

# ANNUAL REPORT 2019



Be Your Best

## CONTENTS

<b>Our Focus</b>	1
<b>WITT at a Glance</b>	2
<b>Equal Employment Opportunities</b>	3
<b>Report from the Chair and Chief Executive</b>	4
<b>New Structure, Fresh Leadership</b>	5
<b>Our People</b>	6
<b>Governance</b>	6
<b>Executive Team</b>	7
<b>Committees</b>	7
<b>Highlights of 2019</b>	8
<b>Teaching &amp; Learning Excellence</b>	9
Statement of Service Performance	9
<b>Student Satisfaction</b>	14
Student Support Services	14
Student Satisfaction	15
<b>Health and Safety</b>	16
<b>Financial Statements</b>	17
<b>Research Outputs</b>	49



Make  
GREAT  
THINGS  
Happen



## OUR FOCUS

The Western Institute of Technology at Taranaki – Te Kura Matatini o Taranaki – is Taranaki's leading provider of tertiary education.

As the local hub of learning in this region, we are here to serve Taranaki. Our purpose is to cater to the needs of our learners, to play our part in addressing national skills shortages, to keep talented people in the region, and to provide our key industries and local businesses the skilled workforce that they need.

We have positioned ourselves to ensure we can fully support Taranaki's economic development strategy, Taupae Roa, and we are aligned with the priorities outlined in the Taranaki 2050 Roadmap and Just Transitions.

A focus on collaboration with industry, schools, and local iwi keeps us relevant and connected to the needs of our community. Building new partnerships, nurturing existing relationships and strengthening our links with the region are all priorities as we move into a changing future.

In the midst of vocational education sector reforms, we are operating in a changing environment. We strive to manage change in a way that is positive for our people, our students and our community and we are committed to remaining relevant and adaptable.

# WITT AT A GLANCE

# 6,029

**Students enrolled**

## Student Gender



69% Male



31% Female

**15%** 18 years & under

**19%** 19 - 24 years old

**66%** 25+ years old

# 1,463

Equivalent Full Time Students

# 986

Graduates

**20%** Māori\*

**4%** Pasifika\*

\* of all WITT students

**17%** of EFTS are International

# 96%

Overall student satisfaction

# 323

Staff

# \$22.3m

Revenue



# 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
- The aims, aspirations and cultural differences of ethnic and minority group members, and
- The employment requirements of women and of people with disabilities.

## Staff Gender

**323** Staff

**48%** of staff are male

**52%** of staff are female

**34%** of academic staff are female

**85%** of support staff are female

**4%** of female staff are Māori

## Staff Ethnicity

**45%** European

**6%** Māori

**0%** Pasifika

**3%** Asian

**1%** Other

**45%** Unknown



# OUR FOCUS ON EXCELLENCE

REPORT FROM THE CHAIR AND CHIEF EXECUTIVE



John Snook Chief Executive and Robin Brockie Chair

**2019 has been a year of change and significant milestones. We are pleased to report it has been a year of improved performance for WITT. We achieved 10 per cent growth in the number of equivalent fulltime students year on year and expanded our international student community by 34 per cent. By providing services to more students throughout the year we bettered our 2018 performance, increasing total revenue by 6 per cent and improving our year-end cash position by \$0.7m. The impact of our improved revenue and cashflow has allowed for further investment in our people and campus during the year.**

Changes in leadership and structure began with Barbara George finishing at WITT in October 2018 and John Snook starting in February 2019. Deputy Chair Lyal French-Wright should be applauded for his contribution during the transition, playing a significant role as Acting Chief Executive. A leadership refresh was undertaken to lift productivity, encourage innovation and outperform. It established a flatter and more decentralised organisational structure, including four academic schools: School – Māori Enterprise, Business and Technology; School – Trades Training, Creative and Primary Industries; School – Nursing, Health and Wellness; and School – Engineering, Energy and Infrastructure. The focus of this change was to ensure WITT is able to remain competitive and relevant into the future and to meet the challenges of our sector.

New leaders were welcomed into the WITT team to head up the newly established schools, bringing with them fresh perspectives and extensive experience. Our School Directors also bring a targeted, strategic direction that positions each school well to meet the demands of the sector and the needs of our learners and community, including linking student to jobs.

It was a significant year of milestones not just for WITT, but for the entire ITP sector. On 1 August, Education Minister Chris Hipkins announced the Government's decisions on the Reform of Vocational Education (RoVE). The proposal – to merge all 16 of New Zealand's polytechnics to become a single entity – is the biggest change in our sector's history. The implications for tertiary

education are huge. WITT has supported this reform as it will support Taranaki learners and their aspirations.

But, despite the evolving tertiary landscape and level of uncertainty that remains on our path into the future, we have grown in 2019 and are poised to continue our growth into 2020.

Not only have our enrolments grown, so has our staff. Despite frequent news of job losses in the ITP sector and a national trend toward downsizing, at WITT we have focussed on investment in our people. We have hired more staff, worked with unions to secure pay increases, and endeavoured to move as many staff as possible from fixed-term contracts to permanent employment.

In 2019, we invested in our people, in our campus, and in our future. We also built, and in some cases rebuilt, relationships with key stakeholders in local industry and the wider Taranaki community, reconnecting with industry, schools and iwi. We continued to ensure WITT aligns closely with the priorities of our region, reinforcing our position as a fundamental player in Taranaki's economic and regional development. We have remained committed to and heavily involved in the actions of *Tapuae Roa*, Taranaki's economic development strategy, and the *Taranaki 2050 Roadmap*, the foundation for our region's just transition to a net-zero economy.

We are proud to see these positive results generated by the hard work and commitment that was contributed by each member of the WITT team. These successes are a celebration of our people, including those we sadly farewellled in 2019, including much-loved tutor and colleague BJ Hetet.

We are excited about 2020 and look forward to seeing the year unfold. We will shift into the next stage of RoVE on 1 April, with the official establishment of the New Zealand Institute of Skills and Technology. As a part of that we will continue to grow our schools and invest in our campus as an asset for our students and our staff. Our focus on providing quality experiences and learning outcomes for our students will remain paramount. Our brand message for the year ahead is *Be Your Best*. And that's exactly what we intend to be.

# NEW STRUCTURE, FRESH LEADERSHIP

**A leadership refresh led to the establishment of four academic schools and a flattening of WITT's organisational structure. The refresh aligned WITT's teaching with Taranaki's economic future, supporting Tapuae Roa and the Taranaki 2050 Roadmap.**

New directors were recruited to lead each school, bringing further diversity of skills and background to WITT's leadership team. Linda Weterman joined WITT as Director, School – Māori Enterprise, Business and Technology; Ruth Crawford leads the School of Nursing, Health and Wellness; Kyle Hall stepped away from his position as General Manager NZIHT, to become Director, School – Engineering, Energy and Infrastructure; and Kevin Uncles joined us as Acting Director for the School of Trade Training, Creative and Primary Industries.



School of Māori Enterprise,  
Business & Technology  
Te Kura Matatini O Taranaki

This school comprises programmes relating to Māori Enterprise, Te Reo, Administration, English Language, Business, Management and Information Technology.



School of Nursing,  
Health & Wellness  
Te Kura Matatini O Taranaki

This school comprises programmes relating to Nursing, Healthcare, Beauty, Hairdressing, Makeup, Foundation Studies, Fitness and Mental Health & Wellbeing.



School of Trade Training,  
Primary & Creative Industries  
Te Kura Matatini O Taranaki

This school comprises programmes relating to Art & Design, Primary Industries (Agriculture, Pest Control, Forestry, Horticulture), Trades Training (Automotive, Construction, Electrical, Mechanical, Plumbing, Gasfitting & Drainlaying) and Hospitality.



School of Engineering,  
Energy & Infrastructure  
Te Kura Matatini O Taranaki

This school comprises programmes relating to Engineering, NZIHT (New Zealand Institute of Highway Technology), Infrastructure Works, and Energy, Oil & Gas.

# GOVERNANCE



## ROBIN BROCKIE

### Council Chair

Robin Brockie, QSM is a Chartered Accountant Fellow and member of the Institute of Directors. Robin holds governance positions at a number of organisations in addition to being WITT Council Chair, including Tui Ora Ltd, TSB Community Trust, TSB Group Ltd and New Zealand Institute of Highway Technology. He is involved with the Dame Malvina Major Foundation, Anglican Diocese of Waikato & Taranaki, and the Taranaki Cathedral Church of St Mary's.



## LYAL FRENCH-WRIGHT

### Deputy Chair

Following a career as a secondary school teacher and principal in New Zealand and the Middle East, Lyal was CEO of the large regional law firm, Govett Quilliam from 2012-2018. He acted as WITT's Chief Executive during a three month transition at the end of 2018, and was in 2019 appointed as an independent Councillor to UCOL, also becoming UCOL's Chief of Operations. Lyal will be President of the Taranaki Rugby Football Union in 2020.



## CASSANDRA CROWLEY

Cassandra Crowley has been a member of the WITT Council since 2014. Originally from South Taranaki Cassandra is a Chartered Accountant (Fellow) and Barrister & Solicitor who is passionate about all ages and stages of our Taranaki community having access to lifelong learning opportunities that enrich their lives, careers and our community.

She has a number of other Governance roles including; Taranaki District Health Board, Taranaki Biodiversity Trust, The Skills Organisation and New Zealand Transport Agency.



## CHARLOTTE LITTLEWOOD

Charlotte Littlewood is a Chartered Member of the Institute of Directors and holds a number of governance roles, including as a Taranaki Regional Councillor and a director of Port Taranaki. Charlotte has worked in a variety of project management, strategy and research roles across Powerco Ltd, the Ministry for Social Development in Wellington and the Department for Work and Pensions in London.



## DANIEL FLEMING

Daniel Fleming is the General Manager and co-owner of luxury boutique hotel King & Queen Hotel Suites. He is also the Chair of the Taranaki Chamber of Commerce and Chair of the West End Precinct.

He has been on the WITT Council since 2017. As a Taranaki local Daniel is very passionate about our region and ensuring that all learners have access to a range of high-quality education.



## ROSS DINGLE

Ross Dingle is Head of Commercial at Port Taranaki Limited. Previously, Ross has been CEO of Illion TenderLink and 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, and President of Taranaki Triathlon.



## STUART TRUNDLE

Stuart Trundle has recently retired as the Chief Executive of the Venture Taranaki Trust. He is a board member of the Bishop's Action Foundation, past chair of the Economic Development Association of New Zealand and former trustee to the Bashford and Nicholls Trust that sponsors agricultural scholarships in Taranaki.

Prior to forming Venture Taranaki, Stuart was managing director of the largest Chamber of Commerce in the United Kingdom, an external examiner of the MBA.

# EXECUTIVE TEAM

AS AT 31 DECEMBER 2019



## TUMU WHAKARAE CHIEF EXECUTIVE

**John Snook**  
(Chief Executive 4 Feb 2019 – Current)

John Snook has enjoyed a career covering extensive educational management in the public and private sector.

He has previously served as deputy chief and acting chief executive of the Waiariki Institute of Technology and was a member of the UCOL council at the time of the Whanganui Polytechnic Merger.

After leaving Waiariki he set up Action Consulting Group Ltd and the New Zealand Institute of Business and Technology (NZIBT). He is a strong supporter of planned reforms for the vocational education sector and mindful of the value of the Māori economy.

## NICOLA CONLEY

Director Corporate Services

## DANIEL JACKSON

Chief Financial Officer

## NITA HUTCHINSON

Academic Director

## KYLE HALL

General Manager – NZIHT

## LINDA WETERMAN

Director, School – Māori Enterprise, Business & Technology

## RUTH CRAWFORD

Director, School – Nursing, Health and Wellness

## KEVIN UNCLES

Acting Director, School – Trade Training, Primary and Creative Industries

## COMMITTEES

### COMMITTEES OF COUNCIL

- **Audit and Risk Committee.** Met 12 times.
- **Academic Board.** Met 6 times.

### COMMITTEES OF THE ACADEMIC BOARD

- **Academic Standards Committee.** Met 9 times
- **Research Committee.** Met 5 times
- **Teaching and Learning Committee.** Met 7 times
- **Academic, Risk, Compliance and Appeals Committee.** Met 5 times
- **Te Kāhui Matanui.** Met 7 times

### CHIEF EXECUTIVE COMMITTEES

- **Executive team** – met fortnightly
- **Health and Safety** – met 8 times

# HIGHLIGHTS OF 2019



## SUCCEEDING STUDENTS

**The year was one of progress and achievement for many of our students.** For the third year in a row, our final-year Bachelor of Nursing students achieved a 100 per cent pass rate in their State Final Exams.

