

2016 Annual Report

Nga Ahuatanga



nmit

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

ESTABLISHED IN 1905

N Z Q A
CATEGORY

1

2016

NMIT preparing work and world ready graduates

7,638

Total learners
3% increase on 2015

3,271

EFTS
3% increase on 2015

1,748

International students
17% increase on 2015



nmit



“

I rave about NMIT to people. I love it. The support I had throughout has been remarkable.”

Ashleigh Sinclair

**Bachelor of Nursing,
now working at Dunstan Hospital**

Ashleigh Sinclair graduated in December 2016. During her studies she dealt with a family tragedy that, while very difficult, influenced her nursing in a positive way.



“

I wanted to give up many times,” Carl says and without the help of learning support staff, “I don’t think I’d have been able to get to this point.”

Carl Werner

**Certificate in IT Service and Support, now studying NZ
Diploma in Information Technology Technical Support**

Carl graduated in December 2016 as one of the top students in his class. Learning difficulties meant during his schooling Carl didn’t fit the mainstream. At NMIT learning support staff tested Carl and he found that he had slight dyslexia and slight memory problems. The diagnosis, assistance NMIT provided and Carl’s determination saw him not only complete the programme, but go on to higher study.

We are delivering skills for industry

1st NZ education provider to gain accreditation as a NZ Civil Aviation Authority Part 147 Certified Maintenance Training Organisation

6 Postgraduate qualifications now accredited for NMIT delivery

Overachieving targets

21% Numeracy improvement (target 17%)

18% Literacy improvement (target 15%)
Level 1-3 learners who made progress on reassessment

We are improving our SAC education performance indicators*

80% Course completion
(2015: 79%)

68% Learner retention
(2015: 66%)

A positive learner experience every time

93% Of learners surveyed were satisfied with NMIT overall

We are strengthening our research capability

68 Quality assured research outputs
(target 40)



4 Years in a row Telarc accredited

*Provisional figures

Table of Contents

NMIT Vision and Strategic Objectives.....	2
Role of this Annual Report, Council and Council Responsibilities.....	3
Council Chair and Chief Executive message.....	4
Statement of Responsibility.....	6
Independent Auditor’s Report	7
FINANCIAL STATEMENTS	
Two Year Performance Summary for the Group.....	10
Statement of Comprehensive Revenue & Expense.....	12
Statement of Financial Position.....	13
Statement of Changes in Equity	14
Statement of Cash Flows	15
Notes to the Financial Statements	17
PERFORMANCE REPORTING	
Introduction to Investment Plan Performance Report	46
NMIT’s Strategic Focus.....	47
Tertiary Education Strategy.....	52
NMIT’s Organisational Priorities.....	63
Impact of Changes in the Demand and Supply of Educational Services	66
NMIT Performance Commitment Reporting.....	68
Statement of Resources	71
2016 EFTS	72
Analysis of Enrolments	73
Learner Profile	74
Research Activity Report	75
Equal Employment Opportunities (EEO) Report	82
Human Resources Statistics.....	83
Equal Education Opportunities (EEEdO) Report.....	84
Compulsory Student Services Levy.....	87
Directory.....	88
Glossary	89

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>Rangatiratanga</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



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

Role of this Annual Report

The purpose of this annual report is to provide information to assist users in:

- Assessing Nelson Marlborough Institute of Technology's (NMIT) financial and service performance, financial position and cash flows;
- Assessing Nelson Marlborough Institute of Technology'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.

Relationship to Other Key Documents

Under section 220 of the Education Act 1989 and its amendments, Nelson Marlborough Institute of Technology must prepare and adopt the following key documents:

- Statement of Objectives including performance measures
- Investment Plan 2015 -2016
- Annual Report

Role of Council

Nelson Marlborough Institute of Technology is under the control of a Council comprised of elected and appointed members from the Nelson Marlborough region. The role of the Council is the 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.

Responsibilities of the Council of NMIT are to:

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

The 2016 Annual Report was approved by the NMIT Council on 22 March 2017.

NMIT Council Members

1 January – 31 December 2016

Daryl Wehner (Chair), Andrew Rowe (Deputy Chair), Paul Steere, Gabrielle Hervey, Karen Stewart, Win Greenaway, Abbey Paterson, Charles Newton.

A Message from our Council Chair and Chief Executive

Nei rā ngā mihi o te Whare Wānanga o te Tauihu o te Waka a Māui ki a koutou katoa ngā hunga kua hāpai, kua amo hoki i ōna kaupapa i roto i te tau kua taha ake.

Kua whaia e tātou te iti kahurangi, kua kakea te ara poutama hei reira te orangatonutanga mo tō tātou whare Wānanga me ngā whakatupuranga e heke mai nei.

“Whaia e koe te iti kahurangi, ki te tuohu koe me he maunga teitei”

2016 was another successful year for the Nelson Marlborough Institute of Technology, further strengthening its position as one of the region’s most important organisations and a leading institute of technology.

A strong institutional performance is evident from achieving positive outcomes that met or exceeded the expectations of learners, employers, communities and the diverse range of stakeholders across the Top of the South region, New Zealand and internationally.

We are pleased to present another positive Annual Report which outlines the education and business successes of the Nelson Marlborough Institute of Technology in 2016.

We achieved targets and objectives set for 2016 in:

- Successful course completions and retention in study.
- Learner satisfaction levels (learner experience met or exceeded student expectations).
- Successful delivery of a wide range of ‘specialist’ training projects.
- Provision of training to 7,638 learners, equivalent to 3,271 full time students, in applied vocational and professional programmes from foundation to degree and postgraduate levels.

Our continued focused approach to NMIT’s financial viability and sustainability remained a key component of the year. We are very mindful of our obligation to ensure we are able to invest in the required resources and infrastructure of NMIT to allow the effective delivery of existing and future provision of training and support. Through prudent business management, we are comfortable with the financial strength and capability of the Institute at the end of 2016.

- Surplus of \$1.4 million, meeting the 3% of revenue targeted by NMIT Council and achieved through good domestic and international student numbers, use of our own capital for investment and careful control of expenses.



- Achievement of another surplus provided opportunity for further acquisition of important resources targeted to meet the strategic development of key areas of NMIT's provision. This includes a new ship handling simulation system fully integrated to the recently purchased marine engineering equivalent.

The 2016 year saw the review and development of many of NMIT's programmes both in response to the Mandatory Review of Qualifications (MRoQ) and NMIT's Learning Design Framework initiative (Blue Tick) that combines new approaches to learning and teaching, delivery and assessment to support new pedagogy and a more flexible learner-centred and personalised learning experience. Launched in 2016 and working in collaboration with our TANZ partners the investment in and development of TANZ eCampus provides both a wholly online delivery platform as well as the benefits of a range of learner analytics that will also benefit on-campus delivery.

Our ISO 9001:2008 accreditation was again retained following a review by quality auditors Telarc. The year also saw NMIT become the first training organisation in New Zealand to be awarded the New Zealand Civil Aviation Authority's Part 147 licence for training in aviation engineering.

NMIT's strategy of internationalisation saw the extension of our partnerships with Chinese universities including the addition of the University of Southern China to the existing seven partners and an increase in the number of learners progressing from programmes in China to NMIT. Our partnership with Skills Update Training Institute (SUTI) at our Auckland campus ended with NMIT moving to be the sole provider for 2017. Applied research activity grew capability in the context of quality reviewed outputs, responding well to changes in investment and planning. Collaboration and partnerships domestically included an agreement with Air New Zealand Regional Maintenance Ltd (based in Nelson) to offer scholarships to school leavers for aviation engineering training.

We reflect on 2016 with a sense of achievement and gratitude towards Team NMIT colleagues for their significant contribution and support. We also take this opportunity to thank all the many other people and communities connected to NMIT.

Daryl Wehner
Council Chair
On behalf of NMIT Council



Tony Gray
Chief Executive



Statement of Responsibility

For the year ended 31 December 2016

In the financial year ended 31 December 2016, the Council and management of Nelson Marlborough Institute of Technology were responsible for:

1. The preparation of the financial statements and targeted performance report and the judgements therein; and
2. 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 by the Council on 22 March 2017.



D Wehner
Council Chair



A Rowe
Audit Committee Chair



T Gray
Chief Executive



V Bryson
Director of Finance and Business Improvement

Independent Auditor's Report

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 2016

The Auditor-General is the auditor of Nelson Marlborough Institute of Technology (the Institute) and group. The Auditor-General has appointed me, Julian Tan, 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 12 to 45, that comprise the statement of financial position as at 31 December 2016, the statement of comprehensive revenue and expenses, 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 46 to 70.

In our opinion:

- the financial statements of the Institute and group on pages 12 to 45:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2016; and
 - the financial performance and cash flows for the year then ended;
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards.
- the statement of service performance of the Institute and group on pages 46 to 70 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 2016.

Our audit was completed on 22 March 2017. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. 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.

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 statement of service performance, our procedures were limited to checking that the information agreed to:

- the Institute and group's Council approved budget for the financial statements; and

- the investment plan for the statement of service performance.

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 1 to 5, 8 to 9 and 65 to 81 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.



Julian Tan
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Two Year Performance Summary for the Group

For the year ended 31st December 2016

	2016 (\$000)	2015 (\$000)
Revenue		
Government grants	19,114	19,260
Tuition fees	15,353	14,834
Interest revenue	761	811
Other revenue	7,199	5,754
Total revenue	42,427	40,659
Expenses		
Personnel costs	23,097	20,082
Depreciation and amortisation expense	3,792	3,482
Impairment expense	-	(42)
Other expenses	14,181	13,741
Total	41,070	37,264
Surplus / (deficit) (\$000)	1,357	3,395

Ratio analysis

Surplus as a % of Total Revenue	3.2%	8.4%
Return on Fixed Assets (:\$1)	0.02	0.04
Return on Equity (:\$1)	0.01	0.03
Operating Revenue /Fixed Assets (:\$1)	0.5	0.5
Current Ratio (:\$1)	1.9	1.6
Debt Equity Ratio (:\$1)	0:1	0:1
Equity (\$000)	100,236	98,879
Fixed Assets (\$000)	87,019	87,555
Bank and Short Term Funds (\$000)	20,493	19,434
Net Assets per EFTS (\$)	30,644	31,108
Net Cash Flows from Operating Activities (\$000)	4,148	8,282
Total Cash Flows from Operations incl Investing & Financing Activities (\$000)	864	736
Purchase of Fixed Assets (\$000)	3,599	4,199
Purchase of Fixed Assets / Depreciation (:\$1)	0.9	1.2
Net Cost of Services (\$000)	41,069	37,264
Net Cost of Services per EFTS (\$)	12,556	11,723
Personnel Costs per EFTS (\$)	7,061	6,318
Capital Expenditure per EFTS (\$)	1,100	1,321
Fixed Assets per EFTS (\$)	26,603	27,545

TWO YEAR PERFORMANCE SUMMARY FOR THE GROUP

Key student and staff performance indicators	2016	2015
TEC EFTS	2,025	2,059
International EFTS	701	544
International EFTS (Overseas Delivery)	290	300
ITO	27	24
Youth Guarantee	104	102
STAR	40	54
Other EFTS	84	96
Total	3,271	3,179
Total enrolments	7,638	7,388
TEC funding per TEC funded EFTS (\$)	9,438	9,354
Domestic student fees per TEC EFTS (\$)	2,974	3,027
International fees per international EFTS (\$)	13,303	15,806
Total revenue per total EFTS (\$)	12,970	12,791
Student satisfaction (overall)	93%	92%
Student completion	80%	72%
Total academic staff (FTE)	140	124
Total Support Staff staff (FTE)	148	119
Total staffing (FTE)	287	243
Academic staff FTE / Support Staff staff FTE (:1)	0.95:1	1.04:1

STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE

Statement of Comprehensive Revenue & Expense

For the year ended 31st December 2016		Institute			Group	
		Actual 2016 (\$000)	Budget 2016 (\$000)	Actual 2015 (\$000)	Actual 2016 (\$000)	Actual 2015 (\$000)
	Notes					
Revenue						
Government grants	3	19,114	19,249	19,260	19,114	19,260
Tuition fees	3	15,353	17,822	14,834	15,353	14,834
Interest revenue	3	721	700	796	761	811
Other revenue	3	7,171	5,294	5,714	7,199	5,754
Total revenue	2	42,359	43,065	40,604	42,427	40,659
Operating expenses						
Personnel costs	4	23,097	23,649	20,082	23,097	20,082
Depreciation and amortisation	14 & 15	3,792	3,600	3,482	3,792	3,482
Impairment expense	14	-	-	(42)	-	(42)
Other expenses	5	13,981	14,510	14,556	14,181	13,741
Total operating expenses	2	40,870	41,759	38,078	41,070	37,264
Surplus / (deficit)		1,489	1,306	2,526	1,357	3,395
Other comprehensive revenue and expense						
<i>Items that will not be reclassified to surplus / (deficit)</i>						
Gains on property revaluations	14	-	-	3,610	-	3,610
Impairment of PP&E	14	-	-	10	-	10
Total other comprehensive revenue and expense		-	-	3,620	-	3,620
Total comprehensive revenue and expense		1,489	1,306	6,146	1,357	7,015

Explanations of major variances against budget are provided in note 19.

STATEMENT OF FINANCIAL POSITION

Statement of Financial Position

As at 31st December 2016

	Notes	Institute			Group	
		Actual	Budget	Actual	Actual	Actual
		2016	2016	2015	2016	2015
		(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Assets						
Current assets						
Cash and cash equivalents*	6	4,218	21,838	3,354	4,218	3,354
Debtors and other receivables	7	1,411	1,384	2,171	1,411	2,171
Other financial assets	8	16,275	-	16,080	16,275	16,080
Prepayments		422	257	572	422	572
Total current assets		22,326	23,479	22,176	22,326	22,176
Non-current assets						
Prepayments		110	-	232	110	232
Property, plant and equipment	14	87,019	82,938	87,555	87,019	87,555
Intangible assets	15	2,913	2,744	2,625	2,913	2,625
Total non-current assets		90,041	85,682	90,412	90,041	90,412
Total assets		112,367	109,161	112,589	112,367	112,589
Liabilities						
Current liabilities						
Creditors & other payables	9	4,104	4,289	4,368	4,107	4,368
Revenue received in advance	10	6,317	7,063	7,632	6,317	7,632
Provisions	11	1,310	1,585	1,365	1,310	1,365
Other financial liabilities	12	1,440	1,093	1,549	216	197
Total current liabilities		13,171	14,030	14,914	11,951	13,563
Non-current liabilities						
Provisions	11	180	136	147	180	147
Total non-current liabilities		180	136	147	180	147
Total liabilities		13,351	14,166	15,061	12,131	13,709
Net assets		99,016	94,994	97,527	100,236	98,879
Equity						
Capital introduced	13	29,039	29,039	29,039	29,039	29,039
Accumulated surplus / (deficit)	13	20,376	19,975	18,888	21,596	20,240
Property revaluation reserve	13	46,745	43,125	46,745	46,745	46,745
Capital reserves	13	2,855	2,855	2,855	2,855	2,855
Total equity		99,016	94,994	97,527	100,236	98,879

Explanations of major variances against budget are provided in note 19.

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

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity

For the year ended 31st December 2016

	Notes	Institute		Actual 2015 (\$000)	Group	
		Actual 2016 (\$000)	Budget 2016 (\$000)		Actual 2016 (\$000)	Actual 2015 (\$000)
Public equity as at 1 January		97,527	93,688	91,381	98,879	91,864
Total comprehensive revenue and expense for the year		1,489	1,306	6,146	1,357	7,015
Public equity as at 31 December	13	99,016	94,994	97,527	100,236	98,879

Explanations of major variances against budget are provided in note 19.

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

Statement of Cash Flows

For the year ended 31st December 2016

	Institute		Group		
	Actual 2016 (\$000)	Budget 2016 (\$000)	Actual 2015 (\$000)	Actual 2016 (\$000)	Actual 2015 (\$000)
Cash flows from operating activities					
Receipts from government grants	19,067	19,249	19,232	19,067	19,232
Receipts from tuition fees	14,329	17,822	16,570	14,329	16,570
Receipts from other revenue	7,240	5,294	5,929	7,240	5,929
Interest received	743	700	739	743	739
Payments to employees	(23,283)	(23,649)	(19,698)	(23,283)	(19,698)
Payments to suppliers	(13,864)	(14,510)	(14,227)	(13,864)	(14,227)
GST (net)	(84)	-	(263)	(84)	(263)
Net cash flows from operating activities	4,148	4,906	8,282	4,148	8,282
Cash flows from investing activities					
Receipts from sale of PP&E	23	-	36	23	36
Purchase of PP&E	(2,402)	(2,683)	(3,126)	(2,402)	(3,126)
Purchase of intangible assets	(710)	(589)	(251)	(710)	(251)
Acquisition of investments	(195)	-	(4,205)	(195)	(4,205)
Net cash flows from investing activities	(3,284)	(3,272)	(7,546)	(3,284)	(7,546)
Net (decrease) / increase in cash and equivalents	864	1,634	736	864	736
Cash and cash equivalents at beginning of the year	3,354	20,204	2,618	3,354	2,618
Cash and cash equivalents at end of the year	4,218	21,838	3,354	4,218	3,354

Explanations of major variances against budget are provided in note 19.

