

ANNUAL REPORT 2016



0800 948 896

www.witt.ac.nz



WITT

WESTERN INSTITUTE OF
TECHNOLOGY AT TARANAKI

Te Kura Matatini o Taranaki

CONTENTS

Our Purpose, Vision and Values	1
From the Chair and Chief Executive	2
WITT Executive	8
WITT Council	10
WITT at a glance	12
2016 Highlights and Success Stories	14
Independent Auditor's Report	20
Equal Employment Opportunities	22
Statement of Responsibility	23
Statement of Accounting Policies	24
Statement of Comprehensive Revenue and Expense	31
Statement of Financial Position	32
Statement of Cash Flows	33
Statement of Changes in Equity	34
Statement of Resources	35
Notes to the Financial Statements	36
Statement of Service Performance	52
Research Outputs 2016	58

Cover Image: Pastel Wihongi and Hana Herbert-Olsen

Pastel Wihongi. Pastel successfully completed the **Diploma in Creative Technologies** mid 2016. She submitted a series of large paintings in her Diploma exhibition in November 2015, and though these were highly sought after by the visiting public, they were not for sale. Pastel is a highly talented young woman who has an eye for texture and detail.

Hana Herbert-Olsen. Hana is due to complete the **Diploma in Creative Technologies** in December 2016. She submitted three portrait paintings in her Diploma exhibition in November 2015 and sold two. Hana has excellent eye for capturing visual likeness and the inner self.

About the work. Both students approached Programme Manager Ged Guy the end of 2015 about doing a 'mural' for WITT. Ged was keen for Pastel to take her work to a large scale. Pastel asked Hana to work with her on this and they collaborated beautifully. WITT purchased a selection of paints and the two students worked on the mural between classes and over weekends for two months. The painting evolved and changed numerous times to even include the picnic table and the concrete area below. Ged finally said, "Okay that's it!" The final outcome was worth the wait and is much appreciated by all at WITT.



WITT'S PURPOSE

To be the leading facilitator of excellent tertiary education outcomes in Taranaki

Ko Te Kura Matatini te taumata ki Te Toi o Nga Matauranga e whaia ai e te taurira.

VISION

Valuing Student Success

CORE VALUE

We want our students to be successful – they are at the centre of what we do

KARAKIA – E TAU NEI

We have within us the spirit of our forebears who laid the foundations that we maintain and continue to develop.

Embedded within our consciousness are inherited skills that we use to guide and lead us in our day to day existence.

Let us be courageous by upholding what we do in truth, faith and understanding while respecting the differences that make us human

As our ultimate goal is to maintain balance.

E tau nei ki runga i a tātou katoa,
Te wairua o ngā matua tūpuna.
Nā rātou i whakatakoto i te ara,
Hei hikoinga mā tātou ngā uri.
I whakatōkia o tātou ngākau ki ngā tikanga,
Hei arataki i a tātou.
Kia ngākaunui ki te hāpai i a tātou mahi katoa,
I roto i te pono, i te tika, i te māramatanga,
Me te aroha anō o tētehi ki tētehi.
E Rongo whakairihia ake ki runga
Tūturu whakamaui kia tinā! Tinā
Hui e! Taiki e!

WITT FOCUSES ON SUSTAINABILITY

FROM THE CHAIR AND CHIEF EXECUTIVE



Robin Brockie Chair and Barbara George Chief Executive

2016 was a significant year for WITT and one that saw the Institute focus on its sustainability.

It was a year of significant change, the most notable being a deliberate change in its business model following an in depth sustainability review that concluded that its vision and strategic goals were appropriate for its size and the region, and that it was a viable organisation.

Council and the Executive Leadership Team focused on improving sustainability indicators that would ensure that the institute not only survived, but thrived. Notable changes included:

- Reviewing and reducing the number of programmes taught across the institute
- Reviewing and reducing the number of partner provider relationships to no more than 15% of programme delivery
- Signalling that staffing levels would be reduced to ensure a staff to student ratio in 2017 of 1:20, and beginning the change process
- Signalling that teaching staff utilisation hours would increase to the industry norm of 660 hours, and beginning the change process, and

- Increasing the capability of the Executive Leadership team by appointing an Academic Director, and following a resignation, appointing an ED Corporate CFO.

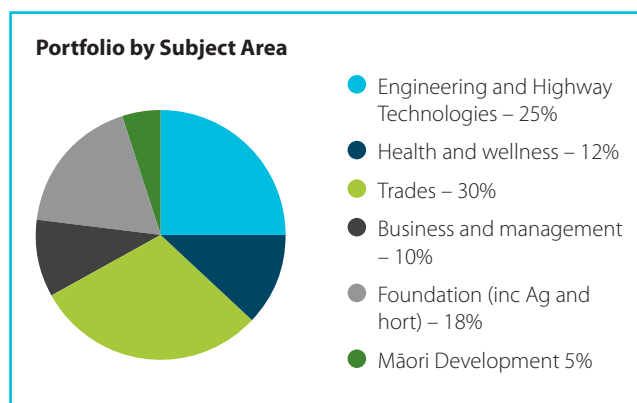
WITT produced a set of priorities that responded to its own Strategic Plan, the commitments it made through its Investment Plan, and to the Tertiary Education Strategy priorities. WITT's priorities chart the course of sustainable outcomes for the institute over the next two years and include:

- Getting the business as usual right and lifting its performance
- Meeting the needs of the region
- Ensuring Māori learner success
- Increasing non-TEC EFTS and revenue, and
- Collaborating with our partners.

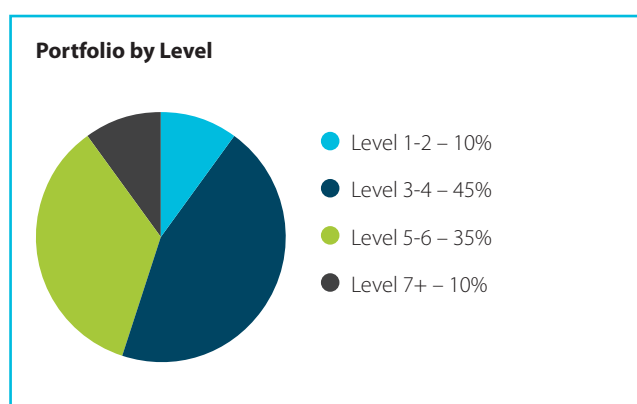
These priorities have been communicated across WITT and measurable outcomes are reported to WITT Council each month.

As part of its business modelling, WITT considered its mix and range of provision, the needs of its customers and stakeholders, and its unique position in the region. In developing its Academic Programme Portfolio Plan, it has segmented programmes and their levels of the institute as follows:

PERCENTAGE OF EFTS ENROLLED BY SUBJECT AREA



Percentage of programmes delivered by level



2016 also saw a deepening and broadening of WITT's qualification provision. Accreditation was received for:

Hospitality	NZ Certificate in Baking (Level 3)
Bus Admin	NZ Certificate in Business (Admin and Technology) L3
Bus Admin	NZ Certificate in Business (Admin and Technology) L4
Art	NZ Cert in Arts and Design L4
Art	NZ Dip in Digital Media & Design L5
Art	NZ Dip in Art & Design or Creativity Level 5
Computing	NZ Certificate in Computing (Intermediate User) (Level 3)
Computing	NZ Certificate in Information Technology Essentials (Level 4)
Computing	NZ Certificate in Information Technology (Level 5)
Computing	NZ Diploma in Information Technology (Level 5)
Welding	2715 NZ Certificate in Mechanical Engineering (Level 3)
Training Scheme	Foundation Literacy and Numeracy Training Scheme

STUDENT PARTICIPATION

Enrolment numbers were strong at WITT in 2016 which saw levels 1 and 2 reach 100% of funded targets, and levels 3+ reach 107% of funded targets. 5,298 students were enrolled across the Institute.

The Hāwera campus continued to perform strongly with 62 students enrolled in 5 programmes. 2016 saw the first graduates, and of these, 12 saw pathways to higher level courses at WITT. Towards the end of 2016 saw WITT move out of its Hāwera premises following the significant earthquake, and look for a new home in time for 2017 programme delivery. Students were supported during this time of upheaval and final assessments were completed at alternative locations.

WITT was successful in its bids for new funding streams:

- EE2E (Engineering Education 2 Employment Secondary-Tertiary Pathways project)
- DualPathways (partnership between schools, tertiary institutions and employers/industry organisations)
- SAC Levels 3 and 4 Competitive funding (Agriculture and Horticulture)

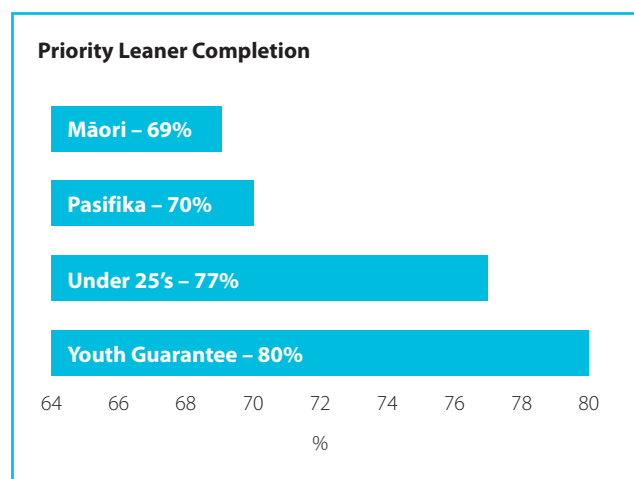
The following courses were offered through Trades Academy:

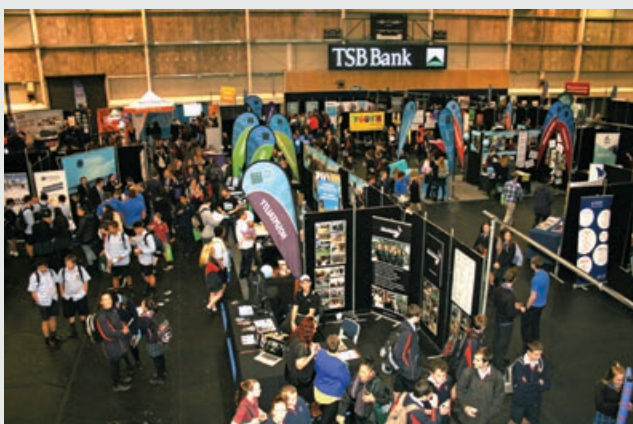
- Art and Design
- Beauty and Makeup Artistry
- Cookery
- Carpentry
- Mechanical Engineering
- Sport and Fitness
- Automotive
- Build-a-Bach
- Electrical
- Hairdressing
- Restaurant Service
- Welding/Fabrication

PRIORITY LEARNERS

In 2016 WITT had the following priority learners enrolled at the Institute:

- Māori Learners : 843
- Pasifika : 60
- Under 25's : 1,639
- Youth Guarantee : 75





Youth Guarantee places are funded by TEC for students to complete Level 1, 2 and 3 programmes. WITT has seen a steady increase in the outcomes of Youth Guarantee students over the past four years, as the table below shows. It was noted that some students found it difficult to return to study during the long summer break, so to keep the momentum for these learners, work placements and mentorships were found.

Year	Course Completions %	Qual completions %	Higher level of study %	Retained in study %	Employment/ apprenticeships %	In Work or study (known) %
2015	68	67	59	69	49.3	81.2
2014	67	60	37	79	40.5	77.5
2013	68	62	38	67.8	35	73

The success of Māori learners at the institute has not been as prevalent as WITT might have hoped, and this has been made a focus area for improvement for the next two years. Māori learners are now enrolled in smaller numbers across many more programmes making it difficult to keep performance percentages high. For example, one non complete from a cohort with only four Māori learners will drop the completion percentage to 75%, under the threshold acceptable at WITT – even though the cohort as a whole may score significantly better.

In 2016, an oversight committee, Te Kahui Matanui, was formally reconstituted as a sub-committee of the Academic Board, and it is expected that more regular and consistent monitoring and reporting to the Institute, will significantly improve results. Plans to appoint specialist staff in this area were also well underway by the end of 2016.

2016 was the first full year of delivery for Māori Pasifika Trades Training (MPTT). WITT is the education provider to the consortium led by Taranaki Futures. Of note in 2016 was the appointment of the new programme co-ordinator, Sandra Lichtwark, whose role is to ensure positive outcomes for those students which she does by maintaining regular contact with them and setting them realistic goals while they complete their study and the cultural component. "Some young people find the move away from school and into tertiary education daunting – I'm here to help" says Sandra.

STUDENT SUCCESS

The one unifying vision of WITT is every person on the team wants students to be successful. This is a long held imperative and there are many examples of how our staff go the extra mile to help students.

The institute uses EPIs to benchmark and provide indicators of where to make improvements.

In 2016, WITT saw pleasing course completions in degree level and level 4 courses, bench marked consistently with the ITP sector average. Level 1 to 3 presented more challenges, including increasing complexities around student aspirations and ability to stay in study. For example, leaving study to take up employment, move into an apprenticeship, or to support family members in need. The analysis of these trends will enable WITT to better address completion rates in 2017, and make improvements.

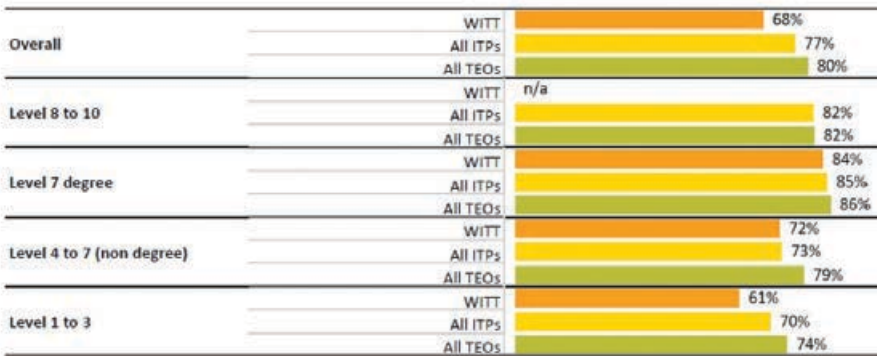


EFTS-Weighted Course Completion Rate

This measure shows the proportion of Student Achievement Component funded courses that are successfully completed.

Note: The methodology for the EFTS-weighted course completion rate has not changed, however the rates are presented using different register groups from those used in the current report.

By level of study



Overall TEO EFTS-weighted course completion rate

68%

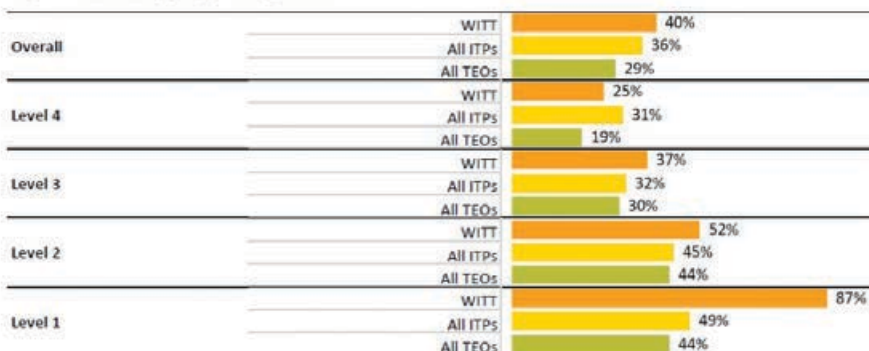
Of significant note are the high percentage of students at WITT who pathway from level 1 qualifications to higher level study at the institute. Compared to a sector average, WITT was significantly ahead.

Student Progression to Higher Level Study

This measure shows the proportion of students in a given year who progress to study at a higher level after completing a Level 1 to 4 Student Achievement Component funded qualification.

Note: The methodology for the student progression to higher level of study rate has not changed.

By level of study progressing from



Overall TEO progression rate

40%

Student success in terms of valued outcomes is measured through annual surveys, and more informally through ongoing communication and interaction with tutors once a student has moved out of study and into employment. Examples of these valued outcomes include being ready for work, understanding how to communicate, enhanced social confidence, increased economic means for themselves and their family, and embracing a lifelong love of learning, which often sees students return to WITT to continue to upskill once in employment.

INTERNATIONAL

A number of factors impacted upon WITT's international student numbers in 2016, which saw enrolments decrease by 23%. These included immigration changes to New Zealand residency and the tightening up of visa approvals particularly for hospitality students from India. As well WITT changed aspects of its Diploma in Professional Cookery (fees and internship). As these changes had adverse effects, the learnings from this and the subsequent review and analysis, will see improvements made for 2017.

International student completions across WITT remained high at 90.12%, which was an increase from 87% in 2011.

WITT continued to build relationships for improved outcomes for international learners with Study Taranaki, Immigration New Zealand, Migrant Connections Taranaki, Skills New Zealand, Education New Zealand, and agents from India, Phillipines and Russia. In 2016 WITT began working on new China relationships with universities and agencies that will be further developed in 2017.