It's also been a successful year in terms of employment outcomes. We've seen many of our 2019 graduates go on to find great jobs, working full-time in engineering, nursing, business, trades, hospitality and more. Working with our Industry Placement and Employment Coordinator, Jo Syme, over 95 per cent of our international students found part-time work over their summer break.

In 2019 WITT introduced Year 13 scholarships, with four deserving final-year high school students announced as recipients in November. They each receive one year of their degree or diploma fees covered.



## RECONNECTING WITH COMMUNITY

**Industry and community partnerships have been a focus throughout the year, with key relationships formed and rebuilt.** Significant progress was made in the relationship between WITT and the Taranaki District Health Board, culminating with the signing of a five-year MOU signed that delivers great benefits to our learners. Our relationship with the Taranaki Chamber of Commerce became closer, as we announced WITT sponsorship of the renowned Taranaki Top Shop Awards. We worked more closely with TSB Bank and also supported local organisations such as the Taranaki Young Professionals, Dress for Success New Plymouth, Taranaki Science Fair and the Careers Expo.



## UPGRADING OUR CAMPUS

**Reimagining our spaces on campus has been a focus throughout the year, with a number of key upgrades being completed.** In April, a refurbishment of Te Kāuta café and the shared mezzanine space created a fresh and vibrant area on campus where students can eat, study or catch up with classmates.

A new computer lab was also unveiled, featuring a completely new fitout with bright furniture and upgraded hardware.

By finding a new use for an old space, we have also created a new gym and recreation centre called the Fitness Factory. Taking advantage of underutilised space in N Block, the new gym features all-new equipment, quality audio-visual and bright spaces for group classes. The gym aligns well with the focus on staff and student health and wellness, and it also provides a fit-for-purpose training ground for our Sport & Exercise students. The Fitness Factory officially opens on 2 March 2020.



## STUDENT GROWTH

**The year saw notable growth in EFTS (equivalent full-time students) in both our local and international markets.**

Our domestic student count was up by 6 per cent compared to 2018, despite a national trend of declining enrolment numbers. Significantly, our international student community grew by 34 per cent compared to 2018. We welcomed students from across the globe including India, Philippines, Thailand, Nepal and South America, creating a rich and diverse campus.

# TEACHING & LEARNING EXCELLENCE

## STATEMENT OF SERVICE PERFORMANCE

WITT has worked extensively with stakeholders to ensure its provision aligns to industry needs and regional demand, in particular Tapuae Roa, the regional economic development strategy and the Taranaki 2050 Roadmap with a focus on our four market segments: school leaver, part-time/upskilling, second chance and international. Creating pathways to employment for our learners is reflected in our portfolio of provision. As a full investment plan for 2020 was not required, the focus for 2020 remains that of 2019, while preparing for change following announcements regarding the Reform of Vocational Education.

While a number of measures are yet to be achieved and course completions, in particular, did not meet the targets set for 2019, WITT is confident that the initiatives being implemented for 2020 including early identification and intervention for students needing additional support and the recruitment of additional personnel in the student support team will see an improvement in results. Māori learner success is a strong focus for 2020 and improved achievement will build on the strong retention rates that have already been achieved for these learners.

The measures in WITT's Statement of Service Performance 2019 align with WITT's objectives for giving effect to the Tertiary Education Strategy 2014-2019 and are presented with these for the purposes of this report.

### PRIORITY 1: DELIVERY SKILLS FOR INDUSTRY

#### Institute Objective

#### Work-ready graduates aligned to skill demand and employment

How we measured our success	2018 ACTUAL	2019 ACTUAL	2019 TARGET	Commentary
<sup>1</sup> Net promoter score (Employer Satisfaction Survey)	Not measured	-3.0%	1.0%	<b>NOT ACHIEVED.</b> WITT will continue to build and maintain relationships with industry and key stakeholders.
Overall satisfaction (Employer Satisfaction Survey)	Not measured	82.8%	85%	
Percentage of graduates of the MPTT (Māori Pasifika Trades Training) programme in employment after 12 months	<sup>2</sup> 40%	21%	55%	<b>NOT ACHIEVED.</b> Some students do not complete the programme, but gain employment and this is a successful outcome for those learners.
Students return to WITT to upskill and gain additional qualifications	<sup>3</sup> 16%	12%	10%	<b>ACHIEVED.</b>

1 An index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others.

2 This is a new measure and the information shown was taken from Graduate Outcome information from the MPTT Consortium Lead, which provided the percentage in employment and further study.

3 This is a new measure and the information shown is the percentage of students enrolled at WITT in 2018 who had a prior WITT qualification.

### PRIORITY 2: GETTING AT-RISK YOUNG PEOPLE INTO A CAREER

#### Institute Objective

#### Increase participation and achievement in programmes for under 25s and transition them into employment

How we measured our success	2018 ACTUAL	2019 ACTUAL	2019 TARGET	Commentary
Number of learners enrolled at WITT who are under 25	50%	57%	40%	<b>ACHIEVED.</b> In 2019, WITT concentrated on four market segments, with one of them being school leavers. This impacted positively on the results against target.
Number of learners enrolled at WITT who are under 25 and enrolled in qualifications at Level 4 or above	24.4%	49.9%	30%	
Percentage of young people receiving advice from WITT's Career Advisor who then enrol in programmes in WITT	<sup>4</sup> 56%	51%	42%	
Percentage of under 25s graduating who remain in employment or gain employment.	<sup>4</sup> 29%	25%	40%	<b>NOT ACHIEVED.</b> WITT has increased resource to provide support for graduates seeking employment during or post-study.

4 This is a new measure and 2018 results were calculated based on internal data WITT had.

### PRIORITY 3: BOOSTING ACHIEVEMENT OF MĀORI AND PASIFIKA

#### Institute Objective

Māori learners will succeed in tertiary education, and be equipped with skills for employment, leading to greater social and economic outcomes for themselves, their whānau and iwi.

Pasifika learners will succeed in tertiary education, and be equipped with skills for employment, leading to greater social and economic outcomes.

How we measured our success	2018 ACTUAL	2019 ACTUAL	2019 TARGET	Commentary
Māori Learner Course Completions	57.9%	56.8%	73%	<b>NOT ACHIEVED.</b> WITT will continue to improve strategies to increase course completions of Māori learners. The results are consistent with 2018 results.
First year retention rates for Māori Learners in Levels 4-7 non-degree	<sup>5</sup> 60%	67.4%	48%	<b>ACHIEVED.</b> Low participation impacts results.
First year retention rates for Māori Learners in Level 7 degree	<sup>5</sup> 77.2%	99.2%	72%	<b>ACHIEVED.</b> Low participation impacts results.
Māori learner qualification by cohort Level 3+	<sup>5</sup> 46.7%	38.1%	50%	<b>NOT ACHIEVED.</b> WITT will continue to improve strategies to increase course completions and, therefore, qualification completions. Poor course completions impact on qualification completions.
Number of Pasifika learners enrolled at WITT	<sup>5</sup> 60	115	126	<b>NOT ACHIEVED.</b> The number has increased from 2018.

### PRIORITY 4: IMPROVING ADULT LITERACY AND NUMERACY

#### Institute Objective

Ensure Literacy and Numeracy levels are appropriate for quality outcomes for learners, leading to graduate and employment success

How we measured our success	2018 ACTUAL	2019 ACTUAL	2019 TARGET	Commentary
In terms of the Embedded Literacy and Numeracy (ELN) Assessment Tool, we will apply this tool to all-of-organisation ELN and ELN across single programmes where literacy and numeracy levels are usually low, such as NZC in Foundation Skills (Level 2).	Not measured	Sample only	90%	<b>NOT ACHIEVED.</b> As the tool initially identified to be used was not suitable, an alternative tool was piloted and modified internally. Version 2 was trialled with one example of delivery material from each of four trades-based courses. Tool functions as predicted, providing valuable information on areas for improvement and areas of best practice.
Number of learners active in Pathways Awarua	<sup>5</sup> 198	163	320	<b>NOT ACHIEVED.</b> WITT will continue to engage with tutors to encourage participation with this tool.

<sup>5</sup> This is a new measure and 2018 results were calculated based on internal data WITT had.

## PRIORITY 5: STRENGTHENING RESEARCH-BASED INSTITUTIONS

### Institute Objective

WITT aims to be recognised as a key provider of applied, industry/business-relevant research that supports the economic, cultural, and social aspirations of its stakeholders and the Taranaki region

How we measured our success	2018	2019	2019	Commentary
	ACTUAL	ACTUAL	TARGET	
Number of staff research active at the Institute	<sup>6</sup> 5	5	10	<b>NOT ACHIEVED.</b> There were five staff who were <i>actively</i> engaged in research, however, there were another 17 staff members whose scholarly work was <i>Research – related contributions</i> .
Number of collaborative research projects being undertaken in any one year	<sup>6</sup> 2	4	4	<b>ACHIEVED.</b>

## PRIORITY 6: GROWING INTERNATIONAL LINKAGES

### Institute Objective

Successful outcomes for International Students equals success for WITT and the community

How we measured our success	2018	2019	2019	Commentary
	ACTUAL	ACTUAL	TARGET	
Recruiting at least 30% of EFTS from markets other than India	<sup>6</sup> 38.5%	28.8%	35%	<b>NOT ACHIEVED.</b> WITT continues to work to diversify its international portfolio.
Percentage of graduates in employment	<sup>6</sup> 95%	94%	90%	<b>ACHIEVED.</b> % of those responding to formal contact. 72 of 127 graduates contacted across DipProfCookery, GradDipEng (Hwys, GradDipBusiness and BAppMgt responded.

<sup>6</sup> This is a new measure and 2018 results were calculated based on internal data WITT had.

## COST OF SERVICE STATEMENT

WITT provides services in one output class; Tertiary Education. As a result this output class matches the costs of the entire organisation.

	GROUP	
	2019 \$'000	2018 \$'000
<b>Revenue</b>	22,289	20,941
<b>Expenditure</b>		
Educational Delivery	11,793	10,323
Educational Support	9,902	9,631
Depreciation and Amortisation	1,936	1,907
<b>Total Expenditure</b>	23,630	21,861
<b>Deficit</b>	<b>(1,341)</b>	<b>(920)</b>

In addition to the Statement of Service Provision, WITT have a number of KPIs as per the 2019 Investment Plan that are provided in the following table.

## 2019 INVESTMENT PLAN KEY PERFORMANCE INDICATORS

			2018	2018	2019	2019	Commentary
			Actuals	Interim <sup>2</sup>	Interim <sup>2</sup>	Target	
<b>PERFORMANCE COMMITMENTS</b>							
<b>SAC LEVELS 1 AND 2</b>							
<b>Participation</b>							
The proportion of SAC Eligible EFTS who are:	Māori	Levels 1 and 2	5.1%	6.1%	5.5%	7.0%	<b>NOT ACHIEVED.</b> WITT will continue to improve strategies to increase participation of Māori and Pasifika learners.
	Pasifika	Levels 1 and 2	0.3%	0.4%	0.5%	1.0%	
<b>Educational Performance</b>							
<b>Course completion</b>							
The successful course completion rate (SAC Eligible EFTS) for	All students	Levels 1 and 2	51.5%	49.5%	55.0%	66.0%	<b>NOT ACHIEVED.</b> WITT will continue to improve strategies to increase course completion of learners.
<b>Qualification completion<sup>3</sup></b>							
The qualification completion rate (SAC Eligible EFTS) for:	All students	Levels 1 and 2	36.6%	37%	37.4%	53.0%	<b>NOT ACHIEVED.</b> Achievement is consistent with 2018. As WITT improves strategies to increase course completion, qualification completion will improve.
<b>Student Retention</b>							
The student retention rate for all students (SAC Eligible student count)	All students	Levels 1 and 2	54.9%	63.6%	57.1%	54.0%	<b>ACHIEVED.</b>
<b>Student Progression</b>							
The student progression rate (SAC Eligible student count) from levels 1 and 2, to a higher level for:	All students	Levels 1 and 2, to a higher level	56.1%	54.8%	58.6% <sup>1</sup>	46.0%	<b>ACHIEVED.</b>

1 Includes internal and external progression, therefore, TEC data has been used for these measures.

2 Educational performance results reflect those available as at 13 March 2020 and are interim only. Some student results continue to be processed beyond this date and some measures are reliant on final information from other providers. Once complete, final results are made publicly available by the Tertiary Education Commission. Final amounts for 2019 will be reported in the 2020 Annual Report.