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year ended 31st December 2016

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

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Net surplus / (deficit)	1,489	2,526	1,357	3,395
Add / (less) non -cash items :				
Depreciation and amortisation expense	3,792	3,482	3,792	3,482
Impairment charges	-	(42)	-	(42)
Add / (less) items classified as investing or financing activities:				
Net (gain) / loss on sale of fixed assets	1	59	1	59
Add / (less) movements in working capital items:				
Increase / (decrease) in non-current provisions	34	10	34	10
Increase / (decrease) in capital creditors	(454)	(810)	(454)	(810)
(Increase) / decrease in non-current prepayments	122	(22)	122	(22)
(Increase) / decrease in accounts receivable	760	(1,222)	760	(1,222)
(Increase) / decrease in prepayments	149	114	149	114
Increase / (decrease) in trade creditors	(264)	908	(261)	905
Increase / (decrease) in revenue in advance	(1,315)	2,047	(1,315)	2,047
Increase / (decrease) in provisions	(55)	314	(55)	314
Increase / (decrease) in other current financial liabilities	(109)	918	19	52
Net cash inflow / (outflow) from operating activities	4,148	8,282	4,148	8,282

Explanations of major variances against budget are provided in note 19.

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 subsidiary Nelson Polytechnic Educational Society Incorporated (100% owned). Nelson Polytechnic Educational Society Incorporated is incorporated, 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 2016. The financial statements were authorised by the Council on 22 March 2017.

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

There are no standards issued and not yet effective that are relevant to the Institute and group.

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.

Subsidiaries

The Institute consolidates in the group financial statements all entities where the Institute has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the subsidiary. This power exists where the Institute controls the majority voting power on the governing body or where financial and operating policies have been irreversibly predetermined by the Institute or where the determination of such policies is unable to materially affect the level of potential ownership benefits that arise from the activities of the subsidiary.

Subsidiaries are consolidated from the date on which control is transferred to the group and cease to be consolidated from the date on which control is transferred out of the group. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting year during which Nelson Marlborough Institute of Technology had control.

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

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 11
- Estimating the fair value of land and buildings - refer to Note 14

Critical judgements in applying accounting policies

Management has exercised the following critical judgement in applying accounting policies:

- Crown-owned land and buildings - refer to Note 14

2. Summary cost of services

	Institute		
	Actual	Budget	Actual
	2016	2016	2015
	(\$000)	(\$000)	(\$000)
Revenue			
Applied Business & English Language Programmes	6,791	6,277	7,471
Primary Industries, Maritime & Adventure Tourism	7,046	6,943	6,155
Arts, Media & IT	4,609	4,507	4,566
Global Campus	2,557	5,590	829
Health & Fitness	3,875	4,251	3,893
Social Sciences & Te Toki Pakohe	2,813	2,831	2,550
Trades, Engineering & Aviation	7,252	7,618	7,547
Sub Contractors	2,414	1,847	3,975
Other activities	4,281	2,501	2,821
Total revenue from services	41,637	42,365	39,808
Interest revenue	721	700	796
Total revenue	42,359	43,065	40,604

Expenditure

Applied Business & English Language Programmes	3,149	3,809	3,772
Primary Industries, Maritime & Adventure Tourism	3,664	3,434	3,353
Arts, Media & IT	2,259	2,222	2,194
Global Campus	2,951	5,572	1,633
Health & Fitness	1,793	1,912	1,733
Social Sciences & Te Toki Pakohe	1,581	1,538	1,408
Trades, Engineering & Aviation	4,508	4,435	4,235
Sub Contractors	1,530	1,246	2,679
Other activities	19,434	17,648	17,071
Total cost of services	40,870	41,817	38,078
Total expenditure	40,870	41,817	38,078

During the year, NMIT realigned its programme areas. The 2015 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Student Achievement Component (SAC) funding	17,132	17,287	17,132	17,287
Youth Guarantee (YG) funding	1,494	1,442	1,494	1,442
Other TEC funding	488	532	488	532
Total	19,114	19,260	19,114	19,260

(ii) Breakdown of tuition fees

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Fees from domestic students	6,024	6,233	6,024	6,233
Fees from international students	9,329	8,600	9,329	8,600
Total	15,353	14,834	15,353	14,834

(iii) Breakdown of interest revenue

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Interest revenue	721	796	761	811
Total	721	796	761	811

(iv) Breakdown of other revenue

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Re-saleable items	61	1	61	1
Other funding	811	836	811	836
Rental revenue	276	324	276	324
Gain on sale of PP&E	5	(20)	5	(20)
Donations / sponsorship	5	1	5	1
Student services levy	385	371	385	371
Self funded courses	1,363	1,039	1,363	1,039
Other revenue	4,265	3,163	4,293	3,203
Total	7,171	5,714	7,199	5,754

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	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Academic salaries & wages	9,986	9,469	9,986	9,469
Support staff salaries & wages	8,827	7,758	8,827	7,758
Defined contribution plan employer contribution	346	311	346	311
Contractors	3,871	2,514	3,871	2,514
Redundancies	68	31	68	31
Total	23,097	20,082	23,097	20,082

Council member remuneration

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

	Institute		Group	
	2016	2015	2016	2015
	\$	\$	\$	\$
Butler, Ross	6,501	28,721	6,501	28,721
Greenaway, Hamuera #	12,411	-	12,411	-
Hervey, Gabrielle #	15,366	14,360	15,366	14,360
Newton, Charles #	9,456	-	9,456	-
Paterson, Abbey #	15,366	-	15,366	-
Rowe, Andrew #	19,207	17,951	19,207	17,951
Steere, Paul #	15,366	14,360	15,366	14,360
Stewart, Karen #	15,366	8,837	15,366	8,837
Tambisari, Scott	-	14,360	-	14,360
Tapata-Stafford, Te Rehia	-	14,360	-	14,360
Watson, Virginia	-	3,866	-	3,866
Wehner, Daryl #	29,878	14,360	29,878	14,360
	138,917	131,175	138,917	131,175

current NMIT council at 31 December 2016

5. Other expenses

Accounting Policy

Operating leases

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

Research costs

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

NOTES TO THE FINANCIAL STATEMENTS

Breakdown of other expenses and further information

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Audit fees paid to Audit NZ for audit of the annual report	89	87	93	90
Audit fees paid to Audit NZ for other services	-	33	-	33
Repairs & maintenance	716	605	716	605
Rent expense	1,054	960	1,054	960
Other occupancy costs	1,092	980	1,092	980
Subcontractor payments	1,300	2,447	1,300	2,447
Course purchases	1,872	1,697	1,872	1,697
Net loss on disposal of PP&E and investments	6	39	6	39
Bad debts	246	82	246	82
Other expenses	7,607	7,626	7,804	6,808
Total	13,981	14,556	14,181	13,741

The fees paid to Audit NZ for other services in 2015 were for a review of student fees paid to Helipro (in liquidation) upon exit from provision of aviation training by NMIT.

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	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Not later than one year	909	913	909	913
Later than one year and not later than five years	2,483	3,342	2,483	3,342
Later than five years	-	-	-	-
Total non-cancellable operating leases	3,392	4,255	3,392	4,255

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	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Not later than one year	253	190	253	190
Later than one year and not later than five years	215	287	215	287
Later than five years	494	523	494	523
Total non-cancellable operating leases	962	1,001	962	1,001

6. Cash and cash equivalents

Accounting policy

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

Breakdown of cash and cash equivalents and further information

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Cash at bank and on hand	3,218	3,154	3,218	3,154
Term deposits with maturities less than 3 months	1,000	200	1,000	200
Total	4,218	3,354	4,218	3,354

7. Debtors and other receivables

Accounting Policy

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

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

Breakdown of receivables and further information

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Debtors	982	1,273	982	1,273
TEC funding receivable	54	7	54	7
SUTI's Share GC Joint Venture Deficit	380	909	380	909
Provision for doubtful debts	(6)	(18)	(6)	(18)
Total	1,411	2,171	1,411	2,171

Debtors comprises:

Receivables from exchange transactions	703	790	703	790
Receivables from non-exchange transactions	333	483	333	483
Total	1,036	1,273	1,036	1,273

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	
	2016	2015	2016	2015
Aged debtors	(\$000)	(\$000)	(\$000)	(\$000)
Current	222	489	222	489
30+ days	121	92	121	92
60+ days	12	43	12	43
90+ days	(28)	92	(28)	92
Other debtors	655	558	655	558
Total	982	1,273	982	1,273

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 TEC funding receivable, accrued revenue, advance to SUTI for Global Campus Auckland, and accrued interest.

Movements in the provision for impairment of receivables are as follows:	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Balance at 1 January	18	27	18	27
Additional provisions made during the year	(12)	(9)	(12)	(9)
Receivables written off during the year	-	-	-	-
Total at 31 December	6	18	6	18

8. Other financial assets

Accounting policy

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

Bank term deposits

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

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

Breakdown of other financial assets and further information

	Institute		Group	
	2016	2015	2016	2015
Current portion	(\$000)	(\$000)	(\$000)	(\$000)
Term deposits with maturities greater than 3 months and less than 12 months	16,275	16,080	16,275	16,080

Fair value

Term deposits

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

Impairment

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

9. Creditors and other payables

Accounting Policy

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

Breakdown of creditors and other payables and further information

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Payables under exchange transactions:				
Trade payables	679	1,487	679	1,487
Accrued expenses	3,017	2,121	3,021	2,121
Total payables under exchange transactions	3,696	3,608	3,700	3,608
Payables under non-exchange transactions:				
PAYE & Withholding tax	206	407	206	407
GST (net)	202	352	202	352
Total payables under non-exchange transactions	408	760	408	760
Total creditors and other payables	4,104	4,368	4,107	4,368

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

10. Revenue received in advance

Breakdown of revenue received in advance and further information

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Government funding	214	27	214	27
Tuition fees	6,052	7,350	6,052	7,350
Aviation fees	-	170	-	170
Other revenue received in advance	52	85	52	85
Total	6,317	7,632	6,317	7,632

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

11. Provisions

Accounting Policy

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (legal or constructive) as a result of a past event, it is probable that 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	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Provisions:				
Provisions for redundancies	8	11	8	11
Total	8	11	8	11
Employee entitlements:				
Accrued salaries & wages	469	559	469	559
Annual leave	734	683	734	683
Long service leave	104	101	104	101
Retirement gratuities	101	73	101	73
Sick leave	47	41	47	41
Holiday pay	14	10	14	10
ACC accrual	12	34	12	34
Total	1,482	1,501	1,482	1,501
Comprising:				
Current	1,310	1,365	1,310	1,365
Non-current	180	147	180	147
Total Provisions	1,490	1,512	1,490	1,512

12. Other financial liabilities

Breakdown of other financial liabilities

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Funds held on behalf of others	9	7	9	7
Nelson Polytechnic Educational Society	1,224	1,352	-	-
Other	207	190	207	190
Total	1,440	1,549	216	197

13. Equity

Accounting policy

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

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

NOTES TO THE FINANCIAL STATEMENTS

Property revaluation reserve

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

Breakdown of equity and further information

	Institute		Group	
	2016	2015	2016	2015
	(\$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	18,888	16,362	20,240	16,844
Surplus / (deficit) for the year	1,489	2,526	1,357	3,395
As at 31 December	20,376	18,888	21,596	20,240
Property revaluation reserves				
As at 1 January	46,745	43,125	46,745	43,125
Revaluation of land	-	(800)	-	(800)
Revaluation of buildings	-	4,410	-	4,410
Impairment of PP&E	-	10	-	10
As at 31 December	46,745	46,745	46,745	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	99,016	97,527	100,236	98,879

Capital management

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

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

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

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

14. 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 with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

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

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

NOTES TO THE FINANCIAL STATEMENTS

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 accounting estimates and assumptions

Estimating the fair value of land and buildings

All land and buildings, excluding work in progress were valued at fair value as at 31 December 2015 by an independent registered valuer, M W Lauchlan, FNZIV, FPINZ, AREINZ, of Duke & Cooke.

Critical judgements in applying accounting policies

Crown-owned land and buildings

Property in the legal name of the Crown that is occupied by the Institute and group is recognised as an asset in the Statement of Financial Position. The Institute and group consider it has assumed all the normal risks and rewards of ownership of this property despite legal ownership not being transferred and accordingly it would be misleading to exclude these assets from the financial statements.

The Institute and group has secured the use of the property by means of a lease from the Ministry of Education for a period of 99 years from 1 December 1995 at nil rent.

In substance the Institute owns the land and buildings however the legal title of a portion of the land and buildings remains with the Crown. Refer to Note 20 for details relating to the transfer of title.

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	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
Property, plant & equipment				
L Block Refurbishment	-	197	-	197
Total property, plant & equipment	-	197	-	197
Total capital commitments	-	197	-	197

NOTES TO THE FINANCIAL STATEMENTS

Institute - 2016	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	56,961	6,015	131	9,681	1,163	4,745	97	104,044
Work in progress	-	333	-	-	-	-	-	-	333
Total opening cost	25,250	57,294	6,015	131	9,681	1,163	4,745	97	104,377
Additions	-	1,238	816	-	517	76	94	11	2,751
Disposals	-	-	(188)	-	(120)	-	-	-	(308)
Work in progress movement	-	23	-	-	-	-	-	-	23
Balance as at 31 December	25,250	58,555	6,643	131	10,078	1,239	4,838	109	106,843
Accumulated depreciation									
Balance as at 1 January	-	21	4,242	131	7,066	1,101	4,189	73	16,822
Reversal on disposal	-	-	(156)	-	(102)	-	-	-	(257)
Depreciation	-	1,961	600	-	522	56	117	4	3,260
Balance as at 31 December	-	1,981	4,685	131	7,486	1,157	4,306	77	19,825
Total Institute property, plant and equipment	25,250	56,574	1,958	-	2,591	82	532	32	87,018

NOTES TO THE FINANCIAL STATEMENTS

Institute - 2015	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	26,050	56,385	5,304	131	8,768	1,163	4,642	86	102,530
Work in progress	-	86	5	-	-	-	-	-	91
Total opening cost	26,050	56,471	5,309	131	8,768	1,163	4,642	86	102,621
Additions	-	1,394	822	-	976	-	102	11	3,305
Disposals	-	(141)	(111)	-	(63)	-	-	-	(315)
Impairment	-	51	-	-	-	-	-	-	51
Revaluation	(800)	(728)	-	-	-	-	-	-	(1,528)
Work in progress movement	-	247	(5)	-	-	-	-	-	242
Balance as at 31 December	25,250	57,294	6,015	131	9,681	1,163	4,745	97	104,377
Accumulated depreciation									
Balance as at 1 January	-	3,401	3,738	131	6,647	1,029	4,066	69	19,082
Reversal on disposal	-	(41)	(107)	-	(60)	-	-	-	(208)
Reversal on revaluation	-	(5,139)	-	-	-	-	-	-	(5,139)
Depreciation	-	1,800	610	-	478	72	123	4	3,087
Balance as at 31 December	-	21	4,242	131	7,066	1,101	4,189	73	16,822
Total Institute property, plant and equipment	25,250	57,273	1,773	-	2,615	63	556	24	87,555

NOTES TO THE FINANCIAL STATEMENTS

Group - 2016	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	56,961	6,015	131	9,681	1,163	4,745	97	104,044
Work in progress	-	333	-	-	-	-	-	-	333
Total opening cost	25,250	57,294	6,015	131	9,681	1,163	4,745	97	104,377
Additions	-	1,238	816	-	517	76	94	11	2,751
Disposals	-	-	(188)	-	(120)	-	-	-	(308)
Work in progress movement	-	23	-	-	-	-	-	-	23
Balance as at 31 December	25,250	58,555	6,643	131	10,078	1,239	4,838	109	106,843
Accumulated depreciation									
Balance as at 1 January	-	21	4,242	131	7,066	1,101	4,189	73	16,822
Reversal on disposal	-	-	(156)	-	(102)	-	-	-	(257)
Depreciation	-	1,961	600	-	522	56	117	4	3,260
Balance as at 31 December	-	1,981	4,685	131	7,486	1,157	4,306	77	19,825
Total Institute and group property, plant and equipment	25,250	56,574	1,958	-	2,591	82	532	32	87,018

NOTES TO THE FINANCIAL STATEMENTS

Group - 2015	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	26,050	56,385	5,304	131	8,768	1,163	4,642	86	102,530
Work in progress	-	86	5	-	-	-	-	-	91
Total opening cost	26,050	56,471	5,309	131	8,768	1,163	4,642	86	102,621
Additions	-	1,394	822	-	976	-	102	11	3,305
Disposals	-	(141)	(111)	-	(63)	-	-	-	(315)
Impairment	-	51	-	-	-	-	-	-	51
Revaluation	(800)	(728)	-	-	-	-	-	-	(1,528)
Work in progress movement	-	247	(5)	-	-	-	-	-	242
Balance as at 31 December	25,250	57,294	6,015	131	9,681	1,163	4,745	97	104,377
Accumulated depreciation									
Balance as at 1 January	-	3,401	3,738	131	6,647	1,029	4,066	69	19,082
Reversal on disposal	-	(41)	(107)	-	(60)	-	-	-	(208)
Reversal on revaluation	-	(5,139)	-	-	-	-	-	-	(5,139)
Depreciation	-	1,800	610	-	478	72	123	4	3,087
Balance as at 31 December	-	21	4,242	131	7,066	1,101	4,189	73	16,822
Total Institute and group property, plant and equipment	25,250	57,273	1,773	-	2,615	63	556	24	87,555

15. 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%
· Course development costs	5 years	20%

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 15.

The same approach applies to the impairment of intangible assets.

