
ANNUAL REPORT 2015





WelTec

Enrol now

CM5670

GTZ755

HAR484
BUILDING AND CONSTRUCTION



VISION

Matakite

WelTec's vision is to be the preferred provider of applied vocational education integral to economic, social and environmental development.

MISSION

Kaupapa

We provide the best applied learning environment where learning happens together.

GOALS

Academic Excellence

A leader in applied learning and educational outcomes.

Economic Growth

A driver of economic growth.

High performance organisation

A highly capable organisation committed to continuous improvement.

Whakarongo ake au

I listen

Ki te tangi a te manu nei

To the cry of the bird

Tuui, tuui

The Tui

Tui, tuia

Bind together, stitch together, weave together

Tuia I runga

Those things from above

Tuia I raro

Those things from below

Tuia I roto

Those things from within us

Tuia I waho

Those things from around us

Tihei mauri ora

Behold the sacred breath of life

Left:

The Wellington Regional School of Construction.

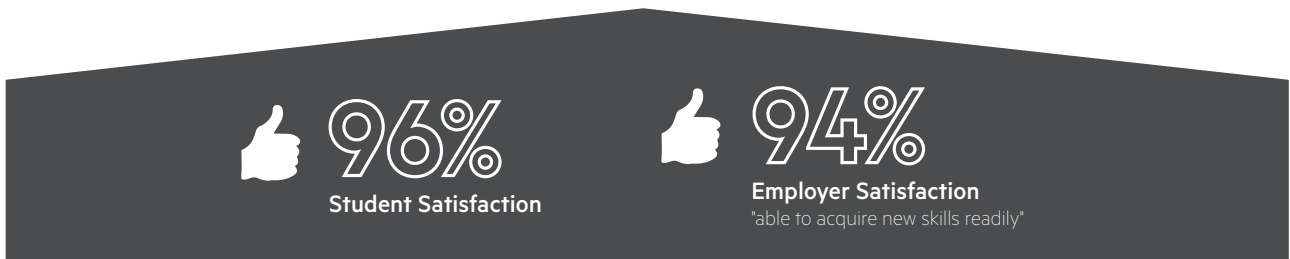
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KEY STATISTICS

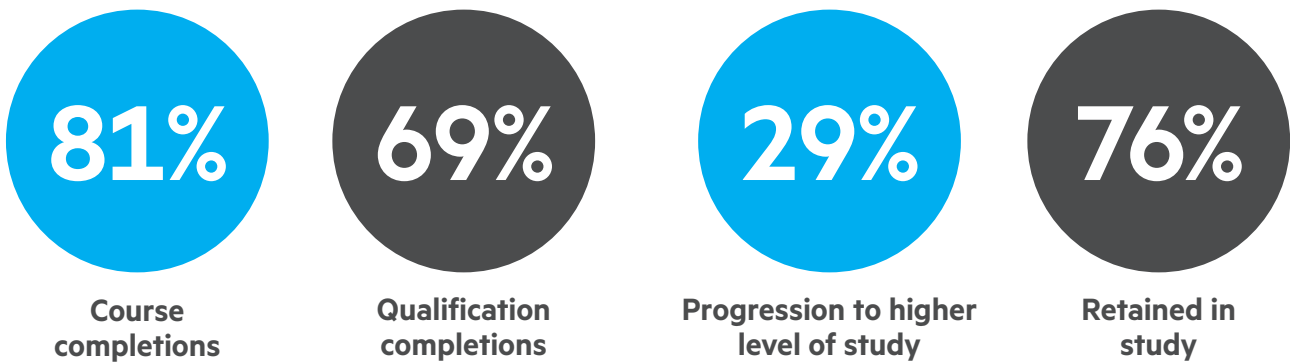
Wellington CBD
Wellington Cuba St
Porirua
Petone
Rimutaka
Auckland

WelTec has **8,696 Students** enrolled across **6 campuses** which is **4,066 EFTS**, **68%** of which studied at levels 4-7. Students under 25 studied **60%** of the levels 4-7 EFTS delivered.

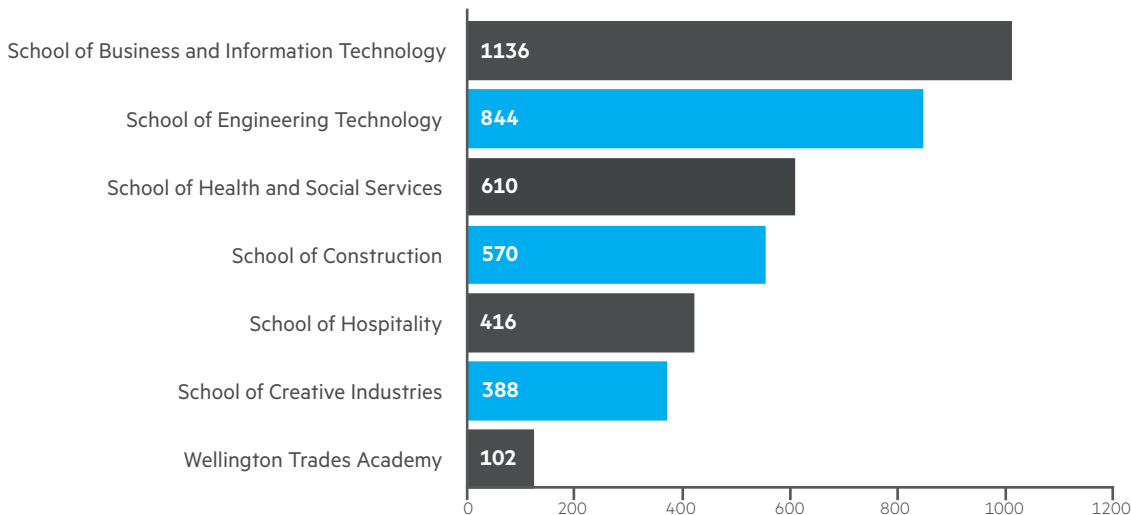


Education Performance Indicators (SAC EFTS)*

*Provisional as advised by TEC March 2016

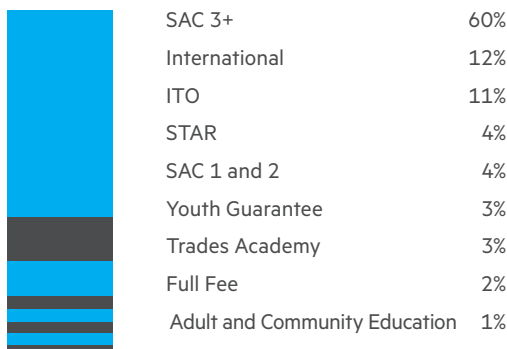


Total EFTS by School

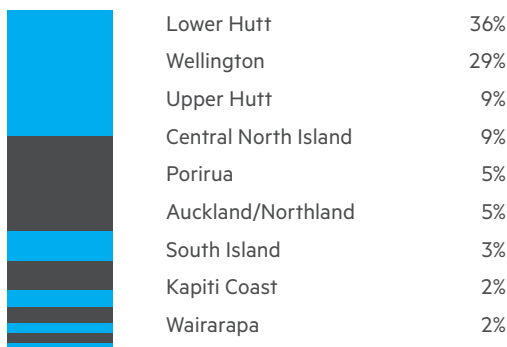


FUNDING

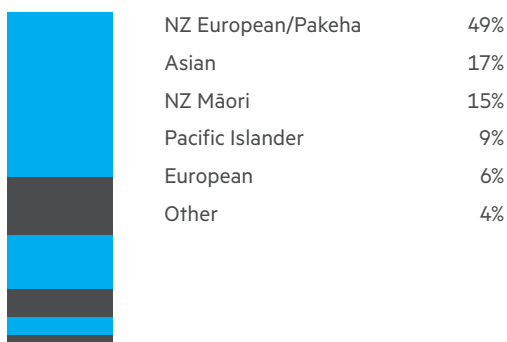
By Source



By Region

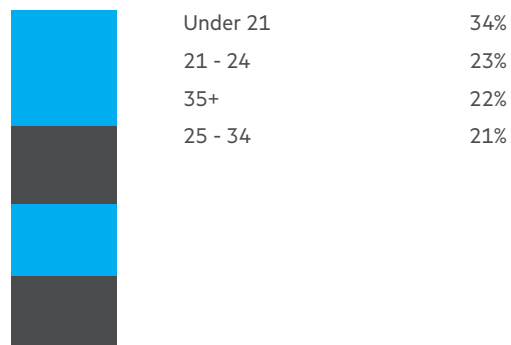


By Ethnicity

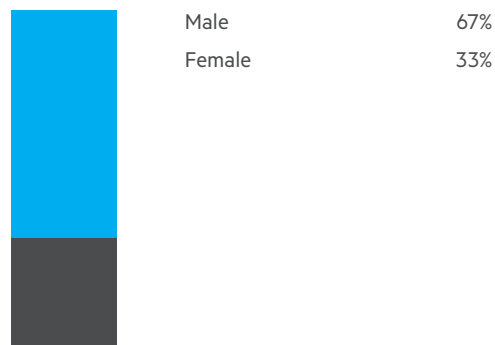


STUDENT STATISTICS

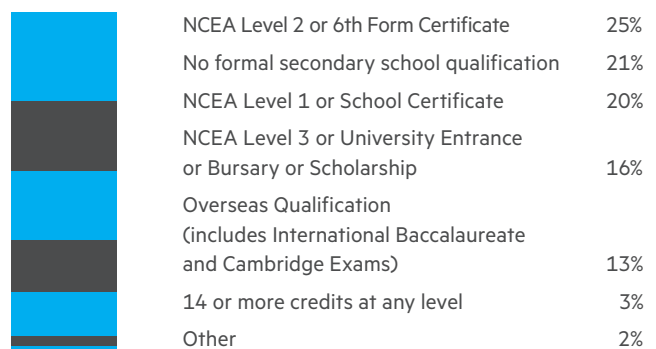
By Age



By Gender



Highest Entry Qualification



COUNCIL CHAIR AND CHIEF EXECUTIVE'S FOREWORD

Welcome to the 2015 Annual Report for the Wellington Institute of Technology (WelTec). WelTec has an important role in the Wellington economy as a tertiary education provider to 8,696 students in 2015. WelTec contributed significantly to the competitiveness of the regional economy, principally by supplying businesses and other employers with productive, quality employees.

Our contribution to the economy was again captured by economic research company, BERL who estimated WelTec's operations contributed almost \$70M in GDP and just under 540 FTE jobs to the Wellington regional economy in 2015. This excludes the economic impact generated by the expenditure of international students and domestic students who come from outside the region.