3 Qualification completion rate is calculated on the cohort basis. It is important to note the period in years for which each cohort is given to complete based on the qualification level. Levels 1-3 have 2 years, 4-6 and 7 (non-degree) have 4 years and 7 (degree) and above have 6 years. So in a programme level 1-3 for example, even though a student may enter a cohort in year y and successfully complete that qualification in year y, the result is not shown until year y+1.

			2018	2018	2019	2019	Commentary	
			Actuals	Interim <sup>2</sup>	Interim <sup>2</sup>	Target		
<b>PERFORMANCE COMMITMENTS</b>								
<b>SAC LEVELS 3 AND ABOVE</b>								
<b>Participation</b>								
The proportion of SAC Eligible EFTS who are:	Under 25	Level 3 and above	49.6%	47.1%	47.8%	40.0%	<b>ACHIEVED.</b>	
		Level 4 and above	25.7%	24.4%	24.4%	-		<b>NO TARGET SET.</b>
	Māori	Level 3 and above	22.0%	21.6%	23.7%	25.0%	<b>NOT ACHIEVED.</b> WITT will continue to improve strategies to increase participation of Māori and Pasifika learners particularly at Levels 4+.	
		Level 4 and above	10.1%	10.1%	10.7%	25.0%		
	Pasifika	Level 3 and above	2.9%	1.62%	2.9%	3.0%		
		Level 4 and above	1.3%	0.7%	1.0%	2.5%		
<b>Educational Performance</b>								
<b>Course completion</b>								
The successful course completion rate (SAC Eligible EFTS) for:	All Students	Level 3 and above	75.6%	72.9%	71.3%	76.0%	<b>NOT ACHIEVED.</b> Early identification and intervention is required to increase course completion of learners. This will be a major focus for WITT in 2020.	
		Level 4 and above	81.7%	80.4%	75.3%	81.0%		
	Under 25s	Level 3 and above	73.0%	71.4%	70.6%	76.0%		
		Level 4 and above	78.2%	77.1%	74.1%	80.0%		
	Māori	Level 3 and above	61.5%	61%	57.8%	76.0%		
		Level 4 and above	75.3%	73.3%	60.1%	76.0%		
	Pasifika	Level 3 and above	56.3%	49%	68.8%	76.0%		
		Level 4 and above	58.9%	54.7%	70.4%	76.0%		
<b>Qualification completion<sup>3</sup></b>								
The qualification completion rate (SAC Eligible EFTS) for:	All Students	Level 3 and above	51.0%	51.2%	59.6%	65.0%	<b>NOT ACHIEVED.</b> 2019 results are relative to 2018 results. Early identification and intervention is required to increase course completion, which will impact on qualification completion. This will be a major focus for WITT in 2020.	
		Level 4 and above	54.4%	54.4%	55.1%	67.0%		
	Under 25s	Level 3 and above	53.8%	54.6%	58.0%	65.0%		
		Level 4 and above	53.1%	53.1%	50.9%	71.0%		
	Māori	Level 3 and above	46.3%	46.4%	53.0%	62.0%		
		Level 4 and above	42.5%	42.5%	51.7%	63.0%		
	Pasifika	Level 3 and above	46.3%	46.3%	60.0%	64.0%		
		Level 4 and above	54.2%	54.2%	65.0%	66.0%		
<b>Student Retention</b>								
The student retention rate (SAC Eligible student count) for:	All students	Levels 3 and above	63.4%	65.7%	76.9%	76%	<b>ACHIEVED.</b>	
	Māori		71.9%	71.9%	64.5%	67%	<b>NOT ACHIEVED.</b> Early identification and intervention to improve retention will be a major focus for WITT in 2020.	
	Pasifika		77.8%	70.0%	72.5%	70%	<b>ACHIEVED.</b>	
<b>Student Progression</b>								
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	37.8%	37.5%	36.6% <sup>1</sup>	35.0%	<b>ACHIEVED.</b>	
	Māori		47.6%	46.8%	33.1% <sup>1</sup>	32.0%		
	Pasifika		61.5%	61.5%	36.4% <sup>1</sup>	35.0%		
<b>Other Commitments</b>								
The number of international student EFTS	All students	All levels	182.05	170.09	243.64	161.0	<b>ACHIEVED.</b>	

# STUDENT SATISFACTION

## STUDENT SUPPORT SERVICES

WITT directs significant resources to this important area of the institute. The comprehensive range of services allows for the supporting of learners to fully engage in their programme of study and optimise their learning experience.

Supplementary funding for support services comes from a number of sources – from TEC targeted funding – Youth Guarantee, Disability and Māori/Pasifika; from the compulsory student services fee and from community groups including the Taranaki Tertiary Chaplaincy Trust Board.

Provision for the year ended 31 December 2019 includes:

- A range of comprehensive support services including career planning and employment support, academic learning support, 24/7 online library access, health, chaplaincy and counseling.
- Targeted supports for Māori, Pasifika, Disabled, International and Youth Guarantee students.
- The tertiary bus service giving free intercity and regional travel to WITT students.
- Free doctor service.
- Student hardship fund.
- Scholarships and grants.
- Campus wide events.

### Careers and Employment Services

The careers and employment service provide support and advice for prospective (1219) and enrolled (103) students; assisting with career and pathways planning, programme choice, developing skills for employment, finding work and generally assisting with their move into employment or further study. In 2019 in-class sessions were delivered on CV writing and preparing for job interview.

	2018	2019
Individual learners assisted	1322	870
In class workshops	36	38

### Learning Support

Learning support staff teach a wide range of study skills on an individual, small group and in-class basis; as well as online support, Skype/Zoom for off campus and distance students, pre-programme workshops and the provision of print and electronic publications. The learning support staff work closely with classroom tutors to integrate study skills into programmes to introduce greater numbers to learning topics and reduce the requirement for individual support.

	2018	2019
Student appointment hours	714	539.5
In class hours	294	378
Study group support hours	91.5	102.5

## Library



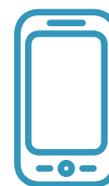
**77,812**  
visits



**35,550**  
views of the Library website



**96%**  
of students rate the  
library resources as  
excellent/good



**41,712**  
e-book and e-journal  
searches

## Health and Medical Services

The Health clinic provides health and medical services to students, as well as health and safety monitoring and health education and promotion. In 2019 promotion included Melanoma awareness, Flu vaccine campaign, Healthy heart, Drug and Alcohol education, Sexual health, Sun smart and Smoking cessation.

	2018	2019
Health Clinic appointments	2490	1906
Medical Clinic appointments	614	464

## COUNSELLING

The counsellor provides a personal counselling service to students as well as crisis intervention and support, delivering in-class workshops, running wellness promotions and staff development workshops.

	2018	2019
Personal Counselling appointments	285	240

## Chaplaincy

The WITT ecumenical chaplain providing spiritual guidance and pastoral support, a non-judgemental listening ear and support in times of illness, critical incidents, confusion and bereavement. The chaplain runs inclusive services on campus, provides food parcels and Christian literature.

## TARGETED STUDENT GROUPS

### Māori and Pasifika Students

Māori and Pasifika learners are supported through the Kopa Manaaki; a service providing targeted facilities and support services including dedicated support staff, study and meeting areas, a computer suite, social areas and a kitchen facility. The service offers students a one stop shop for pastoral, educational

and cultural support as well support with budgeting, Studylink and scholarship applications. Staff also offer a number of cultural initiatives targeting Māori learners; including whanau day (students and whanau getting together before semester start), Whanaungatanga wānanga, enabling Māori students to build relationships and make connection at programme start; whakawhanaungatanga hui, providing an opportunity for learners, tutors and support staff to come together informally and celebration of Māori national days and Māori student achievement.

### Disability Support

In 2019 the Disability Service provided support services to students including the provision of equipment and furniture, support staff (interpreters, note takers and reader/writers), exam accommodations, evacuation plans, alternative format material, information and advocacy and tracking and follow-up. The disability coordinator delivered disability awareness training to new staff and student groups.

	2018	2019
Individual students supported	124	120

### Youth Guarantee

Youth Guarantee provides fees-free tertiary education and targeted supports for students aged 16-19 years who have no or low prior qualification achievement. The aim is to increase the amount of young people achieving a level 2-3 qualification and improve the transition between school, tertiary and work. Supports for 2019 include interviews with students and whānau on application, Personal Education Planning, targeted pastoral care, transport assistance and the monitoring of attendance and achievement, as well as the running of "Transition to Tertiary"

workshops at semester start to enable students, tutors and support staff to get to know each other and make connections.

	2018	2019
Individual students supported	94	95

### International support

Additional supports for international students is provided including a meet and greet service on arrival, a comprehensive orientation of the area and institute, dedicated pastoral care, accommodation support, insurance assistance and the tracking and follow up of attendance and academic progress. Activities arranged throughout the year included guest speakers from the Police, Road Safety and banking agents, visits to local attractions and landmarks.

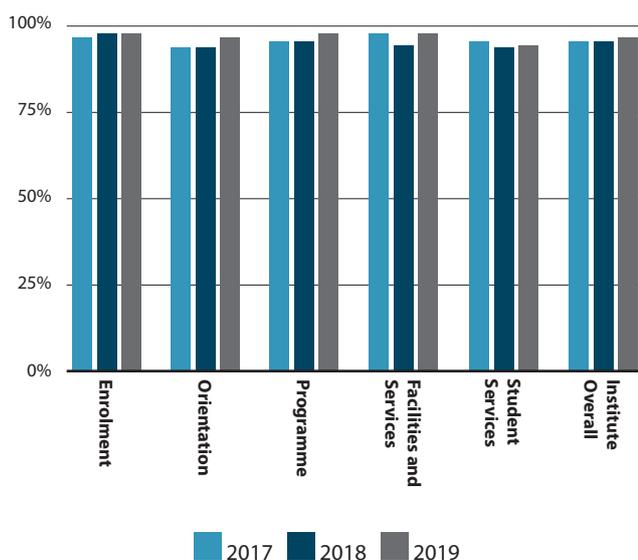
	2018	2019	
		Bell Campus	Hamilton Campus
Individual students supported	320	380	144

## STUDENT SATISFACTION

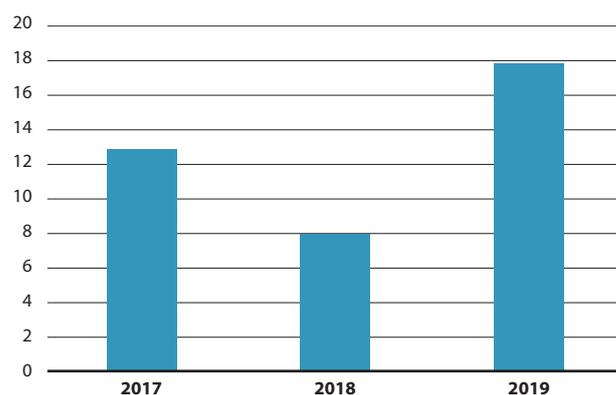
In 2019 the institute engaged in various means to capture the student voice and gather feedback from the student body. Formal opportunities for current and past students came via the First Impressions Survey and the Student Satisfaction Survey. In total 1109 responses were received.

Feedback shows continued high levels of student satisfaction with all areas of the institute; the enrolment process, orientation, programmes, teaching, the campus facilities, support services and institute overall.

### FIRST IMPRESSIONS SURVEY 2017-2019 SATISFACTION RATINGS



### NET PROMOTER SCORE



# HEALTH AND SAFETY

## COMMITMENT

2019 has been another busy year in which WITT has strived to provide a safe and healthy workplace for workers, students and others. This is achieved through the engagement of all groups; complying with the Health and Safety at Work Act 2015 and relevant regulations; industry best practice; and internal systems and processes. The continued improvement to provide efficiencies for hazard identification and near miss and incident investigation recognises a clear commitment to maintain health and safety standards within the Institute.

## COMMITTEE ACTIVITIES

WITT's Health and Safety Committee through regular committee meetings and communication with management, staff and students has continued to improve safety on the campuses. During 2019, seven new health and safety representatives joined the committee, either as replacements, or representing existing departments.

The Committee reviewed and developed policies for; Provision of First Aid; Building and Property Access; Addressing Bullying, Harassment and Discrimination. Recommendations to improve campus security was presented to management and in September a new appointment was approved for a Security Guard; along with a commitment to engage an external contractor to audit the Institute's current campus security and report findings in the following year where the Committee could work towards the identified improvements.

Continued campus safety improvements have continued with in the installation of an accessible footpath; security stays on windows for buildings level one and above; upgrade of outdoor lighting project phase three; review of machinery guarding; continued review and removal of asbestos from newly developed spaces.