Breakdown of intangible assets and further information

	Institute		Group	
	2016	2015	2016	2015
Computer Software	(\$000)	(\$000)	(\$000)	(\$000)
Opening cost	3,847	3,714	3,847	3,714
Opening work in progress	121	16	121	16
Additions	849	394	849	394
Disposals	(8)	(260)	(8)	(260)
Work in progress movement	(121)	105	(121)	105
Closing cost	4,688	3,967	4,688	3,967

NOTES TO THE FINANCIAL STATEMENTS

Opening accumulated amortisation	1,666	1,591	1,666	1,591
Amortisation	444	335	444	335
Disposals	(1)	(260)	(1)	(260)
Closing accumulated amortisation	2,109	1,666	2,109	1,666

Net carrying amount	2,579	2,301	2,579	2,301
----------------------------	--------------	--------------	--------------	--------------

	Institute		Group	
	2016	2015	2016	2015
Programme Development Costs	(\$000)	(\$000)	(\$000)	(\$000)
Opening cost	391	237	391	237
Additions	97	154	97	154
Closing cost	488	391	488	391

Opening accumulated amortisation	67	8	67	8
Amortisation	88	59	88	59
Closing accumulated amortisation	154	67	154	67

Net carrying amount	334	324	334	324
----------------------------	------------	------------	------------	------------

	Institute		Group	
	2016	2015	2016	2015
Total Intangible Assets	(\$000)	(\$000)	(\$000)	(\$000)
Opening cost	4,238	3,951	4,238	3,951
Opening work in progress	121	16	121	16
Additions	946	547	946	547
Disposals	(8)	(260)	(8)	(260)
Work in progress movement	(121)	105	(121)	105
Closing Cost	5,176	4,359	5,176	4,359

Opening amortisation	1,733	1,599	1,733	1,599
Amortisation	531	394	531	394
Disposals	(1)	(260)	(1)	(260)
Closing accumulated amortisation	2,263	1,733	2,263	1,733

Net carrying amount	2,913	2,625	2,913	2,625
----------------------------	--------------	--------------	--------------	--------------

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

There were no contractual commitments for the acquisition of intangible assets for the Institute and group (2015: \$Nil).

16. Contingencies

Contingent liabilities

The Institute and group has contingent liabilities totalling \$50k as outlined in Note 17 (2015:\$Nil).

Contingent assets

The Institute and group has no contingent assets (2015: \$Nil).

17. Staff and student grievances

At balance date there are no student and one staff related claim against the Institute for which the outcomes are uncertain. (2015: Nil).

The maximum estimated exposure to staff and student grievances is \$50k (2015: \$Nil).

18. 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 \$500k to NPES to fund and manage the entire scholarship programme for the foreseeable future. In 2015, a further \$1m was given to NPES.

The accumulated balance of these funds \$1,224k (2015: \$1,352k) 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 2016 audit fee is \$4k (2015: \$3k).

NOTES TO THE FINANCIAL STATEMENTS

Transactions with key management personnel	Actual	Actual
Key management personnel compensation	2016	2015
	(\$000)	(\$000)
<i>Council Members</i>		
Remuneration	139	131
Full time equivalent members	7	8
<i>Senior Management Team, including the Chief Executive</i>		
Remuneration	1,387	1,343
Full time equivalent members	8	9
Total key management personnel remuneration	1,526	1,474
Total full time equivalent personnel	15	17

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

19. 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

Student Achievement Component (SAC) funding is unfavourable to budget due to lower than budget SAC funded EFTS.

Tuition fees

Tuition fees are unfavourable to budget due to lower than budgeted international student numbers.

Other revenue

Other revenue is favourable to budget due to revenue from unbudgeted contracts, increased delivery of In China programmes and Maritime short courses. Additional revenue was received from staff secondments to TANZ and Nelson Region EDA.

Personnel costs

Personnel costs are favourable to budget due to reduction in staffing required for Global Campus as a result of lower international student numbers.

Depreciation and amortisation expense

Depreciation and amortisation expense is unfavourable to budget due to higher than budgeted capital expenditure, and the revaluation of NMIT's land and buildings in 2015.

Statement of financial position

Cash and investments

Cash and investments are lower than budget due to lower fees in advance received from international students, and higher than budgeted capital expenditure.

Investments are not budgeted separately from cash.

Property, plant and equipment

Property, plant and equipment is higher than budget due to the 2015 revaluation of land and buildings and additional 2016 capital expenditure approvals.

Intangible assets

Intangible assets are higher than budgeted due to unbudgeted costs associated with the TANZ eCampus project.

Revenue received in advance

Revenue received in advance is lower than budget due to lower international student numbers enrolled in programmes spanning financial years, such as the Postgraduate Diploma in Business Enterprise.

Other financial liabilities

Other financial liabilities are higher than budget due to higher than budgeted funds held on behalf of NPES, arising from additional funds NPES received in 2015 after the 2016 budget had been prepared.

Statement of movements in equity

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

Statement of cash flows

Net cash flows from operating activities are less than budgeted due to lower tuition fees received.

Net cashflows from investing activities are higher than budgeted due additional capital expenditure approvals.

20. Events after balance date

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 (refer to Note 14).

21. Financial instruments

21A Financial instrument categories

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

	Institute		Group	
	2016	2015	2016	2015
	(\$000)	(\$000)	(\$000)	(\$000)
FINANCIAL ASSETS				
Loans and receivables				
Cash and cash equivalents	4,218	3,354	4,218	3,354
Debtors and other receivables (excl GST)	1,411	2,171	1,411	2,171
Other financial assets				
- term deposits	16,275	16,080	16,275	16,080
<i>Total loans and receivables</i>	21,903	21,605	21,903	21,605

FINANCIAL LIABILITIES

Financial liabilities at amortised cost

Creditors and other payables (excl GST & PAYE)	3,696	3,608	3,700	3,608
Other financial liabilities	1,440	1,549	216	197
<i>Total financial liabilities at amortised cost</i>	5,136	5,157	3,916	3,805

21B Fair value hierarchy

The Institute does not measure any financial instruments in the Statement of Financial Position at fair value.

21C 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.

NOTES TO THE FINANCIAL STATEMENTS

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	
	2016	2015	2016	2015
Counterparties with credit ratings	(\$000)	(\$000)	(\$000)	(\$000)
Cash at bank and term deposits				
AA-	11,110	19,429	11,110	19,429
A	-	-	-	-
BBB	9,375	-	9,375	-
Total	20,485	19,429	20,485	19,429

Liquidity risk

Management of liquidity risk

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

Contractual maturity analysis of financial liabilities

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

	Carrying amount	Contract cash flows	Less than 6 months	6 months or greater
	(\$000)	(\$000)	(\$000)	(\$000)
Institute 2016				
Creditors and other payables	4,104	4,104	4,104	-
Accrued pay	469	469	469	-
Total	4,573	4,573	4,573	-

NOTES TO THE FINANCIAL STATEMENTS

Group 2016

Creditors and other payables	4,107	4,107	4,107	-
Accrued pay	469	469	469	-
<i>Total</i>	4,576	4,576	4,576	-

Institute 2015

Creditors and other payables	4,368	4,368	4,368	-
Accrued pay	559	559	559	-
<i>Total</i>	4,927	4,927	4,927	-

Group 2015

Creditors and other payables	4,368	4,368	4,368	-
Accrued pay	559	559	559	-
<i>Total</i>	4,927	4,927	4,927	-

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 2016

	2016 (\$000)			
		- 0.25%		+ 0.25%
Interest Rate Risk	Surplus	Other equity	Surplus	Other equity
<i>Financial Assets</i>				
Cash and cash equivalents	(11)	-	11	-
Total sensitivity	(11)	-	11	-

Institute 2015

	2015 (\$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	-

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 2016 (2015: \$Nil).

Introduction to Investment Plan Performance Report

As the Top of the South's largest education and training provider, we are intent on further developing our distinctive role in the tertiary and wider education system. Our strategic focus on delivering high economic value has seen specialisms, further developing and embedding a learner centred delivery model and meeting the changing patterns of tertiary educational provision at the forefront of our development work in 2016. We have effectively delivered on the priorities of both the government and TEC working closely with industry, business and organisations to provide outstanding learning and employment opportunities for the region, nationally and internationally, recognising the vital role we play in supporting and developing positive social, cultural and economic change.

This section outlines progress against strategic and performance goals as set out in NMIT's *2015-2016 Investment Plan*. Excerpts from the Investment Plan have been included under the headings below where there are specific planned outcomes. For each of the excerpts, the report details the actions and results that NMIT achieved as a response to the planned activities. This is laid out in a "we committed to, we achieved" format.

1. NMIT's Strategic Focus:

- Development of NMIT's specialisms
- Collaboration using e-learning
- Pathways to higher learning and employment

2. Tertiary Education Strategy

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

3. NMIT's Organisational Priorities

- Embrace innovative learning
- Recognise and develop the skills of our people
- Be an organisation of choice

4. Impact of changes in demand and supply of educational services

NMIT's Strategic Focus

Development of NMIT's Specialisms

NMIT is developing two inter-related strategies for the next three to five years with the aim of providing pathways to higher-level qualifications and developing demand across our target groups. We intend for each of our specialisms to be developed separately to reflect the different drivers for each industry area.

For Aquaculture, we committed to:

The development of aquaculture provision reflecting the growing importance of this industry to regional and national economic development along with collaborative initiatives that will drive industry innovation, including from specialist industry, Iwi, international and research partners working with NMIT.

We achieved:

Successful first degree monitoring visit by the New Zealand Qualifications Authority (NZQA) for the Bachelor of Aquaculture and Marine Conservation Degree which was commended for its "level of engagement with aquaculture industry sector and other stakeholders" and the strength of its work placement programme.

The Aquaculture Programme Area now has 18 schools in the "Salmon in Schools" project which provided excellent engagement with schools and this project is expanding with industry sponsorship.

Sponsorship from Akaroa Salmon of a learner scholarship for the first year in Diploma in Sustainable Aquaculture. New Zealand King Salmon committed funding and video footage to the development of a promotional video for Aquaculture programmes and the Aquaculture industry.

For Viticulture and Winemaking, we committed to:

The development of viticulture and winemaking provision reflecting the significant importance of this industry to regional and national economic development along with collaborative initiatives that will drive industry innovation, including Iwi, international and research partners who are seeking to work with NMIT.

We achieved:

Successful first degree monitoring visit by NZQA for the Bachelor of Viticulture and Winemaking Degree which was commended for "programme growth, learner engagement, programme links to industry, resourcing and programme effectiveness".

Good support from industry of our Viticulture Programmes through industry meetings, learner work placements and programme development. The final year of the degree programme was developed in collaboration with wine industry partners including Indevin, Wither Hills, Wine Marlborough and Plant & Food Research.

In 2016 Wakatū Incorporation funded a new scholarship for learners on the Bachelor of Viticulture and Winemaking Degree. The scholarship supports learners financially and provides mentors to assist learners in their academic studies as well as overall support.

For Aviation Engineering we committed to:

Further investment and development in the breadth and depth of our expertise, adding considerable benefit to the overall New Zealand aviation engineering industry. We developed new strategic partnerships with partners to ensure that New Zealand's general aviation industry is supported in its workforce needs through NMIT domestic and international learners.

We achieved:

Becoming the first training provider in New Zealand to gain accreditation of the new, internationally recognised New Zealand Civil Aviation Authority (CAA) Part 147 certification for its Aviation programmes. This certification recognised NMIT's alignment to international best practice aircraft maintenance standards. NMIT Aviation was also successful in its first CAA audit since gaining Part 147 accreditation.

Air New Zealand Regional Maintenance Ltd (ANZRML) and NMIT collaborated to develop scholarships for training aircraft technicians following growth in the demand for trained aviation engineering staff and the success of ANZRML Nelson base. The aviation industry domestically and globally expects significant future growth and this partnership will provide more opportunities for those wishing to pursue a career in aviation engineering.

NMIT's longstanding partnership with the New Zealand Defence Force continued to develop with multiple contract renewals and potential future opportunities to expand our partnership across a number of trades areas.

The Papua New Guinea Defence Force confirmed its ongoing commitment to NMIT with a further cohort of learners identified for 2017 adding to those who started at NMIT in 2016.

Strategy for the development of specialisms:	We achieved:
Financial targets for our contribution to the regional economy.	Continued growth in enrolments in our specialisms of Aquaculture, Aviation, Maritime, Viticulture and Wine, for example, enrolments on our Viticulture and Wine programmes grew from 49 in 2015 to 86 in 2016.
An approach to developing strategic partnerships with industry, research and international organisations, including articulating NMIT's value proposition based on its expertise and networks.	Continued development of mutually beneficial relationships with a range of external stakeholders throughout 2016. A new strategic partnership was established with Akaroa Salmon who sponsored an annual scholarship adding to those already in place with New Zealand King Salmon. Strategy development for specialisms was further informed by a visit to the University of West England to review degree apprenticeships between the University and Airbus in Bristol.
An approach to working with employers to identify the different ways in which the industry sector contributes to the economy and the skill requirements and innovation opportunities at different points in the value chain.	The introduction of a range of initiatives that demonstrated our commitment to supporting employers and industry to respond to opportunities as they arose. For example, ANZRML partnered with NMIT to sponsor four trainees per year for a two-year period. At the end of the two-year programme ANZRML will endeavor to provide traineeship opportunities allowing trainees to become fully qualified aircraft maintenance engineers after a further two years of practical experience. Our programme areas continued to work with employers increasing work placement opportunities, industry-led project briefs and the generation of internships. In 2016 all of our Viticulture learners engaged in paid work experience.

<p>Opportunities for collaboration with other tertiary providers, including through the provision of expertise and online content and resources in our specialisms to benefit the tertiary education sector as a whole.</p>	<p>As a member of the Tertiary Accord of New Zealand (TANZ), collaboration with our partners to streamline programme and course developments.</p> <p>We continued to share programmes with other providers establishing a range of memoranda of understanding and contracts. This included further development of a Viticulture and Wine Chinese university partnership with Chinese Agricultural University, Beijing University of Agriculture and Ningxia University.</p> <p>In 2016 we significantly increased the availability of online course materials and resources. We employed three full time education developers who worked on extending online resources for Maritime, Aquaculture and Viticulture.</p>
<p>Steps to build demand within our target groups including through marketing and providing progression opportunities for existing learners and those already employed in less skilled roles within the industry sector.</p>	<p>Greater levels of progression across our specialisms. In 2016 we introduced the concept of a 'Bridging Hub' that will become the catalyst for supporting and preparing Level 1 and 2 learners for further study and progression into work.</p>
<p>Specific strategies to provide progression to higher level qualifications for Māori learners, building on the involvement of Iwi in local industry sectors such as aquaculture and the wider horticulture industry post Treaty Settlements, and the desire of Iwi to use their resource base to develop employment opportunities for their people and invest in expanding industries.</p>	<p>A close working partnership with Te Awhina Marae in Motueka to deliver a horticulture course with practical learning based on the marae and at a marae-managed nursery. This course enables progression into higher-level Primary Industries training opportunities at NMIT.</p> <p>The Certificate in Trades and Primary Industries was revised to include an Aquaculture / Te Reo "Ka Hao" stream for 2017. This open entry course is fees-free for Youth Guarantee learners providing knowledge and practical skills to thrive in the local industry.</p> <p>Tikanga beliefs are incorporated in the delivery of the Ka Hao stream. Placing strong emphasis on engaging Māori youth with their heritage, Ka Hao provides opportunity for noho based learning, building partnerships based on understanding and respect between Te Ao Māori, teachers, learners, whānau, hapū and Iwi and the wider NMIT community.</p> <p>Ka Hao will be actively marketed as an opportunity for Māori and non-Māori to re-engage with education within a holistic wānanga environment.</p>

<p>Workforce and capability requirements within NMIT including recruitment of staff and professional development needs.</p>	<p>A 5% increase in investment in our professional development and research supporting our drive to be recognised as a significant applied research based institution in our specialisms.</p> <p>Across our specialisms we engaged in a variety of continuing professional development events including a session on “Working with India” delivered by author of <i>India Land of a Billion Entrepreneurs</i> Professor Upendra Kachru to the Maritime, Aquaculture and Viticulture teaching teams.</p> <p>Other events included the Romeo Bragato Conference and Wine Awards (Viticulture and Wine), Train the Trainer with Australian Maritime College in Tasmania, Royal Yachting Association (RYA) forums and examiner course, Resuscitation New Zealand Conference (Maritime), New Zealand Aquaculture conference (learner speakers from NMIT) and the Pentair conference hosted by NMIT (Aquaculture).</p>
<p>Investment in facilities and infrastructure.</p>	<p>Consultation with a wide range of internal and external stakeholders in a number of workshops as part of our 20-year Capital Asset Management (CAM) Plan.</p> <p>The NMIT Council approved capital expenditure of \$800,000 on a new ship handling simulation for our Maritime programme.</p>

Collaboration using e-learning

We committed to:

The further development of our specialisms using e-learning providing a mechanism for access to our programmes for a wider group of learners both out of our region and internationally, and to better integrate study with workplace learning. Our strategy included:

- Delivering our programmes and identifying components that can be offered to other providers (for example, the development of digital content and resources within our specialisms).
- Investment in digital content development in areas where we have a competitive advantage as a result of our expertise and relationships.
- An approach to developing a range of partnerships with other institutions under which education content and services developed by NMIT are provided to their learners, in individually negotiated ways that reflect the institution’s context and the needs of their learners.
- Building demand both within our region and nationally and internationally by using flexible learning to target a wider group of learners, including those already in employment.
- Integrating the results of research on improving outcomes for Māori using e-learning into our programme design at all levels.

We achieved:

- Implementation of a network-wide installation of the Equella digital resource repository as part of a TANZ feasibility study.
- Development and sharing of online Business Administration and Retail teaching resources with Ara Institute of Canterbury.
- Development and implementation of a learning design, development and evaluation process while working closely with TANZ eCampus partners.
- Development of a set of principles to allow for greater inclusion of Māori learners based on Te Whare Tapa Whā wellness model, as highlighted in the NMIT Learning Design Framework (LDF).

Pathways to Higher Learning and Employment

We committed to:

A strategic focus for the development of pathways to higher-level learning and employment, with a particular focus on Māori and at risk youth. We have a high level of success in enrolling at risk young people into our programmes. We are now focusing on building pathways to ensure that learners already enrolled in NMIT are able to progress to further study in programmes that lead to good employment outcomes. This strategy underpins our programme development in all areas.