A key priority for the Council is the Students First Partnership between WelTec and Whitireia. The Council's recent review of the Students First Partnership noted the following achievements:

- A single Council driving the strategic direction of both institutions and taking a Wellington Region-wide approach to education provision;
- A single Academic Board and Quality Management System which will ultimately deliver for students a seamless and transferable education experience between the two Institutions;
- The teaching of programmes at each other's campuses;
- Significant milestones progressing the creation of joint centres in the creative technologies and arts, and in health and wellbeing across WelTec and Whitireia;
- Expansion of the shared services business unit to include facilities operations which has delivered efficiencies and savings in procurement and IT services. These services will expand over time into other back office functions and to other institutions; and
- A joint international marketing strategy for Wellington, which has been extended to other tertiary and secondary providers.

These achievements would not have been possible without the formal strategic partnership and the commitment of Council and senior managers.



*Above:
Hon Roger Sowry, Dr Linda Sissons with
Wellington City Mayor Celia Wade-Brown.*



The Students First Partnership aims to improve student choices in the Wellington region, by providing a more co-ordinated provision of high quality vocational education and training, improved engagement with industry and improved organisational efficiency. The Council determined that the establishment of a single Chief Executive for WelTec and Whitireia would strengthen these initiatives, enhancing the collaboration between the two organisations and move the Students First vision forward.

In making this decision, the Council reaffirmed its commitment to having two strong and independent tertiary education institutions, and to retaining the distinctive culture, style, identity and integrity of each institution.

Mr Chris Gosling was appointed as the joint Chief Executive of WelTec and Whitireia and, in May, took over the reins of two long serving and outstanding Chief Executives Dr Linda Sissons at WelTec and Don Campbell at Whitireia.

Linda was the Chief Executive of WelTec since its inception in April 2001 and the Chief Executive of its predecessor Hutt Valley Polytechnic from 1999. Linda's contribution to WelTec was marked at a staff function on 1 May and at an external event held on 6 May at the School of Hospitality campus. Charles Finny Chair of Education NZ led the event with guest speakers Roger Sowry, Mayor Celia Wade-Brown, John Milford (former Chief Executive Business Central) and Mark Flowers (Chief Executive Wintec).



New Chief Executive Chris Gosling was welcomed with a Powhiri at the Petone campus of WelTec on 4 May. Kura Moeahu from Te Atiawa and Chairperson of the Waiwhetu Marae Trustees presided over the ceremony.

*Above:
Head of Hospitality Ben
Shadbolt hongis Chief
Executive Chris Gosling.*

Taku Parai Ngati Toa handed Chris over to WelTec and he was received with a Ruruku (Karakia) by Kura Moeahu.

Roger Sowry Council Chair for WelTec and Whitireia addressed the Manuhiri and WelTec staff.

WelTec provides a significant contribution to the Health and Social Services sector from its Auckland campus, with 148 EFTS delivered in 2015 across counselling, alcohol and drug, supervision, trauma and youth development programmes. During 2015 agreement was reached to share Whitireia facilities in Auckland. Space in the existing WelTec campus in Wakefield Street was redesigned and refitted as classrooms for use by WelTec and Whitireia staff while the Whitireia campus at 450 Queen Street was opened to WelTec staff and students and provided them with better access to a wider range of facilities and services than has previously been possible.

The Students First Partnership delivered another milestone with the opening of stage one of the Wellington Regional School of Construction at Petone. This purpose built campus, opened by the Hon Bill English, Deputy Prime Minister, is at a prominent site at the gateway to the Hutt Valley and is a fantastic facility for construction and related trades students to learn in a modern environment.



The campus incorporates the latest in design features and building practice. The building's significant scale and location heralds entry to the Hutt Valley so staff worked closely with the Hutt City Council to ensure a suitable design was approved.

Construction and the infrastructure sector are key areas of growth for the Wellington economy. The \$11M investment demonstrates the Council's commitment to training people in these industries, with two main hubs centred in Petone and Porirua and preparatory programmes available across the Wellington region.

Left:
Shared campus with Whitireia in Auckland, located at 450 Queen Street.

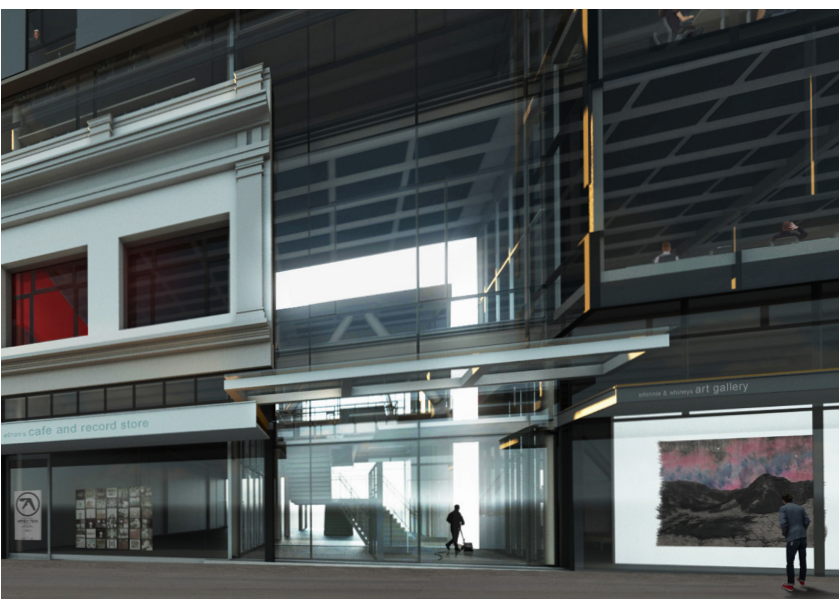
Bottom:
Groundbreaking ceremony for creative technologies and applied arts campus. Image of the campus at night by Fit-Out Architect CGM+Foster.



Another major achievement for Students First was progress on the institutions' new campus in the central Wellington arts precinct of Cuba/Dixon Streets. This development represents a significant investment into creative technologies, film, arts and applied arts industries in Wellington. A Whakawatea blessing ceremony, led by Te Atiawa, was held on site prior to demolition and building work starting. A ground breaking ceremony was held on 17 August 2015 where Council Chair Roger Sowry turned the first soil on site. Wellington's Deputy Mayor Justin Lester, members of the creative technologies and arts community, and from central government attended the function.

The focus then moved to planning for the fit-out of the campus.

The designs for the campus fit-out were approved and a Prime Property Contractor – LT McGuinness was appointed to undertake the work. This partner-centric approach to construction is the first of its kind in the tertiary education sector, and challenges the standard design bid build approach common in the wider construction sector. The successful preferred supplier, LT McGuinness will work closely with Whitireia and WelTec in delivering the ten year capital plan.



WelTec Performance in 2015

For tertiary education institutions, recruitment of students into training programmes is the foundation of their operation. In total 4,066 EFTS were achieved in 2015. Although falling short of the forecast Student Achievement Component (SAC) level 3 enrolments at just under 99%, careful management of expenditure resulted in a higher than forecast year-end financial result. While the overall performance was largely the same as 2014, there were some key differences in the composition of this.

International EFTS in 2015 were 491 compared to 365 the previous year. This represents an increase of 35% compared to 2014, and equates to around \$1.9M additional international tuition fee income compared to 2014. While growth in enrolments occurred across several source markets, including China (29%) and more modest growth from other countries including The Philippines, Nepal, Bangladesh, Cambodia, and Brazil, the most significant growth occurred from India with 73% growth in EFTS compared to 2014. There remain significant growth opportunities in terms of the international student market particularly for Wellington.

“96% of students reported they were satisfied with their experience at WelTec.”

As per previous years, course completion results (provisional at the time of this Report) were high and consistent with 2014 results which should place WelTec in the top quartile of institutions for this metric. Retention figures were also strong. Qualification completion results tracked in the right direction with WelTec above the median.

Across SAC funded courses WelTec achieved 81% course completions and 69% qualification completions. This places WelTec in the top quartile of ITP performance in the country (based on indicative results) and is largely consistent with previous years. For Māori students course completions were 75% and for Pasifika they were 68% in 2015 and for learners under 25 78% successfully completed a course they were enrolled in.

In the student satisfaction survey 96% of students reported they were satisfied with their experience at WelTec.

For SAC funded and Youth Guarantee students with literacy levels below TEC benchmarks when they started their study, 69% showed a gain in literacy and 65% showed a gain in numeracy.

WelTec's operating performance was strong despite a drop in revenue due to reduced EFTS. An operating surplus of 2.1% was reached for the Group for 2015. Total comprehensive income of \$3.97M resulted in a final year equity position of \$77.9M. The liquid funds ratio at 21.3% exceeded the minimum TEC requirements.

The investment in the Wellington Regional School of Construction, revamp of the School of Construction and commitment to a creative technologies and arts campus in the CBD represents a major step forward in enhancing students' learning environment. A Campus Development Plan to invest in technology and other site improvements at Petone will further enhance the student learning environment.



Above:
Wellington Trades Academy Fitness students enjoy some break out time after one of their classes.

International Focus

International students make a significant positive impact on the economy. They enrich our city making it more vibrant and giving it a global atmosphere. These students bring many perspectives into the classroom which enhances the learning environment. They also make connections with New Zealand students that can lead to business opportunities later on.

Several international visitors were hosted by WelTec during the year.

Guangxi Polytechnic of Construction - WelTec provided training opportunities for design and engineering tutors and students in 2015.

The President and senior academics from Suqian College, Jiangsu. A delegation from the Hong Kong Qualifications Agency, with representatives from the Education Bureau (equivalent to New Zealand's Ministry of Education) and the Hong Kong Council for Accreditation of Academic and Vocational Qualifications. The Chief Executive and staff from the Tongan National Qualifications and Accreditation Board.

The Indian Minister of Skill Development and Entrepreneurship, Shri Rajiv Pratap Rudy visited the Wellington Regional School of Construction and the Wellington School of Engineering with a twenty-strong delegation accompanied by the Indian High Commissioner, Mr Ravi Thapar.

WelTec was represented in China at the New Zealand Vocational Education Co-operation Symposium in October 2015. Staff addressed the symposium on the role of industry partnerships within the ITP model referencing Creative Industries, Engineering and Hospitality to illustrate WelTec's collaboration with industry to address employer needs and to add value to the regional and national economy.