## TRAINING

During semester one, Health and Safety Representatives attended training in; portable fire and extinguisher; Risk Manager, the Institute's health and safety portal; health and safety representative stage one. Managing alcohol and other drugs training was provided for staff groups. Staff, students and others on campus participated in the NZ ShakeOut nationwide event for earthquakes in October.

## REPORTED EVENTS

There were 115 reported events in 2019 compared to 96 reported in 2018, indicating an increase in reported events which is contributed to improved incident reporting and processes.

	Number of Harm-related Incidents		Percentage of Total	
	2019	2018	2019	2018
First-aid Injury	36	35	31%	36%
Medical treatment	10	8	9%	8%
Lost time injury	0	0	0%	0%
Notifiable Event	0	0	0%	0%

*\*Statistics include staff, students and contractors*

## HEALTH AND WELLBEING

The Institute initiated an emergency response to the Ministry of Health national measles outbreak MMR catch up campaign. Our Measles Pandemic Plan was reviewed, updated and ready for implementation. MOH reported a significant decline in new cases towards the end of 2019, however the Institute continues to monitor the situation.



# INDEPENDENT AUDITOR'S REPORT

## To the readers of the Western Institute of Technology at Taranaki and group's financial statements and statement of service performance for the year ended 31 December 2019

The Auditor-General is the auditor of the Western Institute of Technology at Taranaki (the Polytechnic) and group. The Auditor-General has appointed me, Debbie Perera, 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 Polytechnic and group on his behalf.

### OPINION

We have audited:

- the financial statements of the Polytechnic and group on pages 20 to 47, that comprise the statement of financial position as at 31 December 2019, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Polytechnic and group on pages 9 to 13.

In our opinion:

- the financial statements of the Polytechnic and group on pages 20 to 47, which have been prepared on a disestablishment basis:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2019; and
    - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and
- the statement of service performance on pages 9 to 13:
  - presents fairly, in all material respects, the Polytechnic and group's service performance achievements as compared with the forecast outcomes included in the investment plan for the year ended 31 December 2019; and
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 30 April 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to the financial statements being appropriately prepared on a disestablishment basis and COVID-19. In addition, we outline the responsibilities of the Council and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

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

Without modifying our opinion, we draw your attention to the accounting policy on page 20 and note 21 on page 47, about the financial statements being prepared on a disestablishment basis. We consider the disestablishment basis to be appropriate because the Polytechnic will cease as an entity and transfer its assets and liabilities to Western Institute of Technology at Taranaki Limited on 1 April 2020 as a result of the reform of the institutes of technology and polytechnics sector.

### COVID-19

Without modifying our opinion, we draw your attention to the disclosures in note 20 on page 47 which outline the possible effects to the Polytechnic and group as a result of the COVID-19 pandemic. It is difficult to determine the full effect of it on the Polytechnic and group at this time.

### BASIS FOR OUR OPINION

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

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

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

### RESPONSIBILITIES OF THE COUNCIL FOR THE FINANCIAL STATEMENTS AND THE STATEMENT OF SERVICE PERFORMANCE

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

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

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

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

## RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND THE STATEMENT OF SERVICE PERFORMANCE

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

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

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

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 Polytechnic 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 non-going concern basis of accounting by the Council.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtain sufficient appropriate audit evidence regarding the financial statements and the statement of service performance of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated statement of service performance. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Our responsibilities arise from the Public Audit Act 2001.

### OTHER INFORMATION

The Council is responsible for the other information. The other information comprises the information included on pages 1 to 8, 14 to 16, 19 and 48 to 51, 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 Polytechnic and group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

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



Debbie Perera  
Audit New Zealand  
On behalf of the Auditor-General  
Palmerston North, New Zealand



# STATEMENT OF RESPONSIBILITY

FOR THE YEAR ENDED 31 DECEMBER 2019

For the financial year ended 31 December 2019 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 2019.

**Robin Brockie**  
Chair of WITT Council  
30 April 2020

**John Snook**  
Chief Executive  
Tumu Whakarae  
30 April 2020

# STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2019

## 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 2019 were authorised for issue by the Chair of Council and the Chief Executive in accordance with the Education Act 1989 Section 220.2AA on 30 April 2020.

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.

The Minister of Education announced the Government's decisions on the Reform of Vocational Education proposals on 1 August 2019, and has since enacted the Education (Vocational Education and Training Reform) Amendment Act (the Act) on 24 February 2020 to give effect to those reforms. In essence, the Act reforms the delivery of vocational education in New Zealand by creating a new Crown entity, the New Zealand Institute of Skills and Technology (NZIST) and converting all existing institutes of technology and polytechnics (ITPs) into crown entity companies, which will take over the operational activities of existing ITPs.

The Act disestablished the Western Institute of Technology at Taranaki and transferred its assets and liabilities to a new company, Western Institute of Technology at Taranaki Limited on 1 April 2020. As a result Western Institute of Technology at Taranaki has prepared its financial statements on a disestablishment basis. However, because vocational education will continue to be provided through the Western Institute of Technology at Taranaki Limited no change needs to be made to the measurement or classification of assets and liabilities. Decisions about the future of these assets and liabilities will be the responsibility of the new entity.

### Changes in Accounting Policies

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

### 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.

WITT and the Group has adopted the new group standards, PBE IPSAS 34 to 38, in preparing these financial statements. In adopting these new standards, WITT and the Group has updated its accounting policies for its investments in subsidiaries. Disclosures have also been updated for the new disclosure requirements of PBE IPSAS 38. There has been no effect on the financial statements as a result of adopting PBE IPSAS 34 to 38.

### Subsidiaries

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

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 2019 and 2018.

## 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.

### Fees Free

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

### Other government grants

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

### Sale of materials

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

### Sale of goods

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

## 5. Interest and dividends

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).

Dividends are recognised when the right to receive them has been established.

## 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.*

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 2017. 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 and furniture and fittings 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:

Asset Class	Useful Life	Depreciation Method
Buildings	10-100 years	SL
Computer Hardware	3-5 years	SL
Plant and Equipment	5-10 years	SL
Motor Vehicles	3-10 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.

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 was 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	3-15 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. 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.

## 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**

Prior to 2019, property in the legal name of the Crown occupied by WITT was recognised as an asset in the Statement of Financial Position. WITT consider that it had assumed all the normal risks and rewards of ownership of the property despite legal ownership not being transferred and accordingly it would have been misleading to exclude these assets from the financial statements. During 2019, the legal ownership of this property was officially transferred to WITT. The transfer of property has had no impact of WITT's 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.

### **Estimating the fair value of land, buildings and infrastructure**

The most recent valuations of land, buildings, and infrastructure were performed by an independent Registered valuer, I Baker FNZIV FPINZ of Telfer Young Valuers Property Advisors for WITT and NZIHT Land and Building valuations and Kees Beentjes of SPM Assets Limited for WITT Infrastructure Assets. The valuations are effective as at 31 December 2017.

#### *Land*

Fair value, using market-based evidence, is based on the highest and best use of the land, with reference to comparable land values. Adjustments have been made for the zoning and other statutory declarations as well as leases.

#### *Buildings*

Specialised buildings are buildings specifically designed for educational purposes. They are valued using depreciated replacement cost because no reliable market data is available for such buildings. Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions used in the 31 December 2017 valuation include:

1. The replacement costs of the specific assets are adjusted where appropriate for optimisation due to over-design or surplus capacity. There has been no optimisation adjustments for the most recent valuations.
2. The replacement cost is derived from recent construction contracts of actual contracts carried out recently and reference materials supplied by QV.
3. The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
4. Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings are valued at fair value using market-based evidence. Significant assumptions in the 31 December 2017 valuation include market rents and capitalisation rates.

- Market rents range from \$123 to \$195 per square metre. An increase (decrease) in market rents would increase (decrease) the fair value of non-specialised buildings.
- Capitalisation rates are market-based rates of return and range from 8% to 8.25%. An increase (decrease) in the capitalisation rate would decrease (increase) the fair value of non-specialised buildings.

#### **Infrastructure**

Infrastructure assets water utilities reticulation have been independently valued using depreciated replacement cost. The valuations have been performed in accordance with the New Zealand Infrastructure Asset Valuation and Depreciation Guidelines issued by the NAMS Group. The significant assumptions applied in determining the depreciated replacement cost of infrastructure assets are similar to those described above for specialised buildings.

## **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 2019:

#### **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 2019

	Notes	GROUP			PARENT		
		Actual 2019 \$000	Budget 2019 \$000	Actual 2018 \$000	Actual 2019 \$000	Budget 2019 \$000	Actual 2018 \$000
<b>Revenue</b>							
Government grants	1(a)	12,158	11,857	11,330	12,158	11,857	11,330
Tuition fees	1(b)	8,918	8,771	8,250	5,251	5,449	4,812
Other revenue	1(c)	1,212	1,236	1,361	2,195	2,101	2,108
<b>Total Revenue</b>		<b>22,289</b>	<b>21,863</b>	<b>20,941</b>	<b>19,604</b>	<b>19,407</b>	<b>18,250</b>
<b>Expenditure</b>							
Personnel costs	1(e)	11,917	11,699	11,339	11,901	11,680	11,311
Other expenses	1(f)	9,542	9,044	8,386	7,864	7,584	6,812
Depreciation expense	7	1,755	1,808	1,699	1,705	1,743	1,654
Amortisation expense	8	181	235	208	160	176	162
Finance costs	1(d)	235	239	228	231	232	221
<b>Total Expenditure</b>		<b>23,630</b>	<b>23,025</b>	<b>21,861</b>	<b>21,860</b>	<b>21,416</b>	<b>20,160</b>
<b>Surplus / (Deficit)</b>		<b>(1,341)</b>	<b>(1,162)</b>	<b>(920)</b>	<b>(2,257)</b>	<b>(2,009)</b>	<b>(1,910)</b>
<b>Other Comprehensive Revenue and Expense</b>							
Property revaluations		-	-	-	-	-	-
<b>Total Comprehensive Revenue and Expense</b>		<b>(1,341)</b>	<b>(1,162)</b>	<b>(920)</b>	<b>(2,257)</b>	<b>(2,009)</b>	<b>(1,910)</b>

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

The accounting policies on pages 20 to 27 and the notes on pages 33 to 47 form part of and should be read in conjunction with these statements.

# STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	GROUP			PARENT		
		Actual 2019 \$000	Budget 2019 \$000	Actual 2018 \$000	Actual 2019 \$000	Budget 2019 \$000	Actual 2018 \$000
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and cash equivalents	2	1,520	1,664	1,345	1,380	1,514	1,091
Other financial assets	5	4,060	1,560	3,560	4,060	1,560	3,560
Student fees and other receivables	3	2,258	2,803	1,671	2,046	2,303	1,863
Inventories	4	198	-	97	198	-	97
Assets held for sale	6	1,172	-	-	-	-	-
Prepayments		495	477	279	477	377	113
Accrued revenue		652	626	478	652	426	478
<b>Total Current Assets</b>		<b>10,354</b>	<b>7,130</b>	<b>7,430</b>	<b>8,812</b>	<b>6,180</b>	<b>7,202</b>
<b>Non-current Assets</b>							
Other financial assets	5	-	-	-	397	397	397
Property, plant and equipment	7	28,859	30,194	30,605	28,574	28,794	29,323
Intangible assets	8	967	1,012	1,046	893	912	957
<b>Total Non-current Assets</b>		<b>29,826</b>	<b>31,206</b>	<b>31,652</b>	<b>29,865</b>	<b>30,103</b>	<b>30,677</b>
<b>TOTAL ASSETS</b>		<b>40,180</b>	<b>38,335</b>	<b>39,081</b>	<b>38,677</b>	<b>36,283</b>	<b>37,878</b>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Trade and other payables	9	2,014	1,810	2,431	5,373	4,110	4,015
Borrowings	10	1,039	-	-	1,039	-	-
Employee entitlements	12	581	637	637	581	637	637
Revenue received in advance	11	4,888	3,216	2,323	3,726	2,418	2,323
<b>Total Current Liabilities</b>		<b>8,521</b>	<b>5,663</b>	<b>5,391</b>	<b>10,719</b>	<b>7,165</b>	<b>6,975</b>
<b>Non-current liabilities</b>							
Borrowings	10	3,431	4,470	4,247	3,431	4,470	4,247
Employee entitlements	12	328	201	201	328	201	201
<b>Total Non-current Liabilities</b>		<b>3,759</b>	<b>4,671</b>	<b>4,449</b>	<b>3,759</b>	<b>4,671</b>	<b>4,449</b>
<b>TOTAL LIABILITIES</b>		<b>12,280</b>	<b>10,334</b>	<b>9,840</b>	<b>14,478</b>	<b>11,836</b>	<b>11,422</b>
<b>NET ASSETS</b>		<b>27,900</b>	<b>28,001</b>	<b>29,242</b>	<b>24,199</b>	<b>24,447</b>	<b>26,456</b>
<b>EQUITY</b>							
Equity	17	29,590	29,590	29,590	29,590	29,590	29,590
Retained earnings	17	(17,798)	(17,697)	(16,457)	(20,923)	(20,675)	(18,666)
Asset revaluation reserve	13	16,108	16,108	16,108	15,532	15,532	15,532
<b>TOTAL EQUITY</b>		<b>27,900</b>	<b>28,001</b>	<b>29,242</b>	<b>24,199</b>	<b>24,447</b>	<b>26,456</b>



