or exceeds an interest in the associate, 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 associate. If the associate subsequently 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.

Where the group transacts with an associate, surpluses or deficits are eliminated to the extent of the group's interest in the relevant associate.

Investments in associates are carried at cost in the Institute's parent financial statements.

Breakdown of investment in associates and further information

During 2017, TANZ eCampus Limited purchased the eCampus platform (intangible asset) from partner Polytechnics in exchange for shareholding rights. The Institute, along with five other Polytechnics have equal shareholdings in the company. This investment has been determined to be an investment in an associate because of the Institute's membership on the Board of TANZ eCampus Limited, and the ability to participate in the financial and operating policy decisions of TANZ eCampus Limited.

	2018 (\$000)	2017 (\$000)
Institute		
Investment in TANZ eCampus Limited	1,160	1,081
Group		
Equity accounted carrying amount	1,160	1,081
<i>Summarised financial information of associate presented on a gross basis</i>		
Assets	8,107	7,013
Liabilities	(853)	(2,472)
Revenues	5,795	2,540
Surplus/(deficit)	472	(17)
Group's interest	16.67%	16.67%
Share of associate's contingent liabilities incurred jointly with other investors	-	-
Contingent liabilities that arise because of several liability	-	-

16. Property, plant & equipment

Accounting Policy

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

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

Revaluations

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

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

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

Additions

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

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

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

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

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

Disposals

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

Depreciation

Depreciation is calculated on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The depreciation rates of major asset classes have been estimated as follows:

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

Impairment of property, plant and equipment held at cost

The Institute and group does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Non-cash-generating assets

Property, plant and equipment held at cost that have a finite useful life are reviewed for impairment at balance date and whenever events or changes in circumstances indicate that the carrying amount may 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 impaired and the carrying amount is written down to the recoverable amount. The total 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.

Critical judgements in applying accounting policies

Crown-owned land and buildings

On 12 January 2017, legal title of the portion of land and buildings owned by the Crown was transferred to the Institute. There is no impact on the financial statements, as the Crown-owned land and buildings were already recognised as an asset in the Statement of Financial Position.

Restrictions on title

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

Capital commitments

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

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Sports Turf	168	-	168	-
Total capital commitments	168	-	168	-

16. Property, plant and equipment continued

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

16. Property, plant and equipment continued

Institute - 2017	Land	Buildings	Information Technology	Lease Computers	Plant & Equipment	Vehicles	Library books	Artwork	Total
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Gross carrying amount									
Balance as at 1 January	25,250	58,199	6,643	131	10,078	1,239	4,838	109	106,487
Work in progress	-	356	-	-	-	-	-	-	356
Total opening cost	25,250	58,555	6,643	131	10,078	1,239	4,838	109	106,843
Additions	-	338	942	-	2,015	145	94	-	3,535
Disposals	-	-	(262)	-	(253)	(26)	-	-	(541)
Work in progress movement	-	(222)	-	-	-	-	-	-	(222)
Balance as at 31 December	25,250	58,671	7,324	131	11,840	1,358	4,932	108	109,615
Accumulated depreciation									
Balance as at 1 January	-	1,981	4,685	131	7,486	1,157	4,306	77	19,824
Reversal on disposal	-	-	(250)	-	(249)	(26)	-	-	(525)
Depreciation	-	2,024	696	-	712	41	116	5	3,593
Balance as at 31 December	-	4,005	5,132	131	7,949	1,172	4,422	81	22,892
Total Institute property, plant and equipment	25,250	54,666	2,192	-	3,891	186	510	27	86,723