WelTec international students took part in the internationally-benchmarked International Student Barometer (ISB) 2015, the largest study of international student satisfaction in the world. WelTec performed above the average for the ten participating New Zealand ITPs in 65 of the 77 categories and above the average for the 91 global universities/institutes in 62 of the 77 categories.

Right:
Guangxi Polytechnic of Construction tutors with Brian Ciao and Graham Carson from WelTec.



Right:
Indian Minister of Skill Development and Entrepreneurship delegation visits Wellington Regional School of Construction.



Focus on Priority Groups

Engagement with youth continued to be a key priority for 2015. The Wellington Trades Academy moved to a part-time model allowing 181 secondary school students to study three days a week at school and two days at WelTec or Whitireia.

Participation of Māori at WelTec continued to increase with 21% of SAC funded students identifying as Māori. This compares to 13.5% of Māori in the Wellington population. For Pasifika 12% of SAC funded students identified as one of the seven Pacific nations. This compares to 8.4% in the population.

Māori and Pasifika Trades Training

Māori and Pasifika Trades Training (MPTT) continued in 2015 with 120 EFTS delivered to 142 students. The Wellington Consortium, which includes Ngati Toa, Te Atiawa, Pasifika Churches, WelTec and Whitireia and employer representatives, provides governance to the initiative.



*Left:
Hector Rurehe and
Paul Kereopa at the
opening of the
Whanau Ora Centre.*

The hard work of 2014 Māori Trades Training students was celebrated at the opening of the Kokiri Puketapu building at Waiwhetu Marae. Named in honour of Kaumatua Kara Puketapu, the Whanau Ora centre provides a range of health services. The celebration also recognised the 55th birthday of Waiwhetu Marae, the hub of Te Atiawa, which has a Memorandum of Understanding with WelTec that outlines our shared commitment to education.



*Above:
Māori student orientation
at Waiwhetu Marae.*



*Left:
Nigel Phillipson with
Corrections Officer
Bronson Blake at
graduation ceremony,
Rimutaka Prison.*

Delivery at Rimutaka Prison's trade and technical training workshops continued in 2015. Through these programmes, 56 students were able to achieve a tertiary qualification in either construction or engineering trades with WelTec. The Department of Corrections supports our delivery at Rimutaka Prison and is seeking to expand this in 2016 as part of its goal of lowering rates of recidivism through the provision of meaningful educational opportunities for prisoners.

Responding to Industry

Vocational education and training by its very definition is about delivery of applied skills to students. This is what differentiates ITPs to universities and is demonstrated in the skills and attributes of our graduates. WelTec programmes include work experience or work placement components which means that students can apply what they have learned in an academic setting to the real world before they graduate.

WelTec works with industry in many ways including through formal Industry Partnership Committees that focus on sectors of the economy that are important to Wellington's economic and social success. Seventeen Industry Partnership Committees representing 118 companies and industry associations operated in 2015. These committees, that also include representatives from secondary school principals, Industry Training Organisations and peak sector bodies have a direct input into the shape and delivery of WelTec's programmes.

Employers were again surveyed for their views of WelTec graduates and the relevancy of WelTec qualifications to their workforce requirements. 91% of employers surveyed said graduates had relevant qualifications and 89% reported WelTec graduates were work ready. 75% of graduates overall reported they had gained employment or were going onto further study. The employer survey provides a snapshot of the quality of WelTec graduates.

An ICT Graduate School was announced for Wellington. During 2015 the Government confirmed that the Wellington Graduate School would operate from 2016. The Wellington School is a partnership between Victoria University of Wellington, WelTec and Whitireia with strong involvement from a number of Wellington ICT firms, start-ups and leaders in the capital's technology eco-system.

WelTec's specialised workplace literacy and numeracy programmes flourished in 2015 with demand exceeding available funding. These programmes significantly benefit business, their staff and communities. There are more than a million New Zealand adults without the reading, writing, maths and communication skills they need at work and low levels of workplace literacy have a significant impact on productivity.



A refurbished School of Engineering was opened by Hon Steven Joyce Minister for Tertiary Education and Economic Development. Scores of engineering employers attended the opening in March. Sir Neville Jordan, Chancellor of Victoria University of Wellington addressed the audience on the government's Engineering to Employment (E2E) initiative which aims to increase the number of engineering graduates by more than 500 each year.

WelTec wishes to acknowledge the financial and moral support provided by Wellington's engineering community which provides equipment, materials, expert advice and around \$50k in fees scholarships each year. The Hutt City Council provided scholarship funding of \$25k in 2015. WelTec is grateful for this significant contribution which aims to increase the number of engineers studying in the Hutt Valley.

Above:
Wellington Trades Academy Industry Partnership Committee. Grant Jones, Principal Newlands College. Julia Davidson, Principal Wellington Girls College. David Hibberd, Manager Wellington Trades Academy. Ross Sinclair, Principal Hutt Valley High School.

Below:
Tertiary Education, Skills and Employment Minister Steven Joyce presents scholarships at the opening of our new Engineering School.



WelTec's Industry Partnership Committees (previously industry advisory committees) continued to meet in 2015. They provided valuable input to our academic programmes and advice on employment trends. The Chairs of these Committees from WelTec and Whitireia met with the Council on 19 August 2015. The meeting focused on identifying ways in which the institutions could better serve the Wellington region by industry connections.

WelTec's six Schools covering Business and IT, Construction, Creative Industries, Engineering, Health and Social Services, Hospitality were involved in numerous industry activities and student focused events in 2015.

- Expanding industry relationships with the ANZ including internships and encouraging diversity through the awarding of the top achieving female IT student;
- Running training programmes responding to employer demand including for Fletchers at MacKays to Peka Peka;
- Hairdressing and makeup artistry students applying their skills at the World of Wearablearts show for the 10th year running;
- Working with American film producers to encourage movie projects to be undertaken in Wellington with the involvement of students;
- W² entered into a partnership with REANNZ (Research and Education Network) connecting the wider tertiary education sector;
- A range of activities to promote engineering and IT including hosting trade shows and other industry-focused events;
- Creative technology degree and graduate diploma students held two student exhibitions highlighting their talent to Wellington's creative community;
- Competing in the Nestle Toque d'Or competition in Auckland with WelTec students achieving Culinary Gold and Front of House Silver medals, and a WelTec student achieving a City and Guilds Medal of Excellence for Patisserie;
- Engineering, architectural technology, applied management and IT students showcasing their final year projects to industry; and
- Programme delivery to the Ministry of Social Development to prepare people for employment or tertiary education study.



Two WelTec students competed on the world stage at the International Culinary Cooking Competition at Johnson Country Community in Kansas USA in June 2015 and took out the top prize. Ryan Bloomfield from Wellington and Daniel Baird from the Hutt Valley spent ten weeks preparing for the competition. They travelled to USA with WelTec chef tutors Ray Morrell and Scott Campbell. New Zealand has now won the ICCC twice in the last four years.

Left:
Scott Campbell, Daniel Baird, Ryan Bloomfield and Ray Morrell.

Research

The Research and Enterprise team was set up in 2015 to support research staff to build their research capability and capacity and increase engagement in industry-relevant research and development projects. The year saw a significant increase in the diversity of research activity and the initiation of projects in new areas of research across the institution from tourism through to sustainable waste management and prototype design.

The diversity of research at WelTec illustrates the wide ranging discipline areas of our staff reflecting their interests, through collaborations and industry partnerships. Staff research serves to strengthen the knowledge in the discipline areas that they teach. The results of their research have practical outcomes that are applicable to individuals, communities, society and industry.

As a provider of professional and trades training, vocational education is a key focus of education research undertaken by our research staff. This research platform aims to inform vocational teaching practice across the ITP sector by investigating how we teach, how students learn and, developing new tools and resources for

successful learning outcomes. A major focus of our research in education is investigating and understanding the language of tutors and students, and the literacy and numeracy demands needed to be successful in the workplace and in a wider modern society.

WelTec's research staff investigated the impact of social services, pastoral care, cultural identity and community support on the overall wellbeing and success of our learners, youth and members of society. The health and wellbeing of individuals and communities has seen WelTec researchers collaborate with external support services to investigate the effectiveness of social norm marketing on the alcohol consumption of our youth, while our Māori and Pasifika researchers look to understand the impact of community involvement in supporting the success of our learners.

Practice-led research carried out by our creative technology staff looked to challenge conventional concepts. Their creative practice explored and developed new theories, concepts and methodologies by taking familiar everyday objects and combining them in unusual ways transforming them into

something unexpected. By using new tools and modern materials and innovative methodology, traditional cultural objects were reinvented in a contemporary context.

Researchers across WelTec are actively engaged in a range of exploratory projects designed to inform and develop sustainable practices in housing, business and environmental management which "meets the needs and aspirations of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 1987).* To meet this goal WelTec researchers are developing new approaches to building sustainable housing, meeting the needs of aged care facilities, and developing more effective systems to improve environmental and waste management.

Below:

Testing technologies is a priority area of our research and development. Martin Kelly has successfully developed a product testing platform for the plumbing industry.



*World Commission on Environment and Development, (1987). *Our Common Future*. Oxford University Press (commonly called the Brundtland Report)

Our People - Staff

A revised management structure across WelTec and Whitireia was developed. The initial proposal was issued to all staff in July 2015. Following feedback, a final structure was agreed and issued in October 2015. Recruitment to vacant roles was undertaken over November/December with all appointments confirmed by January 2016.

A staff survey was carried out in July 2015 across WelTec and Whitireia. An excellent response rate of 93% for WelTec was achieved. Institutional results were distributed to all staff and team results to teams. Staff committees were established at each institution to prioritise actions in response to the survey. Managers developed action plans with staff.

Capability Development

During 2015 the Capability Development Unit (CDU) operated programmes to support induction, training, and ongoing development for academic staff; developed leadership skills for managers; organised workshops and held other events for all staff. The unit led the development of a qualification embedding literacy and numeracy required for tutors teaching Levels 1 and 2 for 2016. 23 staff were enrolled in this programme during 2015. CDU organise events and workshops for all staff, including forums, leadership, cultural competence, and specific activities for teams and individuals.

Leadership

Following the development of a Leadership Strategy in 2014 a Leadership Conference was held in early 2015. With the announcement of a joint Chief Executive across WelTec and Whitireia, the Conference was structured to equip our leaders to prepare for this change and support their teams successfully through it. With the consequent new Leadership structure implemented in February 2016 the plan is to develop the programme across WelTec and Whitireia in 2016 to further strengthen the strategic partnership of both institutions.