We achieved:

Programme developments that have enhanced, and added, to the pathways for learners in a number of disciplines.

NMIT is now approved and accredited to deliver 33 New Zealand qualifications of which 23 are at Levels 3, 4 and 5 in the areas of Information Technology, Business, Tourism, Hospitality, Hairdressing, Horticulture and Maritime that meet the new post Mandatory Review of Qualifications (MRoQ) graduate outcomes.

A Postgraduate Diploma in IT Security Management is now available and delivery of the Graduate Diploma in Accounting was extended to NMIT's Global Campus in Auckland.

A suite of new Maritime programmes, from Levels 3 to 6 were approved and accredited for delivery in the areas of crewing and fishing vessel operations.

NMIT's Blue Tick initiative to redevelop programmes (including MRoQ requirements) and incorporating our Learning Design Framework and our Māori strategy Te Ara Wai. A centralised approach to the redevelopment at Levels 1 to 6, necessitated by MRoQ, ensured that new developments were approached holistically, at subject discipline level and had appropriate pathways of study through to postgraduate qualifications.

Tertiary Education Strategy

Priority 1: Delivering Skills for Industry

We have prioritised partnerships and investment in the region's skilled workforce requirements including Engineering, Information Technology, Health, Social Sciences, Aquaculture, Maritime, Viticulture and Wine and Aviation Engineering. We are committed to working more intensively with high growth industries to address future skill needs and develop new approaches to business development and innovation across the industry value chain.

For Information Technology and Civil Engineering we committed to:

Responding to the Government's emphasis on STEM (Science, Technology, Engineering and Maths) subjects, through growing Information Technology enrolments and the provision of a new Civil Engineering Diploma, with linkages to local industry.

We achieved:

Growth of 25% in Information Technology enrolments at Levels 4 to 7 from 2014 to 2016. A new suite of programmes of study to lead to the new New Zealand qualifications in Information Technology were developed and a new Postgraduate Diploma in IT Security Management was developed and accredited for delivery in 2017, providing additional enrolment options for prospective learners and meeting industry demand in this technical area.

The new New Zealand Diploma in Engineering continued to develop with various initiatives and partnerships designed to raise awareness of and strengthen the programme. The inaugural regional model bridge building competition was held with great support from local industry and regional secondary schools. The success of this initiative will see it grow in 2017 and likely expand to a multi-regional or national scale.

For local industry links, we committed to:

Setting up an Innovation Learning Hub that creates a formal interface between the staff and learners with local industry and businesses. This is designed to not only be a part of an innovation ecosystem but also to provide learners with exposure to business through 'start-ups' and business development activity within the local region.

We achieved:

Further success with INNOVATE following up the successes achieved after launching in 2015 with a second successful Start-up weekend, coaching 60 budding entrepreneurs the skills required to launch their business, and delivery of the Co-starters programme to take this entrepreneurial learning further. INNOVATE grew further the partnership between NMIT, the Nelson Regional Development Agency and local businesses. We have now developed a road map on how to take INNOVATE to the next level as an integral part of the regional business innovation ecosystem and how best to maximise value to individuals, businesses and learners.

For Aquaculture we committed to:

Developing a new Bachelor of Aquaculture and Marine Conservation Degree. This included collaboration with the Cawthron Institute, Fish & Game New Zealand, Marine Farm Association, Aquaculture New Zealand, Shellfish Production and Technology New Zealand Limited (SPATnz), New Zealand King Salmon and Plant & Food Research, Nelson.

We achieved:

An Aquaculture degree that will see its first cohort graduating in 2017. The development of the degree occurred with close support from industry. The membership of the group included representatives from those organisations noted above along with Sanford Limited, New Zealand Veterinary Association and Sealord.

MROQ provided a significantly shorter Certificate at Level 5 than was previously offered. Industry feedback indicated that this would not meet the training needs of future employees and as a result NZQA gave approval for NMIT to continue to offer the two year Diploma in Aquaculture in 2017.

SPATnz provided funding to develop online training material for use in its staff training and for use by NMIT Aquaculture learners.

For Aviation we committed to:

Further development of the long-standing relationship with the Royal New Zealand Air Force (RNZAF) including greater shared use of facilities at Woodbourne, and the intention to build upon the relationship over the next three years by seeking security of tenure and agreeing new joint venture opportunities with the wider New Zealand Defence Force (NZDF). We also developed more agreements with engineering organisations to provide work-based training for learners on the Certificate in Aeronautical Maintenance Engineering.

We achieved:

A successful trial of the new Diploma in Aeronautical Engineering Management delivery model. We worked collaboratively with RNZAF leadership to create a scenario-based consolidation phase that focused on 'real world' problems for learners to assess and action while providing them real-time feedback from NMIT and RNZAF.

Purchase of a Cessna 150 aircraft to bolster our resource fleet and provide learners with workforce aligned training assets.

For Nursing and Social Work, we committed to:

Extending nursing and social work placements (required by the Nursing Council and Social Workers Registration Board) for completion of qualifications. The skills gained in these placements enable learners to hit the ground running when going into employment following graduation.

We achieved:

Thirty-six learners graduating from the Bachelor of Nursing Programme and a *100% pass rate on Nursing Council State Final Examinations*. At the end of 2016 80% of graduates had been offered Nurse Entry to Practice Programme (NETP) or Nurse Entry to Specialist Practice (NESP) employment positions for 2017. By March 2016, all 2015 graduates had found employment in either New Zealand or Australia.

In September, the Department of Health ran a pilot project to offer excellence in clinical placement experience with the set-up of two Dedicated Education Units (DEU's) with the Nelson Marlborough District Health Board (NMDHB). The preliminary feedback from all stakeholders (NMDHB education and leadership teams, learners, Clinical Liaison Nurses, Academic Liaison Nurses, Registered Nurses and the project leader) supported expanding the number of DEUs at NMDHB. There are plans to set up three more DEUs in 2017 opening up 22 new places across six units. The introduction of DEUs enables NMIT to place more Bachelor of Nursing learners in clinical placement simultaneously while offering learners the continuity of a mentor, a more supportive clinical learning environment, collaborative and timely feedback on performance and competence and better preparation to be work-ready upon graduation.

2016 was the last year for the NMIT delivery of the Bachelor of Applied Social Sciences (BAppSocSci) which provided many graduates of Counselling and Social Work into the region. This was replaced with the Bachelor of Social Work and Paetahi Tumu Korero Bachelor of Counselling which are due for their third year Level 7 deliveries in 2017.

As at December 2016, 78% of 2016 BAPSocSci graduates were in paid or voluntary employment, following a concerted effort to grow the breadth of placement providers as well as looking after those that we already hold a placement provider relationship with.

Under the new degrees, there is the addition of an 'Acute Mental Health and Addictions' elective which was endorsed at the end of 2016, through Wintec, by the Drug and Alcohol Association of New Zealand. This will provide future graduates with increased job opportunities in the addictions field and practicum placements will be expanded to include opportunities in this area.

For Adult Community Education (ACE) courses, we committed to:

Providing pathways, at both our Nelson and Marlborough campuses, for people wanting to gain basic computing and other foundational skills through ACE funded programmes. These opportunities to re-engage with learning are important to second chance learners, and those who have missed out on technological changes, to start at a pace that enables them to gain confidence. These foundational skills are often needed to meet employment requirements, or to gain skills that are required for study at a higher level.

We achieved:

Upskilling and reskilling outcomes for 440 learners who benefitted from ACE funded learning. Courses covered: basic computing and specific packages, introduction to the arts (including introduction to Māori art), life skills, welding skills and English for Speakers of Other Languages (ESOL).

For Graduate Outcome Data, we committed to:

Improving the quality of graduate outcome data as a way of measuring the extent to which our programmes are delivering skills for industry.

Generating improved data about employment outcomes from a variety of sources including surveys, social media sites, tracking learner cohorts by email and phone and direct information from learners who gain employment while studying. We are planning to consolidate these activities for all programmes based on the level and subject area. This includes setting up a formal alumni project to keep in touch with past graduates, track employment and assist in further up-skilling opportunities.

Continuing our Graduate Destination Survey and developing a complementary Employer Survey to establish how employers perceive our graduates in terms of skills, work readiness and the relevance and standard of the programmes we are offering.

We achieved:

Tertiary Education Strategy Priority	Commitment	2016 Target	2016 Outcome	Commentary
Delivering skills for industry	% Graduates tracked 6 months after completion	50%	24.3%	Change in survey methodology meant only graduating learners who did not return to NMIT for further study were surveyed compared to previous samples which included all graduating learners.
	% Graduates in employment 6 months after completion	83%	85.4%	85.4% were in employment compared to 79.5% in 2015, a 5.9% increase.
	% Learners, completing the Learner Experience Survey, who felt they had developed their overall core transferable skills	84%	88.2%	Learners were asked to what extent they had developed individual core transferable skills. Good and Outstanding responses indicated an increase of 4.2% compared to 2015.
	Implement new employer survey focusing on graduate work-readiness	Baseline figure not determined	67.0%	No survey was carried out in 2015 to determine a baseline target, however, 67% of employers surveyed in 2016 were satisfied with graduates' work readiness and 74% with their ability to fit in at their workplace.

*Priority 2: Getting At Risk Young People into a Job***For engaging young people in training options, we committed to:**

Continuing our strategy of engaging young people directly to discuss employment and training options and identify the most appropriate pathways available to them. Working through schools and community groups we will continue our successful career programmes where we invite young people to NMIT for career advice with qualified career consultants and other activities including targeted field trips, information evenings and course planning with NMIT staff.

We achieved:

Further development of our 'careers model' to engage with local secondary schools saw an increase in the number of secondary school teachers attending NMIT promotional field trips in 2016. We also achieved the highest number of "student for a day" attendees with a 25% increase on 2015 while the redevelopment of the Information Evening model saw over 700 people look at available study options compared to around 400 in 2015 under the old model.

For Trades Academy, we committed to:

Partnering with local secondary schools via the Top of the South Trades Academy (TOTSTA) to provide seamless transitions for young people leaving secondary school. This initiative also aims to retain young people at secondary school and achieve National Certificate of Educational Achievement (NCEA) Level 2. As the primary tertiary provider to TOTSTA, we will provide specialist training by top tutors to deliver programmes that support the region and provide the basis for ongoing education post school and or/employment with local industry. The course content for the Trades Academy will be aligned with the Vocational Pathways via curriculum alignment with partnered secondary schools.

We achieved:

A new uniformed services programme based on stakeholder need to be delivered in partnership with another local training provider in 2017. NMIT achieved all TOTSTA's reporting key performance indicators (KPIs) in 2016. This benefited learner achievement as schools and learners had, where possible, up-to-date information on unit standard achievement, attendance and likelihood of programme success. Regular curriculum alignment meetings with schools ensured a variety of unit standard options which increased learner NCEA achievement.

For engaging with youth and community, we committed to:

Further development of our dedicated Youth and Community Liaison Team undertaking a minimum of 50 visits per year to schools, community groups and government agencies to discuss opportunities available to school leavers.

We achieved:

Outcomes that exceeded targets with the Youth and Community team making over 50 school visits, 30 community group visits and 10 government agency visits - a total of over 90 separate visits. A new Business Liaison employed in 2016 had contact with over 150 businesses through promotional activities, new scholarships and sponsorships and other engagement opportunities.

For working with youth, we committed to:

Direct engagement with young people with a promotion and communication plan including social media advertising, print, radio and Facebook campaigns which have a combined reach of over 55,000 people.

Our approach involves working with community groups that have day-to-day contact with young people. For example, we engage with the Connexions Service and the Tasman Nelson Youth Service to identify young people at risk of becoming Not in Employment, Training or Education (NEET). We also work with Ministry of Social Development and Refugee Services to provide pathways to foundation education and higher qualifications including through the Straight to Work Scheme and Training for Work Scheme.

We achieved:

Increased engagement with different projects including becoming the regional coordinator for the Young Enterprise Scheme in the Top of the South and growing participants so that some 325 secondary school learners took part in the 2016 competition.

To measure our impact with youth, we committed to:

Measuring success in terms of our contribution to the Better Public Service Targets so that by 2017 85% of 18 year olds will have an NCEA Level 2 or equivalent qualification. We will also monitor:

- The number of young people (aged under 25) enrolled on, or progressing towards an NMIT programme at Level 4 and above.
- The number of Māori and Pasifika young people (aged under 25) enrolled at NMIT.
- The percentage of the region's school leavers who enrol in NMIT.

- The proportion of the region’s young people who are NEET.

Tertiary Education Strategy Priority	Commitment	2016 Target	2016 Outcome	Commentary
Getting at risk young people into a career	Qualification (Level 1-2) completion rates of NEETs enrolled at NMIT	45%	47%	A high level of pastoral care for these learners aided their progression.
	Learner Progression Rates (Level 1-2) (Under 25 year olds)	56%	27%	Lower outcome caused by programmes such as Seafood Processing which were in-work qualifications and did not have any progression.
	Learner Progression Rates (Level 3-4) (Under 25 year olds)	36%	17%	Lower outcome caused by programmes such as Aircraft Engineering Fundamentals which did not have progression. Compare to Certificate in Adventure Tourism which had a progression rate of 89%.
	Percentage of region's school leavers who enrol at NMIT	29%	26%	Lower number caused by a drop in the number of school leavers from the Marlborough region. By region, there were 15% enrolments from Marlborough Schools and 30% from Nelson schools.
	Proportion of Trades Academy learners progressing to mainstream programmes	40%	40%	Trades Academy progression continued to remain steady at 40%.

Priority 3: Boosting Achievement of Māori and Pasifika

For our internal Māori strategy, we committed to:

The implementation of Te Ara Wai. Through Te Ara Wai we are developing individual programme areas within NMIT to assist them to design and implement strategies and actions to improve the experience of Māori learners. Te Toki Pakohe, the Māori Studies Programme Area, will be involved in the initial stages of the roll out in assisting staff to raise awareness of the significant issues Māori face in tertiary education.

Te Ara Wai includes four high-level goals for the institution as a whole to focus on with regard to improving the experience for Māori: te whakakaha (empowerment), tipu ora (holistic development), whanau and te hāpori (community), and productive partnerships. It includes a sub-set of elements for teams to focus on, learn about and explore that will ensure the plans and actions they put in place align with the achievement of the high-level goals. These elements are identity, language and culture, Māori potential mind-set,

reflective models approach, kāpuia and kaiāwhina, tātaihono - connections broker and what is good for Māori is good for everyone.

Te Toki Pakohe will guide programme areas' learning and exploratory activities. Individual programme areas will be appointed a "Kaihāpai" or supporter to help them as they develop their plans. This approach is designed to enable individual programme areas to learn more about the nature and needs of Māori and will require them to take responsibility for addressing the issues they face. We have begun this work in Trades and Creative Industries, which have Māori cohorts of learners and have commenced the staff training element of Te Ara Wai with a view to growing their internal capacity.

We are committed to ensuring that NMIT as a whole supports Mātauranga Māori through participation in NZQA's Mātauranga Māori Evaluation Quality Assurance Programme.

We achieved:

The appointment of two Kaihāpai/support positions to facilitate the delivery of the Te Ara Wai staff cultural development programme. In addition to the existing resources in the Te Ara Wai cultural development suite, the Kaihāpai developed interactive resources for teams to use in their areas and classes. The Kaihāpai delivered drop-in sessions throughout semesters one and two broadening the uptake and understanding of cultural elements amongst NMIT teams. The sessions developed a greater awareness of barriers for Māori in tertiary education along with providing tools and supports for team members. The result of this work was a marked increase in the comfort of NMIT teams in engaging with Māori and addressing issues as they arose.

During semester two Heads of Departments and business support managers developed individual team plans, developed independently for endorsement by the Director of Māori Education, to demonstrate how they intended to approach continued cultural development in their respective teams in line with the Te Ara Wai objectives. They also identified objectives for the developments, for example, increased retention of Māori learners. The work to date has cemented Te Ara Wai as a part of everyday critical activity at NMIT and produced an environment where Māori culture can begin to flourish in a supportive and proactive setting.

Te Ara Wai was also cemented as a part of our Blue Tick project which encompasses all new programme development as we move into the development of new programmes post MRoQ. Given the significant work undertaken on Team NMIT cultural development, the awareness of and the need for Mātauranga Māori to be present in all our new programme development is appreciated much more across all the team as colleagues become confident to 'have a go' and to seek advice. We are well positioned to continue development of NMIT's cultural capacity and drive improved outcomes for Māori and Iwi in the region.

To measure our impact, we committed to:

Measuring primarily through Māori participation and completion rates in NMIT programmes, progression to higher-level qualifications and employment. We will also monitor the number of Māori staff we employ, with the aim of ensuring that our workforce is representative of and is able to address the needs of our learner population.

Tertiary Education Strategy Priority	Commitment	2016 Target	2016 Outcome	Commentary
Boosting achievement for Māori	Māori Learner Progression Rates (Level 1-4)	32%	28%	Progression through our foundation Māori programmes remained high with 49% of Te Rito o Te Reo learners progressing and 45% of Te Haeata learners.
	Māori Learner Retention Rates	65%	61%	The NMIT Māori strategy Te Ara Wai developed the ability of NMIT team members to respond effectively to Māori needs in the tertiary environment.
	Māori teaching staff /contractors	6%	1%	Notification of ethnicity is not compulsory for staff.
Boosting achievement for Pasifika	Pasifika Learner Progression Rates (Level 1–4)	32%	14%	Lower progression rate caused by significant number of in-work enrolments in the air force, elderly care and the seafood processing industries which had no progression.
	Pasifika Learner Retention Rates	65%	65%	Progression stable with consistent and quality cultural support available.
	Pasifika teaching staff / contractors	1.5%	0%	Notification of ethnicity is not compulsory for staff.