16. Property, plant and equipment continued

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

16. Property, plant and equipment continued

Group - 2017	Land (\$000)	Buildings (\$000)	Information Technology (\$000)	Lease Computers (\$000)	Plant & Equipment (\$000)	Vehicles (\$000)	Library books (\$000)	Artwork (\$000)	Total (\$000)
Gross carrying amount									
Balance as at 1 January	25,250	58,199	6,643	131	10,078	1,239	4,838	109	106,487
Work in progress	-	356	-	-	-	-	-	-	356
Total opening cost	25,250	58,555	6,643	131	10,078	1,239	4,838	109	106,843
Additions	-	338	942	-	2,015	145	94	-	3,535
Disposals	-	-	(262)	-	(253)	(26)	-	-	(541)
Work in progress movement	-	(222)	-	-	-	-	-	-	(222)
Balance as at 31 December	25,250	58,671	7,324	131	11,840	1,358	4,932	108	109,615
Accumulated depreciation									
Balance as at 1 January	-	1,981	4,685	131	7,486	1,157	4,306	77	19,824
Reversal on disposal	-	-	(250)	-	(249)	(26)	-	-	(525)
Depreciation	-	2,024	696	-	712	41	116	5	3,593
Balance as at 31 December	-	4,005	5,132	131	7,949	1,172	4,422	81	22,892
Total Institute and group property, plant and equipment	25,250	54,666	2,192	-	3,891	186	510	27	86,723

17. Intangible assets

Accounting policy

Software acquisition and development

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

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

Staff training costs are recognised as an expense when incurred.

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

Course development costs

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

Amortisation

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

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

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

Impairment of intangible assets

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details refer to the policy for impairment of property, plant and equipment in Note 16.

The same approach applies to the impairment of intangible assets.

Breakdown of intangible assets and further information

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Computer Software				
Opening cost	4,469	4,688	4,469	4,688
Additions	208	360	208	360
Disposals	(97)	(579)	(97)	(579)
Closing cost	4,580	4,469	4,580	4,469
Opening accumulated amortisation	2,454	2,109	2,454	2,109
Amortisation	435	511	435	511
Disposals	(71)	(166)	(71)	(166)
Closing accumulated amortisation	2,817	2,454	2,817	2,454
Net carrying amount	1,763	2,015	1,763	2,015
	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Programme Development Costs				
Opening cost	703	488	703	488
Additions	558	215	558	215
Closing cost	1,261	703	1,261	703

NOTES TO THE FINANCIAL STATEMENTS

Opening accumulated amortisation	267	154	267	154
Amortisation	185	113	185	113
Closing accumulated amortisation	453	267	453	267
Net carrying amount	808	436	808	436

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Total Intangible Assets				
Opening cost	5,172	5,176	5,172	5,176
Additions	766	575	766	575
Disposals	(97)	(579)	(97)	(579)
Closing Cost	5,841	5,172	5,841	5,172
Opening amortisation	2,721	2,263	2,721	2,263
Amortisation	620	577	620	577
Disposals	(71)	(119)	(71)	(119)
Closing accumulated amortisation	3,270	2,721	3,270	2,721
Net carrying amount	2,571	2,451	2,571	2,451

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		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Skype for Business	-	17	-	17
Total capital commitments	-	17	-	17

18. Contingencies

Contingent liabilities

The Institute and group has contingent liabilities totalling \$Nil as outlined in Note 19 (2017:\$Nil).

Contingent assets

The Institute and group has contingent liabilities totalling \$Nil (2017:\$Nil).

19. Staff and student grievances

At balance date there are no student or staff related claims against the Institute for which the outcomes are uncertain (2017: \$Nil).

The maximum estimated exposure to staff and student grievances is \$Nil (2017: \$Nil).

20. Related party transactions

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

Transactions with Subsidiaries & Associates

Nelson Polytechnic Educational Society Incorporated

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

In 2010 the Council agreed that NMIT could give \$500,000 to NPES to fund and manage the entire scholarship programme for the foreseeable future. In 2015, a further \$1,000,000 was given to NPES. The accumulated balance of these funds \$1,035,312 (2017: \$1,029,365) 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 2018 audit fee is \$4,091 (2017: \$3,993).

NMIT Research Trust

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

The accumulated balance of the Research Trust funds \$28,430 (2017: \$35,390) are included within the accumulated funds in the Consolidated Statement of Financial Position.