WITT ranked well ahead of the New Zealand ITP benchmark in the 2015 International Student Barometer Report (released in 2016) undertaken by igraduate, an International body that is well recognised for providing a global benchmark for the international student experience. 41,201 students were surveyed from 91 institutions from 13 countries, this included 1900 students from New Zealand across 10 polytechnics. 92 students from the WITT group took part with 91% satisfied with the overall WITT experience against the NZITP benchmark of 89%. Of particular note were very high level of satisfaction with living and cost related factors such as part time work options, affordable living and accommodation costs and positive aspects of life in Taranaki. WITT should celebrate and promote the student experience and student outcomes more aggressively as outcomes influence and inform how students make decisions on what Institute to study with.

STRATEGIC PRIORITIES

WITT's distinctive role in the network of provision in the Taranaki region is to offer a variety of courses at levels 1 to 7, all of which have pathways to employment and/or higher study.

Demographic and economic research suggests that the growth outlook for WITT is relatively neutral with only limited market growth expected in the context of the current tertiary environment. WITT has an advantage as there are few competitors in the region, but to increase its market share from 64% currently, to 70% or more, greater efficiency in methods of delivery, increased use of technology, and development of stronger links with employers and professions will be required.

WITT will adopt approaches to enhance its learner and employer outcomes and its sustainability. Many of the following approaches were planned and implemented in 2016, with the impact to be measured and analysed for strategy review in 2017. These include:

- Aligning provision more closely to the predominant market economic trends;
- Selectively rationalising the number of qualifications and increasing the numbers of students enrolled in individual programmes;
- Investing in and delivering programmes in a more effective and efficient way, such as online, flexible and blended delivery, that meets changing learner and employer demand;
- Thoughtfully introducing a range of new programmes that build on its current areas of strength so that it achieves depth in key subject areas;
- Increasing its domestic, international and full cost recovery programme enrolments to both grow the customer base and to reduce reliance on government funding;
- Having clear approaches to address the increasing competitiveness that will come through contestable funding at levels 1-4;
- Ensuring that organisational structure, systems, policies and procedures are "fit for purpose", cost effective and efficient, and are aligned with and support WITT's culture, future direction and performance, of a service delivery institute; and
- In the future, developing specialisms beyond its immediate market where it has the capacity to achieve a national presence.

At a strategic level, WITT has organised the implementation of these priorities into five work streams, supported by additional plans and strategies, and reports progress against these to WITT Council. They are:

Getting the BAU right and lifting our performance

Strategies include:
Academic Strategy
Organisational Development Plan
5 Year Financial Plan
Employee Engagement Plan
WITT Workforce Plan

Meeting the needs of the region

Strategies include:
Stakeholder Engagement Plan
Academic Programme Portfolio Plan
Research and Innovation Strategy
Communications Plan

Achieving Māori learner success

Strategies include:
Te Rautaki Māori
Te Kahui Matanui Oversight Implementation Plan
Partner provider MOU
Hāwera and Bell Street Campus Plans

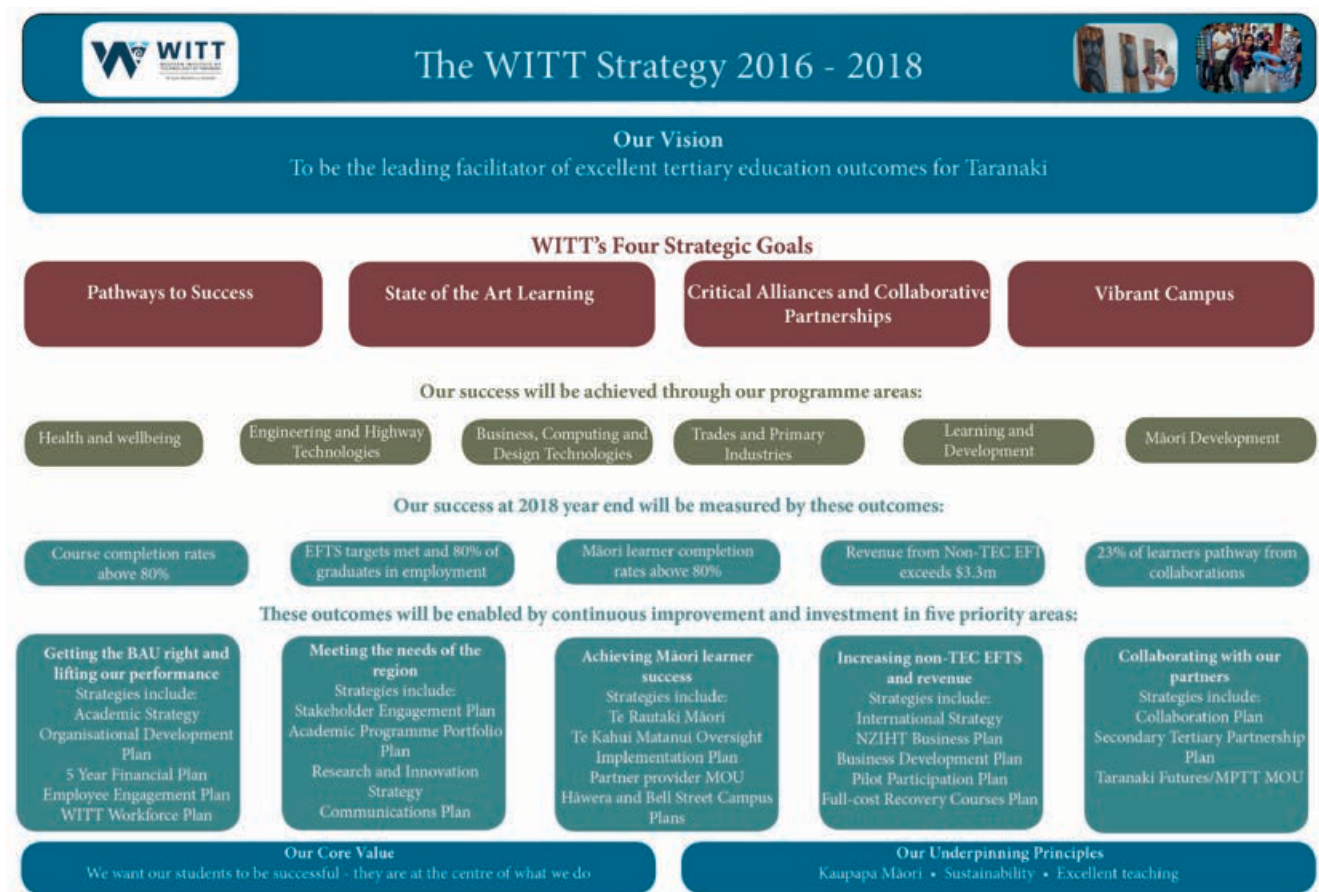
Increasing non-TEC EFTS and revenue

Strategies include:
International Strategy
NZIHT Business Plan
Business Development Plan
Pilot Participation Plan
Full-cost Recovery Courses Plan

Collaborating with our partners

Strategies include:
Collaboration Plan
Secondary Tertiary Partnership Plan
Taranaki Futures/MPTT MOU

These priorities can also be found in WITT's strategic plan framework (this draft is currently undergoing stakeholder consultation following a recent review).



CONCLUSION

For more than 44 years, WITT, and its preceding forms, has served the people and region of Taranaki. It has produced many of the region's leaders who speak proudly of their learning journey at our campuses, and who provide valuable stakeholder feedback to the Institute to ensure its ongoing success as an important asset for the region.

WITT has not been without its challenges, nor is the road ahead free from obstacles. As Chair and Chief Executive of WITT, it is our privilege to lead the Institute along the most direct road to success, taking with us our students, staff, employers, industry, iwi and the community.

We are grateful for the guidance of funding partners TEC, and qualifications partner NZQA, and thank them for their support as

we embrace our challenges and continue to provide excellent service, academic, employment and valued outcomes to all our learners.

We commend the WITT team – teaching and research staff, development and quality assurance staff, programme and institute administrators, careers and student support staff, our marketing and finance teams, WITT Council and the Executive – all who live our core value, all who “want our students to succeed – they are at the centre of what we do”.

Robin Brockie
Chair of WITT Council

Barbara George
Chief Executive

WITT EXECUTIVE

AS AT 31 DECEMBER 2016



TUMU WHAKARAE CHIEF EXECUTIVE

Barbara George

MBA, Dip Bus, BMus, PG Cert Public Management, Certificate in Te Reo, Te Wānanga o Raukawa

Barbara George is the Chief Executive of the Western Institute of Technology at Taranaki (WITT) and has held this position since October 2013. She was born and raised in New Plymouth, attending St John Bosco primary school, Sacred Heart Girls College and Taranaki Polytechnic (which then became WITT).

At the age of 20 she left the province to complete a Bachelor of Music in Singing Performance at Victoria University of Wellington, and then took up a scholarship to study singing for two years in London.

After returning to New Zealand in 1993, she began her career in orchestra management, and continued her life long love of learning, adding a Post Graduate Diploma in Business, an MBA, a Post Graduate Certificate in Public Management, and a Certificate in Te Reo to her kete.

From 1995 to the present day, Barbara has held Chief Executive positions in New Zealand, Australia and the United States, and though this is her first role heading a tertiary education institute, she has been able to draw on her knowledge and experience as a commercial and entrepreneurial leader, to effectively lead WITT's transformation in an ever changing and challenging context. WITT's greatest asset is its people who share a common vision of ensuring the success of every student.

Barbara's turangawaewae is Taranaki, and she is Ngāti Rāhiri o Te Atiawa.



EXECUTIVE DIRECTOR – PEOPLE, CULTURE AND STUDENTS

Nicola Conley

MComms, BBS, DipAdultEd

Nicola Conley has over 25 years' experience in the tertiary educational sector. She was born and educated in New Plymouth and has a BBS from Massey University, a MComms from Victoria University and a number of Diplomas. Nicola has a passion for ensuring all students are given the opportunity to participate in education to reach their full potential. It is critical that WITT has the 'right staff', in the 'right place', at the 'right time' to ensure students learning and support needs are understood so they have every opportunity to succeed.

Culture is a critical part of the institutions success and is a focus of Nicola's portfolio. Ensuring effective communication with staff and giving them the opportunity to feedback and engage in the wider WITT community is key to fostering a positive culture. Tertiary education is constantly changing and these changes impact on the learning and teaching at WITT, Nicola monitors these changes and is aware of how these will impact on staff.

Nicola has extensive management experience and has led teams at WITT through a number of changes as the educational sector advances. The rapid changes in government education policies has meant changes to delivery methods and styles to ensure qualification learning outcomes are met using innovative and state of the art teaching techniques. Nicola is leading the development of academic staff and management to ensure they have the tools to be innovative and creative in their management, leadership, teaching and support of students. Staff, students and culture are the key to the success of WITT and every person has the opportunity to be part of WITT's success as it moves forward.



EXECUTIVE DIRECTOR – NZIHT AND INTERNATIONAL

Glen West

Dip FBS

Glen West is the Executive Director of the New Zealand Institute of Highway Technology (NZIHT), WITT's 100% owned subsidiary company. NZIHT is an academic training organisation that delivers training both nationally and internationally, offering formal qualifications from certificate to post graduate level and in addition a diverse portfolio of short courses for industry employees furthering their education & training. Glen is a member of the WITT Executive and from late 2016 took on the international portfolio.

Glen has an extensive background in training and delivering formal qualifications and is well versed at staff leadership, operational management and strategic planning and implementation. Glen's qualifications cover papers in Māori, Business, Adult Teaching, Literacy and Numeracy, and Management.

Glen is pragmatic, consistent and is comfortable working within a formal compliance, law governing environment and is able to make informed, accurate decisions while providing direction.



EXECUTIVE COMMITTEES 2016

- **Executive Team** – met at least weekly.
- **Equal Employment Opportunities (EEO)**
Oversees and implements WITT's EEO policy, in particular ensuring the Institute complies with the provisions of its annual EEO Programme. Met informally.
- **Health and Safety**
Oversees all aspects of health and safety within the Institute. Met 8 times.
- **Te Kāhui Matanui**
Constituted as a means of giving visible expression to WITT's commitment to bi-culturalism and to engage in genuine partnership with Māori learners. Met 4 times.
- **International Management**
Addresses day-to-day issues arising with respect to international students studying at WITT, including WITT's compliance with the Code of Practice for the Pastoral Care of International Students. Met informally.

WITT ACADEMIC BOARD 2016

Ensures the academic values outlined in WITT's key planning and strategic documents are adhered to; fosters academic freedom and excellence; provides a forum for debate on educational policies, issues and philosophies; and ensures WITT complies with the standards of its QMS. Met 8 times. Supported by the following subcommittees:

- **Academic Standards Committee.** Met 10 times.
- **Research.** Met 2 times.
- **Teaching and Learning Committee.** Level 1-4 met 25 times. Level 5-8 met 17 times.
- **Academic Risk, Compliance and Appeals Committee.** Met once.



EXECUTIVE DIRECTOR CORPORATE SERVICES AND CFO

Joel Lieschke

Resigned August 2016

WITT COUNCIL



ROBIN BROCKIE

**Chair
(started September 2016)**

Robin is currently an independent adviser to and director of a variety of organisations within and outside Taranaki. Robin and his family settled in Taranaki in 1985 following years in the Wairarapa, Wellington, Asia and the United States.

Robin's professional experience has driven his interest in supporting the education of people. He has pursued that interest through involvement with primary and secondary education in Taranaki over many years and is relishing the privilege and opportunity to do the same for tertiary education at WITT.

While Robin is new to the WITT community, what has stood out most has been the positive engagement with students, tutors and the support teams but more importantly, the resilience of the institution to be a part of the success of the region through generations.



LYLAL FRENCH-WRIGHT

**Deputy Chair
(started September 2016)**

Lylal has been CEO of a large regional law firm, Govett Quilliam, since 2012 where his focus has been on strategic vision, meeting the demands of a quickly changing legal landscape and growth and development.

Prior to this his life has been dedicated to education and activities and organisations that support the concept of vibrant, sustainable and active communities. From 1980 he has been a senior school administrator, from 1995-2008 he was Headmaster of New Plymouth Boys' High School and 2008-2015 Executive Principal of Al Khor International School, one of the largest private schools in the Middle East based in Qatar.

Lylal was a Ministerial appointment to the WITT Council in late 2016 which sits well with his belief in continuous education being at the forefront of a positive future and WITT having a powerful role to play in this. The drive to create pathways to meet local employment needs for mostly local people is a big part of what WITT is about and he thoroughly supports this but, also, hopes that he can assist in promoting the institution as the place of choice for students, staff and employers.



RUAKERE HOND

Tēnā rā aku nui, aku rahi, huia mal nei ki Taranaki whenua, Taranaki tangata, mouriora rā.

Ruakere has whakapapa to iwi of Taranaki, Ngāti Ruanui and Te Ati Awa. He has had direct involvement in many Taranaki Māori community initiatives over the last thirty years, particularly related to the strengthening Taranaki Māori language and culture, along with community education. He often provides a Taranaki voice in national forums on Māori language revitalisation and community development, and is a past teaching staff member and student of WITT. He holds qualifications in teaching, Māori studies and completed a PhD in Public Health with Massey University in 2013. Ruakere lives in the coastal community of Parihaka and highlights the pivotal role WITT has in supporting the advancement of Taranaki communities and iwi, and in providing tertiary education pathways for all students specific to Taranaki needs.

Me ruku te puna mātauranga, me whakamātau tōna hōhonutanga, me whātoro tōna whānuitanga.



SRIYAN ELANGA EKANAYAKE

Elanga Ekanayake was appointed to the WITT Council by the Minister for Tertiary Education in May 2010. He is a Fellow Chartered Accountant, a Fellow Chartered Secretary and a Certified Management Accountant of Australia.

Elanga was the Chief Financial Officer of Powerco Limited, the second largest energy distribution company in New Zealand for over 20 years and retired from this position just prior to joining the WITT Council. He has also worked in Papua New Guinea for many years as a Consultant Accountant of an Asian Development Bank project.

It is Elanga's aspiration to see WITT and its wholly owned subsidiary NZIHT becoming premier tertiary education providers in Taranaki and beyond maintaining very high quality academic standards, financial stability and good governance.



REX HENDRY

NZSSM, B.A.(Soc), Dip Mgt.

"I would like to see WITT as the best little polytech in the country – a vibrant and dynamic place for students to learn and an enjoyable place for staff to work." Rex took up growing garlic and lavender in 2005 after 35 years full-time work. He was previously an Area Manager for the Department of Conservation in Taranaki, the Operations Manager at Scott Base in Antarctica, and has also worked as a local authority planner, a professional outdoor instructor and an electrician. He currently also runs a consultancy in Parks, Recreation and Tourism Management and is Chairman of Land Search and Rescue New Zealand."