Priority 4: Improving Adult Literacy and Numeracy

We committed to:

The use of the Adult Literacy and Numeracy Assessment Tool (ALNAT) in both formative and summative ways to ensure valid and consistent measurement of literacy and numeracy development for our learners that supports their overall successful achievement. We will use the results to:

- Monitor learners' progress from their individual starting point towards their agreed goals.
- Inform our self-review processes.
- Set programme and institution level targets to ensure that results continue to improve.

We achieved:

Our investment plan targets, exceeding both the literacy and numeracy targets for Level 1 to 3 learners, and literacy for Youth Guarantee and Level 4 to 5 learners, validating our self-review processes and continual improvement.

Learning Facilitators continued to work with and support tutors to address barriers to learning brought about by gaps in learners' literacy or numeracy abilities. This included targeted support modelling best practice ALNAT diagnostic assessment.

Facilitation of whole class / cohort sessions, where identified useful, enabled discussion of results and the setting of legitimate progress targets with learners. Some positive work with improving and automating ALNAT assessment information for tutors and managers supported the monitoring of learners’ progress. For example, traffic light reports, suitable for Visual Management Boards, assisted the setting of programme level targets whilst providing a focus on improved gains for learners during programme team meetings. Likewise, proactive engagement with new tutors to implement and analyse the ALNAT assessments and to achieve their Diploma in Tertiary Learning and Teaching (DTLT) 504 or National Certificate in Adult Literacy & Numeracy Education (NCALE (Voc)) influenced improved significant gains as measured by ALNAT.

Tertiary Education Strategy Priority	Commitment	2016 Target	2016 Outcome	Commentary
Improving adult literacy and numeracy	Proportion of EFTS (learners at Levels 1-3) who make literacy and numeracy progress on reassessment as measured by ALNAT in:			A focused effort to support staff and learners resulted in marked improvements on 2015, exceeding our 2016 targets for both literacy and numeracy for our Level 1-3 learners.
	1. Literacy	15.00%	17.95%	Youth Guarantee and Level 4-5 reading gains were 18.87% and 18.95% respectively.
2. Numeracy	17.00%	20.98%		

Priority 5: Strengthening Research Based Institutions

We committed to:

Increasing our peer reviewed research quality outputs and reporting our research productivity on an institution, programme and individual level to meaningfully assess our performance, and where possible benchmark our performance against other Institutes. We will generate regular updates allowing us to better track, celebrate and reward research performance. We will also further develop our research strategy with clear goals and milestones.

While the impact of applied research is difficult to measure, our approach is to increase quality outputs by strengthening our quality assurance and peer-review processes. We have targeted entry into the Performance-Based Research Fund (PBRF) round in 2018 and will resource and build our research capabilities over this time. Measurement is transparent through an online process, creating an easy repository for recording, measuring and disseminating research activity. Information on levels and comparison data is regularly sent to each programme area and used as the basis for the development of research plans and reports, including each staff member’s success in reaching their milestones.

We achieved:

Significant improvements for NMIT research in 2016 evidenced by a number of publications in the world’s top ranking journals such as Nature, The Lancet and The Journal of the American Medical Association by a number of colleagues spread across the Institute. The increase in quality did not come at the expense of quantity with 1.75 quality assured (QA) outputs produced in 2016 per degree teaching full time equivalent (FTE); a marked increase in quality assured outputs (normalised against degree teaching FTE) since 2011.

The overhaul of our systems and processes to enable quality, online and collaborative research plans, clearly outlining agreed research milestones for each staff member, and monthly reporting of our research performance to each of our degree and postgraduate programmes achieved significant positive development in applied research. In addition, we rewrote our research strategy with clear goals to better steer us towards NMIT's aim to become an influential centre for applied research.

We are committed to entering the next PBRF round and continued to grow our research support available to colleagues. This included the employment of experienced, world leading Research Professors to directly mentor staff and build collaborative projects. In addition, a physical research area was created enticing staff from their offices to provide the time and space to effectively research. These efforts, along with rewarding our research staff with more research time, all contributed to the continuing improvement in our research culture and reputation.

Tertiary Education Strategy Priority	Commitment	2016 Target	2016 Outcome	Commentary
Strengthening research based institutions	Quality assured research outputs which underpin the economic and social development of the region	40	68	While we far exceeded our QA outputs target, more pleasing was the significant rise in research quality in 2016. Staff were encouraged into research and support was provided as part of a push to grow our research culture.
	Number of collaborations / internships / agreements with research institutes	5	7	2016 saw a rise in new collaborations and research funding bids attributed to the work of our new Research Professors and enhanced research reputation.

Priority 6: Growing International Linkages

To measure our impact, we committed to:

Increasing revenue contribution from international enrolments to NMIT and increased value of NMIT education products and services delivered offshore.

We achieved:

Growth in international learner enrolments which were proactively driven through building new and strengthening existing relationships with international partner institutes and recruitment agents. Enrolments grew from 623 in 2014 and 1,023 in 2015 to 1,260 in 2016. Revenue from international enrolments grew by 6.7% from \$8.6m in 2015 to \$9.2m in 2016.

2016 saw the development of a new international development plan to increase cultural diversity and reduce reliance on two dominant markets. This plan is for implementation in 2017 and beyond.

New in 2016 (and part of the international development plan) was the development of NMIT's Study Abroad and Student Exchange programmes which were approved by NZQA in December.

The new Code of Practice for the Pastoral Care of International Students became effective from 1 July 2016. In line with the spirit of the new code, NMIT revised the agreement that governs our work with international agents and also developed and rolled out agent training material.

Tertiary Education Strategy Priority	Commitment	2016 Target	2016 Outcome	Commentary
Growing international linkages	Number of key in-country relationships / partnerships for NMIT delivery	2	4	<ul style="list-style-type: none"> • Zhejiang University of Water Resources and Electric Power • Hubei Polytechnic University • Hunan University of Technology • Guangdong Engineering Polytechnic
	Number of key off-shore relationships / partnerships	8	10	<ul style="list-style-type: none"> • Nanchang Hangkong University • Guangdong Engineering Polytechnic • Zhejiang University of Water Resources and Electric Power • Hunan University of Technology • Hubei Polytechnic University • Beijing University of Agriculture • Chinese Agricultural University • J F Oberlin University • Seinan Jo Gakuin University • Kanagawa University
	% of income from international partnerships	10%	12%	Growth achieved with our China programme, Aviation training for Papua New Guinea cohort and international learners studying at Global Campus.
	International First Impressions Survey - Learners' experience 'exceeded expectation'	90%	83.3%	Average positive response for programme, teaching, learning environment and NMIT which improved from 83.3% to 94.2% in the later Learners' Experience Survey.

NMIT's Organisational Priorities

Embrace Innovative Learning

For information for learners, we committed to:

The Tertiary Education Commission's (TEC) initiative to make better information available to prospective learners and to support their enrolment decisions and "assess for themselves the value of tertiary education and how it will contribute to their achievement of the outcomes desired". We will publish for each of our programmes standardised information on: minimum entry requirements, costs of study (Government subsidy, learner contribution and how to access loans and allowances), retention and completion rates, graduate employment rates, graduate earnings and graduates progressing to further study.

We achieved:

A complete relaunch of the NMIT website. This improved the customer experience through simplified searching, more concise programme information, improved visual design and navigation, improved help and enquiry support. All of this work aimed to provide prospective learners easy, timely and accurate information on their study options.

Use of the website as a significant source of information for prospective learners increased from 54% in 2015 to 77% in 2016.

Planning and preparation for TEC's newly developed Key Information for Students was achieved, and this will go live in line with TEC's project plans in early to mid-2017.

Social media and digital channels were used extensively in 2016 to promote NMIT's programmes. NMIT moved from 'mainly print' to 'mainly digital' communications during the year. This was supplemented by more traditional publications such as the prospectus and fliers to support those needing information in this format.

For quality assurance and continuous improvement, we committed to:

Recognised external quality 'marks' including Australia/New Zealand Standard (AS/NZS) ISO 9001:2008 and the Baldrige Education Criteria for Performance Excellence.

We achieved:

For the fourth consecutive year, a review by Telarc confirmed NMIT's continued compliance in attaining certification of ISO 9001:2008, Management Systems.

The scope of the 2016 review was extended to include Global Campus, Auckland, as well as NMIT's Nelson, Richmond, Marlborough and Woodbourne campuses. Telarc's final Management System Report included the following comments:

"The management system audited appeared to be very effective in terms of meeting [NMIT's] objectives. The following strengths could be attributed to achieving this outcome:

- An understanding of, and commitment to comply with, the NMIT Mission, Purpose and Vision.
- A focus on achieving targets set for student achievement and learning objectives.
- Significant progress on the implementation of the Te Ara Wai Māori strategy.
- A focus at all levels on the monitoring and delivering of 'pastoral care' for students in need."

For the **Learner Centred Delivery (LDF) model**, we committed to:

Our LDF, a major institution-wide project that is intended to ensure that development, delivery and assessment activity will transform NMIT and create a 21st Century learning institution.

The LDF reflects significant changes in the approach of teaching and learning assessment through technology and our commitment to placing significantly greater value on the experience the learner brings with them and where and when they want to learn. It is designed to maximise the development of soft skills through project-based learning, a shift to a learner centred approach and increased work-based industry experience.

We achieved:

The full embedding of LDF in our learning and teaching design, development and assessment / evaluation process. NMIT employed five additional education developers to work alongside programme areas to increase application of the learning design principles. More than 20 programmes were redeveloped to an increased level of blended delivery through the Blue Tick project.

Recognise and Develop the Skills of Our People

We committed to:

Culture. Our goal is to have a workforce who embraces the changing face of educational delivery to achieve NMIT's vision of Excellence in the Education Business. We will achieve the cultural change through developing the capability of existing colleagues and recruiting new colleagues with the necessary skills and behaviours.

Change Leadership. We are redefining colleagues' roles and responsibilities, change processes and systems, and refining service to learners. The need for managers to make decisions and act quickly within the parameters of their jobs is increasing to reflect learner demands and the need for a flexible workplace.

Capability. Our capabilities assessment has identified developmental needs in the areas of digital information literacy, learning design, ed-Tech tools and blended facilitation. Our e-learning framework (ePD) aims to develop the competence of staff to select and use appropriate e-tools and techniques to support and enhance the delivery of the curriculum. 'Unbundling' of the traditional academic staff member to reflect more effective outcomes in delivery, development and assessment will be a key activity in developing staff capability for the future.

Capacity. Our workforce planning will include consideration of the way academic staff currently operate and how the learning design models may impact teaching and learning practice and delivery within the terms of the collective Employment Contract.

The scale of workforce change is significant and our approach to change will reflect a prudent strategy emphasising the need for a sustainable tertiary organisation, while modernising terms and conditions of employment to reflect the need for a flexible working environment.

We achieved:

Improvements that allowed an improved approach to the need for Managers to make decisions and act quickly and thereby reflect learner demands and the need for a flexible workplace, with some roles and responsibilities being either redefined or introduced. This included a Deputy Head of Department role, which was structured to support the Heads of Department to deliver our primary objectives.

A fit for purpose Performance Recognition Framework was designed and implemented, an employee engagement survey and action planning was rolled out as well as a range of recognition and celebration

activities. These underpinned a focus on making NMIT a better place to work and encouraged a workforce that embraced change.

An online recruitment, selection and on-boarding workflow solution was implemented with the aim to improve the efficient deployment of resources and thereby assist to refine our service to learners. In addition to this, professional development in the areas of digital information literacy, learning design, ed-Tech tools and blended facilitation were available to all team members, with additional opportunities focused on resource and people management for leaders at the start of 2017. This supported an increase in capability to deliver appropriate skills for a learner experience appropriate to work-ready world-ready graduates.

Be an Organisation of Choice

We committed to:

Building awareness of our services and our reputation for excellence through:

- Increasing our profile in Marlborough and Tasman, where knowledge, awareness and perceptions are lower against a range of measures than in Nelson, including exploring opportunities to make more programmes available across multiple campuses.
- Improving perceptions of the quality and reputation of teaching staff, for example through case studies of excellent practice.
- Growing awareness of the online and flexible study options available.
- Continue to refine our communication and marketing channels, in response to feedback that website, phone and visits are the most important sources of information about programmes at NMIT.

We achieved:

Improved external communication through our reviewed brand vision implemented in 2016. We engaged in marketing activity specifically targeting Marlborough and Tasman. The Postgraduate Diploma in International Business was introduced into both Global Campus and Nelson Campus. Development of a second new programme, Postgraduate Diploma in IT Security Management, was undertaken for delivery later in 2017.

A selection of teaching staff were profiled in the Top of the South magazine, *Wild Tomato*, to help increase profile and grow our reputation for quality.

Brand perceptions and profile were not specifically measured during the year. A formal employer satisfaction survey provided a number of insights and the main conclusion drawn from the survey was that there is an ever-growing demand for work-ready graduates and therefore we need to continue to design and redesign our programmes accordingly to meet that need.

Communications and marketing channels were refined significantly across the year with more use of digital communications along with a complete redesign of the NMIT website. Marketing campaigns are now analysed in detail (ad views, engagement, click actions and calls are measured) and used as input into the next campaign.

Impact of Changes in the Demand and Supply of Educational Services

We have considered how changes in the demand and supply of educational services will affect our asset base, working in collaboration with other partners, over the next five years. The table below outlines our progress in 2016 against identified goals.

<i>Learning changes</i>	<i>Asset related impact of changes</i>	<i>2016 Achievements</i>
Improved use of information technology through blended learning, involving campus, classes, home etc	Wireless, bring your own device, flipped classroom, mobile infrastructure, cloud, interactive IT solutions.	English Language tutors now teaching with mobile devices including wireless projection in classrooms. A wider rollout is planned for 2017.
Improved collaboration / breakout spaces, flexible use of facilities	Classroom furniture to be flexible for changing layout of teaching spaces and methods.	The creation of new learner stakeholder and user groups allowed NMIT to more efficiently identify areas for improvement in learning spaces. Refurbishments to flexible learning spaces and the addition of digital noticeboards were well received.
Growth in one-to-one and multiparty interactive video conferencing	More flexible videoconferencing solutions, integrating both classroom and desktop, enabling participative local and remote personalised learning and collaboration.	Weekly average of 59 participants in Skype conferences. Applied Business tutors trialled off campus learners joining video conferencing lectures via Skype.
Simulation and use of games especially in Trades, Maritime and Nursing	Access and interaction with simulation and game playing technologies.	Continued to support Second Life, Health and Maritime simulation installations. Reviewed HTC Vive virtual reality technology and agreed to purchase for testing in 2017. Gained approval for new ship handling simulation system to be installed in 2017.
Greater export education	Greater use of interactive, blended technologies, accessing potentially far wider customer base.	The development of programmes delivered offshore through flexible and blended learning content including Applied Business, IT and Viticulture. Content can be accessed flexibly to enhance and support learning activity.

<p>eCampus initiative</p>	<p>Learners can access learning remotely, anywhere in the world anytime through an eCampus newly branded portal. On demand scalability and accessibility via alternative routes using internet and cloud technologies will be crucial, implying an operating expenditure subscription-based off campus service.</p>	<p>Wholly online learning opportunities now exist for a range of existing NMIT and new programmes. These programmes can be studied as “wholly online” or as blended with a formal delivery. The development of predictive and on-course learner analytics received significant investment in 2016 and will be wholly available in 2017.</p>
<p>Changing programme demands, e.g. in Hospitality, Trades, Maritime and Aquaculture</p>	<p>Retooling and upgrading of (teaching) plant and equipment on a more regular/frequent basis.</p>	<p>Significant progress was made on the new 20-year Capital Asset Management Plan which will provide a road map for agreed service levels and planned maintenance and replacement of plant and equipment.</p>

NMIT Performance Commitment Reporting

The following Performance Commitments are drawn from NMIT's 2015-2016 Investment Plan; these were developed to align with the Government's Tertiary Education Strategy priorities.

The Institute's 2016 performance (provisional) is reported against the planned performance, together with the Institute's performance from the previous three years.

SAC Levels 1 and 2			Previous Years' Actuals Latest data			Target	Provisional ¹
Performance Commitments SAC Levels 1 and 2			2013	2014	2015	2016	2016
			%	%	%	%	%
Participation							
The proportion of SAC Eligible EFTS who are:	Māori	Levels 1 and 2	1.2	5.4	3.2	1.6	3.3
	Pasifika	Levels 1 and 2	0.1	0.4	0.2	0.2	0.3
Educational Performance							
Course completion							
The successful course completion rate (SAC Eligible EFTS) for:	All students	Levels 1 and 2	74.0	79.0	68.0	80.0	72.0
Qualification completion							
The qualification completion rate (SAC Eligible EFTS) for:	All students	Levels 1 and 2	72.0	78.0	65.0	75.0	71.0
Student Retention							
The student retention rate for all students (SAC Eligible student count)	All students	Levels 1 and 2	60.0	57.0	71.0	64.0	63.0
Student Progression²							
The student progression rate (SAC Eligible student count) from Levels 1 and 2, to a higher level, for:	All students	Levels 1 and 2, to a higher level	52.0	51.0	35.0	36.0	33.0

1. The 2016 reported results are provisional results and NMIT expects to confirm these with the TEC in June / July 2017.
2. Overall progression is below target. Where levels are low there is a direct link to supported learning programmes for learners at work improving literacy and numeracy or learners with complex needs and learning difficulties or disabilities, where progression in another Level 2 programme is typical.