Wellbeing in the Workplace

A comprehensive annual Wellness Plan in 2015 included engagement of an Occupational Health Physician to support staff returning to work from ill-health, counselling services, workplace assessments, wellness checks, flu vaccinations, team fitness challenges, social club events, smoking cessation programmes offered to support our smoke-free environment, gym membership, wellness allowances and discounted health insurance. A focus for 2015 was on mental health to provide our leaders with information and tools on how to manage and support staff members.

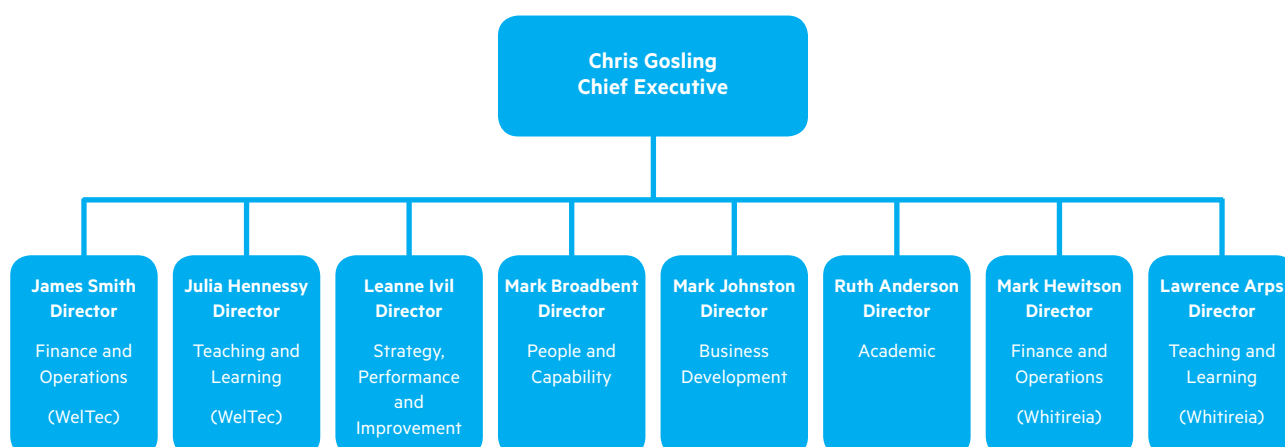
Equal Employment Opportunities (EEO)

WelTec attracts and retains a diverse staff and encourages an environment that supports the full participation of staff. Human resource policies and practices are non-discriminatory and EEO is incorporated into human resource strategy and planning. Managers are equipped with tools and training in a number of areas relating to EEO including Working from Home Guidelines and workshops on the prevention of Workplace Bullying and Supporting Mental Wellness in the Workplace. EEO outcomes are monitored and evaluated through the reporting of HR Metrics. One of our key business and EEO strategies is the development of our longstanding and vibrant partnership with Te Runanganui o Te Atiawa ki te Upoko o te Ika a Maui Inc (Te Atiawa) and Te Marae o Waiwhetu. We are proud to have a Kaiwhakahaere Māori and a Pasifika Manager who are involved at a policy level and work with our staff and students.

W² Shared Services

Facilities and property staff from Whitireia and WelTec successfully transitioned to W² Shared Services Ltd from July 2015. The new Campus Services management structure was implemented and people appointed to vacant roles.

2016 Management Structure



Health and Safety

2015 was a positive year for WelTec on the health and safety front. The Council approved a health and safety reporting framework and policy statement. The Risk and Audit Committee visited campuses to view health and safety practices.

A number of initiatives were undertaken which were aimed at preparing for the new Health and Safety at Work Act 2015.

This included the drafting of a joint health and safety policy across WelTec and Whitireia, an electronic safety page used to host the new electronic health and safety reporting system, which will be used by both organisations.

One of the encouraging developments in 2015 was a greater awareness of health and safety issues at WelTec and a number of Schools set up regular meetings with staff to focus on health and safety in their workplaces.



Above:
Construction students equipped with their safety gear: hard hats, goggles and ear muffs.



Above:
Academic Faculty Unit receive their award.



Above:
Trades Academy tutor Matt Renata wins Leadership award.

HR Metrics

2015 saw the third complete year of collecting statistics on HR Metrics. Comprehensive analysis conducted to support future decision making and highlighting areas of focus for 2016.

Ethnicity	2013		2014		2015	
NZ European	49%		44%		45%	
Māori	10%		9%		8%	
European	13%		14%		13%	
Pacific Island	4%		4%		3%	
Asian	3%		4%		3%	
Other	5%		2%		3%	
Unknown	16%		23%		25%	
Staff Profile (Average Years)	Male	Female	Male	Female	Male	Female
Academic						
Age	47.5	44.5	50	49	51	49
Years in Service	10	6	10	8	10	8
Corporate						
Age	44.5	46	45	46	46	47
Years in Service	6	6	7	7	7	7
Leadership (Head Count)	Male	Female	Male	Female	Male	Female
Executive	86	14	86	14	83	17
Management	39	61	53	47	50	50
Turnover	2013		2014		2015	
Corporate	5%		3%		16%	
Academic	5%		2%		8%	

Staff Awards

WelTec values and appreciates the work of staff and takes the opportunity to acknowledge excellence in a formal way at an annual Staff Awards event. Staff members who received awards in 2015 for demonstrating excellence and outstanding achievement in their work are listed.

Values Award

Claire Hurley

Team Award

Academic Faculty Unit

Customer Services Award

Erin Hughes

Leadership Award

Matt Renata

Sustained Teacher Award

Esther Scammell

Research Award

Robert Bok

Research Award

Fiona Beals

Academic Highlights

WelTec continued to update its portfolio of programmes and academic systems during 2015 to make sure that it delivers the vocational education and training employers and students need. This included 20 new programmes of study, 76 amended programmes and 22 training schemes.

The Combined Academic Board (CAB) oversaw a significant milestone for WelTec in 2015 with approval and accreditation for its first Masters programme, the Master of Professional Practice, targeted at health and social practice professionals wishing to advance their practice and their careers.

The Masters and associated Postgraduate Diploma and Certificate in Professional Practice focus on the development of interdisciplinary thinking and leadership in a diverse and complex world, and were developed in partnership with Whitireia.

WelTec also received accreditation for its second Masters programme, the Master of Information Technology, and Postgraduate Diploma and Postgraduate Certificate in Information Technology. This new Masters programme will be part of the portfolio offered by Wellington's ICT Graduate School, which is a shared initiative between Victoria University Wellington, Whitireia and WelTec, in conjunction with Wellington's ICT industry.

WelTec was formally recognised by an independent panel convened by the Institution of Professional Engineers New Zealand (IPENZ) as having qualifications that met two international standards. The NZ Diploma in Engineering and the Bachelor of Engineering Technology degree were successfully recognised as respectively meeting the requirements of the Dublin Accord, with seven member

countries, and the Sydney Accord, with nine member countries. Growing New Zealand's engineering capability is a key part of the government's strategy to transform New Zealand into a high tech, innovation-led economy and WelTec has a key role to play in the Wellington region. Achieving this world-class status greatly increases the prospects and mobility of our engineering alumni.

WelTec prides itself on its long-term commitment to upskill and recognise with formal qualifications the experience of those working in the construction industry, including higher level roles. In 2015, two new programmes were approved, the NZ Certificate in Construction Related Trades (Main Contract Supervision) and the NZ Diploma in Construction with strands in Construction Management and Quantity Surveying.

The School of Hospitality successfully launched nine new programmes for delivery in 2015 as result of the Targeted Review of Qualification (TRoQ), with more under development for 2016.

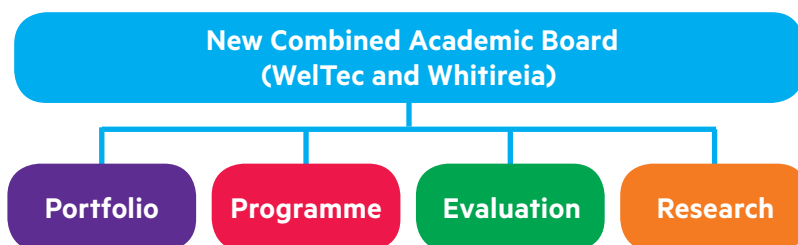
The New Zealand Diploma in Funeral Directing and New Zealand Diploma in Embalming were reviewed by NZQA for consistency of graduate outcomes.

This is a new quality assurance process that all New Zealand programmes will be required to undergo on a regular basis. WelTec provided NZQA with a report detailing how WelTec's graduates for these programmes met the Graduate Outcomes, and backed this up with 'real world' evidence.

During the year, the CAB initiated a consultation on its future and committee structures to achieve more effective integrated decision-making across WelTec and Whitireia. Following feedback, a new Academic Board, Terms of Reference and Committee structure was approved by the Council in December 2015.

Four new committees have been established. They are Research, Evaluation, Programme, and Portfolio, with an aim to improve how effectively both institutions deliver outcomes for students and employers, and provide a more strategic approach to programme delivery and successful postgraduate activity.

WelTec thanks Dr Peter Coolbear for his services as Chair of the Combined Academic Board over the four years since the establishment of the strategic partnership with Whitireia. From 2016, the Combined Academic Board will be Chaired by Chief Executive Chris Gosling.



A large group of students received the Bachelor of Youth Development for the first time in 2015 at graduation. This cohort included four members of WelTec's Tamaiti Whangai team – a fantastic achievement and one supported by Te Runanganui o Te Atiawa ki te Upoko o te Ika a Maui Inc (Te Atiawa).

*Left:
David Lomax, Hinemoa Priest,
Susan Luke and Rangī Luke.*

Equal Educational Opportunities

WelTec has a number of strategies to attract and meet the needs of potential and enrolled students from under-represented groups or from groups that are disadvantaged in terms of their ability to attend a tertiary learning organisation.

In 2015 the WelTec Learning Team, which consists of Learning Advisors, Mentors and Ability Advisors supported 2,379 Students. 8,848 interactions were held over 10,000 hours using a range of mediums including classes, groups, drop-in sessions, individual (face to face), phone, text and email.

Ability Advisors provided high levels of information and support to students who required assistance and/or advised of a disability on enrolment. In 2015, eight staff, provided 471 sessions, with over 400 of hours of note-taker, reader-writer and peer tutor services to help improve participation, retention, completion and progression of 82 students who required these services.