CASSANDRA CROWLEY

Cassandra Crowley joined the WITT Council in 2013 after returning to Taranaki after 16 years away from the region. A Chartered Accountant and Barrister and Solicitor of the High Court of New Zealand, Cassandra is an independent director on Student Job Search Aotearoa and the industry training organisation the Skills Organisation.

Cassandra is also the 2017 Chartered Accountants Australia and New Zealand President, and recently appointed a Director on Oriens Capital. She is the Kaitumuaki for Te Korowai o Ngāruahine Trust based in Hawera.

Cassandra's vision for WITT is that it is a sustainable institute that is supported by, and delivering to the needs of, the entire Taranaki community.



ALLIE HEMARA-WAHANUI

Mai Parininihi ki Waitotara, Tihei Mauriora

Allie has a long history in Māori development having worked for the public and private sectors growing Māori capability. She is the General Manager – Stakeholder Engagements for Parininihi ki Waitotara Inc (PKW) and was motivated to join Council because of WITT's ongoing commitment to Taranaki and the strategic flagships. Her whānau whakapapa to Ngaruahine where she was actively involved in negotiating a treaty settlement for Ngaruahine after completing the fisheries settlement as well. Allie is also an MBA student with Massey University.

Nō reira te te mounga, mai ngā kete e toru, ka hāpaitia te whānau



ROSS DINGLE

Is CEO of TenderLink a digital procurement platform provider owned by Dun and Bradstreet. Ross is responsible for strategic direction and overall management of operations across Australia and New Zealand.

Previously, Ross has held senior finance and operations positions at Fletcher Challenge Energy, KCL Property, and Doctor Global. Ross has a strong interest in seeing the youth of Taranaki succeed through education and sport. Previous posts include Chairman of Spotswood College Board of Trustees, and West End School Board of Trustees. Ross is currently President of Taranaki Triathlon.



MARY K BOURKE

Chair

(term ended August 2016)



MALCOLM INGLIS

Deputy Chair

(term ended June 2016)

COUNCIL COMMITTEES 2016

AUDIT & RISK COMMITTEE

Monitors and reviews the appointment of the Chief Executive and WITT Council members; and their performance relative to the terms of reference attached to their positions. Met four times.

WITT GROUP AT A GLANCE



5,298

Students enrolled

Student Gender



61% Male



39% Female

Age

16% 18 years & under

22% 19 - 24 years old

62% 25+ years old

1,727

Equivalent Full Time Students

1,361

Graduates

21% Māori*

4% Pasifika*

18% International*

* of all WITT students

68%

Successful course completion

233 Staff

1:19 Staff to student ratio

97%

Overall student satisfaction

\$24.7m Revenue

-4.6% Surplus (prior to notional interest)

2016 HIGHLIGHTS & SUCCESS STORIES

JANUARY



LAND BASED TRAINING OPEN DAY

WITT is now in partnership with Land Based Training who offer Agriculture programmes across the region, starting from the Certificate in General Farm Skills Level 2 to a National Certificate in Agriculture Level 4!

A Land Based Training Open Day was held on the WITT New Plymouth Campus on Monday 25 January to help support students with their application and to welcome them to start their new adventure. There was hay bales, puppies and a motorbike to add a farming environment to the city campus.



The new Hawera campus is expected to grow with more courses on offer for 2016! There are great benefits for studying in Hawera, small campus and class numbers, close to home and great tutor support!

FEBRUARY



APPRENTICES MAKE OUTDOOR OVENS FOR BLOCK COURSE PROJECT

Apprentices working for Taranaki engineering companies have been getting some practical experience under their belt in more ways than one at WITT.

They are enrolled in two week block courses at WITT run over a three year period.

And six on the course run at the start of this year are leaving with real evidence of their success – in the form of their own outdoor oven.

Fabrication and Welding tutor Mark Hudson developed the idea for the oven and says feedback from the students has been positive.

“It’s good to make a project that meets all the learning outcomes and still has a useful function,” he said.

ROAD WORKS AHEAD

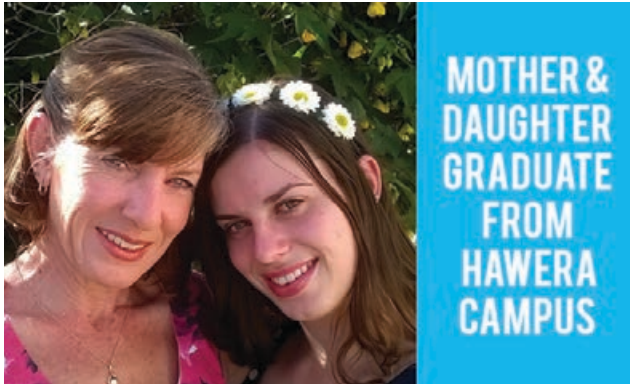
NZIHT’s going the extra mile to put students on the road to success by actively helping them find jobs after they graduate.

Nine of 17 students who graduated in December from its Graduate Diploma in Engineering (Highways) programme have already found work in the industry.

International Relationship Manager Carol Allen said the background work of Jillian Candy, who went on-line and found 80 vacancies for traffic controllers was an example of the proactive work WITT does in assisting students.

She said it also illustrated how NZIHT (the WITT-owned New Zealand Institute of Highway Technology) helped students by providing the tools to be successful.

MARCH



Karen Linders celebrated when she heard WITT was opening a campus in Hawera, because her daughter was looking for work and wanted to enrol for a food and beverage course.

Fast forward a few months and come graduation time it isn't just daughter Vanessa who is receiving a certificate – mum will be there too, having completed a health and wellbeing course.

Today she is the student speaker at the first graduation ceremony for Hawera since the reopening – an event which follows a formal campus launch, WITT council meeting and a graduation ceremony.

When I first started, I didn't believe I could do anything like this – but studying at WITT Hawera has made me stronger, more confident and determined. It has proven to me that age is not a barrier and if you want something, go and get it. It has shown me that I can do it!



WITT staff welcomed their new Māori and Pasifika Trades Training programme coordinator Sandra Lichtwark.

She succeeds Bonita Bigham who has taken up a new role in promoting Māori arts in Taranaki through Te Reo o Taranaki.

The role is under the Taranaki Futures umbrella and the coordinator liaises with trainees, their whanau, WITT, employers and industry.

Her role is to ensure positive outcomes for those students by maintaining regular contact with them and setting them realistic goals while they complete their programme of study and the cultural component of MPTT.

APRIL



NERYS: IN A DIFFERENT CLASS

Half way through 2013 New Plymouth Girls High student Nerys Whelan (pictured) decided to swap classrooms and enrol at WITT to follow her culinary art ambitions.

Close to half way through 2016 she will be representing New Zealand at one of the world's ultimate cooking competitions – the Bocuse d'Or Asia-Pacific continental section in Singapore.

Nerys, who calls Urenui home, says of a whirlwind 12 months of success that she feels like opportunities keep "popping up".

"Doors open all the time, hard work pays off – but WITT has opened the doors for me," she says.



TOYOTA IN TUNE WITH WITT

Toyota representatives were at WITT on Friday to see how their donation of a long block common rail diesel motor was helping students.

WITT's Mathew Weel, Automotive Programme Coordinator, hosted the delegation which talked at length over the motor, which is used in a Toyota Hilux.

The Toyota New Zealand representatives included Will Kennedy (Manager, Service Operations) and Spencer Morris (General Manager Customer Services) who travelled from Palmerston North.

Tasman Toyota chief executive James Crighton said the giving the motor, valued at \$10,000, to WITT was as much an investment as it was a donation. He said it was vital the industry recruited new automotive technicians that did not come in "cold".

MAY



WITT is celebrating more culinary success in the run up to defending its Nestle Professional Toque d'Or title.

Two teams from the polytech collected medals at the Hawke's Bay Regional Salon Culinaire in Taradale at the weekend.

Front of house Cassandra Hancock and chefs Tom Simon and Omkar Kulkarnie claimed overall honours in the event after picking up a front of house gold medal and a silver in the kitchen. The team will represent WITT at the 2016 Nestle Professional Toque d'Or competition in Auckland in July.

WITT's junior team of front of house Barrie Williams and chefs Mannie Anglesey and Shane Thony also claimed medals in their first event – gold for Barrie and bronze for the chefs.



Simon Cudmore says he should have listened to his mum and dad when they told him to follow his passion for arts and design. But as a 30-something stay at home dad with no qualifications and watching his architect wife head off to work, Simon made a life-changing decision.

He finally took that parental advice and enrolled at WITT in a level three Creative Graphics certificate. Three years on he is seven months away from graduating from WITT with a Level 6 qualification, and he is already using his skills for clients both in New Plymouth and overseas.

"The Level 3 course opened my eyes. I had very much left my school attitude days behind – I really wanted to be there."

His love for motorcycles shows through in works he has done of Valentino Rossi and the late Barry Sheen and he has also produced new logos for companies.

JUNE



WITT has become the first school to embrace a national safety campaign launched by the country's largest beauty therapy body.

The New Zealand Association of Registered Beauty Therapists is running the Are You in Safe Hands Campaign in the wake of a rising concern at the damage caused to customers who have treatments in unhygienic and unlicensed environments.

Award winning beauty therapist graduate Tegan Frost, who has nine years' experience in the industry and is based at the Silk Spa in New Plymouth, is a passionate supporter of the campaign.



WITT's international exposure has been given a further boost after eight agents from Brazil visited the New Plymouth campus.

The group, who are individually involved in placing Brazilian students into tertiary education overseas, also visited Fitzroy Engineering to meet project engineer Arun Raju, who is a WITT graduate

WITT's international student numbers last year in 2015 increased to top the 200 mark, but just three are from Brazil.

The visiting group's focus is on tertiary study and pathways into industry such as engineering.

JULY



FOOD FOR THOUGHT

WITT staff rallied to the call from New Plymouth's community food bank last week – by running its own food drive as part of a mid-winter Christmas gathering.

And on Monday more than 25 bags and boxes of food, mainly canned, were dropped off to a delighted New Plymouth Community Food Bank manager Mike Merrick.



CLICK ACCESS TO OUR HISTORY

Māori Language Week is a good time to announce a new arrival at WITT's Te Whare Mātauranga – the Learning Resource Centre

Library team leader Bridget Knuckey is celebrating the acquisition of the Treaty of Waitangi Collection, a living database of treaty information which is available on line to all WITT students, tutors and staff.

The Collection can be found on the Library website on the database page under "T" For Treaty of Waitangi Collection.

It provides click-access to publications such as Claudia Orange's *The Treaty of Waitangi and Tangata Whenua – a History*.

Fairfax reviewer Nic Low wrote "Tangata Whenua has been lauded as the definitive statement on Māori history, and with good reason. It's magnificent as accessible history and as a coffee table centrepiece. Spanning the earliest ancestral migrations through to contemporary music, it looks at identity, language, descent and culture with a keen eye to politics and land."

AUGUST



Year Two Hairdressing student Brooke Utiger earned a second placing in the recent Taranaki Regional Hair Stylist of the Year Awards at New Plymouth's Devon Hotel.

She was among nine WITT students to compete in a high quality event. The team included four second year and five first year students.

"She is a stylist that has an awesome career ahead of her," Kris Fraser said.



SILVER SERVICE

WITT's hospitality school has produced more medal winners at the prestigious Nestle Professional Toque d'Or competition in Auckland.

Having won the supreme prize for the first time last year, WITT returned to finish second by a whisker at the competition held on the 3rd August.

The trio had prepared for the event for several months and excelled in two warm-up events, the Hawke's Bay Regional Salon Culinaire and regional competitions at WITT in June.

"They were training up to four times a week while continuing their studies, and I just couldn't fault their work in Auckland where they were up against some people who are already working professionally in the industry," Alex Dickie said.

The Toque d'Or team was trained by Alex Dickie (kitchen) and Kristin McCormack (front of house and overall team manager), Nicky Findlay (trainer/mentor for Barrie Williams) and Andrew Brooking (trainer/mentor for Barrie Anglesey).

SEPTEMBER



New Plymouth Girls High School won \$3000 of vouchers from Rebel Sport at WITT on Saturday.

Its team of The Edge Interns, sponsored by WITT, won a competition which attracted entries from eight Taranaki Secondary Schools.

Students were challenged to work with the radio station to produce advertisements, new campaigns and promote the Squad Games.

Squad Games involves teams for four or five people who use household items to play random games such as cup stacking, ball catching and paper throwing.

Nicole Goble from WITT Marketing and Ria Loveder from the Edge visited the Taranaki schools during the challenge to organise the games.



AT YOUR SERVICE

Ten months ago Sam Haggart was leaving WITT to take up a job as a Youth Worker with Tutaki in Stratford.

Today she is an award winning Youth Worker directing many of her clients back to WITT to further their education.

Sam was recently a winner in the annual Romeo Awards, which recognise business excellence in Stratford. She won the youth section of the Best Service Award.

Sam, 23, joined Tutaki as soon as she completed her Bachelor of applied Social Science ten months ago.



There was a strong 'waka' theme when WITT welcomed new staff, some not so new staff, and its new chair and deputy chair.

At Te Piere council member Dr Ruakere Hond spoke about the new arrivals helping to paddle the WITT waka.

Both new deputy council chair Lyal French-Wright and outgoing chair Mary Bourke remarked that it was heartening to hear the call to help speed up the waka, because Dr Hond's message also made it clear the waka was going in the right direction.

WITT chief Barbara George welcomed new council leaders Robin Brockie and Lyal French-Wright and acknowledged the on-going support WITT would receive from Mary Bourke. She said it was important for WITT that it did not completely lose the skills and knowledge she brought to the institute.

OCTOBER



A WITT business tutor was invited to join a list of star speakers, which included actress Gwyneth Paltrow, at a "festival of hosting" in Los Angeles.

Carol Curtin discussed cultural intelligence at an international Airbnb conference on November 17 to 19. The forum, to explore the future of travel and hospitality, involved more than 55 sessions and workshops for 5000 hosts.

Carol was invited because of her skills in teaching marketing and business statistics at WITT and her understanding of the marketing matrix.

NOVEMBER



Celebrity chef Michael Van de Elzen enjoys going the extra mile when he does his celebrity chef work.

His assistant was WITT student Debashree Hazarika, who has been studying cookery and will graduate in December.

She was highly impressed with Van de Elzen. Debashree came from New Delhi to study at WITT after learning about the polytech on line.

She is already working at the Black Harp in New Plymouth and says her time at WITT has been excellent.

"I really love it here, I couldn't have asked for a better place – the tutors are really interested in seeing you push yourself," she said.



BACK HOME FOR NEW EXECS

WITT is bringing Taranaki talent home to fill two posts and complete its executive team.

Rod Bentham, on WITT's staff from 1999 to 2007 will return as its new Academic Director and Dion Maaka, formerly with Parininihi ki Waitotara, has been named new Chief Financial Officer. Dion Maaka fills the position vacated when Joel Lieschke left earlier this year to take up a position in Canterbury while Rod Bentham's appointment sees a return to a full time academic director after a period in which the position was shared between contractors and senior academic staff.



CHEFS DAY AT WELBOURN

WITT's chef tutor Alex Dickie took his Level 3 Bakery students back to primary school yesterday to mark International Chef Day.

Seventy Welbourn primary school pupils in New Plymouth were given a talk on healthy eating – then given the opportunity to produce their own food creations.

The day was marked in 120 countries and organised in partnership with Nestlé's Healthy Active Kids. The theme was World on a Plate.

The NZ Chefs Association, drivers of the, initiative, thanked WITT for its support. Taranaki suppliers Bidvest and Van Dyck Fine Foods sponsored products for the day.

DECEMBER



FRESH PASTURES

Each student who climbed the stairs onto the TSB Showplace stage at the WITT end of year graduation ceremony on Thursday had a story to tell.

It's unlikely any will have been more compelling than the one Zaine Rogers can talk about.

His Level 3 Farming certificate was reward for an extraordinary and rapid turnaround in his life and life-style. He pays tribute to Land Based Training and WITT.

"Without their help I wouldn't have the opportunities I have now. Adrian has been someone for me to look up to. He has been both a tutor and a role model – and I've built a strong relationship with him and Mel!"

INDEPENDENT AUDITOR'S REPORT

To the readers of Western Institute of Technology at Taranaki and group's financial statements and statement of service performance for the year ended 31 December 2016

The Auditor-General is the auditor of Western Institute of Technology at Taranaki (the Institute) and group. The Auditor-General has appointed me, Clint Ramoo, 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 24 to 51, that comprise the statement of financial position as at 31 December 2016, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the statement of accounting policies and the notes to the financial statements that include other explanatory information; and
- the statement of service performance of the Institute and group on pages 52 to 57.

In our opinion:

- the financial statements of the Institute and group on pages 24 to 51:
 - 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 Reduced Disclosure Regime.
- the statement of service performance of the Institute and group on pages 52 to 57 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 28 April 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.