**John Snook**  
Chief Executive



**Robin Brockie**  
Chairman Council

**Date: 30 April 2020**

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

The accounting policies on pages 20 to 27 and the notes on pages 33 to 47 form part of and should be read in conjunction with these statements.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

Notes	GROUP			PARENT		
	Actual 2019 \$000	Budget 2019 \$000	Actual 2018 \$000	Actual 2019 \$000	Budget 2019 \$000	Actual 2018 \$000
<b>Cash flows from operating activities</b>						
Receipt of government grants	11,629	11,533	9,699	11,628	11,533	9,698
Receipt of tuition fees	11,035	8,770	8,659	6,558	6,365	5,318
Receipt of other ancillary income	690	768	969	645	518	678
Interest revenue received	140	115	169	140	114	168
Payments to suppliers	(9,735)	(8,229)	(7,648)	(5,439)	(7,279)	(4,350)
Payments to employees	(11,846)	(12,988)	(11,852)	(11,829)	(11,653)	(11,823)
Goods and Services Tax (net)	50	(150)	115	145	-	132
<b>Net cash flows from operating activities</b>	<b>1,964</b>	<b>(181)</b>	<b>112</b>	<b>1,848</b>	<b>(402)</b>	<b>(179)</b>
<b>Cash flows from investing activities</b>						
Receipts from sale of investments	-	-	12	-	-	12
Receipts from maturity of investments	4,750	4,560	4,560	4,750	4,560	4,560
Purchase of property, plant and equipment	(1,187)	(1,350)	(1,398)	(962)	(1,050)	(1,298)
Purchase of intangible assets	(101)	(150)	(103)	(96)	(125)	(87)
Acquisition/roll over of investments	(5,250)	(2,560)	(3,560)	(5,250)	(2,560)	(3,560)
<b>Net cash flows used in investing activities</b>	<b>(1,788)</b>	<b>500</b>	<b>(490)</b>	<b>(1,559)</b>	<b>825</b>	<b>(373)</b>
Net increase / (decrease) in cash and cash equivalents	175	319	(378)	289	423	(552)
Cash and cash equivalents at the beginning of the period	1,345	1,345	1,722	1,091	1,091	1,642
<b>Cash and cash equivalents at the end of the period</b>	<b>2</b>	<b>1,520</b>	<b>1,664</b>	<b>1,380</b>	<b>1,514</b>	<b>1,091</b>

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 19.

The accounting policies on pages 20 to 27 and the notes on pages 33 to 47 form part of and should be read in conjunction with these statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Public Equity \$000	Retained Earnings \$000	Revaluation Reserve \$000	Total \$000	Budget \$000
<b>GROUP</b>					
<b>At 1 January 2018</b>	<b>29,590</b>	<b>(15,537)</b>	<b>16,108</b>	<b>30,162</b>	<b>29,401</b>
Comprehensive revenue and expense					
Surplus / (Deficit)	-	(920)	-	(920)	(238)
Total Comprehensive Revenue and expense	-	(920)	-	(920)	(238)
<b>At 31 December 2018</b>	<b>29,590</b>	<b>(16,457)</b>	<b>16,108</b>	<b>29,242</b>	<b>29,163</b>
Comprehensive revenue and expense					
Surplus / (Deficit)	-	(1,341)	-	(1,341)	(1,162)
Total Comprehensive Revenue and expense	-	(1,341)	-	(1,341)	(1,162)
<b>At 31 December 2019</b>	<b>29,590</b>	<b>(17,798)</b>	<b>16,108</b>	<b>27,900</b>	<b>28,001</b>
<b>PARENT</b>					
<b>At 1 January 2018</b>	<b>29,590</b>	<b>(16,757)</b>	<b>15,532</b>	<b>28,366</b>	<b>27,727</b>
Comprehensive revenue and expense					
Surplus / (Deficit)	-	(1,910)	-	(1,910)	(1,272)
Total Comprehensive Revenue and expense	-	(1,910)	-	(1,910)	(1,272)
<b>At 31 December 2018</b>	<b>29,590</b>	<b>(18,666)</b>	<b>15,532</b>	<b>26,456</b>	<b>26,456</b>
Comprehensive revenue and expense					
Surplus / (Deficit)	-	(2,257)	-	(2,257)	(2,009)
Total Comprehensive Revenue and expense	-	(2,257)	-	(2,257)	(2,009)
<b>At 31 December 2019</b>	<b>29,590</b>	<b>(20,923)</b>	<b>15,532</b>	<b>24,199</b>	<b>24,447</b>

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

The accounting policies on pages 20 to 27 and the notes on pages 33 to 47 form part of and should be read in conjunction with these statements.

# STATEMENT OF RESOURCES

AS AT 31 DECEMBER 2019

Summary of Institute staff (average levels)	2019	2018
<b>Teaching departments</b>		
Academic	80.63	74.80
General	18.28	20.17
<b>Library</b>	3.24	3.19
<b>Central Administration</b>		
Executive	5.68	5.61
General	37.64	38.61
<b>Student Services</b>		
Academic	2.40	2.48
General	6.79	5.93
<b>Total</b>	<b>154.66</b>	<b>150.79</b>

	Land	Buildings	Value as at 31/12/2019 \$000
<b>Land and premises</b>			
Bell and Cracroft Streets (Main Campus)	68,119m <sup>2</sup>	13,653m <sup>2</sup>	27,011
5 Young Street – NZIHT	697m <sup>2</sup>	750m <sup>2</sup>	1,350

Print and Media	2019	2018	2017	2016
Non fiction	17,428	18,537	19,468	18,185
Reference	37	35	41	367
Fiction	614	573	508	483
Serials	29	40	36	36
<b>Total print and media titles</b>	<b>18,108</b>	<b>19,185</b>	<b>20,053</b>	<b>19,071</b>
New titles	282	230	308	353
Titles withdrawn	1,450	1,362	323	806
Gate Count (visits)	77,812	72,812	84,923	82,322
Loans (issues)	6,324	6,025	6,664	8,789
Interloan requests	65	43	70	56

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

## 1. REVENUES AND EXPENSES

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>(a) Government Grants</b>				
Operational Bulk Grant	12,019	11,188	12,019	11,188
Māori and Pacific Island Grant	17	20	17	20
Disabilities Special Supplementary Grant	30	30	30	30
Special Education Special Supplementary Grant	92	92	92	92
<b>Total Government Grants</b>	<b>12,158</b>	<b>11,330</b>	<b>12,158</b>	<b>11,330</b>
<b>(b) Tuition fees</b>				
Fees from domestic students	3,843	4,703	1,674	2,526
Fees-free receipts on behalf of domestic students	1,449	962	1,383	936
Fees from international students	3,627	2,585	2,194	1,350
<b>Total tuition fees</b>	<b>8,918</b>	<b>8,250</b>	<b>5,251</b>	<b>4,812</b>
<b>(c) Other revenue</b>				
Restaurant operations	47	49	47	49
Gain on disposal of property, plant and equipment	4	10	4	10
Gain on sale of investments	-	5	-	5
Bad Debts recovered	2	2	2	2
Interest earned on bank deposits	147	158	147	158
Other Government revenue	232	253	232	253
Other operating activities	780	884	1,763	1,631
<b>Total other revenue</b>	<b>1,212</b>	<b>1,361</b>	<b>2,195</b>	<b>2,108</b>
<b>(d) Finance costs</b>				
Bank fees and overdrafts	13	17	9	10
Crown loans fair value	222	211	222	211
<b>Total finance costs</b>	<b>235</b>	<b>228</b>	<b>231</b>	<b>221</b>
<b>(e) Personnel costs</b>				
Wages and salaries	11,556	11,575	11,539	11,547
Employer contributions to defined contribution plans	290	277	290	277
Increase / (decrease) in employee entitlements	71	(513)	71	(513)
<b>Total Personnel costs</b>	<b>11,917</b>	<b>11,339</b>	<b>11,901</b>	<b>11,311</b>

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

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>(f) Other Expenses</b>				
Fees paid to principal auditor				
– audit fee related for financial statement audit	169	166	124	122
Repairs and maintenance	725	640	713	623
Advertising and public relations	609	453	545	382
Consultants and legal fees	222	245	202	217
Travel and accommodation	438	340	137	112
Research and development	11	2	11	2
Minimum lease payments – operating lease	14	4	14	4
Loss on disposal of property, plant and equipment	6	233	6	125
Doubtful debt provision	(115)	157	(115)	157
Bad debts written off	172	1	171	-
Software Licenses	372	390	370	386
Third party supplier payments	300	385	300	385
NZIHT payments	-	-	2,063	1,598
Other operating expenses	6,622	5,371	3,323	2,699
<b>Total other expenses</b>	<b>9,542</b>	<b>8,387</b>	<b>7,864</b>	<b>6,812</b>

## 2. CASH AND CASH EQUIVALENTS

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash at bank and in hand	1,520	1,345	1,380	1,091
<b>Total cash and cash equivalents</b>	<b>1,520</b>	<b>1,345</b>	<b>1,380</b>	<b>1,091</b>

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

Other financial assets include term deposits with maturities that range from 3 to 12 months.

## 3. STUDENT FEES AND OTHER RECEIVABLES

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Student fees receivables</b>				
Student fees receivables	2,452	2,126	2,240	1,974
Provision for doubtful debts	(342)	(457)	(342)	(457)
Net student fees receivables	2,110	1,669	1,898	1,517
<b>Other receivables</b>				
Other receivables	148	2	148	346
<b>Total student fees and other receivables</b>	<b>2,258</b>	<b>1,671</b>	<b>2,046</b>	<b>1,863</b>

### 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 interest-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	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
At 1 January	457	300	457	300
Additional provisions made during the year	56	157	56	157
Receivables written off during the year	(171)	-	(171)	-
<b>Total impairment as at 31 December</b>	<b>342</b>	<b>457</b>	<b>342</b>	<b>457</b>

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

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Receivables under exchange transactions</b>				
Other receivables	148	2	148	346
Total receivables under exchange transactions	148	2	148	346
<b>Receivables under non-exchange transactions</b>				
Net Student fees receivables	2,452	2,126	2,240	1,974
Provision for doubtful debts	(342)	(457)	(342)	(457)
Total receivables under non-exchange transactions	2,110	1,669	1,898	1,517
<b>Total student fees and other receivables</b>	<b>2,258</b>	<b>1,671</b>	<b>2,046</b>	<b>1,863</b>

#### 4. INVENTORIES

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Materials and consumables	198	97	198	97
<b>Total inventories</b>	<b>198</b>	<b>97</b>	<b>198</b>	<b>97</b>

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	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>CURRENT</b>				
Other financial assets – term deposits	4,060	3,560	4,060	3,560
<b>NON CURRENT</b>				
Investment in New Zealand Institute of Highway Technology	-	-	397	397
<b>Total financial assets in the nature of investments</b>	<b>4,060</b>	<b>3,560</b>	<b>4,457</b>	<b>3,957</b>

New Zealand Institute Highway Technology (NZIHT) is a wholly owned subsidiary of WITT. The principal activity of NZIHT is the provision of industry relevant qualifications and short courses. All financial assets in the nature of investments are recorded at historical cost with no impairment made.

#### 6. ASSETS HELD FOR SALE

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Land and Buildings	1,172	-	-	-
<b>Total Assets held for sale</b>	<b>1,172</b>	<b>-</b>	<b>-</b>	<b>-</b>

Assets held for sale comprise the building owned by NZIHT at 5 Young Street New Plymouth.