WelTec has a number of programmes and services that support students with special needs or who may be disadvantaged in terms of their ability to attend the institution. These are:

- students with long-term illness, injury or learning disability:
 - Programmes – Certificate in Community and Vocational Learning Skills, and Certificate in Vocational Skills.
 - Support services and Ability Support specialists
- transitions from secondary school:
 - Wellington Trades Academy including level 1 programme
 - STAR and Gateway
- Foundation level programmes: English, Maths and Communication; including Foundation programmes in particular areas: Construction, and Engineering.

These programmes provide an opportunity for learners to increase their literacy, language and numeracy competence through the application of a complex web of reading, writing, speaking, listening, critical thinking, problem solving, numeracy skills and communication technology so that they can achieve their own goals in a meaningful social, cultural, vocational and/or learning contexts.



*Left:
Neil McDonald and
students at Whanau Ora
Centre, Waiwhetu Marae.*

To address the under-representation of Māori students in many programmes across the organisation together, the Runanga and WelTec support Tamaiti Whangai, a unique model of student support where concepts of Manaakitanga and Awhina frame services to help rangatahi achieve their goals. The principles enshrined in this model guide and inform how WelTec is developing services, systems and partnerships that put students' needs at the centre. In 2015 a total of 654 Support Plans were completed for a total of 280 students. Some students

had multiple issues/support throughout their course of study.

Over recent years, this partnership has delivered a range of projects focused on improving outcomes for learners, including students in the carpentry programme constructing the Whanau Ora centre at Waiwhetu marae; the Runanga convening various events to promote the value of vocational education including Te Ra o Te Raukura – an annual festival held at Te Whiti Park; collaboration on the design

of facilities such as the new creative technologies and arts campus in Cuba Street Wellington; and the Māori and Pasifika Trades Training Initiative.

“
In 2015 a total of 654 Support Plans were completed for a total of 280 students”



Left:
Council Chair, Roger Sowry presenting certificates to steel fixing students. A course we designed to meet a key skill need in the MacKays to PekaPeka road construction project.



Above:
Council Chair Roger Sowry, speaking at our graduation ceremony.

Final words from the Chair

As Council Chair I would like to recognise Dr Linda Sissons for her significant contribution to WelTec and for her professional hand-over to the new Chief Executive. I congratulate the work undertaken by Chris Gosling as the Chief Executive of WelTec and Whitireia from May. During the nine months to December 2015 Chris Gosling led both institutions to successful performance, achieved a significant milestone in establishing a new management structure for WelTec and Whitireia and ensured the Students First Partnership continued to develop.

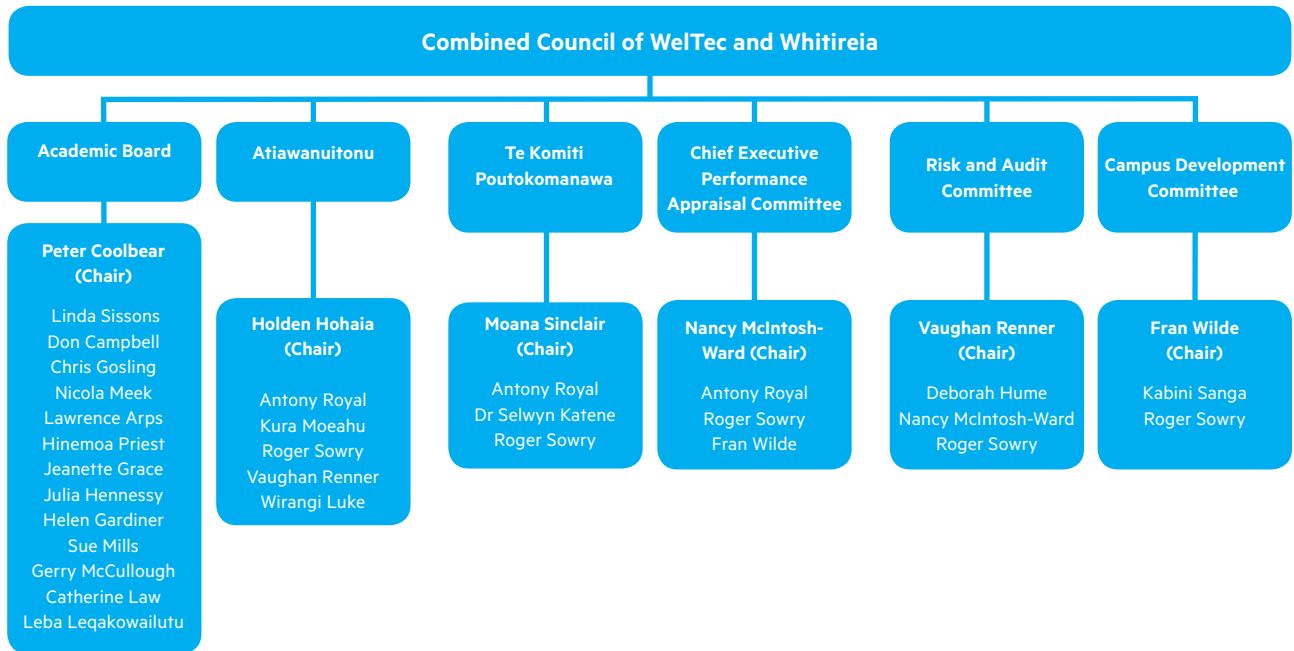
Ensuring quality of provision, increasing access to vocational education and training in the Wellington region and institutional viability along with significant progress on the creative technologies and arts development were key achievements.

*No reira,
tena koutou,
tena koutou,
tena koutou katoa.*

HON ROGER SOWRY
Council Chair, ONZM

CHRIS GOSLING
Chief Executive

COUNCIL MEMBERS



The Council comprises eight members.

The subcommittees of the Council are Risk and Audit; Campus Development; Chief Executive Performance Appraisal; and the Combined Academic Board.

There are two Iwi advisory groups to Council. They are Atiawanuitonu (Te Atiawa) and Te Komiti Poutokomanawa (Ngati Toa).

In December 2014 the Council agreed that a forum for Te Atiawa advice and dialogue was required. Atiawanuitonu was established encompassing Te Atiawa and the other tribes of Taranaki. A hui was followed by a Powhiri for Council and members of the management team. Atiawanuitonu met three times in 2015. The forum provided a governance context for the memoranda which exist between WelTec and Te Runanganui o Te Atiawa ki te Upoko o te Ika a Maui Inc (Te Atiawa) and Te Marae o Waiwhetu.

During 2015 a Steering Committee chaired by Chris Gosling, Chief Executive of WelTec and Whitireia was established to lead progress on the new creative technologies and applied arts campus.

Roger Sowry, ONZM Council Chair

Roger Sowry was a Member of Parliament from 1990 to 2005, firstly representing the Kapiti electorate, then as a National list MP. Roger retired from Parliament in 2005 moving to become Chief Executive of Arthritis New Zealand. He is a member of the Electricity Authority. Roger is also a member of the Institute of Directors.

Vaughan Renner Deputy Chair

Vaughan Renner has an MBA, and science and engineering qualifications. He is self-employed and has strong commercial, strategic planning and IT skills. Vaughan has a background in governance (currently including Westlake Governance Limited, Business Central, Business NZ, and Standards New Zealand).

He is a member of the Institute of Directors. He was appointed as Deputy Chair of The Open Polytechnic of New Zealand in 2014.

Nancy McIntosh-Ward

Nancy holds an MBA and is a Chartered Accountant. She is the former Chief Executive of the Karori Sanctuary Trust and has extensive financial, management, commercial, governance, tertiary education and marketing experience. She is currently a consultant specialising in strategy development to delivery. Nancy is a member of the Institute of Directors.

Dr. Kabini Sanga

Kabini Sanga is an Associate Professor of Education in the Faculty of Education at Victoria University of Wellington. He holds a Doctor of Philosophy from the University of Saskatchewan, Canada. He did his early university education at the University of South Pacific, Fiji. He has held a number of senior roles in education, including being the Director of the Institute of Education of the University of the South Pacific; the Director and Chief Executive Officer of the Solomon Islands College of Education, and the Chief Education Officer, Solomon Islands Ministry of Education.

Dr Deborah Hume

Dr Deborah Hume has led strategic risk-management consultancies that worked with public and private organisations and has most recently been responsible for Wellington's Metro train operations (Tranz Metro) and New Zealand's long-distance passenger train services (Scenic Journeys) for KiwiRail. She has a PhD in Biology from Queen's University in Canada and is a member of the Institute of Directors and Global Women.

Fran Wilde

Hon Fran Wilde was previously an MP and Cabinet Minister, as well as Mayor of Wellington. In business she was CEO of the NZ Trade Development Board and chair and/or director on the boards of a number of listed, state owned and privately held companies. Fran has also run her own consultancy business and has played a key role in Wellington and national philanthropic and arts organisations.

She is a Chartered Fellow of the Institute of Directors and holds an honorary doctorate in law from Victoria University of Wellington from which she earlier graduated with a BA degree.

Antony Royal

Antony has strong community involvement and a background in the ICT industry. He holds a degree in Electrical and Electronics Engineering from Auckland University, has spent many years in the ICT industry and currently holds a number of governance positions.

Previous roles have included Global Infrastructure Manager and Web Initiatives Manager for the NZ Dairy Board (Fonterra), implementation of Financial Management Systems for a number different Government Departments, and positions on a number of advisory boards. Antony has been involved in many projects.

Jacqueline Lloyd

Jackie is Deputy Chair of New Zealand Post Group, a trustee of the Lion Foundation and Wellington Museums Trust, Chair of the State Services Commission Audit and Risk Committee and a business advisor.

She previously served as global human resources director for the New Zealand Dairy Board and NZMP Fonterra, and subsequently as a consultant and New Zealand country manager for Hewitt Associates and The Gallup Organisation. Jackie has a BA in Psychology and a BCom in Marketing and Manpower, is a member of the Human Resources Institute of NZ and a Chartered Member of the Institute of Directors.

Below:

Back row: Fran Wilde, Chris Gosling, Antony Royal, Dr Kabini Sanga.

Front row: Jackie Lloyd, Vaughan Renner, Roger Sowry, Deborah Hume, and Nancy McIntosh-Ward.



EXECUTIVE MANAGEMENT TEAM



CHRIS GOSLING

CHIEF EXECUTIVE
FROM MAY 2015

Chris Gosling is Chief Executive of the Wellington Institute of Technology and Whitireia Community Polytechnic. He was previously Deputy Chief Executive (Operations) at Whitireia, a position he held for three years. He has worked in the Middle East setting up and operating a polytechnic in the Kingdom of Bahrain. Chris is the former Corporate Services Director at the Nelson Marlborough Institute of Technology (NMIT). This role followed several years in finance and senior management roles in local government in New Zealand.