APPLICATION OF THE GOING CONCERN BASIS OF ACCOUNTING

Without modifying our opinion, we considered the adequacy of the disclosures made in note 23 on page 51 about the Institute's reliance on funding to be provided by the Tertiary Education Commission, the need for the Institute to accumulate adequate cash reserves in order to meet future loan payments to the Crown, and the application of the going concern basis of accounting. We consider these disclosures to be adequate. The

validity of the going concern basis of accounting depends on the Tertiary Education Commission continuing to provide funding to the Institute.

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 23 and 58 to 60, 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.



Clint Ramoo
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand



EQUAL EMPLOYMENT OPPORTUNITIES

WITT is committed to the principle of equal employment opportunities for everyone and fully recognises the need to give practical effect to its responsibilities as a good employer and a tertiary educational provider. We provide good and safe working conditions, do not accept unfair discrimination on any grounds, and recognise the:

- Aims, aspirations and employment requirements of Māori;
- Aims, aspirations and cultural differences of ethnic and minority group members; and
- Employment requirements of women and of people with disabilities

STAFF GENDER

233 Staff

36% of staff are male

64% of staff are female

53% of academic staff are female

77% of support staff are female

6% of female staff are Māori

STAFF ETHNICITY

50% European

7% Māori

1% Pasifika

1% Asian

4% Other

37% Unknown



STATEMENT OF RESPONSIBILITY

FOR THE YEAR ENDED 31 DECEMBER 2016

For the financial year ended 31 December 2016 the Council of the Western Institute of Technology at Taranaki were responsible for:

1. The preparation of the Group financial statements and statement of service performance, and the judgements made in them; 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 of Western Institute and Technology at Taranaki, these financial statements and statement of service performance fairly reflect the financial position and operations of Western Institute of Technology at Taranaki for the year ended 31 December 2016.

Robin Brockie
Chair of WITT Council
28 April 2017

Barbara George
Chief Executive
Tumu Whakarae
28 April 2017

2016 POLICIES STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2016

1. Reporting Entity

The financial statements of Western Institute of Technology at Taranaki ("WITT") and its subsidiary ("the Group") for the year ended 31 December 2016 were authorised for issue by the Chair of Council and the Chief Executive in accordance with the Education Act 1989 Section 220.2AA on 26 April 2016.

WITT is a Crown Entity domiciled in New Zealand and is established under the New Zealand Education Act 1989 as a Public Institution. WITT offers a range of programmes from foundation to Degree level, most of the programmes may be studied on a part-time or full-time basis. Accordingly, WITT has designated itself and the Group as public benefit entities ("PBEs") for the purposes of financial reporting.

The consolidated financial statements of the Group are presented for WITT ("the Parent") and New Zealand Institute of Highway Technology Limited ("NZIHT") which is a wholly owned subsidiary of WITT, domiciled in New Zealand.

2. Summary of Significant Accounting Policies

Basis of preparation

Statement of compliance

The financial statements 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 New Zealand Generally Accepted Accounting Practice ("NZ GAAP").

The financial statements have been prepared in accordance with the NZ GAAP Tier 2 PBE Reduced Disclosure Regime as WITT is not publicly accountable with expenses of less than \$30m. They comply with PBE accounting standards.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

In May 2013, the External Reporting Board issued a new suite of PBE accounting standards for application by public sector entities for reporting periods beginning on or after 1 July 2015. WITT and the Group will apply these standards in preparing the 31 December 2015 financial statements see note 24.

In October 2014 the PBE suite of accounting standards was updated to incorporate requirement of guidance for the not for profit sector. These updated standards apply to PBE's with reporting period beginning on or after 1 April 2015. WITT and the Group will apply these updated standards in preparing its 31 December 2016 financial statements. WITT and the Group expect there will be minimal or no change in applying these updated accounting standards.

Measurement system

The financial statements are presented in New Zealand Dollars (NZD) and all values are rounded to the nearest thousand dollars (\$'000). As a result, some rounding errors may occur in the financial statements and notes. The functional currency of WITT and its subsidiary is NZD.

The financial statements are prepared on the historical cost basis except;

- land and buildings have been measured at fair value
- financial instruments at fair value through other comprehensive Revenue and expense.

3. Basis of Consolidation

The consolidated financial statements comprise the financial statements of WITT and its subsidiary, NZIHT as at 31 December each year ("the Group"). The financial statements of the subsidiary are prepared for the same reporting period as the Parent company. All have been prepared using consistent accounting policies.

The subsidiary is an entity that is controlled, either directly or indirectly, by the parent. NZIHT is consolidated using the purchase method to prepare the Group financial statements, which involves aggregating like items of assets, liabilities, revenues, expenses and cashflows on a line-by-line basis. All inter-entity balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

The operational results of NZIHT are consolidated into the Group's financial statements for the years ended December 2015 and 2016.

Investments in subsidiaries are carried at cost in the WITT parent entity financial statements.

4. Revenue

Revenue is recognised at fair value:

Student Achievement Component (SAC) funding

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

Student tuition fees

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

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

Sale of materials

Revenue is recognised when the significant risk and rewards of ownership have passed to the buyer and can be measured reliably.

5. Interest

Revenue is recognised as the interest accrues to the net carrying amount of the financial asset (using the effective interest method which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument).

6. Cash and Cash Equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash and cash equivalents and short-term deposits with an original maturity of three months or less.

For the purposes of the cashflow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Operating Activities:

Transactions and other movements that are not investing or financing activities.

Investing Activities:

Activities relating to acquisition, holding and disposal of fixed assets and of investments, not falling within the definition of cash.

Financing Activities:

Activities that change the equity and debt capital structure of WITT.

7. Receivables

Student fees and other receivables

Student fees and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that WITT will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

8. Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at cost, adjusted where applicable, for any loss of service potential. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Inventories held for resale – purchase cost on a first-in, first-out basis
- Materials and consumables to be utilised for rendering of services – purchase cost on a first-in, first-out basis.

Net realisable value is the estimated selling price in the ordinary course of activities, less the estimated costs necessary to make the sale.

9. Other Financial Assets

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 Statement of Comprehensive Revenue and expense.

Purchases and sales of financial assets are recognised on trade-date, the date on which WITT and the Group commits to purchase or sell the asset. Financial assets are recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and WITT and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purposes of measurement:

- fair value through surplus or deficit;
- loans and receivables; and
- fair value through other comprehensive Revenue and Expense.

Classification of the financial asset depends on the purpose for which the instruments were acquired.

Fair value through surplus or deficit

Financial assets at fair value through the Statement of Comprehensive Revenue and expense include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or is part of a portfolio that are managed

together and for which there is evidence of short-term profit-taking.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset.

After initial recognition, financial assets in this category are measured at their fair values with gains for losses on remeasurement recognised in the Statement of Comprehensive Revenue and expense.

Loans and receivables (including cash and cash equivalents, term deposits, student fees and other receivables)

After initial recognition, investments loans and receivables are measured at amortised cost using the effective interest method less any provision for impairment.

For Bank deposits, impairment is established when there is objective evidence that WITT will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the Bank, probability that the Bank will enter into bankruptcy and default in payments are considered indicators that the deposit is impaired.

Impairment of a loan or a receivable is established when there is objective evidence that WITT and the Group will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default in payments, are considered significant indicators that the asset is impaired. The amount of the impairment is the difference between the assets carrying amount and the net present value of the estimated future cashflows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account. For other financial assets, impairment losses are recognised directly against the instruments carrying amount.

Gains and losses when an asset is impaired or derecognised are recognised in the Statement of Comprehensive Revenue and expense.

Financial assets at fair value through other comprehensive Revenue and expense.

Fair Value Estimation

For those financial assets recognised at fair value in the Statement of Financial Position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using

models where one or more significant inputs are not observable.

The investment in WITT's subsidiary is carried at cost in the parent entity financial statements.

WITT designates equity investments at fair value through other comprehensive revenue and expense. After initial recognition these investments are measured at their fair value with gains and losses recognised directly in other comprehensive, except for impairment losses which are recognised in the Statement of Comprehensive Revenue and expense.

On derecognition the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the Statement of Comprehensive Revenue and expense.

At each Statement of Financial Position date, WITT assesses whether there is any objective evidence that an investment is impaired.

Equity investments where there is a significant prolonged decline in the fair value of the investment below its cost, is considered objective evidence of impairment.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss recognised in other comprehensive revenue and expense, is reclassified from equity to the Statement of Comprehensive Revenue and expense.

Equity instrument impairment losses are recognised in the Statement of Comprehensive Revenue and expense, are not reversed through the Statement of Comprehensive Revenue and expense.

10. Property, Plant and Equipment

Property, plant and equipment consist of the following asset classes: land and buildings, plant and equipment, motor vehicles and computer hardware.

The measurement bases used for determining the gross carrying amount for each class of assets are as follows:

- Land is measured at fair value and buildings are measured at fair value, less subsequent accumulated depreciation and impairment losses. Land and Buildings were last revalued as at 31 December 2012. The valuation was completed by an independent Registered Valuer.
- Plant and equipment, motor vehicles and computer hardware are stated at cost, less accumulated depreciation and any accumulated impairment in value.

Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Fair value as at 31 December 2005 has been used as the deemed cost on transition as at 1 January 2006 for the valuation of library books, plant and equipment, office equipment, furniture and fittings, motor vehicles and computer hardware. Library books, plant and equipment, office equipment, furniture and fittings, motor vehicles and computer hardware are stated at cost, less accumulated depreciation and accumulated impairment value.

Library books, plant and equipment, office equipment, furniture and fittings and motor vehicles are classified under plant and equipment in the financial statements.

Additions

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

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

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

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 the estimated useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated for WITT and the Group as follows:

	Useful Life	Method Used
Computer hardware	3-5 years	SL
Plant and equipment	3-15 years	SL
Buildings		
Structure/envelope	26-86 years	SL
Fit-out	20 years	SL
Services	12-35 years	SL
Infrastructure	5-50 years	SL
Vehicles	3-15 years	SL

Assets under construction

Capital work in progress is valued on the basis of expenditure incurred. Work in progress is not depreciated. The total cost of the asset of the project is transferred to the relevant asset class on its completion and then depreciated.

Impairment

The carrying values of plant and equipment, other than those whose future economic benefits are not directly related to their ability to generate net cash, are reviewed for impairment when changes in circumstances indicate that the carrying value may not be recoverable.

If any such indication exists and where the carrying values exceed their estimated carrying amount, the assets are written down to their recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

All assets are primarily held for the purpose of providing education and related activities and related activities are assessed for impairment by reviewing the assets for obsolescence, changes in useful life assessments, optimisation and other related matters.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where WITT and the Group would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cashflows.

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. For revalued assets the impairment loss is recognised in other comprehensive revenue and expense to the extent the impairment loss does not exceed the amount in the revaluation reserve in equity for that same class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

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

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

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

Revaluations

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

The carrying values of revalued assets are assessed annually by Management to ensure they do not differ materially from fair value. If there is evidence supporting material differences, the off-cycle asset classes are revalued.

Revaluation of property is carried out on a "class of asset" basis.

Fair value is determined by a depreciated replacement cost valuation method for buildings and market based evidence for land.

Any net revaluation increase/decrease is recognised in the surplus or deficit, unless it directly offsets a previous net revaluation reserve increase in the same revaluation reserve.

Any subsequent increase in the revaluation that reverses previous decrease in value recognised in the surplus or deficit will be recognised in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net carrying amount is reinstated to the revalued amount of that asset.

Upon disposal, any revaluation reserve relating to that particular class of asset being sold is transferred to retained earnings.

Disposals

Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) or when no future benefits are expected to arise, is included in the surplus or deficit in the year it is derecognised.

Assets held for resale

Property, plant and equipment is re-classified as an asset held for resale, when its carrying amount will be recovered principally through a sale transaction rather than continuing use. The re-classification takes place when the asset is considered to be available for immediate sale in its present condition, subject only to the usual and customary terms of sale of such assets and the sale is highly probable.

Assets held for resale are measured at the lower of their carrying value and fair value less costs to sell.

Any impairment losses for write-downs of assets held for resale are recognised in the Statement of comprehensive revenue and expense.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as assets held for resale.

11. Leased Assets

Operating leases are recognised as an expense in the surplus or deficit on a straight-line basis over the lease term.

12. Intangible Assets

Computer software and Radio Licence

Computer software and Radio Licence are separately acquired and capitalised at its cost as at date of acquisition. After initial recognition, separately acquired assets are carried at cost less accumulated amortisation and accumulated impairment costs.

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

Course development costs

Course development costs relate to the development of educational courses and are capitalised when it is probable that future economic benefit arising from the use of the intangible asset will flow to WITT and the Group. The development costs primarily consist of employee costs.

Staff training costs are recognised as an expense when incurred.

Following the initial recognition of the course development expenditure, the cost model is applied and the asset is carried at cost, less accumulated amortisation and accumulated impairment losses.

Website development costs

Website development cost are separately acquired and capitalised at its cost as at date of acquisition. The capitalised cost of the website development include only external consultancy costs relating to the website application and infrastructure development phase all other costs associated with the development of the website has been recognised as an expense when incurred. After initial recognition, separately acquired assets are carried at cost less accumulated amortisation and accumulated impairment costs.

Costs associated with maintaining the website content are recognised as an expense when incurred.

Amortisation

A summary of the policies applied to WITT and the Group is as follows:

	Useful Life	Method used	Internally Generated or Acquired
Course Development Costs	5-15 years	SL	Internally Generated
Computer Software and Radio Licence	3-10 years	SL	Acquired
Website Development	3 years	SL	Acquired

The amortisation period and amortisation method for each class of intangible asset having a finite life is reviewed at each financial year-end. If the expected useful life or expected pattern of consumption is different from the previous assessment, changes are made accordingly. 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 recognised in the surplus or deficit.

The carrying value of each class of intangible asset is reviewed for indicators of impairment annually. Intangible assets are tested for impairment where an indicator of impairment exists. When there is an indicator of impairment, the asset's recoverable amount is estimated. 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 assets fair value less cost to sell and its value in use.

Gains or losses arising from derecognition of an intangible asset are measured as difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the surplus or deficit when the asset is derecognised.

Expenditure on research activities is recognised in the Statement of Comprehensive Revenue and expense when incurred.

13. Employee Entitlements

Provision is made in respect of WITT liability for annual leave, sick leave, long service leave and retirement gratuities.

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service, are measured at nominal values based on accrued entitlements at current year rates of pay.

Sick leave, annual leave, vested long leave and non-vesting long service leave and retirement gratuities expected to be settled within 12 month of balance date, are classified as current liabilities. All other employee entitlements are classified as non-current liability.

Annual leave has been calculated on an actual entitlement basis for current rates of pay.

Long service leave and retirement gratuities are calculated based on the present value of estimated future cashflows determined on an actuarial basis.

Sick leave liability has been calculated based on the expected usage in excess of accruing annual entitlements.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the surplus or deficit as they are incurred.

14. Superannuation Schemes

Defined contribution schemes

Obligations for contributions to the Government Superannuation Fund and Kiwisaver are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit as incurred.

15. Trade and Other Payables

Trade and other payables are initially measured at face value and subsequently measured at amortised cost using the effective interest method.

16. Borrowing Costs

All borrowing costs are recognised as an expense when incurred.

17. Borrowings

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless WITT or the Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Floating rate debt

After initial recognition, debt instruments that are the subject of floating rate interest obligations are valued at "fair value through profit and loss". The face value of the loan obligation is likely to be a close approximation to this value and no additional accounting transactions will be necessary.

Fixed rate debt

After initial recognition, debt instruments that are the subject of fixed rate interest obligations are valued at "amortised cost", which uses the effective interest rate of allocating the interest expense over the life of the

instrument. In normal commercial circumstances, the face value of the loan obligation is likely to be a close approximation to this value and no additional accounting transactions will be necessary. Where Crown loans are provided at a concessional or zero rate of interest, the difference between the fair value and the face value of the loan has been recognised as Equity at inception and interest costs are charged to the Statement of Comprehensive Revenue and expense over the life of the instrument as though the interest rate was the prevailing market rate at the time the liability was entered into.

18. Provisions

Provisions are recognised when the WITT and the Group has a present obligation (legal or constructive) as a result of a past event and when it is probable that an outflow of resources, embodying economic benefits, 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 cashflows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability.

Provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate. Where it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

19. Budget Figures

The budget figures are those approved by the Council at the end of the year prior to the start of the financial year. WITT's wholly owned subsidiary budget figures are approved by their Board of Directors at the end of the year prior to the start of the financial year.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of financial statements.

20. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, 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 are stated with the amount of GST included.

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

Cashflows are included in the cashflow statement on a gross basis and the GST component of cashflows arising from investing and financing activities, which is recoverable from, or payable to the IRD, is classified as an operating cashflow.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the IRD.

21. Taxation

Tertiary Institutions are exempt from the payment of income tax as they are treated by IRD as charitable organisations. Accordingly, no charge for income tax has been provided for within WITT, or NZIHT. Refer to Note 20 for additional information.

22. Equity

Equity is measured as the difference between total asset and total liabilities. Equity is disaggregated and classified into a number of components. The components of equity are:

- Public equity
- Retained earnings
- Asset revaluation reserve.