## 7. PROPERTY, PLANT AND EQUIPMENT

	Cost / Valuation 1/1/2019	Accumulated Depreciation and Impairment charges 1/1/2019	Carrying Amount 1/1/2019	Current Year Additions	Current Year Disposals	Elimination on Disposal	Current Year Depreciation	Reclassifications	Transferred to assets held for sale	Cost/Valuation 31/12/2019	Accumulated Depreciation and Impairment charges 31/12/2019	Carrying Amount 31/12/2019
<b>GROUP 2019</b>												
Land and buildings	29,177	(1,197)	27,981	585	-	-	(1,247)	50	(1,172)	28,589	(2,394)	26,195
Plant and equipment	5,272	(3,381)	1,891	555	(24)	19	(329)	(50)	-	5,666	(3,601)	2,064
Motor vehicles	271	(161)	110	-	-	-	(24)	-	-	271	(186)	86
Computer hardware	2,310	(1,849)	461	135	(495)	492	(155)	-	-	1,865	(1,427)	438
Work in progress	161	-	161	75	(161)	-	-	-	-	75	-	75
	37,192	(6,588)	30,605	1,349	(680)	512	(1,755)	-	(1,172)	36,467	(7,609)	28,858
<b>PARENT 2019</b>												
Land and buildings	27,999	(1,173)	26,827	402	-	-	(1,221)	50	-	28,452	(2,394)	26,058
Plant and equipment	5,108	(3,257)	1,851	471	(24)	19	(318)	(50)	-	5,505	(3,556)	1,949
Motor vehicles	181	(99)	82	-	-	-	(18)	-	-	181	(116)	64
Computer hardware	2,108	(1,658)	450	128	(495)	492	(148)	-	-	1,741	(1,314)	427
Work in progress	113	-	113	75	(113)	-	-	-	-	75	-	75
	35,509	(6,187)	29,323	1,076	(632)	512	(1,705)	-	-	35,953	(7,379)	28,574
	Cost / Valuation 1/1/2018	Accumulated Depreciation and Impairment charges 1/1/2018	Carrying Amount 1/1/2018	Current Year Additions	Current Year Disposals	Elimination on Disposal	Current Year Depreciation	Reclassifications	Transferred to assets held for sale	Cost/Valuation 31/12/2018	Accumulated Depreciation and Impairment charges 31/12/2018	Carrying Amount 31/12/2018
<b>GROUP 2018</b>												
Land and buildings	28,622	-	28,622	619	-	-	(1,197)	(64)	-	29,177	(1,197)	27,981
Plant and equipment	5,031	(3,129)	1,901	327	(144)	60	(311)	58	-	5,272	(3,381)	1,891
Motor vehicles	274	(165)	109	27	(30)	30	(26)	-	-	271	(161)	110
Computer hardware	2,195	(1,824)	371	263	(148)	140	(165)	-	-	2,310	(1,849)	461
Work in progress	7	-	7	161	(7)	-	-	-	-	161	-	161
	36,129	(5,119)	31,011	1,398	(329)	230	(1,699)	(6)	-	37,192	(6,588)	30,605
<b>PARENT 2018</b>												
Land and buildings	27,447	-	27,447	616	-	-	(1,173)	(64)	-	27,999	(1,173)	26,827
Plant and equipment	4,876	(3,012)	1,864	317	(144)	54	(299)	58	-	5,108	(3,257)	1,851
Motor vehicles	181	(81)	100	-	-	-	(18)	-	-	181	(99)	82
Computer hardware	2,000	(1,633)	367	251	(143)	140	(165)	-	-	2,108	(1,658)	450
Work in progress	7	-	7	113	(7)	-	-	-	-	113	-	113
	34,509	(4,725)	29,784	1,298	(293)	194	(1,654)	(6)	-	35,509	(6,187)	29,323

## **Transfer to assets held for sale**

In August 2019, WITT council considered selling the property owned by NZIHT at 5 Young Street New Plymouth and resolved to sell the property provided approval was obtained from the Ministry of Education (MoE), if required. In September, the New Plymouth office of NZIHT relocated from 5 Young Street to the main WITT campus at 20 Bell Street, New Plymouth. The vacant property was prepared for sale during October and confirmation was received from MoE in November that approval to sell was not required. In December 2019, it was agreed at the WITT audit and risk committee meeting that the property would be put on the market and a completed sale is expected in March 2020. As such, the property is treated as assets held for sale at 31 December 2019.

## **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.

Prior to 2019, property in the legal name of the Crown occupied by WITT was recognised as an asset in the Statement of Financial Position. WITT consider that it had assumed all the normal risks and rewards of ownership of the property despite legal ownership not being transferred and accordingly it would have been misleading to exclude these assets from the financial statements. During 2019, the legal ownership of this property was officially transferred to WITT. The transfer of property has had no impact of WITT's financial statements.

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 31 January 2018 by a registered valuer Ian Baker, independent Registered Valuer, of the firm Telfer Young, and the valuation is effective as at 31 December 2017.

### **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 31 January 2018 by a registered valuer Ian Baker, independent Registered Valuer, of the firm Telfer Young, and the valuation is effective as at 31 December 2017.

The most recent valuation of water utilities reticulation was performed on 14 March 2018 by a registered valuer Kees Beenjes, independent Registered Valuer, of the firm SPM Assets Ltd, and the valuation is effective as at 31 December 2017.

There was no plant and equipment held under finance leases and hire purchase contracts at 31 December 2019.

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.

## 8. INTANGIBLE ASSETS

	Cost / Valuation 1/1/2019	Accumulated Amortisation and Impairment charges 1/1/2019	Carrying Amount 1/1/2019	Current Year Additions	Current Year Disposals	Reclassification	Current Year Amortisation	Elimination on Disposal	Cost / Valuation 31/12/2019	Accumulated Amortisation and Impairment charges 31/12/2019	Carrying Amount 31/12/2019
<b>GROUP 2019</b>											
Course Development	928	(611)	317	98	-	-	(70)	-	1,027	(681)	345
Computer Software	1,488	(888)	601	-	-	-	(98)	-	1,488	(986)	503
Broadcasting Licences	248	(120)	128	-	-	-	(12)	-	248	(132)	116
Work in progress	0	-	0	3	-	-	-	-	3	-	3
	2,665	(1,617)	1,047	101	-	-	(181)	-	2,766	(1,798)	967
<b>PARENT 2019</b>											
Course Development	305	(83)	223	94	-	-	(51)	-	398	(134)	264
Computer Software	1,359	(754)	606	-	-	-	(97)	-	1,361	(851)	511
Broadcasting Licences	248	(120)	128	-	-	-	(12)	-	248	(132)	116
Work in progress	0	-	0	3	-	-	-	-	3	-	3
	1,913	(957)	957	96	-	-	(160)	-	2,011	(1,117)	893
	Cost / Valuation 1/1/2018	Accumulated Amortisation and Impairment charges 1/1/2018	Carrying Amount 1/1/2018	Current Year Additions	Current Year Disposals	Reclassification	Current Year Amortisation	Elimination on Disposal	Cost / Valuation 31/12/2018	Accumulated Amortisation and Impairment charges 31/12/2018	Carrying Amount 31/12/2018
<b>GROUP 2018</b>											
Course Development	1,165	(714)	451	71	(308)	-	(87)	190	928	(611)	317
Computer Software	1,529	(850)	679	32	(78)	6	(109)	71	1,488	(888)	601
Broadcasting Licences	248	(106)	142	-	-	-	(12)	-	248	(120)	128
Work in progress	7	-	7	-	(7)	-	-	-	-	-	-
	2,949	(1,669)	1,279	103	(393)	6	(208)	261	2,665	(1,617)	1,047
<b>PARENT 2018</b>											
Course Development	282	(63)	220	55	(32)	-	(42)	22	305	(83)	223
Computer Software	1,400	(717)	683	32	(78)	6	(107)	71	1,359	(754)	606
Broadcasting Licences	248	(106)	142	-	-	-	(12)	-	248	(120)	128
Work in progress	7	-	7	-	(7)	-	-	-	-	-	-
	1,937	(886)	1,051	87	(117)	6	(162)	93	1,913	(957)	957

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.

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.

## 9. TRADE AND OTHER PAYABLES

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Payables under exchange transactions</b>				
Trade payables	1,070	1,082	862	940
GST payable	495	342	466	261
Other payables	444	999	537	956
Total payables under exchange transactions	2,008	2,423	1,864	2,157
<b>Payables under non-exchange transactions</b>				
Payables to subsidiary	-	-	3,508	1,858
Other taxes payable	5	8	-	-
Total payables under non-exchange transactions	5	8	3,508	1,858
<b>Total Trade and other payables</b>	<b>2,014</b>	<b>2,431</b>	<b>5,373</b>	<b>4,015</b>

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.

For terms and conditions relating to related parties refer to note 18.

## 10. BORROWINGS

	Maturity	GROUP		PARENT	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Current</b>					
Crown Loan	Dec-20	1,039	-	1,039	-
<b>Non-Current</b>					
Crown Loan	2021 – 2024	3,431	4,247	3,431	4,247
<b>Total Borrowings</b>		<b>4,470</b>	<b>4,247</b>	<b>4,470</b>	<b>4,247</b>

WITT's borrowings is a Crown loan of \$5.196m which is repayable in equal instalments over a five year period between 2020 and 2024.

The Crown loan is interest free and as such has a fair value as at 31 December 2019 of \$4.47m (2018: \$4.25m). The initial discounted amount of \$1.16m is being 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. 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%.

## 11. REVENUE RECEIVED IN ADVANCE

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Student tuition fees	4,743	2,160	3,581	2,160
Clinical skills facility funding	36	41	36	41
Other revenue in advance	109	122	109	122
<b>Total revenue received in advance</b>	<b>4,888</b>	<b>2,323</b>	<b>3,726</b>	<b>2,323</b>

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.

## 12. EMPLOYEE ENTITLEMENTS

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Current portion</b>				
Accrued pay	13	24	13	24
Annual Leave	543	493	543	493
Long service leave	14	7	14	7
Retiring leave	10	112	10	112
<b>Total current portion</b>	<b>581</b>	<b>637</b>	<b>581</b>	<b>637</b>
<b>Non-current portion</b>				
Long service leave	26	26	26	26
Sick leave	13	13	13	13
Retiring leave	289	162	289	162
<b>Total non-current portion</b>	<b>328</b>	<b>201</b>	<b>328</b>	<b>201</b>
<b>Total employee entitlements</b>	<b>909</b>	<b>838</b>	<b>909</b>	<b>838</b>

## 13. ASSET REVALUATION RESERVE

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
At 1 January	16,108	16,108	15,532	15,532
Revaluation of land and buildings	-	-	-	-
<b>Total asset revaluation reserve as at 31 December</b>	<b>16,108</b>	<b>16,108</b>	<b>15,532</b>	<b>15,532</b>
Property revaluation reserves consist of;				
Land	3,285	3,285	2,895	2,895
Buildings	12,823	12,823	12,637	12,637
<b>Total property revaluation reserves</b>	<b>16,108</b>	<b>16,108</b>	<b>15,532</b>	<b>15,532</b>

## 14. 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 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. Council is actively managing the liquidity risk posed by the future Crown loan repayments.

#### 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.

## 15. 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	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>GROUP</b>				
<b>Financial assets</b>				
<i>Loans and receivables</i>				
Student Fees and other receivables	2,258	1,671	2,258	1,671
Cash and cash equivalents	1,520	1,344	1,520	1,344
Other financial assets – term deposits	4,060	3,560	4,060	3,560
<b>Total loans and receivables</b>	<b>7,838</b>	<b>6,575</b>	<b>7,838</b>	<b>6,575</b>
<b>Financial liabilities</b>				
<i>Financial Liabilities measured at amortised cost</i>				
Trade payables	2,014	2,431	2,014	2,431
Borrowings:				
Crown loans	4,470	4,247	4,470	4,247
<b>Total financial liabilities measured at amortised cost</b>	<b>6,484</b>	<b>6,679</b>	<b>6,484</b>	<b>6,679</b>
<b>PARENT</b>				
<b>Financial assets</b>				
<i>Loans and receivables</i>				
Student Fees and other receivables	2,046	1,863	2,046	1,863
Cash and cash equivalents	1,380	1,091	1,380	1,091
Other financial assets – term deposits	4,060	3,560	4,060	3,560
<b>Total loans and receivables</b>	<b>7,486</b>	<b>6,514</b>	<b>7,486</b>	<b>6,514</b>
<b>Financial Liabilities</b>				
<i>Financial Liabilities measured at amortised cost</i>				
Trade Payables	5,373	4,014	5,373	4,014
Borrowings:				
Crown loans	4,470	4,247	4,470	4,247
<b>Total financial liabilities measured at amortised cost</b>	<b>9,843</b>	<b>8,261</b>	<b>9,843</b>	<b>8,261</b>

## 16. COMMITMENTS AND CONTINGENCIES

### Capital commitments and operating lease commitments

CAPITAL COMMITMENTS	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Land and Buildings	227	2	227	2
Plant and equipment	-	95	-	95
Intangible assets	3	-	3	-
<b>Total capital commitments</b>	<b>230</b>	<b>97</b>	<b>230</b>	<b>97</b>

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 property leases where it is not in the best interest of WITT and the Group to purchase these assets.