Transactions with key management personnel

	Actual 2018 (\$000)	Actual 2017 (\$000)
<i>Key management personnel compensation</i>		
<i>Council Members</i>		
Remuneration	142	140
Full time equivalent members	8	8
<i>Senior Management Team, including the Chief Executive</i>		
Remuneration	949	1,087
Full time equivalent members	5	6
Total key management personnel remuneration	1,091	1,227
Total full time equivalent personnel	13	14

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

21. Budget variance explanations

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

Statement of comprehensive revenue and expense

Government grants

Government grants are unfavourable to budget due to the underdelivery of SAC funded EFTS, in particular levels 1 & 2 competitive, level 3 competitive, and Youth Guarantee.

Interest revenue

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

Other revenue

Other revenue is favourable to budget due higher revenues from delivery of courses in China.

Personnel costs

Personnel costs are favourable to budget due to a reduction in academic staffing.

Depreciation and amortisation expense

Depreciation and amortisation expense is unfavourable to budget due to a higher than budgeted opening asset base, due to higher 2017 capital expenditure.

Other expenses

Other expenses are unfavourable to budget due to a \$1.2m lease buyout payment to exit the lease of the Auckland premises on closure of the campus, and a \$0.8m loss on disposal of assets. Joint venture costs were also higher than budget due to higher EFTS than budgeted delivered through joint venture partners.

Statement of financial position

Cash and cash equivalents

Budgeted cash and cash equivalents includes investments. Together these are favourable to budget due to higher than budgeted opening balances.

Debtors and other receivables

Debtors and other receivables are lower than budget due to additional funding from TEC budgeted but not achieved.

Other financial assets

Investments are not budgeted separately from cash.

Prepayments

Prepayments are higher than budget due to new licences spanning financial years.

Investments in associates

Investments in associates are higher than budget due to the investment in TANZ eCampus Limited in late 2017, after the 2018 budget had been prepared.

Property, plant and equipment

Property, plant and equipment is higher than budget due to the unbudgeted revaluation of land and buildings, and additional capital expenditure approvals during the year including the purchase of land on Collingwood Street, Nelson.

Intangible assets

Intangible assets are lower than budgeted due to the sale of intellectual property in late 2017, after the 2018 budget had been prepared. In addition, expenditure on programme development in 2018 was lower than budget.

Creditors and other payables

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

Revenue received in advance

Revenue received in advance is higher than budgeted due to increased revenue from programmes spanning balance date.

Provisions

Provisions are higher than budget due to the increase in annual leave provision with an increased number of days owing to staff. The TIASA Collective Agreement also remains unsettled at the end of 2018, with accruals made for staff salary increases.

Other financial liabilities

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

Statement of movements in equity

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

Statement of cash flows

Net cash flows from operating activities are lower than budgeted due to repayment of 2017 funding recoveries, unbudgeted lease buyout payment on closure of Auckland campus, and higher payments to joint venture partners due to increased delivery of EFTS.

Net cashflows from investing activities are lower than budgeted due to the increased inflow of funds from short-term investments.

22. Events after balance date

Uncertainties about the Government's proposal to merge polytechnics and institutes of technology into a single entity

In February 2019, the Government released a proposal which, if implemented, would merge the activities of all 16 polytechnics and institutes of technology into a single entity responsible for the delivery of tertiary vocational education in New Zealand.

The proposal is subject to public consultation, which is expected to be completed on 5 April 2019. It is expected that the Government will make its decision on the merger of all polytechnics and institutes of technology after this date.

Should the merger proceed, it could have a significant impact on the future of Nelson Marlborough Institute of Technology. However, because the Government is yet to make a decision on the merger, it is not clear what that impact, if any, would be on Nelson Marlborough Institute of Technology. As a result, the financial statements continue to be prepared using the going concern basis of accounting.

23. Financial instruments

23A Financial instrument categories

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

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
FINANCIAL ASSETS				
Loans and receivables				
Cash and cash equivalents	3,113	2,747	3,113	2,747
Debtors and other receivables (excl GST)	1,262	1,327	1,262	1,327
Other financial assets				
- term deposits	13,100	16,004	13,100	16,004
<i>Total loans and receivables</i>	17,474	20,078	17,474	20,078
FINANCIAL LIABILITIES				
Financial liabilities at amortised cost				
Creditors and other payables (excl GST & PAYE)	2,588	2,379	2,588	2,379
Other financial liabilities	1,887	2,681	824	1,616
<i>Total financial liabilities at amortised cost</i>	4,475	5,060	3,411	3,995