Asset revaluation reserve

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

23. Critical Accounting Estimates and Assumptions

In preparing these financial statements, WITT 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 discussed below:

Crown owned land and buildings

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

Distinction between revenue and capital contributions

Most Crown revenue is operational in nature and is provided by the Crown under the authority of an expense appropriation and is recognised as revenue. Where funding is received from the Crown under the authority of a capital appropriation, WITT and the Group accounts for the funding as a capital contribution directly in Equity.

Research leave

Teaching staff are entitled to research leave in certain circumstances. The substance of this leave is that it is leave from teaching duties to undertake research activity with staff continuing to earn their salary and other employee entitlements. WITT and the Group is of the view that research leave is not the type of leave contemplated in PBE IPSAS 25 *Employee Benefits*. Accordingly, a liability has not been recognised for such leave.

24. Critical Judgements in Applying WITT and Group Accounting Policies

Management has exercised the following critical judgements in applying WITT accounting policies for the year ended 31 December 2016:

Leases classification

Determining whether a lease agreement is a finance or operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to WITT or the Group. Judgement is required on various aspects that include but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments.

Non-Government Grants

WITT and the Group must exercise judgement when recognising grant income to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each grant contract.

Rounding

The financial statements include rounding of numbers as the model used for the financial statements calculates to the dollar but the Annual Report is rounded to the nearest thousand.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	GROUP			PARENT		
		Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Revenue							
Government grants	1(a)	13,234	13,478	13,545	13,234	13,478	13,545
Tuition fees	1(b)	8,420	9,424	8,720	5,754	6,801	6,138
Other revenue	1(c)	2,016	1,680	2,153	2,730	1,531	1,988
Total Revenue		23,670	24,582	24,418	21,719	21,810	21,671
Expenditure							
Personnel costs	1(e)	12,178	12,862	13,298	12,178	10,753	11,321
Other expenses	1(f)	10,660	8,762	8,861	9,400	9,090	9,152
Depreciation expense	6	1,697	1,791	1,674	1,632	1,691	1,596
Amortisation expense	7	205	137	196	148	137	134
Finance costs	1(d)	218	233	204	210	227	198
Total Expenditure		24,958	23,785	24,233	23,569	21,899	22,401
Surplus / (Deficit) before tax		(1,288)	797	185	(1,850)	(89)	(730)
Income tax expense / (benefit)		(1,361)	-	-	-	-	-
Surplus / (Deficit) After tax		73	797	185	(1,850)	(89)	(730)
Other Comprehensive Revenue and Expense							
Property revaluations		-	-	-	-	-	-
Total Comprehensive Revenue and Expense		73	797	185	(1,850)	(89)	(730)

Explanations of major variances against budget are provided in note 18.

The accounting policies on pages 24 to 30 and the notes on pages 36 to 51 form part of and should be read in conjunction with these statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	GROUP			PARENT		
		Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
ASSETS							
Current Assets							
Cash and cash equivalents	2	1,092	3,135	1,165	904	1,853	1,031
Other financial assets	5	4,060	7,000	7,060	4,060	7,000	7,060
Student fees and other receivables	3	3,588	1,361	2,035	3,456	545	1,825
Inventories	4	2	17	17	2	17	17
Prepayments		539	196	204	499	147	162
Accrued revenue		685	1,166	970	663	970	970
Total Current Assets		9,967	12,875	11,451	9,584	10,532	11,065
Non-current Assets							
Other financial assets	5	7	7	7	404	404	404
Property, plant and equipment	6	24,146	24,614	23,946	23,067	23,604	22,817
Intangible assets	7	1,290	1,234	1,426	1,024	947	1,104
Total Non-current Assets		25,443	25,856	25,379	24,496	24,955	24,325
TOTAL ASSETS		35,410	38,731	36,830	34,080	35,487	35,390
LIABILITIES							
Current Liabilities							
Trade and other payables	8	1,618	1,399	2,101	5,667	4,411	5,249
Income tax payable	20	-	1,361	1,361	-	-	-
Employee entitlements	11	814	1,394	1,129	814	1,343	1,129
Revenue received in advance	10	3,182	4,131	2,703	2,834	3,394	2,584
Total Current Liabilities		5,614	8,285	7,294	9,315	9,148	8,962
Non-current liabilities							
Borrowings	9	3,835	3,463	3,644	3,835	3,644	3,644
Employee entitlements	11	174	178	178	174	178	178
Total Non-current Liabilities		4,009	3,641	3,822	4,009	3,822	3,822
TOTAL LIABILITIES		9,623	11,926	11,116	13,324	12,970	12,784
NET ASSETS		25,787	26,805	25,714	20,755	22,517	22,606
EQUITY							
Equity	16	29,590	29,590	29,590	29,590	29,590	29,590
Suspensory loan	16	-	-	-	-	-	-
Retained earnings	16	(11,895)	(10,877)	(11,968)	(16,518)	(14,756)	(14,667)
Asset revaluation reserve	12	8,092	8,092	8,092	7,683	7,683	7,683
TOTAL EQUITY		25,787	26,805	25,714	20,755	22,517	22,606



Barbara George
Chief Executive



Robin Brockie
Chairman Council

Date: 28 April 2017

Explanations of major variances against budget are provided in note 18.

The accounting policies on pages 24 to 30 and the notes on pages 36 to 51 form part of and should be read in conjunction with these statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

Note	GROUP			PARENT		
	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Cash flows from operating activities						
Receipt of government grants	13,184	12,517	14,392	13,812	12,580	14,248
Receipt of tuition fees	7,337	12,516	6,492	4,072	8,612	4,756
Receipt of other ancillary income	2,772	1,178	1,753	1,479	1,303	1,591
Interest revenue received	253	229	405	240	229	402
Payments to suppliers	(11,746)	(12,128)	(8,331)	(11,163)	(10,384)	(7,599)
Payments to employees	(12,541)	(9,260)	(12,318)	(9,294)	(8,880)	(11,056)
Interest paid	(6)	-	-	(6)	-	-
Goods and Services Tax (net)	(363)	(452)	(323)	(318)	(464)	-172
Net cash flows from operating activities	-1,110	4,600	2,070	-1,178	2,996	2,170
Cash flows from investing activities						
Receipts from sale of property, plant and equipment	-	-	-	-	-	-
Receipts from sale of investments	-	-	-	-	-	-
Receipts from maturity of investments	7,060	-	6,000	7,060	-	6,000
Purchase of property, plant and equipment	(1,918)	(2,630)	(527)	(1,904)	(2,174)	(485)
Purchase of intangible assets	(45)	-	(68)	(45)	-	(66)
Acquisition/roll over of investments	(4,060)	-	(7,000)	(4,060)	-	(7,000)
Net cash flows used in investing activities	1,037	(2,630)	(1,595)	1,051	(2,174)	(1,551)
Net increase / (decrease) in cash and cash equivalents	(73)	1,970	475	(127)	822	619
Cash and cash equivalents at the beginning of the period	1,165	1,165	690	1,031	1,031	412
Cash and cash equivalents at the end of the period	2	1,092	1,165	904	1,853	1,031

The GST (net) component of operating activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

Explanations of major variances against budget are provided in note 18.

The accounting policies on pages 24 to 30 and the notes on pages 36 to 51 form part of and should be read in conjunction with these statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Public Equity \$000	Retained Earnings \$000	Revaluation Reserve \$000	Total \$000	Budget \$000
GROUP					
At 1 January 2015	29,590	(12,153)	8,092	25,529	24,911
Comprehensive revenue and expense					
Surplus / (Deficit)	-	185	-	185	1,096
Total Comprehensive Revenue and expense	-	185	-	185	1,096
At 31 December 2015	29,590	(11,968)	8,092	25,714	26,007
Comprehensive revenue and expense					
Surplus / (Deficit)	-	73	-	73	797
Total Comprehensive Revenue and expense	-	73	-	73	797
At 31 December 2016	29,590	(11,895)	8,092	25,787	26,805
PARENT					
At 1 January 2015	29,590	(13,937)	7,683	23,336	21,574
Comprehensive revenue and expense					
Surplus / (Deficit)	-	-730	-	-730	1,032
Total Comprehensive Revenue and expense	-	-730	-	-730	1,032
At 31 December 2015	29,590	(14,667)	7,683	22,606	22,606
Comprehensive revenue and expense					
Surplus / (Deficit)	-	(1,850)	-	(1,850)	(89)
Total Comprehensive Revenue and expense	-	(1,850)	-	(1,850)	(89)
At 31 December 2016	29,590	(16,518)	7,683	20,755	22,517

Explanations of major variances against budget are provided in note 18.

The accounting policies on pages 24 to 30 and the notes on pages 36 to 51 form part of and should be read in conjunction with these statements.

STATEMENT OF RESOURCES

AS AT 31 DECEMBER 2016

Summary of Institute staff (average levels)		
Teaching departments	2016	2015
Academic	87.36	89.29
General	17.76	11.24
Library	3.75	3.61
Central Administration		
Executive	3.64	5.51
General	39.71	29.73
Student Services		
Academic	1.7	1.7
General	5.09	5.94
Polytots	0.06	4.64
Total	159.07	151.66

Land and premises	Land	Buildings	Value as at
			31/12/2016 \$000
Bell and Cracroft Streets (Main Campus)	68,119m ²	13,653m ²	20,760
5 Young Street – NZIHT	697m ²	750m ²	1,033

Print and Media	2016	2015	2014
Non fiction	18,185	17,924	18,898
Reference	367	575	589
Fiction	483	433	424
Media resources	Now in non-fiction figures	131	131
Serials	36	53	134
Total print and media titles	19,071	19,116	20,176
New titles	353	460	419
Titles withdrawn	806	1,362	1,203
Gate Count (visits)	82,322	76,189	57,787
Loans (issues)	8,789	8,455	8,791
Interloan requests	56	37	74
E-books			
Total access	742	687	660
Pages viewed	9,776	9,395	9,533
E-journals			
Searches	36,150	49,588	25,821
Retrievals	34,148	31,739	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1. REVENUES AND EXPENSES

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
(a) Government Grants				
Operational Bulk Grant	12,706	13,124	12,706	13,124
Māori and Pacific Island Grant	25	31	25	31
Disabilities Special Supplementary Grant	33	42	33	42
Under 25 Grant	378	256	378	256
Special Education Special Supplementary Grant	92	92	92	92
Total Government Grants	13,234	13,545	13,234	13,545
(b) Tuition fees				
Fees from domestic students	6,082	5,957	4,040	4,052
Fees from international students	2,338	2,763	1,714	2,086
Total tuition fees	8,420	8,720	5,754	6,138
(c) Other revenue				
Restaurant operations	76	76	76	76
Gain on disposal of property, plant and equipment	6	1	6	1
Gain on sale of investments	0	-	0	-
Bad Debts recovered	5	17	5	17
Interest earned on bank deposits	242	395	241	392
Other Government revenue	297	247	297	247
Other dividend revenue	1	1	1	1
Other operating activities	1,389	1,416	2,104	1,254
Total other revenue	2,016	2,153	2,730	1,988
(d) Finance costs				
Bank fees and overdrafts	27	22	19	17
Interest charges	0	1	-	-
Crown loans fair value	191	181	191	181
Total finance costs	218	204	210	198
(e) Personnel costs				
Wages and salaries	12,216	12,875	12,216	10,916
Employer contributions to defined contribution plans	281	272	281	267
Employee welfare expenses	-	0	-	0
Increase / (decrease) in employee entitlements	(319)	151	-319	138
Total Personnel costs	12,178	13,298	12,178	11,321

Employer contributions to defined contribution schemes include contributions to Kiwisaver and the Government Superannuation Fund (GSF).

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
(f) Other Expenses				
Fees paid to principal auditor				
– audit fee related for financial statement audit	152	159	115	112
Repairs and maintenance	687	723	669	707
Advertising and public relations	514	512	391	437
Consultants and legal fees	1,140	1,040	1,064	936
Travel and accommodation	492	416	190	131
Research and development	-	-	-	-
Minimum lease payments – operating lease	110	4	5	4
Loss on disposal of property, plant and equipment	1	0	1	0
Doubtful debt provision	-	-	-	-
Bad debts written off	24	1	24	1
Software Licenses	298	287	292	287
Third party supplier payments	2,402	1,439	2,214	1,439
NZIHT payments	-	-	1,494	2,046
Other operating expenses	4,840	4,280	2,940	3,052
Total other expenses	10,660	8,861	9,400	9,152

2. CASH AND CASH EQUIVALENTS

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Cash at bank and in hand	1,092	1,165	904	1,031
Short-term deposits	-	-	-	-
Total cash and cash equivalents	1,092	1,165	904	1,031

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and 3 months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Other financial assets include term deposits with maturities that range from 4 to 12 months.

Reconciliation of cash for the purpose of the cash flow statement

For the purpose of the cashflow statement, cash and cash equivalents comprise the following as at 31 December:

Cash at bank and in hand	1,092	1,165	904	1,031
Short-term deposits	-	-	-	-
Total cash and cash equivalents	1,092	1,165	904	1,031

3. STUDENT FEES AND OTHER RECEIVABLES

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Student fees receivables				
Student fees receivables	3,048	2,114	2,916	1,954
Net student fees receivables	3,048	2,114	2,916	1,954
Other receivables				
Other receivables	740	121	740	71
Provision for doubtful debts	(200)	(200)	(200)	(200)
Total student fees and other receivables	3,588	2,034	3,456	1,825

Fair Value

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

The provision for impairment has been calculated based on expected losses for WITT and the Group's pool of receivables. Expected losses have been determined based on an analysis of WITT and the Group's losses in previous periods and review of specific receivables.

All receivables greater than 30 days in age are considered to be past due.

There are no provisions for impairment on other receivables.

Movements in the provision for impairment of student fee receivable are as follows:

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
At 1 January	200	200	200	200
Additional provisions made during the year	19	0	19	0
Provisions reversed during the year	0	0	0	0
Receivables written off during the year	-19	0	-19	0
Total impairment as at 31 December	200	200	200	200

Receivables classified as exchange or non-exchange transactions are as follows:

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Receivables under exchange transactions				
Other receivables	740	121	740	71
Provision for doubtful debts	(200)	(200)	(200)	(200)
Total receivables under exchange transactions	540	-79	540	-129
Receivables under non-exchange transactions				
Net Student fees receivables	3,048	2,114	2,916	1,954
Total Receivables under non-exchange transactions	3,048	2,114	2,916	1,954
Total student fees and other receivables	3,588	2,034	3,456	1,825

4. INVENTORIES

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Materials and consumables	2	17	2	17
Total inventories	2	17	2	17

There has been no write down of inventory during the year. Inventory has not been pledged as security.

5. FINANCIAL ASSETS IN THE NATURE OF INVESTMENTS

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
(a) CURRENT				
Other financial assets – term deposits	4,060	7,060	4,060	7,060
NON CURRENT				
Shares wholly owned subsidiary	-	-	397	397
Shares in non-listed companies	7	7	7	7
Total financial assets in the nature of investments	4,067	7,067	4,464	7,464

Shares in non-listed companies are held for a strategic purpose and have been measured at cost and not fair value. A reliable open market value can not be reliability obtained using a standardised valuation technique or due to cost not being materially different to fair value.

New Zealand Institute Highway Technology is a wholly owned subsidiary of WITT. All financial assets in the nature of investments are recorded at historical cost with no impairment made.