NMIT PERFORMANCE COMMITMENT REPORTING

Performance Commitments SAC Levels 3 and above			Previous Years' Actuals			Target	Provisional
			Latest data			2016	2016
			2013	2014	2015	%	%
Participation ³							
The proportion of SAC Eligible EFTS who are:	Under 25	Level 3 and Above	new	39.0	42.0	43.0	43.8
		Level 4 and Above		32.0	28.0	32.0	40.0
	Māori	Level 3 and Above	new	14.0	18.0	14.0	19.7
		Level 4 and Above		9.9	8.7	12.0	11.0
	Pasifika	Level 3 and Above	new	3.8	4.0	4.0	4.3
		Level 4 and Above		4.3	2.2	3.4	3.8
Educational Performance							
Course completion							
The successful course completion rate (SAC Eligible EFTS) for:	All students	Level 3 and Above	new	81.0	81	80.0	81.0
		Level 4 and Above		78.0	81.0	83	82.0
	Under 25	Level 3 and Above	new	77.0	82	81.0	83.0
		Level 4 and Above		78.0	81.0	84	83.0
	Māori ⁴	Level 3 and Above	new	75.0	69	78.0	71.0
		Level 4 and Above		64.0	73.0	72	80.0
	Pasifika ⁴	Level 3 and Above	new	72.0	71	79.0	70.0
		Level 4 and Above		63.1	70.0	72	81.0

3. Participation of priority target groups across the board exceeded 2015 results and 2016 targets.

4. Successful course completions for Māori and Pasifika did not reach the stretched targets but are in line with 2015 performance.

NMIT PERFORMANCE COMMITMENT REPORTING

Performance Commitments SAC Levels 3 and above			Previous Years' Actuals			Target	Provisional	
			Latest data			2016	2016	
			2013	2014	2015	%	%	
Qualification Completion⁵								
The qualification completion rate (SAC Eligible EFTS) for:	All students	Level 3 and Above	new	72.0	74.0	73.0	70.0	
		Level 4 and Above		88.0	71.0	77.0	75.0	71.0
	Under 25	Level 3 and Above	new	72.0	73.0	71.0	64.0	
		Level 4 and Above		84.0	69.0	74.0	73.0	62.0
	Māori	Level 3 and Above	new	67.0	58.0	72.0	57.0	
		Level 4 and Above		74.0	62.0	59.0	74.0	54.0
	Pasifika	Level 3 and Above	new	50.0	68.0	72.0	70.0	
		Level 4 and Above		52.0	46.0	69.0	74.0	70.0
Student Retention (Retention Data is at "All Levels")								
The student retention rate for all students (SAC Eligible student count)	All students	Level 3 and Above		62.0	65.0	66.0	67.0	67.0
	Māori	Level 3 and Above		56.0	63.0	62.0	65.0	60.0
	Pasifika	Level 3 and Above		65.0	64.0	67.0	65.0	65.0
Student Progression⁶								
The student progression rate for students (SAC Eligible student count) from Levels 1 to 3, to a higher level, for:	All students	From levels 1 to 3, to a higher level		31.0	25.0	21.0	32.0	24.0
	Māori			29.0	24.0	28.0	32.0	42.0
	Pasifika			14.0	36.0	24.0	32.0	40.0
Other Commitments								
The number of international student EFTS (NZ only)	All students	All levels		445	486	712	530	766

- Apart from Pasifika learners, qualification completion is below 2015 results and targets. Key contributors are the introduction of new programmes and qualifications as a result of MROQ, learners commencing their study in the second semester and provisions made for learners to accommodate completing their study in an extended timeframe.
- Overall progression for Levels 1 to 3 to a higher level of study is below target for all students. Where levels are low there is a direct link to the low progression of Level 1 and 2 supported learning programmes, where sidewise rather than vertical progression is typical. On the other hand, progression of Māori and Pasifika learners has exceeded the target by 10% and 8% respectively.

Statement of Resources

For the year ended 31 December 2016

	2016 Land Area Ha	2016 Buildings Area m ²	2015 Land Area Ha	2015 Buildings Area m ²
Crown Properties and Buildings				
Nelson Campus	2.90	13,242	2.90	13,298
Richmond Campus	0	811	0	811
Marlborough Campus	5.47	1,101	5.47	1,101
Brook Campus	0	322	0	396
Total	8.37	15,476	8.37	15,606

	2016 Land Area Ha	2016 Buildings Area m ²	2015 Land Area Ha	2015 Buildings Area m ²
Institute Owned Properties and Buildings				
Nelson Campus	1.24	10,093	1.24	10,093
Richmond Campus	4.65	675	4.65	675
Marlborough Campus	0	1,650	0	1,650
Brook Campus	0	0	0	56
Woodbourne Campus	0	1,376	0	1,376
Total	5.89	13,794	5.89	13,850

Grand Total	14.26	29,270	14.26	29,456
--------------------	--------------	---------------	--------------	---------------

	2016 Buildings Area m ²	2016 Annual Rental (\$000)	2015 Buildings Area m ²	2015 Annual Rental (\$000)
Leased Properties and Buildings				
Woodbourne RNZAF	5,812	56	5,812	66
Brook Campus	0	0	0	3
Cawthron Aquaculture Facility	204	40	204	40
Global Campus Auckland	2,908	850	2,908	425
Total	8,924	946	8,924	534

Library Resources	2016	2015
Available resources include:		
Monographs	32,811	36,776
Serials	14,926	15,988
Non-book items e.g. DVDs	2,029	2,180

2016 EFTS

	SAC	Int'l	ITO	YG	STAR	Other	Total
2016 Target*	2,048	1,135	17	100	56	82	3,438
2016 Actual	2,025	991	27	104	40	84	3,271

By Department Target 2016*

	SAC	Int'l	ITO	YG	STAR	Other	Total
Applied Business and English Language Programme	193	269	-	-	3	23	488
Arts, Media and Digital Technology	410	29	-	-	2	-	440
Global Campus	-	365	-	-	-	-	365
Health and Fitness	284	28	-	-	9	1	322
In China Deliveries	-	345	-	-	-	2	347
Learner Services	-	-	-	-	-	-	-
Primary Industries, Maritime and Adventure Tourism	377	66	-	60	7	20	530
Social Sciences and Te Toki Pakohe	391	2	-	-	-	-	392
Trades, Engineering and Aviation	395	31	17	40	35	36	554
Total	2,048	1,135	17	100	56	82	3,438

By Department Actual 2016*

	SAC	Int'l	ITO	YG	STAR	Other	Total
Applied Business and English Language Programme	191	352	-	-	1	16	559
Arts, Media and Digital Technology	391	42	-	-	-	-	434
Global Campus	-	166	-	-	-	-	166
Health and Fitness	307	17	-	-	6	1	330
In China Deliveries	2	290	-	-	-	-	292
Learner Services	-	-	-	-	-	2	2
Primary Industries, Maritime and Adventure Tourism	363	65	-	42	7	43	519
Social Sciences and Te Toki Pakohe	432	8	-	-	-	-	440
Trades, Engineering and Aviation	341	52	27	62	26	21	529
Total	2,025	991	27	104	40	84	3,271

*Numbers do not exactly add up due to rounding.

Analysis of Enrolments

	2016	2015
Total unique learners	7,638	7,388
Enrolments per EFTS	2.33	2.32

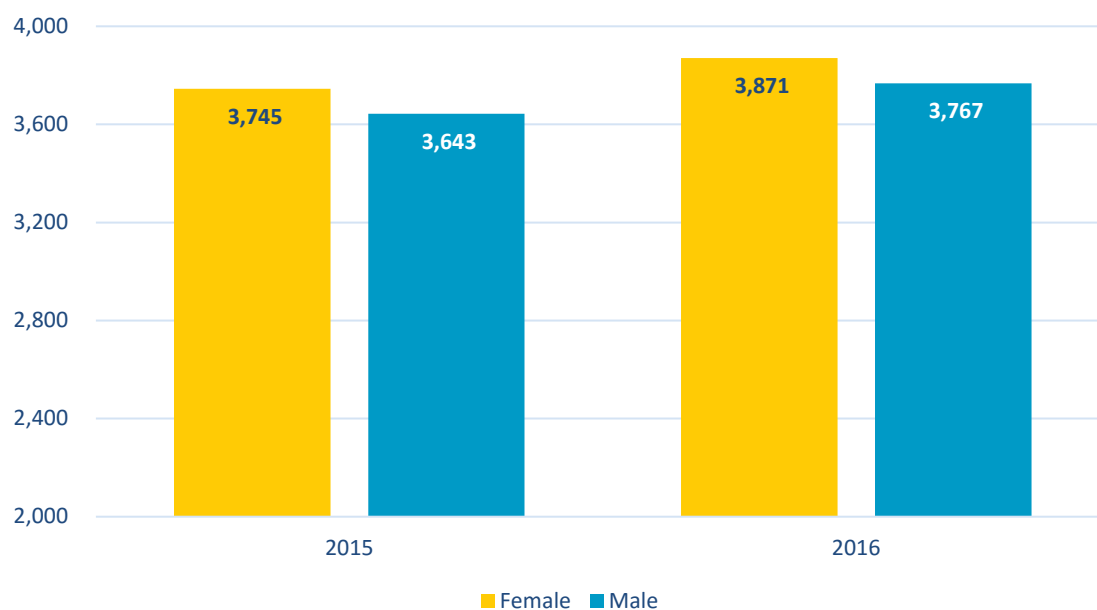
Learner Ethnicity

Percentage Māori learners	13.1%	14.1%
Includes all categories of learners (i.e. SAC, ITO, Youth Guarantee & self-funded learners)		

Learner Gender

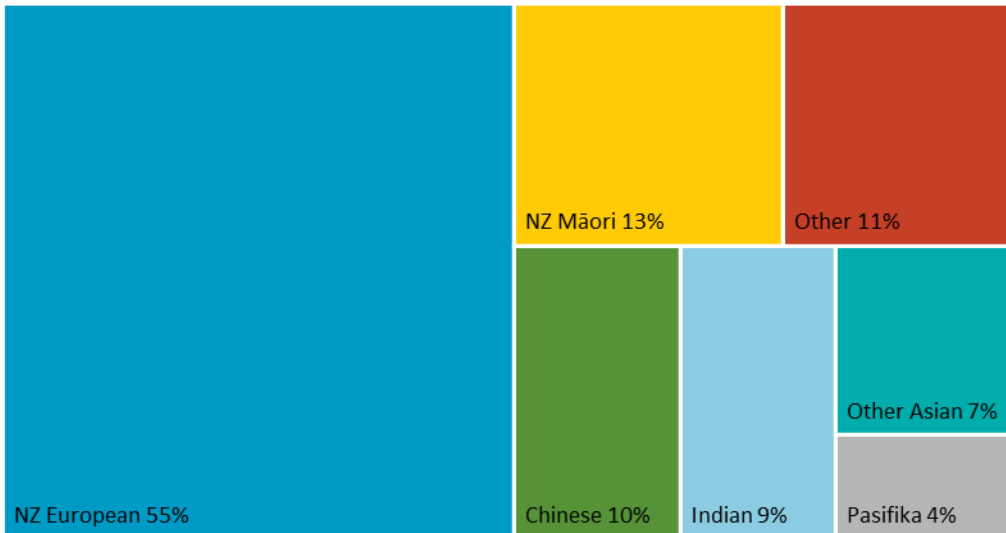
Percentage female learners	50.7%	50.7%
----------------------------	-------	-------

Two Year Summary of Learner Enrolments by Gender

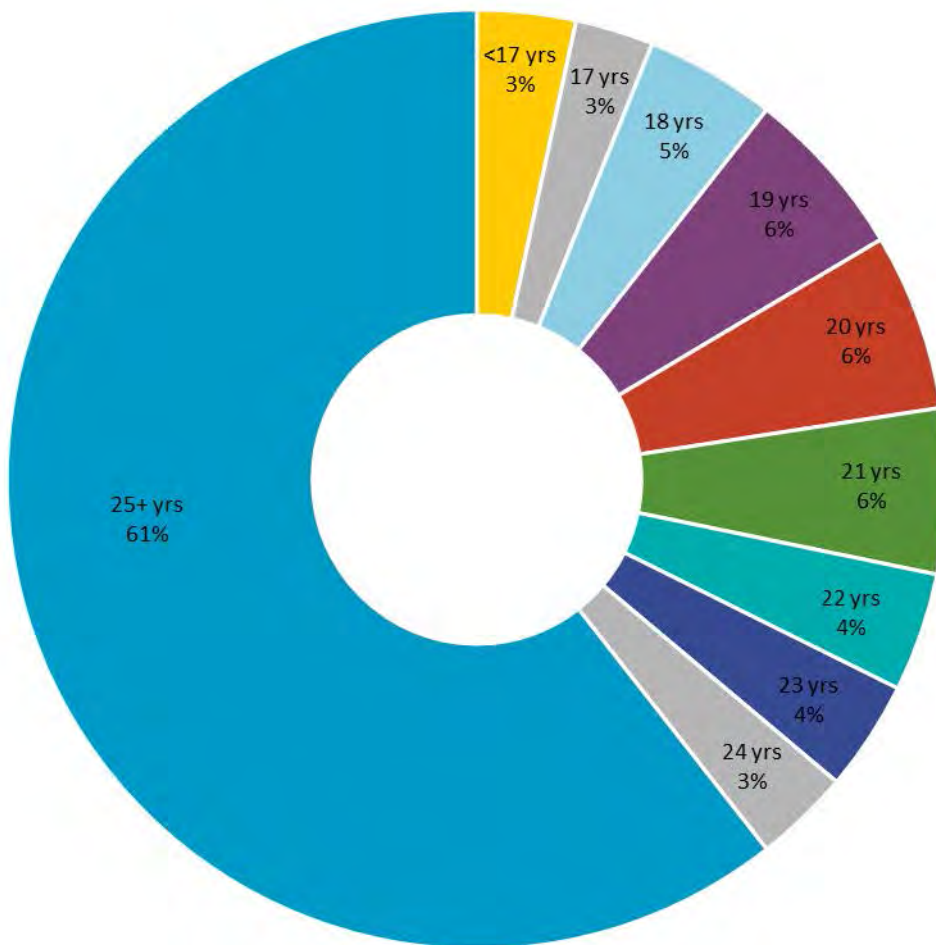


Learner Profile

Learner Ethnicity



Learner Population by Age



Research Activity Report

Research Outputs

Books

Davison, J. (2016). *CCH VAT Planning 2016-17*. London: Wolters Kluwer.

Davison, J. (2016). *Post VAT registration, Tottels VAT Digest*. London: Bloomsbury Tax Publishing.

Chapters in Books

Davison, J. (2016). Cross border transactions. In *British VAT Reporter*. Section 63-000 – 69-000. London: Wolters Kluwer.

Davison, J. (2016). Land, construction and property. In *British VAT Reporter*. Section 33-000 - 39-000. London: Wolters Kluwer.

Davison, J. (2016). VAT. In *Croner's Reference Book for the Self Employed and Smaller Business*. Chapter Bi – B863. Croners.

Mitchell, D. (2016). Supporting male survivors. In *Toah Nests Good Practice* (pp. 58-61). Wellington, New Zealand: Toah Nnest.

Journal Articles

Airehrour, D., Gutierrez, J., & Ray, S. K. (2016). Secure routing for internet of things: A survey. *Journal of Network and Computer Applications*, 66, 198-213.

Buenz, E. J. (2016). Eliminating potential lead exposure in imported New Zealand wild game. *Public Health*, 139, 236-237. doi:10.1016/j.puhe.2016.06.025

Buenz, E. J. (2016). Industry: Shared goals score reproducible results. *Nature*, 533(7601), 36. doi:10.1038/533036d.

Buenz, E. J. (2016). Lead exposure through eating wild game. *The American Journal of Medicine*, 129(5), 457-458. doi:10.1016/j.amjmed.2015.12.022

Buenz, E. J. (2016). Non-lead ammunition may reduce lead levels in wild game. *Environmental*

Science and Pollution Research, 23(15), 15773. doi:10.1007/s11356-016-7020-7

Buenz, E. J., Parry, G. J., & Peacey, M. (2016). Consumption of wild-harvested meat from New Zealand feral animals provides a unique opportunity to study the health effects of lead exposure in hunters. *Ambio*. 45(5), 629-631. <http://dx.doi.org/10.1007/s13280-016-0798-1>

Buenz, E. J., Parry, G. J., & Ranta, A. (2016). Plasma exchange as a cost-effective option for treating Guillain-Barré syndrome. *Therapeutic Advances in Neurological Disorders*, 1756285616659978.

Davison, J. (2016). Apprenticeship levy. *Croner-i*. Retrieved from <https://app.croneri.co.uk/feature-articles/business-and-tax-updates-sme>.

Davison, J. (2016). Brexit means what? *CCH VAT News*, 129.

Davison, J. (2016). Business and tax updates for SMEs. *Croner –i*. Retrieved from <https://app.croneri.co.uk/feature-articles/business-and-tax-updates-sme?product=32>

Davison, J. (2016). Get ready for tax chaos. *Croner-i*. Retrieved from <https://app.croneri.co.uk/feature-articles/business-and-tax-updates-sme>

Davison, J. (2016). Consideration for the supply. *De Voil Indirect Tax Intelligence*, 238, 10-13.

Davison, J. (2016). Digital tax returns. *Croner-i*. Retrieved from <https://app.croneri.co.uk/feature-articles/business-and-tax-updates-sme>

Davison, J. (2016). Economic Madness? *CCH VAT News*, 119.

Davison, J. (2016). Frequently asked questions regarding cross border trade following Brexit. *Croner-i*. Retrieved from <https://app.croneri.co.uk/feature-articles/frequently-asked-questions-regarding->

cross-border-trade-following-brexit#WKID-201609301105380729-30649973

Davison, J. (2016). Impact on VAT, imports and exports following Brexit. Croner-i. Retrieved from <https://app.croneri.co.uk/feature-articles/frequently-asked-questions-regarding-cross-border-trade-following-brexit>

Davison, J. (2016). Hard Brexit. Croner-i. Retrieved from <https://app.croneri.co.uk/whats-new/hard-brexit#WKID-201610250723530722-47612519>

Davison, J. (2016). Immovable Property. CCH VAT News, 124.