These leases have a life ranging from 1 - 6 years 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	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Within one year	318	53	123	53
After one year but not more than five years	1,048	129	232	129
More than five years	-	-	-	-
<b>Total operating lease commitments</b>	<b>1,366</b>	<b>182</b>	<b>355</b>	<b>182</b>

## Finance lease and hire purchase commitments

WITT and the Group has no finance leases or hire purchase contract commitments. (2018: Nil)

## Contingent assets

At balance date WITT and the Group is not aware of any material contingent assets. (2018: Nil)

## Contingent liabilities

At balance date WITT and the Group have no outstanding contingent liabilities. (2018: Nil).

## 17. EQUITY

	GROUP		PARENT	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Public Equity</b>				
Balance 1 January & 31 December	29,590	29,590	29,590	29,590
<b>Retained Earnings</b>				
<b>General funds</b>				
Balance at 1 January	(16,551)	(15,631)	(18,761)	(16,851)
Deficit for the year	(1,341)	(920)	(2,257)	(1,910)
Balance 31 December	(17,892)	(16,551)	(21,018)	(18,761)
<b>Restricted reserves</b>				
Balance 1 January	95	95	95	95
Interest received	2	2	2	2
Application of trusts and bequests	(3)	(2)	(3)	(2)
Balance 31 December	94	95	94	95
Total Retained earnings	(17,798)	(16,457)	(20,923)	(18,666)
<b>Asset revaluation reserves</b>				
Balance 1 January & 31 December	16,108	16,108	15,532	15,532
<b>Total Equity</b>	<b>27,900</b>	<b>29,242</b>	<b>24,199</b>	<b>26,456</b>

## 18. 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

In 2019 WITT provided administrative services to its subsidiary NZIHT. The value of these services was charged at \$303,000 (2018: \$nil). WITT charges international commission costs to NZIHT for courses provided to international students on behalf of WITT. The value of the commission charged in 2019 was \$576,000 (2018: 283,000).

### 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. Payroll expenses charged to NZIHT from WITT totalled \$1,027,657 (2018: \$1,014,455).

### Revenue

NZIHT provide courses on behalf of WITT. During the year NZIHT invoiced WITT \$4,187,000 (2018: \$2,363,000) consisting of revenue from SAC funded courses and student fees.

### Related party payable

At the balance sheet date WITT owed NZIHT \$3,508,000 (2018: \$1,858,000). There are currently no repayment terms and the amount owing is non-interest bearing.

Key management personnel compensation	GROUP AND PARENT			
	2019 FTE	2018 FTE	2019 \$'000	2018 \$'000
<b>Council Members</b>				
Full-time equivalent members	7.0	7.0		
Remuneration			123	130
<b>Executive Management Team, including the Chief Executive</b>				
Full-time equivalent members	6.3	5.5		
Remuneration			990	962
<b>Total key management personnel compensation</b>	<b>13.3</b>	<b>12.5</b>	<b>1,113</b>	<b>1,092</b>

Due to the difficulty in determining the full-time equivalent for Council members, the full time equivalent is taken as the number of Council members excluding any members who left their positions during the year.

### Councillor payments

Councillor remuneration paid or payable during the year was:			PARENT	
Present Council			2019 \$'000	2018 \$'000
Brockie, R	Chairperson	Minister appointed	30	30
French-Wright, L	Deputy Chairperson	Minister appointed	18	16
Trundle, S		Minister appointed	15	15
Fleming, D		Minister appointed	15	14
Crowley, C		Council statute appointed	15	15
Dingle, R		Council statute appointed	15	15
Littlewood, C		Council statute appointed	15	15
Ekanayake, E		Minister appointed (ended 8 May 2018)	-	5
Braggins, M		Council statute appointed (ended 8 May 2018)	-	5
<b>Total Councillor payments</b>			<b>123</b>	<b>130</b>

2019 Total headcount for the Council at 31 December is 7 members (2018: 7 Members).

## 19. EXPLANATION OF SIGNIFICANT VARIANCES AGAINST BUDGET

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

### **Statement of Comprehensive Revenue and Expense**

#### ***Government Grants***

There was a positive budget variance of \$301k for Government Grants due to revenue relating to programmes that straddle the financial year where the SAC Funding is brought forward into 2019 and the student will not complete the programme until 2020. This occurred due to more programmes starting later in the year than budgeted.

#### ***Tuition fees***

There was a positive budget variance of \$147k for tuition fees due to growth in international student numbers during 2019.

#### ***Personnel costs***

There was a negative budget variance of \$218k for personnel costs due to a increase in academic staff costs. This was due to additional programmes being offered throughout the year than was budgeted.

### **Statement of Financial Position**

#### ***Cash and cash equivalents/ Other financial assets***

Cash and other financial asset balances were \$2,356k favourable to budget due to the increase in international student numbers during the year. International students pay their fees in advance of starting their course.

#### ***Property, Plant and Equipment***

Property, plant and equipment balances were \$1,335k adverse to budget primarily due to the reclassification of the building owned by NZIHT at 5 Young Street as an asset held for sale.

#### ***Revenue received in advance***

Revenue received in advance was \$1,960k higher than budget due to the increase in international students fees paid in advance for courses that roll over into 2020.

### **Statement of Cash flow**

#### ***Receipt of Tuition Fees***

Receipt of Tuition Fees was \$2,262k higher than budget primarily due to the increase of international students fees paid during the year.

#### ***Payments to suppliers***

Payments made to suppliers were \$1,506k higher than budget due to increased commission payments incurred resulting from higher than budget international revenue, additional investment in campus maintenance, and investment in brand and marketing.

## 20. EVENTS AFTER THE BALANCE SHEET DATE

### COVID-19

On 11 March 2020 the World Health Organisation declared the outbreak of a coronavirus (COVID-19) a pandemic and two weeks later the New Zealand Government declared a State of National Emergency. From this the country is at Alert Level 4, and in lockdown. As a result, economic uncertainties have arisen which are likely to negatively affect operations and services.

Described below are the more significant possible effects identified on the Western Institute of Technology at Taranaki as a result of the COVID-19 pandemic.

- There could be uncertainties around future Government tuition funding although TEC have indicated that 2020 funding for Investment Plans and Fees Free will continue and TEC will not recover any Investment Plan funding because of either, poor Education Performance Indicators, or under-delivery during the 2020 year. Government Tuition Funding accounts for 61% of WITT's revenue.
- Student fees revenue will likely be impacted due to the risk that Semester 2 enrolments do not occur to the level expected. WITT typically enrolls 25% of its students for Semester 2. Further impact on revenue may arise from students withdrawing from studies. WITT is endeavouring to mitigate this risk as much as possible by implementing distance and online delivery methods for teaching and learning.
- Revenue sources for other than Government funded teaching and learning activity and International student tuition fees, are minimal at approximately 5% of revenue.
- WITT is not expecting a materially significant increase in costs of working arising from the lockdown period. Exploration of cost reduction opportunities is underway including the review of all leases paid to 3rd parties, reduced services to facilities not being utilised, and deferring hire of new staff where feasible until the crisis passes.
- WITT has no loans or borrowings from banks so will not breach any lending covenants.
- WITT does not expect any impairment to the value of its fixed or intangible assets arising from this event.
- WITT does not offer student accommodation services.
- Across the WITT portfolio of programmes and courses work is well underway to resume teaching and learning using a range of on-line and distance delivery modes where ever possible.

At this time it is difficult to determine the full effect of the COVID-19 pandemic on revenue and expenditure, and there could be other matters that affect the Western Institute of Technology at Taranaki.

### NZIHT building

The building at 5 Young Street owned by NZIHT that is classified as held-for-sale in these accounts was sold on the 27th March 2020.

## 21. APPLICATION OF THE DISESTABLISHMENT BASIS ASSUMPTION

During 2019 WITT focused on growth and achieved an increase in total equivalent full-time students (EFTS) of 10% which included growing international EFTS by 34%. As a result, WITT's revenue grew by 6% and cash balances (including term deposits) increased by \$0.7m during the year. Cash and bank balances at the beginning of 2020 are \$5.6m. The cash flow budget for 2020, based on a budget operating deficit for 2020 of \$0.8m, has cash and bank balances at 31 December 2020 of \$3.6m after planned spending on capital items. This level of liquid funds is more than enough to accommodate a significantly worse than budget operating result in 2020. Given the inflow of funds that occurs in the early part of the year, as students enrol in programmes, there will also be sufficient funds available for WITT's operations in the first four months of 2021.

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 has been approved to 31 December 2020, with all of the \$13.6m of government funding included in the 2020 budget confirmed. WITT fully expects to receive funding at a similar level for the year to 31 December 2021. However, it is unclear exactly how this funding will be provided, given the likelihood of significant changes to the ITP and ITO sector as a consequence of the Reform of Vocational Education.

The Minister of Education announced the Government's decisions on the Reform of Vocational Education proposals on 1 August 2019, and has since enacted the Education (Vocational Education and Training Reform) Amendment Act (the Act) on 24 February 2020 to give effect to those reforms. In essence, the Act reforms the delivery of vocational education in New Zealand by creating a new Crown entity, the New Zealand Institute of Skills and Technology (NZIST) and converting all existing institutes of technology and polytechnics (ITPs) into crown entity companies, which will take over the operational activities of existing ITPs.

The Act disestablished the Western Institute of Technology at Taranaki and transferred its assets and liabilities to a new company, Western Institute of Technology at Taranaki Limited on 1 April 2020. As a result Western Institute of Technology at Taranaki has prepared its financial statements on a disestablishment basis. However, because vocational education will continue to be provided through the Western Institute of Technology at Taranaki Limited no change needs to be made to the measurement or classification of assets and liabilities. Decisions about the future of these assets and liabilities will be the responsibility of the new entity.

## 22. COMPULSORY STUDENT SERVICES FEES

WITT is committed to ensuring students and their representatives are consulted in regards to the CSSF amount and the support services it is spent on. WITT works closely with Student Leaders (a group of nominated representatives from programmes and classes) in this process. The consultation process starts in June each year, with CSSF spending reports and TEC documentation being presented to the student leader meeting. Student Leaders are charged with consulting with the wider student body. They do this either through their own class/department networks and/or via a student survey.

Student Leaders, after consultation with their department/class networks, recommended that the CSSF for 2019 remain at \$150 per equivalent full time student, with pro-rata rates for part-time students, and that the levy be spent on health and counselling services. Following the 2019 consultation period, Student Leaders recommended that the CSSF for 2020 be increased to \$250 per equivalent full time student and that the levy be used to fund health, counselling, career advice and sport, recreational and cultural activities.

Details of the CSSF income received and services provided for the year are set out below:

2019	Counselling Service \$'000	Health Services \$'000	Total \$'000
<b>Income</b>			
Compulsory Student Services Fees	29	58	87
Other Income	1	7	8
<b>Total Income</b>	<b>30</b>	<b>65</b>	<b>95</b>
<b>Expenditure</b>			
Salary and Wages	48	92	140
Service payments	15	-	15
Other costs	2	16	18
<b>Total costs</b>	<b>65</b>	<b>108</b>	<b>173</b>
<b>Net result</b>	<b>(35)</b>	<b>(43)</b>	<b>(78)</b>

### Counsellor

This service provides students access to free confidential counselling sessions to empower students to fully engage in study. The counsellor is involved in crisis intervention and support, delivering in-class workshops, running wellness promotions and follow up of students with mental illness. Students have access to an ecumenical chaplain providing pastoral and hardship support, a non-judgmental listening ear and support in times of illness, confusion and bereavement.

### Health Services

The health services provided includes a fully staffed health clinic giving students access as needed to a range of free health services in the area of injury, family planning, mental health, immunization, sexual health and health monitoring; the availability of a doctor on campus one day a week free of charge; health promotion events and services that encourage proactive wellbeing.