He is a member of Chartered Accountants Australia and New Zealand, and a Board member of the Wellington Chamber of Commerce.



WIRANGI LUKE

GENERAL MANAGER TE
RUNANGANUI O TE ATIWA
KI TE UPOKO O TE IKA A
MAUI INC (TE ATIWA)

In addition to being the General Manager of the Runanga, Wirangi Luke is the Development Manager of Tamaiti Whangai, Trustee of Waiwhetu Kohanga Reo and Chairman of Te Aroha Hutt Valley Sports Association. Wirangi has previously run Atiawa Toa FM, and established and managed the Waiwhetu Medical Centre. Prior to this he worked in planning and management at Feltex Carpets in Wainuiomata.



JAMES SMITH

CHIEF FINANCIAL
OFFICER

James Smith is a Chartered Accountant who has more than 20 years' experience as an accountant having held both the CFO and Acting COO positions previously at WelTec. In these roles he managed the financial planning and reporting systems and services, provided financial and strategic advice to internal and external stakeholders, and oversaw the development of various major capital works programmes including the Wellington Regional School of Construction at Petone. James is on a number of tertiary education advisory groups developing accounting policy and practice for the sector.



MARK BROADBENT

HUMAN RESOURCES
DIRECTOR

Mark Broadbent has been Director Human Resources with WelTec since 2007, where he is responsible for WelTec's human resources strategy and change management as well as human resources operations and capability development. With more than 25 years' experience in human resources, line management, and development roles, Mark has worked in a wide range of organisations covering the not-for-profit, government, state-owned enterprises, and education sectors.

Mark has a BA (Victoria University of Wellington), Diploma of Education (Canterbury) and Diploma in Youth and Development (Commonwealth Youth Programme – Asia-Pacific Centre). He is a member of the Human Resources Institute of New Zealand.



DR JULIA HENNESSY
EXECUTIVE DEAN
THE FACULTY

Julia Hennessy was the Executive Dean at WelTec. Previous experience for Julia includes General Manager, Mental Health and Addiction Service for Hutt Valley DHB and Senior Advisor at the Ministry of Health. She worked in the tertiary education sector before being appointed Relationship Manager for the Central Regional Health Authority. Julia also taught on health related programmes in the tertiary sector. She is a Fellow of the College of Nurses Aotearoa (NZ) and was a member of Nursing Council of New Zealand from 2008-2011.

PhD (AUT), MEd (Victoria), MMgt (Massey), PG Dip HSM (Massey), BA (Victoria), DipN (Wellington Polytechnic)



NICOLA MEEK
ACTING ACADEMIC
DIRECTOR

Nicola Meek's career in education includes teaching, governance and strategic roles in early childhood, primary, secondary and tertiary sectors.

Her experience includes curriculum development as well as designing and quality assuring national assessment and qualifications systems. She has supported the development of Qatar's teacher registration and licencing body, and led the philanthropic Cognition Institute for Education.



RICHARD WANHILL
DIRECTOR BUSINESS
DEVELOPMENT AND
PARTNERSHIPS

Richard Wanhill became the Director of Business Development and Partnerships in January 2015. Overseeing the Business Partnerships, International, Marketing and Student Experience teams, Richard has a strategic focus on WelTec's key industry partnerships and how WelTec engages with the local, regional and international communities it operates within.

Richard is a board member of the Primary Industry Training Organisation (ITO), and a Director of Thoughtplanters. Richard is a certified director with the New Zealand Institute of Directors.



PETER COWPER
CHIEF OPERATING
OFFICER TO MAY 2015

The COO role involves managing Academic Records and Administration (all the information pertaining to our students and their enrolment at WelTec), Information Technology Services and Support, Student Experience (the first point of contact for new students), Facilities (managing all our property and campuses), Procurement, Business Administration, Business Intelligence and change management business areas.

Peter is a Member of the Maritime New Zealand Authority (the MNZ Board), is a founding trustee of the Porirua Digital Trust and member of the New Zealand Institute of Directors.

INDUSTRY PARTNERSHIP COMMITTEES

ALCOHOL AND DRUG INDUSTRY PARTNERSHIP COMMITTEE

Major Stephen Scott	Chairperson Director of Operations	Salvation Army Addiction Services Wellington (The Bridge)
Michael Bird	Acting Director	CareNZ
Mary Anne Cooke	Director	ABACUS, Counselling, Training and Supervision Ltd
Christine McCarrison	Addictions Professional Leader	Community Mental Health and Addiction Service, Hutt Valley DHB
Maynard Gilgen	Clinical Director	Ora Toa Mauriora
Anna Nelson	Programme Lead	Matua Raki within Te Pou
Thomas Isaako	Team Manager NB Interim Member representing DRUA	Counselling and Addiction Services Taeao Manino Trust
Suzy Morrison	Consumer Project Lead	Matua Raki within Te Pou
Ron McGrath	Student Representative	WelTec

ATIAWANUITONU

Holden Hohaia	Chairperson	Trustee Te Runanganui o Te Atiawa ki te Upoko o te Ika a Maui Inc (Te Atiawa)
Roger Sowry	Council Chair	WelTec and Whitiara
Antony Royal	Councillor	WelTec and Whitiara
Kura Moeahu		Māori Trustees Waiwhetu Marae Chairman, Trustee for Port Nicholson Block Settlement Trust, Trustee Te Runanganui o Te Atiawa ki te Upoko o te Ika a Maui Inc (Te Atiawa)
Vaughan Renner	Council Deputy Chair	WelTec and Whitiara
Wirangi Luke	Member of WelTec's Management Team,	Te Runanganui o Te Atiawa ki te Upoko o te Ika a Maui Inc (Te Atiawa)

AUTOMOTIVE TECHNOLOGY INDUSTRY PARTNERSHIP COMMITTEE

Ross Wallace	Chairperson National Training Manager	CablePrice NZ Ltd
Steve Gaskin	Workshop Owner	Rolrich Panel and Spray 1988 Ltd
Dave Billmore	Trade Training	NZ Army Trade Training School
Owen Woodman	Workshop Owner	Woodman Automotive
Dean McMillan	Workshop Owner	D E McMillan Ltd
James Allen	ITA	NZ MITO
Phil Stoebener	Workshop Owner	Advance Auto Electrical
James Craig	Trade Training Manager	NZ Army Trade Training School
Ronald Taylor	Branch Manager	REPCO Petone
Vijay Chhika	Workshop Owner	Page European

BACHELOR OF YOUTH DEVELOPMENT INDUSTRY PARTNERSHIP COMMITTEE

John Harrington	Chairperson Coordinator	Canterbury Youth Workers Collective
Bill Peace	Community Services Manager	STRIVE Community Trust
Andy Pilbrow	Regional Operations Manager	Youthtown
Sue Roberts	Training Product Manager	Careerforce
Kirsten Smith	Manager	Evolve Youth Service
Rod Baxter	Youth Worker	Wellington Boys and Girls Institute
Wilson Chan	Youth Pastor	Manuwera Baptist Church
Steph Brook	Student Representative	BYD Programme, WelTec

BUILT ENVIRONMENT INDUSTRY PARTNERSHIP COMMITTEE

Dan McGuinness	Chairperson Director	McGuinness Building Contractors
Paul Bunkall	Director	Rawlinsons
Russell Burley	Commercial Manager	Naylor Love
Kevin Collins	Director	Design Network Architecture Ltd
Peter Degerholm	Director	Calderglenn
Tony O'Connell	Managing Director	NME
Tony Sutherland	Director	Rider Levett Bucknall
Stewart Peck	Project Manager	Naylor Love
Adam Flowers	Director	CCM Architects
Barry Calvert	Senior Coast Manager	BECA

BUSINESS INDUSTRY PARTNERSHIP COMMITTEE

Anthony Bowe	Business Banking Manager	ANZ Bank
Bill Davies	Schools' Accountant	Terrance Bartlett Chartered Accountants
Chris Carson	Executive Director	NZ Institute of Procurement and Supply
Cindy Christensen	CBD Development Manager	Hutt City Council
Dylan Firth	Regional Manager	Hospitality NZ
June Ranson	Managing Director	Woburn International
Kanwar Bedi	CEO	Study Plus
Leo Austin	Owner	Austin Associates Limited
Mark Futter	CEO	Hutt City Chamber of Commerce
Richard McTague	Director	Four Tuis Limited
Robert McTague	Business Growth Mentor	Skills Masters
Teri Puketapu	Iwi Representative	Te Runanganui o Taranaki whanui ki Te Upoko o Te Ika a Maui Inc.
Warwick McCormack	Founder and International Director	Learn Fast

**COUNSELLING AND TRAUMA STUDIES
INDUSTRY PARTNERSHIP COMMITTEE**

David Waters	Chairperson Chief Executive	Ambulance New Zealand
Sandy Tustin	Guidance Counsellor	Upper Hutt College
Linda Knowsley	Senior Counsellor	Catholic Social Services
Janet Matehe	Director	Whare Tautoko
Judy McCormack	Counsellor/Supervisor	The Counselling Group
Serena Stace	Skylight Counselling Team Leader	Skylight
Louise Rolfe	Student Representative	WelTec

ENGINEERING INDUSTRY PARTNERSHIP COMMITTEE

Michael Kerr	Chairperson Regional Manager Wellington	BECA
Rod Badcock	Principal Engineer	Robinson Research Institute, Victoria University
Bill Cardus	NZ Bitumen Operations Manager	Fulton Hogan Ltd
Dr Peter Davenport	Engineer	Eastern Consulting Ltd
John Futter	Support Specialist Nanotechnology National Isotope Centre	Institute of Geological and Nuclear Sciences Rafter Laboratory
Theo Klok	Locomotive Performance Engineer	Kiwirail
David Owen	Deputy Director Enabling Capability Delivery	New Zealand Defence Force
David Parle	Engineering Manager	Windsor Engineering Group LTD
Don Wills	Associate Director Transmission and Distribution	AECOM

EXERCISE SCIENCE INDUSTRY PARTNERSHIP COMMITTEE

Mark O'Connor	Chairperson General Manager	Emergency Medical Services (Hutt Valley) Ltd
Mike Mercer	Sports Manager	Hutt City Council
Jason Hemson	General Manager	Wellington Rugby League
Gareth Smith	Injury Prevention and Management Consultant	ACC, Insurance and Prevention Services
Kieran Duffy	Fitness Manager	City Fitness Petone
David McCartney	General Manager	ProActive Rehab
Anthony Coomer	Exercise Science Student Rep	WelTec
Emmeline Haymes	Public Health Advisor	Hutt Valley DHB