Davison, J. (2016). Inaccuracy Penalty. Croner-i. Retrieved from <https://app.croneri.co.uk/whats-new/how-get-inaccuracy-penalty-suspended#WKID-201611080951430712-35097244>

Davison, J. (2016). Is this the best way to resolve disputes? De Voil Indirect Tax Intelligence, 241, 11-13.

Davison, J. (2016). Landlords. Croner-i. Retrieved from <https://app.croneri.co.uk/whats-new/hazards-being-landlord#WKID-201610071309260819-23529798>

Davison, J. (2016). Living in a digital world... . Croner-i. Retrieved from <https://app.croneri.co.uk/feature-articles/business-and-tax-updates-sme>

Davison, J. (2016). Margin of Appreciation. De Voil Indirect Tax Intelligence, 244, 9-11.

Davison, J. (2016). Pensions – an unmeasurable liability? Croner-i. Retrieved from <https://app.croneri.co.uk/feature-articles/business-and-tax-updates-sme>

Davison, J. (2016). Repayment Claims. CCH VAT News, 114.

Davison, J. (2016). VAT errors. Croner-i. Retrieved from <https://app.croneri.co.uk/feature-articles/business-and-tax-updates-sme>

de Vries, K., Drury-Ruddlesden, J., & Gaul, C. (2016). 'And so I took up residence': The experiences of family members of people with dementia during admission to an acute hospital unit. *Dementia*, 1471301216656097. doi:10.1177/1471301216656097

Everett, K. R., Timudo-Torrevilla, O. E., Scheper, R. W. A., Shaw, P. W., Wood, P. N., Mundy, D. C., & Wallis, D. R. (2016). The influence of nutrition, maturity and canopy density on the incidence of apple bitter rot. *New Zealand Plant Protection*, 69, 99-110.

Fraser, S., & Briggs, L. (2016). Bi-culturalism and accountability: Fundamental changes in social work practice in Aotearoa New Zealand 1984 – 1990. *Aotearoa New Zealand Social Work*, 28(1), 43-51.

Howe, C.L., LaFrance-Corey, R.G., Mirchia, K., Sauer, B.M., McGovern, R.M., Reid, J.M., & Buenz, E.J. (2016). Neuroprotection mediated by inhibition of calpain during acute viral encephalitis. *Scientific Reports*, 27(6). doi:10.1038/srep28699

Kjellstrom, T., Briggs, D., Freyberg, C., Lemke, B., Otto, M., & Hyatt, O. (2016). Heat, human performance and occupational health -- a review and assessment of global climate change impacts. *Annual Review of Public Health*, 37, 97-112. doi: 10.1146/annurev-publhealth-032315-021740

Montero, R., Mundy, D., Albright, A., Grose, C., Trought, M.C.T., Cohen, D., ... Bota, J. (2016). Effects of Grapevine Leafroll associated Virus 3 (GLRaV-3) and duration of infection on fruit composition and wine chemical profile of *Vitis vinifera* L. cv. Sauvignon blanc. *Food Chemistry*, 197 (Part B), 1177-1183.

Mundy, D.C., & McLachlan, A.R.G. (2016). Visual symptoms of trunk diseases do not predict vine death. *New Zealand Plant Protection*, 69, 17-24.

Omisakin, O.M., Nakhid, C., Littrell, R., & Verbitsky, J. (2016). Entrepreneurial orientation among migrants and small and medium enterprises. *Journal of Business Administration Research*, 5(1), 7-22. doi:10.5430/jbar.v5n1p7

Parry, G. J., Peacey, M., & Buenz, E. J. (2016). Little risk of severe complications associated with Zika infection in New Zealand. *NZ Medical Journal*, 129, 108.

Parry, G. J., Rodrigues, C. M. P., Low, W. C., Hilbert, S. J., & Steer, C. J. (2016). Ursodeoxycholic Acid May Slow the Progression of Amyotrophic Lateral Sclerosis. *Annals of Neurodegenerative Disorders*, 1(3), 1013.

Smith, K., Woodward, A., Lemke, B., Otto, M., Chang, C., Mance, A., ... Kjellstrom, T. (2016). The last Summer Olympics? Climate change, health and work outdoors. *The Lancet*, 388, 642-644. doi: 10.1016/S0140-6736(16)31335-6

Sonnberg, S., Ducatez, M.F., DeBeauchamp, J., Crumpton, J.C., Rubrum, A., Peacey, M., ... Webby, R.J. (2016). Pandemic-seasonal H1N1 reassortants recovered from patient material display a phenotype similar to the seasonal parent. *Journal of Virology*, 90(17), 7647-7656.

Thabtah, F., & Abdelhamid N. (2016). Deriving minimal sets of website features for phishing detection. *Journal of Information & Knowledge Management*, 15(4) 1-17.

Thabtah, F., Qabajeh, I., & Chiclana, F. (2016). Constrained dynamic rule induction learning. *Expert Systems with Application*, 63, 74–85.

Trip, E. D., Clements, K. D., Raubenheimer, D., & Choat, J. H. (2016). Temperate marine herbivorous fishes will likely do worse, not better, as waters warm up. *Marine Biology*, 163(2), 1-8.

Published Poetry, Short Stories and Literary Reviews

Auchmuty, B., Fell, C., & Townsend, M., (eds) (2016). *Kiss Me Hardy*, 1. Self-published, Nelson, New Zealand.

Fell, C. (2014). L'Anima Verde. *Griffith REVIEW*, 43, 75.

Fell, C. (2016). Once. In A. Roddick & C. Benyon (Eds), *The Unexpected Greenness of Trees* (pp. 39-40).

Exhibitions - Curated

Breukel, K. (2016). Aquatic Expressions; Light in a bottle; Luminous Boxes [installations]. In C. Marshall (curator), *Light Nelson*, Nelson, New Zealand.

Breukel, K. (2016). CSI Sydenham [installation]. In G. Shaw & S. Webster (curators), *Spectrum Street Art Festival*, Christchurch, New Zealand.

Breukel, K. (2016). Neon Robot [visuals and stage design]. In C. Marshall (curator), *Light Nelson*, Nelson, New Zealand.

Hunter, S. R. (2016). Billboard project [street installation]. *Nelson Arts Festival*, Founders Park, Nelson.

Plank, C. (2016). Hold Me I & II [textile]. 10th International Shibori Symposium, Oaxaca, Mexico.

Plank, C. (2016). PUKA – Meryta sinclairii A subtropical paradise [textile]. *Changing Threads - Contemporary Fibre Art Awards*. Arts Council Nelson, Nelson, New Zealand.

Salmon, C. (2016). Still life: Cream jug with butter papers [mixed media installation]. In Stupples, P. (curator), *Art & Future*, Dunedin School of Art Gallery, Dunedin, New Zealand.

Salmon, C & Goetz, B. (2016). Shadow Rabbit & Shadow World [mixed media installation]. In C. Marshall (curator), *Light Nelson*, Nelson, New Zealand.

van Dyk, K. (2016). Playthings [. *Refinery ArtSpace*, Nelson, New Zealand.

Exhibitions – Non-curated

Cornwell, G. (2016). Love Letters [exhibition]. *ZEUS Gallery*, Tauranga, New Zealand.

Cornwell, G. (2016). Mum, I am a Barbarian [exhibition Catalogue]. *Refinery ArtSpace*, Nelson, New Zealand.

Salmon, C. (2016). Bubble [installation]. *Refinery ArtSpace*, Nelson, New Zealand.

Van Dyk, K. (2016). absence. Refinery ArtSpace, Nelson, New Zealand.

Conference – Proceedings or Full Conference Paper

Abdelhamid, N., Abdul, J. A., & Thabtah, F. (2016). Associative classification common research challenges. Proceedings of the IEEE 2016 45th International Conference on Parallel Processing Workshops (pp. 432-437), Philadelphia, USA. doi:10.1109/ICPPW.2016.67

Airehrour, D., Gutierrez, J., & Ray, S. K. (2016). Greening and optimizing energy consumption of sensor nodes in the internet of things through energy harvesting: challenges and approaches. CONF-IRM 2016 Proceedings (p.42), Capetown, South Africa. Retrieved from <http://aisel.aisnet.org/confirm2016/42/>

Airehrour, D., Gutierrez, J., & Ray, S.K. (2016). A lightweight trust design for IoT routing. Paper presented at the IEEE 14th International Conference on Pervasive Intelligence and Computing, Auckland, New Zealand. Retrieved from <http://ieeexplore.ieee.org/document/7588901/>

Andrejic, N., Donnelly, N. & Proctor-Thomson, S. (2016). Flexible work success: The study of career and work-based strategies in the management of FWAs for parents. Labour, Employment and Work Conference 2016: 'The Changing Nature of Work and Employment', Victoria University, Wellington, November 28-29.

Badel, S., Thabtah, F., & Lu, J. (2016). Overlapping clustering: A review. In ? (Ed.) Proceedings of the IEEE SAI Computing Conference (pp. ?), London, UK. Doi: 10.1109/SAI.2016.7555988

Gaukrodger, B., & Huntley, K. S. (2016). Finding your virtual fellowship: Developing an online professional learning network. In N. Wright (Ed.) There and Back: Charting Flexible Pathways in Open, Mobile and Distance education. DEANZ 2016 Conference Proceeding (pp. 156-160), Hamilton, New Zealand. Retrieved from [http://flanz.org.nz/flanzorg/wp-](http://flanz.org.nz/flanzorg/wp-content/uploads/2016/06/DEANZ16-Conference-proceedings11-April.pdf)

[content/uploads/2016/06/DEANZ16-Conference-proceedings11-April.pdf](http://flanz.org.nz/flanzorg/wp-content/uploads/2016/06/DEANZ16-Conference-proceedings11-April.pdf)

Gregory, S., Gregory, B., McDonald, M., Nikolic, S., Farley, H., Gaukrodger, B., ... Irving, L. (2016). Exploring virtual world innovations and design through learner voices. In S. Barker, S. Dawson, A. Pardo, C. Colvin (Eds.), Show Me The Learning. Proceedings ASCILITE 2016 (pp. 245-254), Adelaide, Australia.

Martins, J., Cochrane, T., Valverde, I. & Moura Santos, A. (2016). A Webcam Interface for Somatic-Technological Dance Experiences. In O. T. Leino (ed.) Proceedings of the 22nd International Symposium on Electronic Art (pp. 319-323), Hong Kong, China. Retrieved from http://isea-archives.org/docs/2016/proceedings/ISEA2016_proceedings.pdf

Mohammad, R., Thabtah, F., & McCluskey, L. (2016). An improved self-structuring neural network. Paper presented at the Pacific-Asia Conference on Knowledge Discovery and Data Mining (pp. 35-47), Auckland, New Zealand.

Thabtah, F., Mohammad, R., & McCluskey, L. (2016). A dynamic self-structuring neural network model to combat phishing. Proceedings of the IEEE IJCNN 2016, Vancouver, Canada. doi: 10.1109/IJCNN.2016.7727750

van der Burg, J. (2016). Can common continuous-time stochastic specifications describe cash flow processes adequately? A theoretical and empirical analysis. Paper presented at AFAANZ Conference, Gold Coast, Australia. Retrieved from <http://www.afaanz.org/openconf/2016/openconf.php>

Woods, A. J. (2016). Broadening the scope - challenges ahead for the New Zealand Ministry for Primary Industries observer programme. In S. J. Kennelly (Ed.) Proceedings of the 8th International Fisheries Observer and Monitoring Conference (pp. 15-18), San Diego, USA. Retrieved from <http://ifomc.com/cms/wp-content/uploads/8th-IFOMC-Proceedings-as-of-8-December-2016.pdf>

Conference – Oral Presentation

Airehrour D. & Gutierrez J. (2016). A novel trust system for the detection and isolation of sinkhole attacks in Internet of Things (IoT) networks. Paper presented at the 10th Annual Postgraduate Research Symposium, Auckland, New Zealand.

Airehrour, D., Gutierrez, J., & Ray, S.K. (2016). Securing RPL routing protocol from blackhole attacks using a trust-based mechanism. Paper presented at the 26th IEEE International Telecommunication Networks and Applications Conference, Dunedin, New Zealand.

Alison, M., & Mitchell D. (2016). A survey of students' decision making about a career in mental health. Paper presented at the Mental Health Educators Conference, Dunedin, New Zealand.

Childs, H. (2016). Surfacing the hidden - creating meaning: Drawing as a tool in reflection. Paper presented at the College of Nurses Conference, New Zealand.

Childs, H. & Salmon, C. (2016). The Arts & Health Education - the stimulation of compassionate awareness. Oral Presentation to the New Zealand Interprofessional Health Conference, Auckland, New Zealand.

Fijn, E. & Young, S. (2016). New Zealand employers & cybervetting: An exploration of employer perceptions of online professional and personal media platform pre-employment screening practices. Paper presented at Career Development Association of New Zealand Symposium, Christchurch, New Zealand.

Gaul, C. (2016). The lived experience of using Moodle for online exams. Paper presented at Moodle Moot Conference, Whangarei, New Zealand.

Hunter, K. (2016). Fostering whanaungatanga amongst Māori student nurses. AKO Aotearoa Conference, Rotorua, New Zealand.

Lu, L. (2016). Coming to grips with technical Issues in developing and implementing EAP unit

standards assessments. Paper presented at ALTAANZ Conference, Auckland, New Zealand.

Mitchell, D. & Chapman, P. (2016). One man's hikoi: Navigating a pathway through ill health and a maze of agencies. Paper presented at the National Māori Men's Health Conference, Blenheim, New Zealand.

Mundy, D.C. & MacDiarmid, R. (2016). Vineyard ecosystems RA 1.3 pathogen management. Paper presented at the New Zealand Winegrowers Romeo Bragato National Conference, Blenheim, New Zealand.

Omisakin, O. M. (2016). Economic contributions and challenges of immigrant entrepreneurs to their host country – case of African immigrants in Auckland, New Zealand. Paper presented at the Oxford Symposium on Population, Migration, and the Environment, Oxford, England.

Salmon, C. (2016). Saving the Starfish: Making art about environment matters. Paper presented at the Art and Future Symposium, Dunedin, New Zealand.

Salmon, C. & Childs, H. (2016). Circles of compassion (an artist's guide to the clinic). Paper presented at the International Arts and Health Conference, Sydney, Australia.

Sosnowski, M. & Mundy, D.C. (2016). Practical management of grapevine trunk diseases. Paper presented at the New Zealand Winegrowers Romeo Bragato National Conference, Blenheim, New Zealand.

Swift, D. (2016). Blooming early: The social implications for girls experiencing early onset of puberty. Oral presentation at the International Student Wellbeing and Prevention of Violence Conference, Adelaide, Australia.

Swift, D. (2016). Girls of concern. West Coast PHO Conference, Hokitika, New Zealand.

Swift, D. (2016). Why women offend. Paper presented at the New Zealand Parole Board Conference, Papamauri, Auckland Region Women's Corrections Facility, Auckland, New Zealand.

Wraight, J.A. (2016). Fostering connections: Hearing the clinical voice. AKO Aotearoa Conference, Rotorua, New Zealand.

Conference – Poster

Hancock, O., & Cochrane, T. (2016). PdMIs: Embedded Acoustic DMIs Expressed Through 3D Printing. Poster accepted for the New Interfaces for Musical Expression Conference, Brisbane, Australia.

Neal, S. M., Trought, M. C. T., Mundy, D. C., Albright, A., McLachlan, A. R. G., Allen, M., & Pecchenino, D. (2016). New Opportunities for Sustainable Grape Thinning. Poster presented at Australian wine industry technical conference, Adelaide, Australia.

Research, Industry and Technical Reports

Chooi, K. M., Blouin, A. G., Cohen, D., Bell, V. A., Mundy, D., Nobilo, S., & MacDiarmid, R. M. (2016). The effect of Leafroll 3 genetic variants on grapevines. *NZ Winegrower* Apr/May, pp. 84-85.

Davison, J. (2016). Review of Tax Planning for Small Business Guide (Wolters Kluwer). Working Paper.

Davison, J. (2016). Review of MYOB Business Management Software (Pearsons). Technical Report.

Elder, R. (2015). *Counselling is Key*. CDANZ Ezine, Wellington, New Zealand.

Fijn, E. & Young, S. (2016) New Zealand Employers & Cybervetting: An exploration of employer perceptions of online professional and personal media platform pre-employment screening practices. CDANZ Ezine, Nov 2016.

Heasman, K. & Burdass, M. (2016). Improving fish nutrition, feed conversion rates, fish health and survival of King Salmon (*Onchorhynchus tshawytscha*). Prepared for Seafood Innovations Ltd (SIL), The New Zealand King Salmon Co. Ltd (NZKS). New Zealand.

Kjellstrom, T., Otto, M., Lemke, B., Hyatt, O., Briggs, D., Freyberg, C., & Lines, L. (2016). Climate change and labour: impacts of heat in the workplace. Issue paper. Geneva, CVF Secretariat, UNDP.

Mitchell, D. (2016). Adult male victims of childhood sexual abuse: Raising awareness and dispelling myths. Nelson, New Zealand: Male Room Inc.

Mitchell, D. & Chapman, P. (2016). Hard to reach men? Men stepping up to assist in understanding and preventing family violence. Nelson, New Zealand: Te Rito Family Violence Network.

Mitchell, D. (2016). Men and Family Violence. Nelson, New Zealand: Male Room Inc.

Mitchell, D. (2016). Men and parenthood: Results and impressions from five research projects. Nelson, New Zealand: Male Room Inc.