# RESEARCH OUTPUTS

## RESEARCH RELATED ACTIVITIES

### 1. Publications

#### i. Refereed / peer-reviewed

Andrews, L., Crawford, R. & Arcus, K. (2019). Kia Ora Hauora: Guiding Māori secondary school students towards health careers. *Whitireia Journal of Nursing, Health & Social Services*, 26, 58-62

Christiansen, A., Salamonson, Y., Crawford, R., McGrath, B., Roach, D., Wall, P., Kelly, M., & Ramjan, L. (2019). The type and amount of paid work while studying influence academic performance of first year nursing students: An inception cohort study. *Nurse Education Today*, 104213. doi:10.1016/j.nedt.2019.104213

Christiansen, A., Salamonson Y., Crawford, R., McGrath, B., Roach, D., Wall, P., Kelly, M. and Ramjan, L.M. (2019). Juggling many balls: Working and studying among first-year nursing students. *Journal of Clinical Nursing*, 28, 4035–4043. <https://doi.org/10.1111/jocn.14999>

Crawford, R. (2019). Using focussed ethnography in nursing research. *Kai Tiaki Nursing Research*, 10 (1), 63-67

Sharpe, G. & Hughson, H. (2019.) *Using LNAAT Data to Improve the Teaching, Resources and Achievement in Numeracy Education*. Wellington, New Zealand, Ako Aotearoa.

<https://ako.ac.nz/knowledge-centre/numeracy-assessment-data-project/using-lnaat-data-to-improve-the-teaching-resources-and-achievement-in-numeracy-education/>

Taiapa, K. & Fergusson, D. (2019). *Te Toka Herenga Waka-Increasing Māori Learner Success at Witt*. Wellington, New Zealand, Ako Aotearoa.

<https://ako.ac.nz/knowledge-centre/te-toka-herenga-waka-increasing-maori-learner-success-at-witt/te-toka-herenga-waka-increasing-maori-learner-success-at-the-western-institute-of-technology-at-taranaki/>

#### ii. Non-refereed/Not peer-reviewed

Ehambaranathan, N, Murugasu, S, & Wilkinson, P., (2019). India's Act East Policy: How important is it towards ASEAN? *Foreign Policy Times*, <http://foreignpolicytimes.in/articles.php>

Aldridge, E. (2019, Mar). *A honey inspired high tea*. Taranaki Daily News, In Season. <https://www.stuff.co.nz/taranaki-daily-news/news/111202663/in-season-a-honey-inspired-high-tea>

Dickie, A. (2019, May). *Taranaki students feel the heat in curry competition at Witt*. Taranaki Daily News, In Season. <https://www.stuff.co.nz/taranaki-daily-news/news/113098239/taranaki-students-feel-the-heat-in-curry-competition-at-witt>

Gupta, G. (2019, April). *The dishes from home*. Taranaki Daily News, In Season. <https://www.stuff.co.nz/taranaki-daily-news/lifestyle/112347702/in-season-the-dishes-from-home>

Sarten, K. (2019, Aug). *Going bananas with plenty of recipe ideas*. Taranaki Daily News, In Season. <https://www.stuff.co.nz/taranaki-daily-news/news/114816554/in-season-going-bananas-with-plenty-of-recipe-ideas>

Sullivan, P. (2019, Feb). *Food ideas with a real summer flavour*. Taranaki Daily News, In Season. <https://www.stuff.co.nz/taranaki-daily-news/news/110567040/in-season-food-ideas-with-a-real-summer-flavour>

Sutherland, M. (2019, July). *Teenagers get to grips with beetroot*. Taranaki Daily News, In Season. <https://www.stuff.co.nz/life-style/food-wine/114131103/in-season-teenagers-get-to-grips-with-beetroot>

Sutherland, M. (2019, Aug). *Vegetables for all courses*. Taranaki Daily News, In Season. <https://www.stuff.co.nz/life-style/food-wine/recipes/106684127/in-season-vegetables-for-all-courses>

#### iii. Theses and dissertations

Fergusson, D. (2019). *What are the elements of work readiness of new graduate nurses in the New Zealand context? A professional consensus*. Auckland University of Technology, Auckland, New Zealand.

### 2. Presentations

#### i. Refereed/peer-reviewed

Bingham, H. (2019). *Teaching and learning needs to be regularly evaluated as part of normal practice*. Australasian Nurse Education Conference, 18-20 November, Dunedin, New Zealand.

Crawford, R. (2019). *Undergraduate nursing students learn communication skills in their paid work: Findings from a multi-institutional research study across Australia and New Zealand*. Australasian Nurse Education Conference, 18-20 November, Dunedin, New Zealand.

Fergusson, D. (2019). *Work readiness of new graduate nurses*. ITP Research Conference, 15-16 April, EIT, Napier.

Fergusson, D. (2019). *Work readiness of new graduate nurses: A professional consensus*. Australasian Nurse Education Conference, 18-20 November, Dunedin, New Zealand.

James-William, R. (2019). *A practical guide in the art of retaining brand loyal and store loyal customers*. International Management Conference, 17-18 December, New Delhi, India

Khan, Y. (2019). *Outcome of WITT model for EE2E programme for secondary school to engineering pathway*. Australasian Association of Engineering Educators Conference, 8-11 December, Brisbane, Australia.

Lelean, H. & Wildbore, L. (2019). *Implementing the flipped classroom into case studies in Year 2 undergraduate nursing and lessons learned*. Australasian Nurse Education Conference, 18-20 November, Dunedin, New Zealand.

Malone, T. (2019). *Exploring the efficacy of mindfulness-based stress reduction (MBSR) activities as part of the teaching and learning in a bachelor of nursing program*. Australasian Nurse Education Conference, 18-20 November, Dunedin, New Zealand.

Man, Yimei, Locke, Stuart, and Hewa-Wellalage, Nirosha. (2019). *Earnings management and agency costs: Evidence from China, 2019*. New Zealand Finance Colloquium, 14-15 February, Lincoln University, Lincoln Town, New Zealand.

Ritai, D. (2019). *Bachelor of Nursing bi-cultural week*. Australasian Nurse Education Conference, 18-20 November, Dunedin, New Zealand.

Thomas, M. (2019). *A model to fulfil the skills shortage gap in the civil engineering industry*. Australasian Association of Engineering Educators Conference, 8-11 December, Brisbane, Australia.

## ii. Non-refereed/Not peer-reviewed

Sharpe, G. & Hughson, H. (2019). *177,000 people can't all be wrong, or can they?* Skills Highway Forum and Roadshow, 23 May. Skills Highway Roadshow, Christchurch, New Zealand

Sharpe, G. (2019). *Not another box*. Ako Aotearoa Academy of Tertiary Education Excellence, 28 November. Talking Teaching, Auckland, New Zealand.

Sharpe, G. & Hughson, H. (2019). *177,000 people can't all be wrong, what do we do?* Ako Aotearoa Academy of Tertiary Education Excellence, 29 November. Talking Teaching, Auckland, New Zealand.

Snook, J. (2019). *Leaders panel – tackling the organisational emissions challenge: Skillsets and training needed for the transition*. Net Zero New Zealand: The Emissions Workshop, 4<sup>th</sup> December. Freeman, Wellington, New Zealand.

## iii. WITT Public Research Seminar Series Nga Ara Rangahau

Bingham, H. (2019). Teaching and learning needs to be regularly evaluated as part of normal practice. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Crawford, R. (2019). Undergraduate nursing students learn communication skills in their paid work: Findings from a multi-institutional research study across Australia and New Zealand. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Fergusson, D. (2019). Work readiness of new graduate nurses. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Fergusson, D. (2019). Work readiness of new graduate nurses: A professional consensus. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Khan, Y. (2019). To Study the response of normal human phantom aorta from externally imposed oscillation. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Lelean, H. & Wildbore, L. (2019). Implementing the flipped classroom into case studies in year 2 undergraduate nursing and lessons learned. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Malone, T. (2019). Exploring the efficacy of mindfulness-based stress reduction (MBSR) activities as part of the teaching and learning in a bachelor of nursing program. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Morris, B. (2019). Reflection on practice provides the pathway to the future: The only constant is change! *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

Sharpe, G. (2019). Using LNAAT data to improve teaching, resources and achievement in numeracy education. *Ngā ara rangahau – WITT Research Seminar Series*: New Plymouth, New Zealand.

## 3. Creative works

### i. Refereed / peer-reviewed

Clothier, I. (2019). *Light seen and unseen and Moonlight*. Le Murate Progetti Arte Contemporanea Conference, 26-31<sup>st</sup> March, Florence, Italy.

Clothier, I. (2019). *Higgs Boson Inverted, Light Seen and Unseen 2.0, and Moonlight Extended*. International Symposium on Electronic Art (ISEA), 22-28<sup>th</sup> June, Gwangju, South Korea.

## RESEARCH-RELATED CONTRIBUTIONS

### 1. Study/qualifications

#### 1. Significant research component

Fergusson, D. (2019). *Doctor of Health Science*. Auckland University of Technology, Auckland, New Zealand.

#### 2. Peer esteem

##### 1. Reviews

Crawford, R. Ako Aotearoa Round 2 2019 Funding Selection Panel.

Fergusson, D. Ako Aotearoa Round 2 2019 Funding Selection Panel.

Fergusson, D. Review for the Journal of Clinical Nursing. A Delphi study to identify content for a new questionnaire based on the 10 Principles of Dignity in Care.

Fergusson, D. Review for Open Journal of Nursing (OJN). Empowerment of mothers and caregivers on feeding practices of children under the age of five years in Oshikoto Region, Namibia.

Fergusson, D. Review for Open Journal of Nursing (OJN). Effect of reflective training program on nurse interns' critical thinking disposition and communication competency.

Thomas, M. Abstract review for the Australasian Association of Engineering Education Conference 2019. Paper id: 82, Educational videos, based on the student response system (SRS), as a feedback tool to enhance the learning of core concepts

Thomas, M. Abstract review for the Australasian Association of Engineering Education Conference 2019. Paper id: 33, Empowering self-reflection to stimulate optimum outcomes in first year engineering

Thomas, M. Abstract review for the Australasian Association of Engineering Education Conference 2019. Paper id: 180, Artificial Intelligence Is a Tool for Cheating Academic Integrity

## ii. Elected/invited roles

### Appointment to National Bodies:

- Crawford, R. (2019). NZIST Establishment Board, Online Arrangements Co-Design Working Group
- Crawford, R. (2019). Secretary, Nursing Research Section, NZ Nurses Organisation
- Crawford, R. (2019). National Nurse Educators in the Tertiary Sector.
- Curruthers, L. (2019). National Beauty Association of Registered Therapists – Representative for the Taranaki region.
- Dickie, A. (2019). National Executive of New Zealand Chefs – committee member
- Ferguson, A. (2019). National Vice President of the NZ Chefs Association (until August)
- Fergusson, D. (2019). ITPNZ Research Directors Group – member
- Phillips, J. (2019). Korowai Tupu – Professional Association of Youth Development Aotearoa – Accredited member and Committee member
- Ryan, K. (2019). ITP Hair & Beauty Educators Forum Executive Team – Member

### Appointment to Regional Bodies:

- Dickie, A. (2019). President of the Taranaki Branch of New Zealand Chefs.
- Ellmoos, A. (2019). Taranaki Women's Refuge – Champion/ Ambassador.
- Fergusson, D (2019). Central Hub Advisory Group, Ako Aotearoa – Member (until March)
- Hinton, Z. (2019). Taranaki Tertiary Chaplaincy Trust Board – Chair.
- Kay, M. (2019). Careers and Transition Education Association NZ Inc. (CATE) Taranaki Branch – President
- Lloyd, D. (2019). Achieve National Disability Network; Taranaki Resource Centre.
- Manning, K. (2019). Taranaki Tertiary Chaplaincy Trust Board – Member.
- Prestney, A. (2019). Te Roopu Kaitakawaenga Māori.
- Truman, N. (2019). L. A. Alexander Trust Board – Member (WITT representative)
- Wall, L. (2019). Suicide Prevention Taranaki – Member

## 3. Community Contributions

### i. Internal

#### Membership of Institutional Research Committee

- Nita Hutchinson (Academic Director) – Chair
- Helen Bingham (Senior Lecturer, Nursing) – Member
- Dr Tasha Black (External representative) – Member
- Ian Clothier (Senior Lecturer, Creative Technologies) – Member
- Dr Ruth Crawford (Director of School of Nursing, Health & Wellness) – Member (from September)
- Dr Diana Fergusson (Research & Innovation Manager) – Member
- Yusuf Khan (Lead Engineering Tutor) – Member
- Bridget Knuckey (Leader Library & Learning Advisor) – Member
- Dr Reginald James-William (Senior Lecturer, Business) – Member (from September)
- Barbara Morris (Senior Tutor - Learning Skills, Student Support Team) – Member
- Karen Sorenson (Academic Advisor, NZIHT) – Member





**DON'T WISH FOR IT  
WORK FOR IT**

IVA

ZIVA 05 05 ZIVA



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](mailto:info@witt.ac.nz)

0800 WITT NZ



WITT - Western Institute of  
Technology at Taranaki



[witt\\_taranaki](#)



[WITT Taranaki](#)

**[witt.ac.nz](http://witt.ac.nz)**