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

23B Financial instrument risks

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

Market risk

Price risk

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

Currency risk

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

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

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

Fair value interest rate risk

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

Cash flow interest rate risk

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

Credit risk

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

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

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

Credit quality of financial assets

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

	Institute		Group	
	2018	2017	2018	2017
	(\$000)	(\$000)	(\$000)	(\$000)
Counterparties with credit ratings				
Cash at bank and term deposits				
AA-	9,854	9,344	9,854	9,344
BBB	6,350	9,400	6,350	9,400
Total	16,204	18,744	16,204	18,744

Liquidity risk

Management of liquidity risk

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

Contractual maturity analysis of financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS

	Carrying amount (\$000)	Contract cash flows (\$000)	Less than 6 months (\$000)	6 months or greater (\$000)
Institute 2018				
Creditors and other payables	3,164	3,164	3,164	-
Accrued pay	608	608	608	-
<i>Total</i>	3,773	3,773	3,773	-
Group 2018				
Creditors and other payables	3,164	3,164	3,164	-
Accrued pay	608	608	608	-
<i>Total</i>	3,773	3,773	3,773	-
Institute 2017				
Creditors and other payables	3,180	3,180	3,180	-
Accrued pay	557	557	557	-
<i>Total</i>	3,737	3,737	3,737	-
Group 2017				
Creditors and other payables	3,180	3,180	3,180	-
Accrued pay	557	557	557	-
<i>Total</i>	3,737	3,737	3,737	-

Sensitivity Analysis

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

Institute & group 2018	2018 (\$000)			
		- 0.25%		+ 0.25%
Interest Rate Risk	Surplus	Other equity	Surplus	Other equity
<i>Financial Assets</i>				
Cash and cash equivalents	(8)	-	8	-
Total sensitivity	(8)	-	8	-

Institute & group 2017	2017 (\$000)			
		- 0.25%		+ 0.25%
Interest Rate Risk	Surplus	Other equity	Surplus	Other equity
<i>Financial Assets</i>				
Cash and cash equivalents	(4)	-	4	-
Total sensitivity	(4)	-	4	-

Explanation of interest rate risk sensitivity

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

Foreign Exchange Risk

The Institute was not exposed to foreign exchange risk as it did not hold any financial instruments in foreign currency at 31 December 2018 (2017: \$Nil).

24. Closure of Global Campus Auckland

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

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Global Campus Revenue				
Tuition fees from international students	1,384	2,301	1,384	2,301
Other revenue	7	3	7	3
Interest revenue	-	1	-	1
Total revenue	1,390	2,305	1,390	2,305

Global Campus Expenses

Personnel costs	607	1,305	607	1,305
Depreciation and amortisation expense	102	135	102	135
Other expenses	2,926	2,118	2,926	2,118
Total expenses	3,635	3,559	3,635	3,559

Global Campus Surplus / (deficit) (\$000)

	(2,244)	(1,254)	(2,244)	(1,254)
--	----------------	----------------	----------------	----------------

Breakdown of Global Campus personnel costs

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Academic staff salaries & wages	387	706	387	706
Support staff salaries & wages	214	552	214	552
Defined contribution plan employer contribution	13	26	13	26
Contractors	(6)	21	(6)	21
Total	607	1,305	607	1,305

Breakdown of Global Campus other expenses

	Institute		Group	
	2018 (\$000)	2017 (\$000)	2018 (\$000)	2017 (\$000)
Repairs & maintenance	27	33	27	33
Rent expense	1,766	851	1,766	851
Other occupancy costs	144	234	144	234
Course purchases	7	17	7	17
Net loss on disposal of PP&E and investments	833	-	833	-
Other expenses	148	983	148	983
Total	2,926	2,118	2,926	2,118

Compulsory student services levy

NMIT charged learners a compulsory student services levy of \$240 (incl GST) per EFTS in 2018. 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 our accounting system. Where the student services levy collected exceeds the annual services fee, NMIT and SANITI will consult with learners on the services to which the excess will be allocated. The excess student services levy is recorded as a liability by NMIT until it is spent. When there is a deficit, NMIT will offset this against a liability from a previous year where possible.