6. PROPERTY, PLANT AND EQUIPMENT

	Cost / Valuation 1/1/2016	Accumulated Depreciation and Impairment charges 1/1/2016	Carrying Amount 1/1/2016	Current Year Additions	Current Year Disposals	Elimination on Disposal	Current Year Depreciation	Reclassifications	Cost/Valuation 31/12/2016	Accumulated Depreciation and Impairment charges 31/12/2016	Carrying Amount 31/12/2016
GROUP 2016											
Land and buildings	24,583	(3,255)	21,328	1,648	-	-	(1,184)	-	26,231	(4,438)	21,793
Plant and equipment	4,295	(2,533)	1,762	366	(6)	4	(283)	-	4,655	(2,812)	1,843
Motor vehicles	349	(202)	147	-	-	-	(30)	-	349	(232)	117
Computer hardware	1,852	(1,483)	369	224	-	-	(200)	-	2,075	(1,683)	392
Work in progress	340	-	340	-	(340)	-	-	-	-	-	-
	31,419	(7,473)	23,946	2,238	(346)	4	(1,697)	-	33,310	(9,165)	24,146
PARENT 2016											
Land and buildings	23,458	(3,186)	20,272	1,648	-	-	(1,160)	-	25,106	(4,346)	20,760
Plant and equipment	4,182	(2,425)	1,757	352	(6)	4	(276)	-	4,528	(2,697)	1,831
Motor vehicles	165	(47)	118	-	-	-	(18)	-	165	(65)	100
Computer hardware	1,657	(1,327)	330	224	-	-	(178)	-	1,881	(1,505)	376
Work in progress	340	-	340	-	(340)	-	-	-	-	-	-
	29,802	(6,985)	22,817	2,224	(346)	4	(1,632)	-	31,680	(8,613)	23,067
GROUP 2015											
	Cost / Valuation 1/1/2015	Accumulated Depreciation and Impairment charges 1/1/2015	Carrying Amount 1/1/2015	Current Year Additions	Current Year Disposals	Elimination on Disposal	Current Year Depreciation	Reclassifications	Cost/Valuation 31/12/2015	Accumulated Depreciation and Impairment charges 31/12/2015	Carrying Amount 31/12/2015
Land and buildings	24,513	(2,150)	22,363	70	-	-	(1,105)	-	24,583	(3,255)	21,328
Plant and equipment	4,134	(2,231)	1,903	169	(8)	7	(309)	-	4,295	(2,533)	1,762
Motor vehicles	349	(166)	183	-	-	-	(36)	-	349	(202)	147
Computer hardware	1,696	(1,261)	435	158	(2)	2	(224)	-	1,852	(1,483)	369
Work in progress	57	-	57	340	(57)	-	-	-	340	-	340
	30,749	(5,808)	24,941	737	(67)	9	(1,674)	-	31,419	(7,473)	23,946
PARENT 2015											
Land and buildings	23,388	(2,103)	21,285	70	-	-	(1,083)	-	23,458	(3,186)	20,272
Plant and equipment	4,021	(2,129)	1,892	169	(8)	7	(303)	-	4,182	(2,425)	1,757
Motor vehicles	165	(30)	135	-	-	-	(17)	-	165	(47)	118
Computer hardware	1,542	(1,136)	406	117	(2)	2	(193)	-	1,657	(1,327)	330
Work in progress	57	-	57	340	(57)	-	0	-	340	-	340
	29,173	(5,398)	23,775	696	(67)	9	(1,596)	-	29,802	(6,985)	22,817

Revaluations

Land

Land has been valued at fair value using market-based evidence on its highest and best use with reference to comparable land sales.

Restrictions on WITT and the Group's ability to sell land would normally not impair the value of the land because the group has operational use of the land for the foreseeable future and will substantially receive full benefits of outright ownership.

A sub-lease over 1.0580ha of the main campus has been granted to Annik Investments Limited until 2045, with an automatic renewal for a further 33 years if not withdrawn 6 months before expiry on 14 June 2045.

The most recent valuation of land was performed on 3 January 2013 by a registered valuer Ian Baker, independent Registered Valuer, of the firm Telfer Young, and the valuation is effective as at 31 December 2012.

Buildings

Buildings have been designed specifically for educational purposes.

Buildings are valued at depreciated optimised replacement cost because no reliable market data is available for buildings designated for educational delivery purposes.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement asset is based on the replacement cost of the specific assets with adjustments where necessary for obsolescence due to over design or surplus capacity.
- The replacement cost is derived from recent construction contracts to similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated.
- straight line depreciation has been applied in determining the depreciated replacement cost value of the asset.

The most recent valuation of buildings was performed on 3 January 2013 by a registered valuer Ian Baker, independent Registered Valuer, of the firm Telfer Young, and the valuation is effective as at 31 December 2012.

There was no plant and equipment held under finance leases and hire purchase contracts at 31 December 2016.

There are no restrictions over the title of WITT and the Group's property, plant and equipment assets, nor are any property, plant and equipment assets pledged as security for liabilities.

Restrictions on title

Under the Education Act 1989 WITT is required to obtain consent from the Ministry of Education to dispose or sell any property, where the value of the property exceeds \$50,000.

7. INTANGIBLE ASSETS

	Cost / Valuation 1/1/2016	Accumulated Amortisation and Impairment charges 1/1/2016	Carrying Amount 1/1/2016	Current Year Additions	Current Year Disposals	Current Year Amortisation	Elimination on Disposal	Cost / Valuation 31/12/2016	Accumulated Amortisation and Impairment charges 31/12/2016	Carrying Amount 31/12/2016
GROUP 2016										
Course Development ¹	1,033	(578)	455	-	-	(71)	-	1,033	(649)	384
Computer Software ²	1,402	(608)	794	44	-	(122)	-	1,446	(730)	716
Broadcasting Licences	248	(81)	167	-	-	(12)	-	248	(94)	154
Work in progress	10	-	10	35	(10)	-	-	35	-	35
	2,693	(1,267)	1,426	79	(10)	(205)	-	2,762	(1,472)	1,290
PARENT 2016										
Course Development ¹	164	(30)	133	-	-	(16)	-	164	(46)	118
Computer Software ²	1,273	(480)	793	44	-	(120)	-	1,317	(599)	717
Broadcasting Licences	248	(81)	167	-	-	(12)	-	248	(94)	154
Work in progress	10	-	10	35	(10)	-	-	35	-	35
	1,695	(591)	1,104	79	(10)	(148)	-	1,764	(740)	1,024
GROUP 2015										
Course Development ¹	953	(507)	446	80	-	(71)	-	1,033	(578)	455
Computer Software ²	1,367	(495)	872	35	-	(113)	-	1,402	(608)	794
Broadcasting Licences	248	(69)	179	-	-	(12)	-	248	(81)	167
Work in progress	57	-	57	10	(57)	-	-	10	-	10
	2,625	(1,071)	1,554	125	(57)	(196)	-	2,693	(1,267)	1,426
PARENT 2015										
Course Development ¹	86	(16)	70	78	-	(14)	-	164	(30)	134
Computer Software ²	1,238	(372)	866	35	-	(108)	-	1,273	(480)	793
Broadcasting Licences	248	(69)	179	-	-	(12)	-	248	(81)	167
Work in progress	57	-	57	10	(57)	-	-	10	-	10
	1,629	(457)	1,172	123	(57)	(134)	-	1,695	(591)	1,104

1. Internally generated

2. Purchased

For the year ended 31 December 2016, course development costs and computer software are capitalised at cost. These intangible assets have been assessed as having finite lives and are amortised using the straight line method over a period between 3 and 15 years.

The additions to computer software represent intangible assets acquired separately. The additions to course development costs represent intangible assets that are internally developed.

There are no restrictions over the title of WITT and the Group's intangible assets, nor are any intangible assets pledged as security for liabilities.

8. TRADE AND OTHER PAYABLES

	GROUP				PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Payables under exchange transactions						
Trade payables	869	1,480	792		1,399	
GST payable	355	172	322		172	
Other payables	385	440	213		349	
Total payables under exchange transactions	1,609	2,092	1,327		1,920	
Payables under non-exchange transactions						
Payables to subsidiary	-	-	4,340		3,329	
Other taxes payable	9	9	0		0	
Total payables under non-exchange transactions	9	9	4,340		3,329	
Total Trade and other payables	1,618	2,101	5,667		5,249	

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

Trade payables are non-interest bearing and are normally settled on 30-day terms.

Other payables are non-interest bearing and have an average term of 30 days. The carrying value of Trade and other payables approximate fair value.

Interest payable is normally settled monthly throughout the financial year.

For terms and conditions relating to related parties refer to note 17.

9. BORROWINGS

	Effective interest rate (%)	Maturity	GROUP		PARENT	
			2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Non-Current portion						
Finance leases			-	-	-	-
Crown Loan	0.00%	Dec-20	3,835	3,644	3,835	3,644
Non-current portion borrowings			3,835	3,644	3,835	3,644

On 24 August 2009 Cabinet rescinded the decision made on 1 July 2008 to convert WITT's Crown debt of \$17.618m to Equity over a five year period commencing 31 December 2009.

The Crown agreed to retain a Crown loan of \$5.196m as non interest-bearing loan repayable in equal instalments over a five year period between 2020 and 2024. The balance of the outstanding loan of \$12.422m was established as a Suspensory loan, convertible to equity on the basis of the achievement of agreed key performance measures over a five year period commencing December 2009. The balance of the Crown suspensory loan is now nil.

The interest free Crown loan of \$5.196m has a fair value as at 31 December 2016 of \$3.835m. The discounted amount of \$1.361m will be written back to the interest free Crown loan over the ten year period from 2015 to 2024 through the Statement of Comprehensive Revenue and Expense.

The Crown loan is interest free. In determining the fair value at the inception of the interest free Crown loan, a present value calculation was completed using a commercial loan discount rate of 5.24%.

10. REVENUE RECEIVED IN ADVANCE

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Student tuition fees	3,108	2,295	2,760	2,176
Clinical skills facility funding	43	43	43	43
Other revenue in advance	31	365	31	365
Total revenue received in advance	3,182	2,703	2,834	2,584

Revenue received in advance from student tuition fees includes liabilities recognised from both domestic and international student fees, which is based on the percentage completion of the course.

11. EMPLOYEE ENTITLEMENTS

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current portion				
Accrued pay	114	296	114	296
Annual Leave	609	744	609	744
Long service leave	13	10	13	10
Retiring leave	79	79	79	79
Total current portion	814	1,129	814	1,129
Non-current portion				
Long service leave	36	39	36	39
Sick leave	21	21	21	21
Retiring leave	118	118	118	118
Total non-current portion	174	178	174	178
Total employee entitlements	988	1,307	988	1,307

12. ASSET REVALUATION RESERVE

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
At 1 January	8,092	8,092	7,683	7,683
Depreciation transfer	-	-	-	-
Revaluation of land and buildings	-	-	-	-
Total asset revaluation reserve as at 31 December	8,092	8,092	7,683	7,683
Property revaluation reserves consist of;				
Land	1,480	1,480	1,195	1,195
Buildings	6,612	6,612	6,488	6,488
Total property revaluation reserves	8,092	8,092	7,683	7,683

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

WITT and the Group's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. WITT and the Group has a series of Policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These Policies do not allow any transactions that are speculative in nature to be entered into.

WITT and the Group's principal financial instruments comprise Crown Suspensory loans, bank deposits, cash and short-term deposits.

The main purpose of these financial instruments is to raise finance for WITT and the Group's operations.

WITT and the Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

It is and has been throughout the period under review, WITT and the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from WITT and the Group's financial instruments are market risk, liquidity risk and credit risk. The Council reviews and agrees Policies for managing each of these risks and they are summarised below.

Market risk

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. WITT and the Group's exposure to fair value interest rate risk is limited to its bank deposits which are held at fixed rates of interest.

Cashflow interest rate risk

Cashflow interest rate risk is the risk that the cashflows from a financial instrument will fluctuate because of changes in market interest rates. Investments and borrowings issued at variable interest rates expose WITT and the Group to cashflow interest rate risk.

WITT and the Group's Investment Policy requires a spread of investment maturity dates to limit exposure to short term interest rate movements.

Currency risk

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

WITT and the Group purchases goods and services overseas which require it to enter into transactions denominated in foreign currencies. WITT and the Group's exposure to foreign currency risk is minimal.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. WITT and the Group's exposure to equity securities price risk is minimal as the equity securities held are not in listed companies.

Liquidity risk

Liquidity risk is the risk that WITT and the Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash reserves. WITT's \$5.196m Crown loan is due for repayment from 2020 to 2024. The annual amount of repayment is \$1.0392m. Sufficient cash reserves will be cumulated over the next four years to ensure loan payments are able to be made.

Credit risk

A credit risk is the risk that a third party will default on its obligation to WITT and the Group, causing WITT and the Group to incur a loss. With the exception of student fees, WITT and the Group trades only with recognised, creditworthy third parties.

Due to the timing of its cash inflows and outflows, WITT and the Group invests surplus cash with registered banks. WITT and the Group's Investment Policy limits the amount of credit exposure to any one institution. WITT and the Group has processes in place to review the credit quality of customers prior to the granting of credit.

WITT and the Group's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents (note 2), net debtors (note 3) and term deposits (note 5a). There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

WITT and the Group has no significant concentrations of credit risk, as it has a small number of credit customers and only invests funds with registered banks.

14. FINANCIAL INSTRUMENTS

Set out below is a comparison by category of carrying amounts and fair values of all the Group's financial instruments that are carried in the financial statements at other than fair values.

	CARRYING AMOUNT		FAIR VALUE	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
GROUP				
Financial assets				
<i>Loans and receivables</i>				
Student Fees and other receivables	3,588	2,035	3,588	2,035
Cash and cash equivalents	1,092	1,165	1,092	1,165
Other financial assets – term deposits	4,060	7,060	4,060	7,060
Total loans and receivables	8,739	10,260	8,739	10,260
Fair value through other comprehensive revenue and expense				
Investments in non-listed companies	7	7	7	7
Total fair value through comprehensive revenue and expense	7	7	7	7
Financial liabilities				
<i>Financial Liabilities measured at amortised cost</i>				
Trade payables	1,618	2,101	1,618	2,101
Borrowings:				
Crown loans	3,835	3,644	3,835	3,644
Total financial liabilities measured at amortised cost	5,453	5,745	5,453	5,745
PARENT				
Financial assets				
<i>Loans and receivables</i>				
Student Fees and other receivables	3,456	1,825	3,456	1,825
Cash and cash equivalents	904	1,031	904	1,031
Other financial assets – term deposits	4,060	7,060	4,060	7,060
Total loans and receivables	8,420	9,916	8,420	9,916
Fair value through other comprehensive revenue and expense				
Investments in non-listed companies	404	404	404	404
Total fair value through comprehensive revenue and expense	404	404	404	404
Financial Liabilities				
<i>Financial Liabilities measured at amortised cost</i>				
Trade payables	5,667	5,249	5,667	5,249
Borrowings:				
Crown loans	3,835	3,644	3,835	3,644
Total financial liabilities measured at amortised cost	9,502	8,893	9,502	8,893

15. COMMITMENTS AND CONTINGENCIES

Capital commitments and operating lease commitments

CAPITAL COMMITMENTS	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Property, plant and equipment	28	855	28	855
Intangible assets	11	39	11	39
Total capital commitments	39	894	39	894

Capital commitments represent capital expenditure contracted for and not incurred at balance date.

Operating lease commitments – Group as lessee

The WITT and the Group has entered into a commercial motor vehicle lease and two property leases where it is not in the best interest of WITT and the Group to purchase these assets.

These leases have an average life of 1 year with renewal terms included in the contracts. Renewals are at the option of WITT and NZIHT who holds the lease.

There are no restrictions placed upon the Lessee by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Within one year	172	147	49	49
After one year but not more than five years	176	285	54	90
More than five years	-	-	-	-
Total operating lease commitments	348	432	103	139

Finance lease and hire purchase commitments

WITT and the Group has no finance leases or hire purchase contract commitments. (2015: Nil)

Contingent assets

At balance date WITT and the Group is not aware of any material contingent assets. (2015: Nil)

Contingent liabilities

At balance date WITT has a contingent liability for potential legal litigation still pending. The amount of the liability is \$55k (2015: Nil). No provision in relation to this claim has been recognised in these consolidated financial statements as there is no significant financial exposure or pending settlement in respect of any of the matters outstanding.

16. EQUITY

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
General funds				
Balance at 1 January	17,528	17,343	14,828	15,558
Surplus / (deficit) for the year	73	185	(1,850)	(730)
Balance 31 December	17,601	17,528	12,977	14,828
Asset revaluation reserves				
Balance 1 January	8,092	8,092	7,683	7,683
Land and buildings revaluation	-	-	-	-
Balance 31 December	8,092	8,092	7,683	7,683
Restricted reserves				
Balance 1 January	94	94	95	95
Interest received	3	3	3	3
Application of trusts and bequests	(4)	(3)	(4)	(3)
Balance 31 December	94	94	94	95
Total equity	25,787	25,714	20,755	22,606

Crown Suspensory Loan

On 24 August 2009 Cabinet rescinded the decision made on 1 July 2008 to convert WITT's Crown debt of \$17.618m into a Suspensory Loan of \$16.118m convertible to Equity over a five year period commencing 31 December 2009 and the requirement for the parent to sell two assets up to a value of \$1.5m by the end of 2012.

The Crown agreed to retain a Crown loan of \$5.196m as non-interest bearing loan repayable in equal instalments over a five year period between 2020 and 2024. The balance of the outstanding loan of \$12.422m was established as a Suspensory Loan, convertible to equity on the basis of the achievement of agreed key performance measures over a five year period commencing from December 2009.

The remaining balance of the Suspensory Loan is now \$Nil.

17. RELATED PARTY DISCLOSURE

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 are reasonable to expect that WITT would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with Government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements with TEIs and undertaken on the normal terms and conditions for such transactions.

Related party transactions required to be disclosed

WITT provide administrative services to its subsidiary NZIHT for which these services have not been charged. The value of these services are minor in value and not quantifiable.

Receipt of Services

From 30th March 2015 all NZIHT employees were transferred to be employees of WITT. WITT processes the payroll for the staff working at NZIHT and on charges the actual cost to NZIHT on a monthly basis. WITT does not charge a mark-up for their services. Payroll expenses charged to NZIHT from WITT totalled \$1,010,714 (2015: \$794,511).