FUNERAL SERVICES INDUSTRY PARTNERSHIP COMMITTEE

John Peryer	Chairperson Executive Officer and Representative of Non FDANZ Members	Tong and Peryer Limited
Anne McGuire	Educational and Māori Representative	Self Employed
John Duncan	FDANZ Representative	Kapiti Coast Funeral Home
John Schipper	FSTT Deputy Chairperson NZEA Representative	Davis Funeral Services Limited
Alistair Ferguson	NZEA Representative	Marsden House Funeral Directors
Stephen Dil	FSTT Trustee	Dil's Funeral Services
Tony Garing	FDANZ Representative	John Rhind Funeral Directors
Fiona Gillespie	FSTT Secretary	Funeral Services Training Trust of NZ

**HEALTH, DISABILITY AND AGED CARE SUPPORT AND CVLS
INDUSTRY PARTNERSHIP COMMITTEE**

Maurice Priestley	Chairperson Population Health Advisor	Service Integration and Development Unit (SIDU)
Alex Sligo-Green	Transition Coordinator	Emerge Supported Employment Trust
Jo Manson	General Manager	Community Connections: te Hapori Awhina Tangata

Nicola Adams	Educator	Te Korowai Whariki, ID Services
Catriona Petrie	Education Product Development Lead	Careerforce
Tristine Tilly	Elder Abuse and Neglect Prevention Coordinator	Age Concern, Kapiti
Mathew Cossar	Student Representative	CVS Programme

HOSPITALITY INDUSTRY PARTNERSHIP COMMITTEE

Ruth Pretty	Chairperson	Managing Director Ruth Pretty Catering
Anthony Dey	General Manager	Brentwood Hotel
Dylan Firth	Regional Manager, Southern North Island	Hospitality New Zealand
Glenn Fulcher	Regional Manager, Pacific	City and Guilds
Herwig Lanzerstorfer	RA Catering Operations Manager	Compass Group New Zealand Ltd
Tracey Lines	Modern Apprenticeship Coordinator	Restaurant Association of New Zealand
Georgina Nicholas	HR Manager	InterContinental Wellington
Kaye Paardekooper	Conference Manager	Paardekooper and Associates
Natalie Randall	Teacher	Wellington High School

INFORMATION TECHNOLOGY INDUSTRY PARTNERSHIP COMMITTEE

Jonathan Fry	Chairperson General Manager	CoreLogic Data
Paul Armstrong	General Manager, Business Technology Products	Fronde Systems Group Ltd
Kevin Groves	Program Manager 2	Microsoft
Nigel Hunt	Senior Manager, Professional Services and Testing	ANZ
Vince Jennings	Technical Project Manager	Alcatel-Lucent
Mark Keegan	Practice Manager	Aura Information Security
Dr Donald Koh	Self-Employed	

Serge Kramar	Test Analyst	Government Technology Services
Alisdair McKenzie	Principal Consultant	IS Assurance Services
Patricia Ramsden	Network Designer	TTS (Telco Technology Services)
Dr Elozor Shneider	Contractor	The Open Polytechnic of NZ Ltd
Mohammad Syed Hussain	BIT International Student Rep Year Three	WelTec
Emma Perkins	BIT Student Rep Year Two and Three	WelTec

PASIFIKA INDUSTRY PARTNERSHIP COMMITTEE

Chris Gosling	Interim Chairperson	WelTec and Whitireia Chief Executive
Ane Hunkin	Niuean	
Vei Lotaki	Samoaan	
Aiono Mino Cleverley	Samoaan	
Filipo Lui	Tokelauan	
Sera Tokakece	Fijian	
Poloa Rowe	Cook Island	

PLUMBING INDUSTRY PARTNERSHIP COMMITTEE

Rod Miller	Chairperson Managing Director	Water-Mart Wairarapa Ltd
Colleen Upton	General Manager	Hutt Gas and Plumbing Systems Ltd
Stewart Weddell	Owner	Plumber 1
Malcolm Andrews	Manager	Duncan McGregor Ltd
Dave Walker	Project Manager	Aquaheat Industries Ltd
Derek Plimmer	Owner	Plimmer Plumbing Ltd
Bob McCoy	Lower North Island Manager	Masterlink
Graeme Hawkins	Manager	Hawkins Plumbing
Bruce Morgan	Team Leader, Specialist Trades Lower North Island	The Skills Organisation
Kern U'ren	Business Manager	Straight Flush Plumbing



Above:
David Hibberd, Dean of Wellington Trades Academy, Ross Sinclair,
Principle of Hutt Valley High School, Andrea Wilkinson, Trades
Academy Administrator.

CREATIVE TECHNOLOGIES INDUSTRY PARTNERSHIP COMMITTEE

Cole Zeal	Student	WelTec
Christine Doherty-McGregor	Curator	Expressions Art and Entertainment Centre
Neville Parker	Designer	Designers Institute of NZ
Steve La Hood	Director	Story Inc.
Theo Baynton	Director	Nyuk Nyuk/Pukeko Pictures
Eion Abernathy	Director	Mission Hall
Michael Stephens	Producer/Lawyer	Stephens Lawyers Ltd

WELLINGTON TRADES ACADEMY INDUSTRY PARTNERSHIP COMMITTEE

Ross Sinclair	Chairperson Principal	Hutt Valley High School
Di Banks	Team Leader Futures	Kuranui College
Kevin Carter	Principal	Rongotai College
Julia Davidson	Principal	Wellington Girls College
Kate Gainsford	Principal	Aotea College
Nigel Hanton	Principal	Wellington High
Martin Isberg	Principal	Wainuiomata High School
Grant Jones	Principal	Newlands College
Rose Sawaya	Principal	Bishop Viard
Kerry Leggett	Youth Development Team Leader	Vibe Lower Hutt
Carrie Murdoch	Manager Education, Skills and Trade	Business New Zealand

STATEMENT OF SERVICE PERFORMANCE

REPORTING ON OUTCOMES

AN APPROACH TO REPORTING BY THE WELLINGTON INSTITUTE OF TECHNOLOGY

Outcomes framework

As part of the Statement of Service Performance, Tertiary Education Organisations are required to report on an outcomes framework which enables readers to view an entity's contribution beyond inputs and outputs.

The purpose of reporting on outcomes in an educational context is to provide information about "changes in the state, condition, effects on, or consequences for the community, society, economy, or environment resulting from the existence and operations of the reporting entity" which is the definition used by the Office of the Auditor General, but to also provide a narrative around the selected outcomes which describe the impact of participating and achieving in a tertiary educational organisation.

The TEC's Investment Plan Guidance for 2015 and 2016 focussed on New Zealand continuing to develop a tertiary education system that is more flexible, outward-facing and engaged. It identified the following six priorities for the tertiary system to change its direction or intensity to achieve the outcomes sought by the Government along with a focus on increasing the tertiary system's contribution to economic growth.

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

For our organisation we have defined our institution's impacts (or outcomes) in the following five areas:

1. Raising the skills and knowledge of the current and future workforce
2. Raising the skills and knowledge of priority groups of learners
3. Enhancing environmental sustainability
4. Contributing to the growth of the Wellington regional economy
5. Contributing to the growth of the national economy

In presenting this Outcomes Framework we welcome feedback from the sector to assist us in making improvements on outcomes reporting in future annual reports.

Social and economic context – the environment in which we are delivering our services

The region's population

In 2013, the Wellington Region had a population of 486,700. Statistics New Zealand's medium projections indicate that the population will grow to 505,800 by 2018, and to 518,200 by 2023, an overall increase of 31,500 or 6.5%.

Between 2013 and 2023, the population of working age people (15-64 years old) is projected to increase by 9,600, or 2.9%, but the population of younger adults (15-39 years old) is projected to increase by 10,200, or 6.1%. The Māori share of the region's population in 2013 was 13.5% (up from 12.8% in 2001). The Pasifika share of the region's population in 2013 was 8.4% (up from 8.2% in 2001).

The region's economy

The Ministry of Business Innovation and Employment's (MBIE) Regional Economic Activity Report 2015 noted that Wellington has the second-largest economy in New Zealand. The region has 10.9% of New Zealand's population, but it contributes 13.2% of the country's GDP.

The region has a high proportion of employment in knowledge-intensive services, particularly in Wellington City. These include professional, scientific and administrative services; financial and insurance services; and information, media and telecommunications. 75.9% of Wellington City's employment is in high-skilled occupations, the highest proportion of any territorial authority in the country by a wide margin.

Outlook

MBIE's Regional Economic Activity Report 2015 commented that the region's strengths are: innovation, research and development, and information technology. This is shown by recent developments in the film and media sector, and collaboration between businesses and tertiary education and research institutions. Major infrastructure projects like Transmission Gully and the Kāpiti Expressway are creating short term employment opportunities in construction. These and other infrastructure projects will support further regional growth.

A key challenge for the region over the coming years is to grow, retain and attract skills. The region is, however, on track to meet government education goals, particularly for Māori and Pasifika students, and its working age population has the highest levels of educational attainment in New Zealand. The region remains a major destination for highly skilled migrants, supplementing the skills needs of the regional economy.

Short-term employment forecast

During the period 2015-2018, employment in the Wellington region is forecast to grow by 6,900, or 1.0% per annum.

MBIE does not produce detailed employment forecasts for the Wellington region, but the key points of its short-term national forecasts for 2015-2018 were that:

- The unemployment rate is expected to decline until early 2017, before rising slightly, as employment growth slows.
- Strong employment growth is expected in the Construction and utility industry, along with the Hospitality sector, Wholesale and retail trade and business services.
- Growth in demand for employment in highly skilled occupations (mostly managers and professionals) will be higher than the overall employment growth. It will account for more than 58% of the overall employment growth.
- Opportunities for lower-skilled workers are expected to account for about 26% of the employment growth. The food processing, retailing, accommodation, business services and construction industries are expected to create most of these opportunities.