Student services levy income and expenditure 2018

Revenue	Advocacy and Legal Services	Employment Information	Sports, Recreation & Cultural Services	Sub Total	International Activities	Total
Service Level Agreement	181,600	66,150	156,050	403,800	12,800	416,600
Total Revenue	181,600	66,150	156,050	403,800	12,800	416,600
Expenditure						
Expenses	190,517	67,807	164,218	422,543	13,028	435,571
Total Expenses						
Surplus/Deficit	(8,917)	(1,657)	(8,168)	(18,743)	(228)	(18,971)

Advocacy and legal advice

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

Employment information

Employment information was provided to learners seeking assistance with applying for and sourcing employment. Assistance included support with writing resumes and cover letters, interview techniques 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. As a member of Student Job Search, NMIT learners had access to this nationwide service for 12 months of the year.

Sports and recreation facilities

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

International activities

SANITI provided activities for international students on 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

A2E5	Application 2 Enrolment in 5 Days	NRDA	Nelson Regional Development Agency
ALNAT	Adult Literacy and Numeracy Assessment Tool	NTCC	Nelson Tasman Chamber of Commerce
CAM	Capital Asset Management	NZCB	New Zealand Certified Builders
CBD	Central business district	NZQA	New Zealand Qualifications Authority
DOC	Department of Conservation	NZQF	New Zealand Qualification Framework
EEO	Equal Employment Opportunities	OCP	Organisational Counselling Programmes
EEdO	Equal Education Opportunities	PBRF	Performance-based Research Fund
EFTS	Equivalent Full Time Student	PD	Professional Development
ELTO	English Language Training for Officials	PEEP	Personal Emergency Evacuation Plan
EPI	Education Performance Indicator	QA	Quality Assured
FTE	Full Time Equivalent (Staff)	RIF	Regional Intersectoral Forum
GDPI	Guangdong Polytechnic Institute	SAC	Student Achievement Component
ILT	Institute Leadership Team	SANITI	Students Association of Nelson Marlborough Institute of Technology Incorporated
IT	Information Technology	SMS	Student Management System
ITO	Industry Training Organisation	SPM	SPM Assets Ltd
ITPs	Institutes of Technology and Polytechnics	STAR	Secondary, Tertiary Alignment Resource
LADS	Lucid Adult Dyslexia Screening	TANZ	Tertiary Accord of New Zealand
MPTT	Māori Pasifika Trades Training	TEC	Tertiary Education Commission
MRoQ	Mandatory Review of Qualifications	TES	Tertiary Education Strategy
NCEA	National Certificate of Educational Achievement	TOTSTA	Top of the South Trades Academy
NMIT	Nelson Marlborough Institute of Technology	YES	Young Enterprise Scheme
NPES	Nelson Polytechnic Educational Society Incorporated		

Directory

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

NMIT is proud to work with our industry partners

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

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



New Zealand King Salmon presented five scholarships to NMIT students in 2018: Front Row (L-R) Grant Rosewarne - CEO King Salmon, Eugene Ringdahl, Jemma McCowan - General Manager Marketing King Salmon, Christopher Waters. Back Row (L-R) David Stephens, Ruby Boyd, Raylene Finlay.

nmit.ac.nz
info@nmit.ac.nz
0800 422 733



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



NMIT Nelson, 322 Hardy Street, Private Bag 19, Nelson 7042, Ph: 03 546 9175.

NMIT Richmond, 390 Lower Queen Street, Richmond, Private Bag 19, Nelson 7042.

NMIT Marlborough, 85 Budge Street, PO Box 643, Blenheim 7240, Ph: 03 578 0215.

NMIT Woodbourne, RNZAF Base Woodbourne, PO Box 643, Blenheim 7240.

This document is printed on an environmentally responsible paper, produced using Elemental Chlorine Free (ECF), Third Party certified Mixed Source pulp from Responsible Sources. Manufactured under the strict EMAS & ISO 14001 Environmental Management Systems and carries the internationally recognised EU Eco-label.