Advances made

NZIHT has provided a short term advance facility to WITT for \$4,339,591 (2015: \$3,329,081). There are currently no repayment terms and the advance is non-interest bearing.

During the year, WITT purchased legal services from Govett Quilliam, a legal firm in which Lyal French-Wright (Council Deputy Chair as of September 2016) is the CEO. These services cost \$10,315 (2015: \$23,284) and were supplied on normal commercial terms. There is a balance of \$Nil outstanding for unpaid invoices at year end.

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Key management personnel compensation				
Full-time equivalent members	3.64	5.94	3.64	5.94
Remuneration	649	938	649	938

Councillor payments

Councillor remuneration paid or payable during the year was:			PARENT	
Present Council			2016 \$'000	2015 \$'000
Bourke, M	Chairperson	Minister appointed (ended Aug 2016)	20	29
Brockie, R	Chairperson	Minister appointed (started Sept 2016)	10	-
Inglis, M	Deputy Chairperson	Minister appointed (ended Jun 2016)	8	18
French-Wright, L	Deputy Chairperson	Minister appointed (started Sept 2016)	10	-
Ekanayake, E		Minister appointed	15	14
Hond, R		Council statute appointed	15	14
Crowley, C		Council statute appointed	15	14
Dingle, R		Council statute appointed	15	14
Hendry, R		Council statute appointed	15	14
Hemara-Wahanui, A		Council statute appointed	15	14
Total Councillor payments			142	131

2016 Total headcount for the Council is 8. Councillors Bourke and Inglis were on the board until August 2016.

18. EXPLANATION OF SIGNIFICANT VARIANCES AGAINST BUDGET

Explanation for significant variations from group budgeted figures are as follows:

Statement of Comprehensive Revenue and Expense

Tuition fees

There was a shortfall in both domestic and international students. Domestic student fees were affected by the mix of programmes compared to the budget and international students fees were affected by the increased restrictions on student visas which affected our India student market.

Other Revenue

Conference revenue was higher than budgeted as more conferences occurred than budgeted.

Personnel Costs

Personnel costs were higher than budgeted due to an increase in NZIHT contractor tutor costs.

Other expenses

Other expenses are unfavourable to budget mainly due to an increase in conference costs in relation to the increase in conference revenue, and an increase in costs related to 3rd party delivery. Professional costs are unfavourable to budget due to consultancy and legal advice obtained by WITT.

Statement of Financial Position

Cash and cash equivalents/ Other financial assets

A reduction of funds received from Tuition fees due to the shortfall in international student numbers places has created an unfavourable variance to budget. A large capital project (new teaching kitchen \$1.571m) was completed in 2016.

Student fees and other receivables

An early enrolment campaign has been offered at WITT which has given rise to additional invoicing in 2016 for 2017 programmes compared to 2015.

Accrued Revenue

The end of year PBE adjustment for programmes that cross over financial years was not as high as expected.

Statement of Cash flow

Receipt of Tuition fees

Due to the drop in international student numbers (shortfall of 50 EFTS) there is a variance to budget in the student tuition fees received.

19. COMPULSORY STUDENT SERVICES FEES

WITT consulted with students on the student services fees. The consultation covered the level of fees to be charged and the type of services students wished to fund. The CSSF charged in 2016 for a full time equivalent student was \$146.40, including GST, with pro-rata rates for part-time students. The figure charged in 2015 was \$146.00. CSSF revenue is accounted for separately, with expenditure accounted for in the student support services budget. Details of the types of service and of revenue for the year are set out below:

2016	Counselling Service \$'000	Health Services \$'000	Total \$'000
Income			
Compulsory Student Services Fees	49	70	119
Other Income	0	2	2
Total Income	49	72	121
Expenditure			
Salary and Wages	55	59	114
Service payments	13	17	30
Other costs	10	13	23
Total costs	78	89	167
Net result	(29)	(17)	(46)

Counsellor

Students have access to a free confidential counselling service to empower students to engage fully in study. The counsellor is involved in crisis intervention and support, delivering in-class workshops, running wellness promotions and holds responsibility for the student hardship portfolio. Students also have access to an ecumenical chaplain. The chaplain is on campus providing students pastoral support, a confidential non-judgemental listening ear and support in times of illness, confusion or bereavement.

Health Services

The health clinic gives students access to a range of free health services in the area of injury, family planning, mental health, immunization, occupational health, and health monitoring. The health nurse is also actively involved in health education and health promotions. A medical clinic is also provided one day a week, giving students access to free GP consultations and medical services.

20. TAXATION

	GROUP		PARENT	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Income tax expense				
Current tax	(1,361)	-	-	-
Adjustment to current tax in prior periods		-	-	-
Income tax expense	(1,361)	-	-	-
Current tax payable				
Prior year tax owing	1,361	1,361	-	-
Unwind prior years owing	(1,361)	-	-	-
Income tax expense	-	-	-	-
Current tax payable	-	1,361	-	-

The income tax expense arises as a result of an unexpected liability for tax in WITT's wholly owned subsidiary company NZIHT. In 2008 NZIHT was advised by the Inland Revenue Department ("IRD") that its income was exempt from tax while it was a wholly owned subsidiary of WITT (which is itself tax exempt). During the 2013 year, IRD withdrew that advice for NZIHT on the basis that it was incorrect and is seeking income tax from the company for the 2008 to 2013 years. NZIHT has sought legal advice that confirms the liability under the law as it stands at present. However, NZIHT does not believe that this is the appropriate outcome and is continuing its discussions with IRD on how it may be relieved of the unintended and unjustified tax liability. On the basis that IRD's tax exemption was withdrawn, NZIHT is now registered as a tax exempt charitable entity so will not incur income tax in future periods. While a provision has been made for the tax liability, no provision has been made for the estimated \$400k interest charge as the company is continuing to seek relief on this matter.

On 24 February 2016 the Taxation (Annual Rates for 2015-16, Research and Development, and Remedial Matters) Act 2016 was passed into law which formally relieved NZIHT of paying tax during the years of 2008 to 2013. The tax provision which was provided for in 2013 financial statements has been released in the current year.

21. EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after balance date that have not otherwise being disclosed in the notes to the accounts.

22. LEGISLATIVE COMPLIANCE

WITT and the Group is not aware of any material legislative breaches.

23. APPLICATION OF THE GOING CONCERN ASSUMPTION

For the last three years, the parent entity has incurred deficits resulting from the investigation of Māori Performing Arts Programme and changes required to the Institutes operating model as a consequence. The Institute continues to operate in a competitive environment and both Council and Management are working with key stakeholders to ensure that adequate cash reserves are accumulated over the next 3 years in order to meet future loans payments to the Crown.

Since 2014, WITT's main funding provider, the Tertiary Education Commission (TEC), have awarded funding on an annual basis in line with WITT's investment plans. As a result, continued TEC funding of \$12.4m has been approved to 31 December 2017 and WITT fully expect to receive funding at a similar level for the year to 31 December 2018. The TEC have highlighted that they are not aware of any issues which would prevent WITT from receiving funding for the 2018 year and the quantum of such funding will be based upon their assessment of WITT's investment plan later in 2017. WITT's investment plans assume continued and ongoing funding from the TEC which is expected to be provided on a one to two year basis. WITT have prepared these financial statements on a going concern basis on the assumption that TEC support will continue, primarily in line with investment plans.

STATEMENT OF SERVICE PERFORMANCE

			2016 Commit- ment %	2016 Actual %	Comments
PERFORMANCE COMMITMENTS SAC LEVELS 1 AND 2					
Participation					
The proportion of SAC Eligible EFTS who are:	Māori	Levels 1 and 2	8.5%	7.1%	NOT ACHIEVED – Reduced number of programmes offered at levels 1 & 2 impacting on the number of Māori student enrolments. WITT plans to embed Māori pedagogies in Levels 1 and 2 to increase participation.
	Pasifika	Levels 1 and 2	0.7%	0.76%	ACHIEVED – WITT has a small number of Pasifika students enrolled in levels 1 & 2
Educational Performance					
Course Completions					
The successful course completion rate (SAC Eligible EFTS) for:	All students	Levels 1 and 2	71.0%	55.0%	NOT ACHIEVED – To improve performance WITT has increased support services focusing on identifying barriers to learning at an early stage so corrective action can be implemented.
Qualification Completion					
The qualification completion rate (SAC Eligible EFTS) for:	All students	Levels 1 and 2	60.0%	39.0%	NOT ACHIEVED – Often second chance learners enrol in programmes at levels 1 & 2 and although they may not be successful in gaining the qualification they are successful in gaining entry requirements into desired discipline.
Student Retention					
The student retention rate for all students (SAC Eligible student count)	All students	Levels 1 and 2	57.5%	50%	NOT ACHIEVED – Progress has been made to ensure students are supported in their learning, often students are not retained as they gain apprenticeships and employment.
Student Progression					
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	34.0%	48.4%	ACHIEVED – Students who are successful at levels 1 & 2 are now recognizing that higher levels of qualifications could better support their goal of sustained employment in their chosen field.

			2016 Commit- ment %	2016 Actual %	Comments
PERFORMANCE COMMITMENTS SAC LEVEL 3 AND ABOVE					
Participation					
The proportion of SAC Eligible EFTS who are:	Under 25	Level 3 and above	30.0%	39.9%	ACHIEVED – More under 25 students are enrolling in level 3 programmes. The government initiative of reduced fees for under 25's has assisted the increased participation rate.
		Level 4 and above	28.0%	23.5%	NOT ACHIEVED – Most under 25's did not meet the entry requirements for level 4 and above due to having to achieve Level 3 qualification first.
	Māori	Level 3 and above	24.0%	25.6%	ACHIEVED – WITT will continue to develop strategies to increase the participation and success of Māori learners at level 3 and above.
		Level 4 and above	23.0%	9.7%	NOT ACHIEVED – Māori students need to complete foundation courses to gain knowledge and skills to meet entry requirements for level 4 programmes.
	Pasifika	Level 3 and above	2.0%	3.7%	ACHIEVED – WITT will continue to develop strategies to increase the participation and success of Pasifika learners at level 3 and above.
		Level 4 and above	1.8%	22.3%	ACHIEVED – WITT will continue to develop strategies to increase the participation and success of Pasifika learners at level 4 and above.
Course Completion					
The successful course completion rate (SAC Eligible EFTS) for:	All students	Level 3 and above	81.0%	70.8%	NOT ACHIEVED – WITT is focusing on increasing student course completions in all areas by implementing functionality in existing software which allow for early identification of at risk students and then ensuring intervention measures are in place for each individual student to allow them better success in their courses.
		Level 4 and above	85.0%	75.9%	
	Under 25	Level 3 and above	81.0%	69.6%	
		Level 4 and above	84.0%	76.0%	
	Māori	Level 3 and above	76.0%	64.1%	
		Level 4 and above	85.0%	69.9%	
	Pasifika	Level 3 and above	75.0%	59.6%	
		Level 4 and above	80.0%	68.8%	

			2016 Commit- ment %	2016 Actual %	Comments
PERFORMANCE COMMITMENTS SAC LEVEL 3 AND ABOVE					
Qualification Completion					
The qualification completion rate (SAC Eligible EFTS) for:	All students	Level 3 and above	72.0%	61.7%	NOT ACHIEVED – With the increased focus on increasing course completions qualification completions will also increase.
		Level 4 and above	80.0%	67.3%	
	Under 25	Level 3 and above	70.0%	57.6%	
		Level 4 and above	77.0%	59.9%	
	Māori	Level 3 and above	69.0%	51.7%	
		Level 4 and above	77.0%	53.2%	
	Pasifika	Level 3 and above	72.0%	60.0%	
		Level 4 and above	78.0%	64.7%	
Student Retention					
The student retention rate (SAC Eligible student count) for:	All students	Level 3 and above	77.0%	69.3%	NOT ACHIEVED – Although the targets were not met a number of students left their programme of study as they had secured apprenticeships and employment. Often these students then return to study as ITO students.
	Māori	Level 3 and above	71.0%	57.4%	
	Pasifika	Level 3 and above	73.0%	70.5%	
Student Progression					
The student progression rate for students (SAC Eligible student count) at level 1 to 3, to a higher level	All students	Levels 1 to 3, to a higher level	29.0%	41.6%	ACHIEVED – of the students who were retained in study a high proportion of then progress to the next level of study.
	Māori		31.0%	37.8%	
	Pasifika		31.0%	46.6%	
Other Commitments					
The number of international student EFTS	All students	All levels	197.0	175.48	NOT ACHIEVED – changes to immigration rules have had an impact on the number of international students choosing to study at WITT. To mitigate this risk strategies have been implemented to increase student numbers.

	2016 Commitment	2016 Actual	Measurement	Notes/ Comments
1A.3 MEASURING PROGRESS AND KEY INDICATORS				
Retention	78.0%	64.0%		All students
Student satisfaction	84.0%	97.0%		All students
Course completions	72.0%	68.0%		Improving support in course selection has had a positive impact but more work needs to be done on this in the future.
Progression to higher study	34.0%	40.0%		Levels 1-3
Qualification completions	68.0%	56.0%		Second chance learners enrol in Level 1 and 2 programmes and although they may not be successful in gaining the qualification they are successful in gaining entry requirements into desired discipline.
Staff to student ratio	1:16	1:19		Achieved
Space utilisation	54.0%	54.2%		Achieved
Financial surplus	3%	-4.6%		Prior to notional interest and income tax
TEC assessments	moderate	moderate		
Total teaching hours	690.0	640.0		Not Achieved
1B.1 DELIVERING SKILLS FOR INDUSTRY				
All current students have a LinkedIn profile, linked to WITT	75%	Not measured.	5298 students at WITT (2016)	Did not measure this statistic, there is currently no system to measure this statistic
DiolIndustry partners offer internships/ work placements	15	16	Number of businesses	Achieved
Short, targeted courses offered to industry	18	23	Full cost recovery EFTS	Achieved
Industry focused events held on Campus (eg job fairs)	8	11	Events per year	Achieved
Programmes of study include multiple entry and exit points	50%	50%	Of all programmes at WITT	Achieved
Industry has a presence on the WITT Campus	6	9	Number of businesses	Achieved
1B.2 GETTING AT-RISK YOUNG PEOPLE INTO A CAREER				
Visible presence plus teaching spaces in local communities	2 towns	2	Number of towns	Achieved, campuses in both Hawera and Hamilton
Contribute to proportion of Taranaki 18 year olds with NCEA Level 2 (or equivalent)	82%	81%	Percentage of 18 year olds (all of Taranaki)	Not achieved, WITT believes it is on the right track and further development of embedded pedagogies will improve this statistic.
Increased number of 25–34 year olds who achieve at level 4 or higher	170	164	Number of students	Not achieved, improved marketing campaigns have been signalled as a strategy to improve this measure to increase student numbers.
Dedicated careers pathway team to assist students with learning choices	2	2	Number of FTE staff	Achieved
Participation (all students):				
Under 25s	54%	54%	Percentage of all students	School Leavers and Youth Guarantee not achieved as School Leavers are remaining and completing Year 13.
STEM	520	522		
School leavers	285	246	Number of	
Youth Guarantee	60	56	EFTS enrolled in courses	

	2016 Commitment	2016 Actual	Measurement	Notes/ Comments
1B.2 GETTING AT-RISK YOUNG PEOPLE INTO A CAREER <i>continued...</i>				
Course completion (all students):				
Under 25s levels 1-3	71%	62%	Percentage of students completing course	As mentioned above students look to gain credits to fulfil entry requirements to desired programmes.
Youth Guarantee	71%	77%		
Progression – under 25s levels 1-3	29%	48%	Percentage who progress to higher level of study	Achieved
1B.3 BOOSTING ACHIEVEMENT OF MĀORI AND PASIFIKA				
Performing arts/carving demonstrations in secondary schools	10	0	Number of demonstrations	Not achieved as no resources applied as focus in 2016 was in other areas.
Provide targeted staircasing opportunities for Māori and Pasifika	3	7	Number of targeted staircasing programmes	Achieved
Māori participation:				
All levels	19%	29%	Percentage of all Māori students	Achieved across all levels however not achieved on Level 4+ due to students not meeting entry criteria.
Level 4+	21%	17%		
Pasifika participation	1.5%	3.94%	Percentage of all Pasifika students	Achieved
Māori course completions level 1-2	57%	61%	Percentage of Māori students enrolled in levels 1-2	Achieved
Pasifika course completions level 1-2	73%	60%	Percentage of Pasifika students enrolled in levels 1-2	Not achieved and so focus in 2017 is to utilise current systems to identify student learner gaps earlier so that corrective action can be implemented
Māori progression rate	31%	36%	Percentage of Māori who progress onto higher levels of study	Achieved
Work placement/experience opportunities provided for Māori and Pasifika students	3	8	Number of student placements	Achieved
Māori health qualifications	2	1	Number of programmes	Not achieved as no additional programme approvals were sought in 2016 as the academic support services were stretched in 2016.
Mentoring (by Māori for Māori students)	30%	37%	Percentage of Māori placements with mentors	Achieved
Number of Māori staff	10.2%	10.3%	Percentage of staff identifying as Māori	Achieved
Māori representation in local advisory and steering committees	11%	12%	Measured to the nearest whole person	Achieved