Sanders, J., Munford, R., Liebenberg, L., Jalota, N., Severinsen C., Swift, D., ... Prujean, B. (2016). Females in the court system: A report prepared for the Principal Youth Court Judge. Palmerston North, New Zealand: Massey University.

Severinsen, C., Sanders, J., Munford, R., Swift, D., Kelly, N., & Dewhurst, K. (2016). Female offending and youth Justice interventions: A review of the literature. Palmerston North, New Zealand: Massey University.

Sosnowski, M. & Mundy, D. (2016). *Advancing strategies for grapevine trunk disease management*. *NZ Winegrower* Jun/Jul, pp. 88-90

Sosnowski, M. R. & Mundy, D. C. (2016). *NZW 13-100 Practical management of grapevine trunk diseases - Final Report*. Blenheim, NZ: Plant & Food Research, p. 72.

van der Burg, J. (2016). Blind review of *Did Regulatory Governance Fail Finance Company Depositors in New Zealand?* Technical Report.

Seminars, Workshops and Oral Presentations

Cochrane, T. (2016). *Oficina: Construção e coreografia de dispositivos bio-ambiente*, Workshop School of Dance, Salvador Bahia, Brazil.

Cochrane, T. & Valverde, I. (2016). *Sistemas Interactivos para Lugares Sentidos: combinando interactividades corporealizada para ambientes de performance participativa em realidade mista*. Oral presentation at the School of Dance, Bahia Salvador, Brazil.

Crump, B. & Fell, C. (2016). Nights Cultural Ambassador Talks: Bob Dylan, Rabindranath Tagore and the Nobel Prize for Literature; David Jones and In Parenthesis; Marina Tsvetaeva; Rachel Bush; Walt Whitman [radio broadcasts]. Radio New Zealand, Wellington, New Zealand.

Fell, C. (2016). Great encounters. Oral presentation, Creative Arts Nelson, Nelson, New Zealand.

Mitchell, D. (2016). Men's health: A critique of current approaches to men's health. Oral presentation to the Board of Governors, Nelson Bays Primary Health Organisation, Nelson, New Zealand.

Mundy, D. C. (2016). Current research at the Plant and Food Research Grapevine Trunk Disease Workshop. Chaired and presented at the Plant and Food Research Grapevine Trunk Disease Workshop, Christchurch, New Zealand.

Swift, D. (2016, 2 Feb). Girls' use of violence and anti-social behaviour. The Celia Lashlie Day: Honouring her life, work and values, Wellington, New Zealand.

Valverde, I., Cochrane, T. (2016). Developing a somatic technological dance approach through Senses Places. A position paper accepted for presentation at the Move to be Moved CHI2016 Workshop, as part of the ACM CHI 2016 conference, San Jose, USA.

Valverde, I. & Cochrane, T. (2016). Senses Places: Expanding somatic and environmental awareness. PSI22 "Performance Climates", Melbourne, Australia.

Wraight, J. A. (2016). *Dedicated education unit: A collaborative project with NMIT and NMDHB*. Oral presentation at Nelson Marlborough District Health Board, New Zealand.

Video

Allan, D. & Breukel, K. (2016). See Nelson in a New Light [Video file]. Retrieved from <https://vimeo.com/165796820>

Breukel, K. (2016). Plant Based Drug Discovery in New Zealand [Video file]. Retrieved from <https://thinkable.org/submissionentries/VxYKy3k4>

Equal Employment Opportunities (EEO) Report

Nelson Marlborough Institute of Technology is firmly committed to the principle of non-discrimination. Our aim is to ensure that all employees and applicants for employment have equal employment opportunities regardless of gender, race, religious belief, disability, marital status or sexual orientation.

The Institute is also strongly committed to a policy of appointing to all positions based on merit and will challenge any practices that are shown to disadvantage or potentially disadvantage applicants or employees.

Equal Employment Opportunity Principles

- NMIT acknowledges the special place of Māori as the tāngata whenua/indigenous people of New Zealand, and recognises 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 its duty of 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 continues its progress towards more equal representation of the sexes throughout all sections of the organisation and continues to monitor this bi-monthly.
- 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.

Our commitment to Equal Employment Opportunities is demonstrated by:

- EEO policy reviewed and updated November 2016.
- A senior colleague co-ordinates EEO issues.
- All new staff are encouraged to provide EEO information prior to commencement.
- Annual reporting of EEO issues 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 staff.
- A position responsible for accessibility issues for staff and learners.
- Regular reminders to staff 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 staff the opportunity to balance their work and life commitments and in turn generate a more flexible 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. Our advertisements state we are an EEO employer and welcome applications from all sectors of society.

Human Resources Statistics

Academic staff by category of appointment	2016	2015	2014
FTE Academic staff*	139.60	124.37	115.07
% of FTE Academic staff identifying as Māori to total FTE Academic staff**	1.0%	0.8%	1.7%
% of FTE female Academic staff to total FTE Academic staff	50%	48%	50%

Business Support staff by category of appointment

FTE Business Support staff*	147.50	118.67	105.9
% of FTE Business Support staff identifying as Māori to total Business Support staff**	3.0%	4.4%	6.6%
% of FTE female Business Support to total FTE Business Support staff	68%	65%	69%

* Casual staff are not allocated an FTE value

** Notification of ethnic identity is not compulsory

Equal Education Opportunities (EEo) Report

Our 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 of these groups across the Institute.

1. Elimination of unnecessary barriers to the progress of students (Education Act 1989, s220 (2A)(c))

1.1 Physical

In 2016, the following were implemented at NMIT:

- A streamlined Personal Emergency Evacuation Plan (PEEP) flowchart for NMIT learners with disabilities requiring assistance in the event of an emergency.
- A card reader for improved wheelchair after-hours access.
- Temporary / long-term disability car park permits.
- In response to Learner Voice feedback and a collaborative relationship with SANITI (Students Association of Nelson Marlborough Institute of Technology Incorporated), learners were provided with their own area (the Kowhai Lounge) allowing open access for all learners, and monitored by learners with peer-to-peer support.
- Extension to after-hours access to safe learning spaces and computer / Wi-Fi access.
- Deliberate design of the new Tier 1 'one stop shop' desk to enable learners using wheelchairs appropriate access.

1.2 Academic

- Delivery of 1,157 learning support sessions to learners at Nelson and Marlborough campuses by Learning Facilitators which included one-to-one, small group and class sessions.
- Free dyslexia screening made available to NMIT learners via 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, Dragon

Naturally Speaking, Read Write Gold and JAWS. Two Smartpens were available for learner loan via the Library Learning Centre (LLC), and five PCs in the LLC were set up for Dragon Naturally Speaking.

- Equity funding continued to be used for providing tailored support and assistance to learners with specific needs:
 - There were 391 learners on the Disability Register in 2016, with 33 on Marlborough/Woodbourne campuses and 23 enrolled on Supported Learning courses.
 - Total one-to-one Support Worker sessions for 2016 was 779.50 hours.
 - Total of 47 learners received ongoing support from NMIT Equity Services:
 - 33 passed, 2 failed, 2 mixed results, 4 pending, 6 withdrawn.
 - Learning conversations and learning plans were a key part of the Equity Coordinator role. Collaborative relationships included academic staff members, NMIT Requisitions Librarian, Flexible Learning Team, SANITI and community support organisations such as Workbridge, Te Ara Mahi and Kimi Hauora Wairau.
- Literacy and Numeracy 2016:
 - 1,538 learners studying at Level 1-5 were assessed using the Adult Literacy and Numeracy Assessment Tool (ALNAT).
 - Significant gains were also measured using ALNAT with the following results:
 - 21 academic staff members were supported to successfully complete DTLT 504 in 2016.
 - 6 academic staff members were supported to successfully complete CTLT.
 - 2 Foundation studies/English Language tutors were supported to complete NCALNE (VOC).

Literacy and Numeracy significant gains 2016 (as measured by ALNAT)				
Investment Plan Target 2016	17%		15%	
Level - all programmes	Numeracy Gains Jan 2015 - Dec 2016	No. learners with both assessments	Reading Gains Jan 2016-Dec 2016	No. learners with both assessments
Level 1 2016	25.00%	48	10.42%	48
Level 2 2016	23.64%	55	24.29%	70
Level 3 2016	14.29%	70	19.15%	94
Average Level 1-3 2016	20.98%	173	17.95%	212
Average Level 4-5 2016	9.09%	77	18.95%	95
Youth Guarantee	16.33%	49	18.87%	53

1.3 Institutional/ Administrative

- We continued our membership with ACHIEVE, a national professional network established to ensure equal opportunity and access to post-secondary education and training for people with impairments.
- Through ACHIEVE we contributed to the New Zealand Code of Practice for an Inclusive Tertiary Education Environment for Students with Impairments.
- The NMIT Equity Coordinator attended and contributed to a workshop on the government's draft Disability Strategy.
- The NMIT Equity Coordinator attended the ACHIEVE conference 2016. Shared learning from this event included the new guidelines for Alternative Arrangements in Tests and Examinations for Students with Disability/Impairment.
- Learner Services provided 'one stop shop' support and guidance to NMIT learners from Library Learning Centres focusing on friendly, easily accessible and excellent customer service no matter what the issue or request.

2. Avoidance of creation of unnecessary barriers to the progress of students (Education Act 1989, s220(2A)(d))

2.1 Physical

- 48 learners (22% Māori, 61% NZ European, 17% other ethnicity) received a total of 302

hours free counselling through the NMIT Student Counselling Service.

- 31 NMIT learners received 97 free counselling sessions from OCP Student Counselling Service.

2.2 Academic

- Strong commitment to the Learner Voice was evident at NMIT with feedback tools such as First Impressions and End of Year Surveys, Talking Walls, feedback monitors and "you said, we did" communication.
- Bi-cultural capability and providing an inclusive learning environment was a focus at NMIT in 2016.
 - The Te Ara Wai strategy drew on concepts from Te Ao Māori and provides a framework for all NMIT staff to improve bi-cultural capability and remove unnecessary barriers to learning for Māori learners.
 - Te Ara Wai and Te Reo Māori learning opportunities and resources were made available and used by staff throughout the year.
 - Scholarship support was provided to both Māori and Pasifika learners in 2016. For example, 18 learners attended the Kia Ora Hauora scholarship workshop this year.

- NMIT's vision incorporates values of rangatiratanga and manaakitanga. Our commitment and primary objectives aim to deliver a personalised, positive customer experience for all NMIT learners.

3. Developments to attract under-represented groups or those disadvantaged in terms of ability to attend (Education Act 1989, s220(2A)(e.ii))

3.1 Academic

- During 2016 the NMIT Cultural Advisor (Pasifika) maintained a strong, ongoing community presence, for example:
 - Liaised with Pasifika parents regarding options, funding and scholarships.
 - Met with Nelson Tasman Pasifika Community Trust, Ministry of Education, Tongan community group and scholarship providers.
 - Participated in the planning of the Pacific Island Education Fono.
- During 2016, NMIT continued its drive to offer flexible online education options to learners via TANZ eCampus.
- Improved digital library resources and access for distance learners, including a redesign of the library website and more eBook resources.

Compulsory Student Services Levy

NMIT charged learners a compulsory student services levy of \$240 (incl GST) per EFT in 2016. 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 learners activities programme and employment information and support. 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.

Student Services Levy Income and Expenditure 2016

<u>Revenue</u>	Advocacy and Legal Services	Employment Information	Sports, Recreation and Cultural Services	Sub Total	International Activities	Total
Service Level Agreement	171,201.00	53,199.00	141,600.00	366,000.00	19,000.00	385,000.00
Total Revenue	171,201.00	53,199.00	141,600.00	366,000.00	19,000.00	385,000.00
<u>Expenditure</u>						
Expenses	175,901.40	59,680.16	385,688.92	385,688.92	19,138.53	404,827.45
Total Expenses	175,901.40	59,680.16	385,688.92	385,688.92	19,138.53	404,827.45
Surplus/Deficit	-4,700.40	-6,481.16	-19,688.92	-19,688.92	-138.53	-19,827.45

Advocacy and Legal Advice

Advocacy support was provided to learners needing help to resolve problems. Advocacy 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 help may have been provided with financial assistance and food parcels. Service delivery was extended to Global Campus Auckland.

Employment Information

Employment information was provided to learners seeking assistance with applying for and sourcing employment. Assistance included support with writing CVs 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 students. As a member of Student Job Search, NMIT learners had access to this nationwide service for 12 months of the year. Service delivery was extended to Global Campus Auckland.

Sports and Recreation Facilities

SANITI provided a wide range of events to students at Nelson and Marlborough campuses throughout the year, including cultural events. These events included semester one and two orientation programmes, a range of in-term events and graduation after-functions. Service delivery was extended to Global Campus Auckland.

International Activities

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

Directory

Councillors and Organisation Representation

NMIT Council membership

Daryl Wehner	Chair, Council Appointment
Ross Butler	Chair, Ministerial Appointment – term ended May 2016
Andrew Rowe	Deputy Chair, Ministerial Appointment
Gabrielle Hervey	Ministerial Appointment
Paul Steere	Ministerial Appointment
Charles Newton	Ministerial Appointment
Abbey Paterson	Council Appointment
Karen Stewart	Council Appointment
Win Greenaway	Council Appointment

Kaumatua & Kuia

Joe & Priscilla Paul	Nelson / Tasman Region
Helen Joseph	Marlborough Region

Directorate

Tony Gray	Chief Executive
Martin Vanner	Chief Operating Officer
Vicki Bryson	Director - Finance and Business Improvement
Jasmine Cannon	Director - People and Organisation Development
Carole Crawford	Director - Learner Services
Takuta Ferris	Director - Māori Education
Jackie Rees	Director - Academic and Quality - resigned October 2016
Virginia Watson	Director - Marketing and International Development
Liam Sloan	Director - Learning and Teaching

Heads of Department

John Inglis	Applied Business and English Language
Monique Day	Primary Industries, Maritime and Adventure Tourism
Olivia Hall	Social Sciences and Te Toki Pakohe
Justin Carter	Trades, Engineering and Aviation
Mary Proctor	Arts, Media and Digital Technology
Chris Dunn	Health and Fitness

Other Information

Auditor

Audit New Zealand (on behalf of the Auditor-General)

Banker

BNZ, Nelson

Solicitor

Pitt and Moore, Nelson

Insurance Broker

Marsh Ltd, Auckland

NMIT CAMPUSES

Nelson Campus

322 Hardy Street
Nelson 7010
Private Bag 19, Nelson 7042
Phone (03) 546 9175

Marlborough Campus

85 Budge Street
Blenheim 7201
P O Box 643, Blenheim 7240
Phone (03) 578 0215

Richmond Campus

390 Lower Queen Street
Richmond 7020
Private Bag 19, Nelson 7042
Phone (03) 544 3733

Woodbourne Campus

RNZAF Base Woodbourne
Springlands 7214
P O Box 643, Blenheim 7240
Phone (03) 572 9624

Global Campus

42 Upper Queen Street
Eden Terrace
Auckland 1010
Phone (09) 358 5566

Glossary

ALNAT	Adult Literacy and Numeracy Assessment Tool	NMIT	Nelson Marlborough Institute of Technology
ACE	Adult and Community Education	NPES	Nelson Polytechnic Educational Society Incorporated
BAppSocSci	Bachelor of Applied Social Science	NZDE	New Zealand Diploma in Engineering
BCom	Bachelor of Commerce	NZDF	New Zealand Defence Force
CAA	Civil Aviation Authority	NZQA	New Zealand Qualifications Authority
CAM	Capital Asset Management	OCP	Organisational Counselling Programmes
CTLT	Certificate in Tertiary Learning and Teaching	OPEX	Operating Expenditure
DEU	Dedicated Education Unit	PBRF	Performance-Based Research Fund
DTLT	Diploma in Tertiary Learning and Teaching	PEEP	Personal Emergency Evacuation Plan
EEO	Equal Employment Opportunities	QA	Quality Assured
EEdO	Equal Education Opportunities	RNZAF	Royal New Zealand Air Force
EFTS	Equivalent Full Time Student	RYA	Royal Yachting Association
ESOL	English for Speakers of Other Languages	SAC	Student Achievement Component
FTE	Full Time Equivalent (Staff)	SANITI	Students Association of Nelson Marlborough Institute of Technology Incorporated
ITO	Industry Training Organisation	SAR	Self-Assessment Report
ITPs	Institutes of Technology and Polytechnics	SPATnz	Shellfish Production and Technology New Zealand Limited
KPI	Key Performance Indicator	STAR	Secondary, Tertiary Alignment Resource
LADS	Lucid Adult Dyslexia Screening	STEM	Science, Technology, Engineering and Maths
LDF	Learning Design Framework	SUTI	Skills Update Training Institute
LLC	Library Learning Centre	TANZ	Tertiary Accord of New Zealand
MROQ	Mandatory Review of Qualifications	TEC	Tertiary Education Commission
NEET	Not in Employment, Education or Training	TES	Tertiary Education Strategy
NESP	Nurse Entry to Specialist Practice	TOTSTA	Top of the South Trades Academy
NETP	Nurse Entry to Practice Programme	TRoQ	Targeted Review of Qualifications
NMDHB	Nelson Marlborough District Health Board	Wintec	Waikato Institute of Technology
NCALNE	National Certificate in Adult Literacy & Numeracy Education	YG	Youth Guarantee
NCEA	National Certificate of Educational Achievement		

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.



Civil Engineering student, Andrew Chalmers, receiving his scholarship from Mike Reilly, Downer Construction, member of Civil Contractors New Zealand.



NMIT Nelson
322 Hardy Street, Private Bag 19, Nelson 7042
Ph: +64 3 546 9175.

NMIT Marlborough
85 Budge Street, PO Box 643, Blenheim 7240
Ph: +64 3 578 0215.

Global Campus
42 Upper Queen Street, Eden Terrace, Auckland 1010,
Ph: +64 9358 5566.



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.