	2016 Commitment	2016 Actual	Measurement	Notes/ Comments
1B.4 IMPROVING ADULT LITERACY AND NUMERACY				
Students enrolled in levels 1-3 courses engage in the NZQA online literacy and numeracy assessment	100%	70.16%	Student numbers	Not achieved, Level 1 and 2 is the industry requirements however WITT measures Level 3. Plans are in place in 2017 to achieve 100%.
Staff teaching levels 1-2 course have completed National Certificate in Adult Literacy Education (Vocational)	100%	53%	Staff numbers (employed at 0.4 FTE or more)	Not achieved, however in 2017 those staff members have been identified and enrolled to complete course.
All other academic staff complete Certificate in Teaching and Learning	100%	74%		Not achieved, however in 2017 staff members have been identified and enrolled to complete course.
<i>NZQA requirement</i>				
Research project that informs approaches to literacy and numeracy at WITT	2	2	Number of projects	Achieved
National Centre of Literacy and Numeracy for Adults (NZQA) engages with WITT professional development	2	2	Number of occasions	Achieved
1B.5 STRENGTHENING RESEARCH-BASED INSTITUTIONS				
Assist industry with research	10	4	Academic staff assisting with research projects	Not achieved as WITT did not have research resource in place in 2016. This has been resolved in 2017 with employment of research manager.
Community lectures and public presentations	6	13	Number of lectures/ presentations	Achieved
Cross discipline research projects	4	0	Number of projects	Not achieved due to lack of internal resource in 2016, this has now been rectified with key hiring of research manager.
Research projects with other ITPs	3	1	Number of projects	Not achieved due to lack of internal resource in 2016, this has now been rectified with key hiring of research manager.
Conference presentations and publications in refereed journals	10	9	Dissemination of research outcomes	Not achieved due to lack of internal resource in 2016, this has now been rectified with key hiring of research manager.
<i>Total research outputs¹</i>	33	27	<i>Number of outputs</i>	
1B.6 GROWING INTERNATIONAL LINKAGES				
Increase number of international students	197	175.48	Number of international student EFTS	Not achieved – changes to immigration rules have had an impact on the number of international students choosing to study at WITT. To mitigate this risk strategies have been implemented to increase student numbers.
Increase number of source countries for international students	7	8	Number of countries	Achieved
Links with international institutions	2	3	Number of international institutions	Achieved



RESEARCH OUTPUTS 2016

A. RESEARCH PUBLICATIONS AND PRESENTATIONS

Journal and Scholarly Publications

Book / Book Chapter:

Bingham, H. M. (2017). Undergraduate nursing curriculum content focuses on emerging issues that influence health. In M. Smith & A. Jury (Eds.), *Workforce development theory and practice in the mental health sector* (pp. 182–199). Hershey, PA: IGI Global.

Peer Review:

Christensen, M., Aubeeluck, A., Fergusson, D., Craft, J., Knight, J., Wirihana, L., & Stupple E. (2016). Do student nurses experience Imposter Phenomenon? An international comparison of final year undergraduate nursing students readiness for registration. *Journal of Advanced Nursing* 72(11), 2784–2793. doi: 10.1111/jan.13034

Colloquium Proceedings:

Bentham, R. (2016). Assessing competency in a situated learning setting: A balancing act. *Proceedings of the colloquium on competency-based learning and assessment 2016*. Ako Aotearoa: Wellington, New Zealand. Retrieved from <https://ako.aotearoa.ac.nz/download/ng/file/group-4/cbla-proceedings.pdf>

Editorial Reviewer:

Pitt, L. Reviewer for Aotearoa New Zealand Social Work Journal.

Edited On-line Journal Contribution:

Shaw, R. K. (2016). The metaphysical foundations of political economy in China and the West. *The Political Economy of Chinese Finance*, 17, 15–35. doi: <http://dx.doi.org/10.1108/S1569-376720160000017008>

Evaluation:

Taiapa, K., & George, L. (2016). Progress Report Six for 1st January – 31st March 2016 *Ngā Kaupapa Mātauranga O Ngā Mahi o Te Rā Project* Te Roopu Taurima o Manukau Trust. Auckland, New Zealand: Dreamweavers Research & Consultancy Ltd.

Taiapa, K., & George, L. (2016). Progress Report Seven for 1st April – 30th June 2016 *Ngā Kaupapa Mātauranga O Ngā Mahi o Te Rā Project* Te Roopu Taurima o Manukau Trust. Auckland, New Zealand: Dreamweavers Research & Consultancy Ltd.

Taiapa, K., & George, L. (2016). Progress Report Six for 1st July – 30th September 2016 *Ngā Kaupapa Mātauranga O Ngā Mahi o Te Rā Project* Te Roopu Taurima o Manukau Trust. Auckland, New Zealand: Dreamweavers Research & Consultancy Ltd.

Taiapa, K., & George, L. (2016). Progress Report Six for 1st July – 30th September 2016 *Ngā Kaupapa Mātauranga O Ngā Mahi o Te Rā Project* Te Roopu Taurima o Manukau Trust. Auckland, New Zealand: Dreamweavers Research & Consultancy Ltd.

Newspaper and Magazine Articles, Reviews, Features & Commentaries

Contributors:

Brooking, A. (January 2016). Tomatoes, *Taranaki Daily News*, In Season.

Cawsey, G. (March 2016). Mixing it up with lettuce-free late summer salads, *Taranaki Daily News*, In Season.

Dickie, A. (May 2016). Feijoas, the perfect fruit, *Taranaki Daily News*, In Season.

Duthie, D. (August 2016). From fodder for cows to superfood, *Taranaki Daily News*, In Season.

Findlay, N. (October 2016). For the love of lemons, *Taranaki Daily News*, In Season.

Gupta, G. (November 2016). Making healthy food for when you're on the run, *Taranaki Daily News*, In Season.

Ludlow, C. (June 2016). Versatile beetroot more than something that comes out of a tin, *Taranaki Daily News*, In Season.

Mccormack, K. (September 2016). Avocado, *Taranaki Daily News*, In Season.

Michelson, E. (December 2016). Simple but special food for the festive season, *Taranaki Daily News*, In Season.

Ogden, J. (July 2016). Fruit of the gods, *Taranaki Daily News*, In Season.

Trowern, R. (April 2016). Seeing summer out with ratatouille, *Taranaki Daily News*, In Season.

Powell, S. (February 2016). Blueberries are the big blue super food, *Taranaki Daily News*, In Season.

Smith, M. (April 2016). Turning apples into good things. *New Zealand Lifestyle Block*.

Book Reviews:

Pitt, L. [in publication]. Review of the book *The Road to Hell* by E. Stanley. *Aotearoa New Zealand Social Work*.

Conference Contributions

Oral Presentations:

Apaitia-Vague, T. (2016, November). *The importance of photographs in the lives of children and young people in state care*. Oral presentation at Social work in changing times: Towards better outcomes conference. Palmerston North, New Zealand.

Apaitia-Vague, T. (2016, November). *She said I was a dirty girl – The stigma associated with being a young person in care*. Wellbeing of children and young people seminar. Palmerston North, New Zealand.

Bentham, R. (2016). *Assessing competency in a situated learning setting: A balancing act*. Colloquium on competency-based learning and assessment, 8 June, 2016. Wellington, New Zealand.

Curtin, C., Davison, S., King, D., & Thomas, L. (Jnr). (2016). *Building cross-cultural connections*. AirBnB Open Conference, 17-19 November, 2016. Los Angeles, CA.

Morris, B., & Sharpe, G. (2016). Learning Centre evolution: Embracing proactivity, partnership, and productivity for student success. Whakatū-Whakahou Build & rebuild: *Responding to new realities 2016 ATLAANZ Conference*, 30 November, 2016. Lincoln University, Christchurch, New Zealand.

Pitt, L. (2016, November). *"Forgotten World Highway", forgotten people: A research project exploring the experiences of people living in poverty: Early findings*. Social work in changing times: Towards better outcomes conference. Palmerston North, New Zealand.

Sharpe, G. (2016). *The boxes are ticked but ... what else do LNAAT results tell us? Update*. National Centre of Literacy and Numeracy for Adults Symposium 8-9 August 2016. Te Papa, Wellington, New Zealand.

Taiapa, K. (2016). *Risk-takers or future-makers participatory action research & youth development*. Turamarama ki te Ora, World Indigenous Suicide Prevention Conference 1-3 June 2016, Rotorua, New Zealand.

Symposium Contributions:

Clothier, I. (2016). Climate Change Session Chair at *ISEA2016 Hong Kong*.

Clothier, I. (2016). Contemporary Cultural Heritage Session Chair at *ISEA2016 Hong Kong*.

Clothier, I. (2016). Disc*very Channel: Philonature Session Chair at *ISEA2016 Hong Kong*.

Clothier, I. (2016). Cultural Heritage and Preservation 1 Session Chair at *ISEA2016 Hong Kong*.

Clothier, I. (2016). Education Session Chair at *ISEA2016 Hong Kong*.

Creative Outputs

Curator:

Clothier, I. (2016). *Water works*. Waterwheel.net.

Clothier, I. (2016). *Water, Peace, Power 2016*. Mt Taranaki, Parihaka papakainga.

Group Exhibitions:

Clothier, I. (2016). Bird song light walk. *Festival of Lights* New Plymouth, New Zealand.

Clothier, I. (2016). Pion decay. *Diffrazione Festival* Florence, Italy.

Clothier, I. (2016). Wavelengths at 685, 533 and 473 nanometers. *Balance-Unbalance* Manizales, Colombia.

Clothier, I. (2016). Hybrid Polynesian light clock. *Water, Peace, Power* Parihaka papakainga.

Clothier, I. (2016). Solar sound machine. *Water, Peace, Power* Parihaka papakainga.

Solo Exhibitions:

Clothier, I. (2016). *Parallel Universes* at WITT Art, Design and Media, New Plymouth, New Zealand.

Competitions and Awards

Awards:

Hill, C. (2016). 1 Silver distinction, 2 Silver and 4 Bronze awards. NZIPP Iris professional photography awards. June 16 – 18, 2016.

Hill, C. (2016). Finalist, Commercial photographer of the year. NZIPP Iris professional photography awards. June 16 – 18, 2016.

Sharpe, G. (2016). Adult Literacy and Numeracy Leadership Award. National Centre for Adult Literacy and Numeracy.

WITT Hospitality Department. (June 2016). Winning fare by Witt's Toque d'Or team, *Taranaki Daily News*, In Season.

B. SCHOLARLY ACTIVITY:

Apaitia-Vague, T. (2016). *The sexual stories of adults who have been in care as children and young people*. Studying for Ph.D, Massey University: Palmerston North, New Zealand.

Fergusson, D. (2016). *What are the elements of work readiness in new graduate nurses in New Zealand?* Studying for Doctor of Health Science, Auckland University of Technology: Auckland, New Zealand.

NZIHT. (2016). *Collaborate, Innovate, Motivate, Participate: Erosion and Sediment Control Conference* [Conference organisers] 31 August – 2 September. Rydges Hotel, Auckland, New Zealand.

NZ Transport Agency & NZIHT. (2016). *Annual Conference Towards World Leading Road Operation, Construction and Maintenance* [Conference organisers] 30 October – 1 November. Dunedin Centre, Dunedin, New Zealand.

Pitt, L. (2016). *"Forgotten World Highway", forgotten people: A research project exploring the experiences of people living in poverty*. Studying for Ph.D, University of Canterbury: Christchurch, New Zealand.

Sharpe, G. (2016). Member of national literacy and numeracy panel advising NZCER and FRONDE.

Taiapa, K. (2016). Funding application for the Nga Pae o te Maramatanga Te Aho Tapu PhD Scholarship 2017. Named primary investigator.

Taiapa, K. (2016). Funding application for the Nga Pae o te Maramatanga Summer Internship 2017. Named primary investigator.

Public Addresses & Interviews

Invited Speaker:

Pitt, L. (2016, November). *"Forgotten World Highway", forgotten people: A research project exploring the experiences of people living in poverty: Early findings*. Presented to the Council of International Fellowship visiting social workers, Western Institute of Technology at Taranaki: New Plymouth, New Zealand.

Pitt, L. (2016, May). *"Forgotten World Highway", forgotten people: A research project exploring the experiences of people living in poverty: Early findings*. Presented to the Taranaki Branch of the Aotearoa New Zealand Association of Social Workers: New Plymouth, New Zealand.

Professional Practice: Achievements & Distinctions

Membership to Professional Bodies:

Cleland, A. (2016). New Zealand Nurses Organisation; New Zealand Occupational Health Nurses Association and New Zealand College of Primary Health Care Nurses.

Clothier, I. (2016). Executive Director SCANZ 2016: Water and peace.

Elmoos, A. (2016). Ara Taiohi – National Youth Workers Network Aotearoa.

Ferguson, A. (2016). President/Executive of the Taranaki Branch of the New Zealand Chefs Association.

Fergusson, D. (2016). National Nurse Educators in the Tertiary Sector.

Henley, V. (2016). ACHIEVE (the National post-secondary education Disability Network Incorporated).

Knuckey, B. (2016). ATLAANZ (Association of Tertiary Learning Advisors of Aotearoa New Zealand).

McDonald, P. (2016). CAANZ (Chartered Accountants Australia and New Zealand).

Morris, B. (2016). ATLAANZ (Association of Tertiary Learning Advisors of Aotearoa New Zealand).

Mundell, C. (2016). LIANZA (Library and Information Association of New Zealand Aotearoa).

Phillips, J. (2016). Ara Taiohi – National Youth Workers Network Aotearoa.

Sharpe, G. (2016). ATLAANZ (Association of Tertiary Learning Advisors of Aotearoa New Zealand).

Smith, M. (2016). New Zealand Association of Counsellors.

Appointment to Regional Bodies:

Cleland, A. (2016). Health & Safety and smoke free coalition.

Academic Distinction – Qualifications

Bentham, R. (2016). *Master of Public Management (Merit)*, School of Government, Victoria University: Wellington, New Zealand.

Bingham, H. (2016). *Master of Advanced Nursing*, University of Auckland: Auckland, New Zealand.

George, B. (2016). *Master of Public Management*, School of Government, Victoria University: Wellington, New Zealand.

George, B. (2016). *Poupou Huia Te Reo: Certificate of Te Reo Māori*, Level 4. Te Wānanga o Raukawa: Otaki, New Zealand.

Hutchinson, N. (2016). *National Certificate in Adult Literacy and Numeracy Education*, Level 5. Western Institute of Technology at Taranaki: New Plymouth, New Zealand.

Jamieson-Smith, S. (2016). *Certificate in Tikanga Māori*, Level 3. Te Wānanga o Aotearoa: Te Awamutu, New Zealand.

Jamieson-Smith, S. (2016). *Certificate in Designing and Facilitating E-Learning*, Level 5. Open Polytechnic: Lower Hutt, New Zealand.

McCormack, K. (2016). *Certificate in Tertiary Learning and Teaching*, Level 5. Western Institute of Technology at Taranaki: New Plymouth, New Zealand.

McKendry, K. (2016). *Certificate in Tertiary Learning and Teaching Level 5*. Western Institute of Technology at Taranaki: New Plymouth, New Zealand.

Malone, T. (2016). *Certificate in Tertiary Learning and Teaching*, Level 5. Western Institute of Technology at Taranaki: New Plymouth, New Zealand.

Rilkoff, L. (2016). *Certificate in Tertiary Learning and Teaching*, Level 5. Western Institute of Technology at Taranaki: New Plymouth, New Zealand.

Ryan, K. (2016). *National Certificate in Adult Literacy and Numeracy Education*, Level 5. Western Institute of Technology at Taranaki: New Plymouth, New Zealand.

Smith, B. (2016). *Master of Education*. Waikato University: Hamilton, New Zealand.

Smith, F. (2016). *Certificate in Fashion Make-Up Artistry*, Level 3. Western Institute of Technology at Taranaki, New Plymouth, New Zealand.

Membership of Institutional Research Committee

Margaret Noble – Education Consultant

Ken Taiapa – Faculty Leader, Health and Wellbeing

Catherine Lo-Giacco – Faculty Leader, Commerce and Technologies

Barbara Morris – Learning Skills Tutor, Student Support Services

Diana Fergusson – Head of Nursing

Paul Wilkinson – Academic Staff Member and Programme Co-ordinator Applied Management

Helen Bingham – Academic Staff Member, Nursing





Te Kura Matatini o Taranaki

20 Bell Street
New Plymouth 4342
New Zealand

Telephone: +64 6 757 3100
Fax: +64 6 757 3235
Email: info@witt.ac.nz

0800 WITT WORKS



WITT - Western Institute of
Technology at Taranaki



@WITTaranaki



WITTaranaki

www.witt.ac.nz