Medium to Long-term Employment Outlook

MBIE does not produce regional long-term employment forecasts, but, based on modelling by BERL, the key points on the national longer term employment outlook are that:

- Employment is projected to grow at about 1.9% per annum over the 2014-19 period, and by about 1.5% per annum over the subsequent five years to 2024.
- Moderate to strong employment growth is forecast for the retail trade and accommodation, business services, construction and utilities, and certain manufacturing industries, such as machinery and equipment and metal products.
- Service industries, including health care and social assistance and arts, recreation and other personal services, are forecast to experience moderate employment growth.
- Over the forecast period, employment growth will be weakest in the Primary sector. Weak to modest growth is also projected for the public sector, including education and training, and Public administration and safety.
- Employment growth will be strongest for highly-skilled occupations, including managers and professionals, which are projected to account for more than half of the total employment growth in the ten years to 2024.
- Opportunities for lower-skilled workers will be fewer, with annual growth of 1.3% over the 2014-19 period, and 0.8% during 2019-24. The construction and mining and quarrying industries will be a major source of employment for these workers in the medium-term, with manufacturing, transport and warehousing, and accommodation creating most of the remaining opportunities.

Outcome 1

Raising the skills and knowledge of the current and future workforce

As the analysis of the Social and Economic Context showed, the Wellington region has:

- a growing population;
- an economy that is relatively specialised in knowledge-intensive services; and
- a workforce that comprises mainly highly skilled occupations.

The programmes WelTec offers reflect these distinctive characteristics.

In 2015, WelTec delivered 158 programmes of study in areas including business, information technology, construction, engineering, creative industries, health and social services and hospitality.

A range of graduate, employer and student success related outcomes are reflected in the measures below.

Graduate outcome measures

The proportion of graduates gaining employment or going onto further study*	
Proportion of graduates gaining employment or going onto further study	75%
Proportion of graduates looking for employment	22%

Graduate satisfaction	
Have knowledge and skills for job/position	85% (+11% neither agree/disagree)
Work readiness	78% (+17% neither agree/disagree)
Qualification prepared me for future work requirements	85% (+10% neither agree/disagree)
Qualification developed skills and knowledge for future studies	91% (+7% neither agree/disagree)

Employer measures

Employer satisfaction	
Relevancy of training	90%
Relevancy of qualifications	91%
Work readiness of graduates	89%
Suitability of graduates for employer's future needs	92%

Student Success measures

2015 student success measures are referred to in the Educational Performance achievements in the Statement of Service Performance section.

Outcome 2

Raising the Skills and Knowledge of Priority Groups of Learners

The Tertiary Education Strategy 2014-2019 emphasised the need to improve the education and employment outcomes for 20-24 year olds, and to boost the achievements of Māori and Pasifika students.

WelTec is well connected to these priority groups and provides opportunities and support so these learners achieve positive educational outcomes.

Participation by Priority Groups in WelTec Delivery

		Māori	Pacific Islander	Under 25
Participation proportions of Priority Groups (% of Priority Group EFTS as % of total EFTS of the designated group)	Total WelTec cohort (ie All Funding Sources)	18%	11%	65%
	SAC:	21%	12%	62%
	YG:	23%	12%	100%
<i>The Wellington Regional population mix includes 13.5% Māori and 8.4% of Pacific Island origin.</i>				
<i>Source: 2013 Census¹</i>				

Graduate outcome measures

	Māori	Pacific Islander	Under 25
Proportion of graduates gaining employment or going onto further study	79%	73%	73%
Proportion of graduates looking for employment	19%	20%	25%

¹ http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-about-a-place.aspx?request_value=14322andtabname=Culturaldiversity

Employer measures

Employer satisfaction	Māori	Pacific Islander	Under 25
Relevancy of training	87%	100%	91%
Relevancy of qualifications	87%	100%	91%
Work readiness of graduates	86%	100%	89%
Suitability of graduates for employer's future needs	86%	100%	92%

Student Success measures

2015 Priority Group student success measures are referred to in the Educational Performance achievements in the Statement of Service Performance section.

Outcome 3 Enhancing environmental sustainability

During 2015, an internal "Sustainability Re-boot" was launched with an address to staff by the Environmental Manager of Fonterra. A team has been established following this event to champion sustainability at WelTec.

In late 2015, Hutt City Council established a new Environmental Advisory Group which WelTec joined. The aim of the group is to provide feedback to Council on environmental and sustainability issues, and the actions and outcomes of the Environmental Sustainability Strategy Implementation Plan.

WelTec continued with its efforts to reduce its impact on the environment with Enviro-Mark NZ Gold standard being retained in 2015.

Outcome 4 Contributing to the Growth of the Wellington Regional Economy

WelTec has a significant measurable impact on the regional and national economies as a result of its operational expenditure and the spending of its staff.

WelTec adds to the capability and capacity, and hence the performance, of the regional and national economies by educating and training the workforce and by supporting enterprises through research and business services.

In 2015, WelTec's operational expenditure was \$55.7M, and it employed 410 full time equivalent (FTE) staff. Just over half (51%) of the operational expenditure was funded from earned income, including tuition fees, teaching contracts and other income. Government grants funded the remaining operational expenditure.

The table following shows estimates by Business and Economic Research Ltd. (BERL) of WelTec's impact at regional and national level.

With multiplier* effects, WelTec generated almost \$92M of expenditure in the Wellington regional economy and around \$140M in the national economy in 2015. Similarly, the expenditure generated a total of almost \$70M in GDP (i.e. value added) in the regional economy and almost \$96M in the national economy. WelTec's direct employment is estimated to have generated total employment of 538 FTE jobs regionally and 713 nationally.

*The direct impacts are multiplied because WelTec's purchases of goods and services cause the suppliers to increase their own purchases, so requiring the suppliers' own suppliers to increase their purchases, and so on down the supply chain. The direct impacts are further multiplied when WelTec's staff, and the staff of the businesses in the supply chain, spend their wages and salaries, so causing shops and consumer service providers to increase their outputs and employment.

Impact on Wellington regional economy:

Impact on:	Direct	Total
Expenditure: (2015 \$m)	54.1	91.7
GDP (2015 \$m)	45.9	69.9
Employment	398	538

Impact on the New Zealand economy: **

Impact on:	Direct	Total
Expenditure: (2015 \$m)	55.7	136.6
GDP (2015 \$m)	47.0	95.9
Employment	410	713

Source: BERL

It should also be noted that the table presents conservative estimates of economic impact because they are based only on WelTec's operational expenditure and staff spending. Broadly speaking, the spending by each out-of-region domestic student and each international student is likely to add between 0.5 and 1.0 jobs to the regional economy, allowing for multiplier effects.

The Wellington Regional Strategy

The Wellington Regional Strategy 2012 – Growing a Sustainable Economy aims to: develop a resilient and diverse economy; retain and create high value jobs; and improve the region's relative economic position. In pursuit of these aims the Strategy has six focus areas. WelTec's teaching provision and other activities support three particular focus areas of the Strategy.

Focus area: Building world-class infrastructure

Regional economic prosperity is heavily dependent on the region's level of connectedness and resilience at local, national and international levels. This is in turn dependent on the quality of our foundation infrastructure and transport systems.

A feature of WelTec's provision is its range of engineering and information technology courses

For example, the Level 6 New Zealand Diploma in Engineering along with the Bachelor of Engineering Technology include an optional major in Civil Engineering, and the Bachelor of Information Technology includes an optional major in Networking.

Infrastructure building also requires a good supply of well-trained trades workers. As part of a Consortium with Whitireia, Ngāti Toa, Te Atiawa and Pasifika Churches, WelTec successfully bid to deliver training in 2015 under the banner of the Māori and Pasifika Trades Training (MPTT) initiative. The bid was based largely on the recognition that the Wellington region would require skills for a range of major infrastructure projects in the next decade or so. In 2015, we had 142 individuals enrolling in Māori and Pasifika Trades Training programmes – 81 Māori scholarships were awarded and 61 Pasifika.

The majority of students completing their training have found employment or have transitioned into further training.

Our work ready graduates contribute to major infrastructure projects including the Wellington Northern Corridor.

**The estimated impacts are larger at national level than at regional level because, Wellington's regional economy is likely to include only a portion of the supply chain benefitting from WelTec's expenditures, whereas the national economy is likely to include a much larger portion.

Focus area: Attracting business, investment and talent to the region

This focus area is about having a targeted approach to attracting businesses, potential investors, skilled migrants and students to the region.

With its portfolio of learning provision in construction, engineering, creative technologies, health and social services and hospitality, WelTec is playing an important role in ensuring that the region has the skills base that will enable its economy to grow.

WelTec was formally recognised by an independent panel convened by the Institution of Professional Engineers New Zealand (IPENZ) – New Zealand’s professional body for engineers – as having qualifications that meet international standards. WelTec’s Engineering Degree has been accepted for recognition within the Sydney Accord and the Engineering Diploma within the Dublin Accord

Throughout the year a number of events were held that supported new and ongoing business development in our region. Examples of such events included:

- A joint Tech To Tech - Student Engineers New Zealand event that provided an opportunity for people from local engineering and technology firms and WelTec engineering students to meet and share ideas.

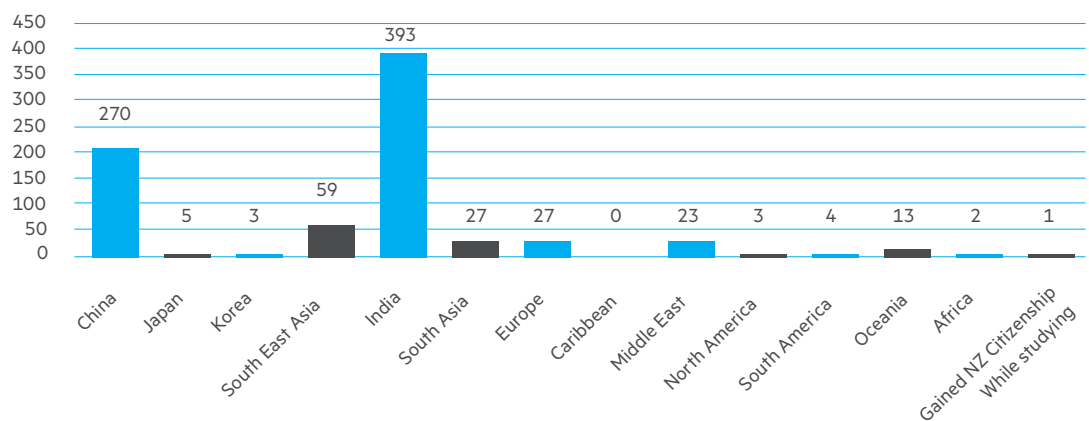
- An Institution of Refrigeration Heating Air Conditioning Engineers Trade Show event was held in October for professionals and trades people from the local building services and engineering community.
- A meeting of Natural Hazards Inc. was held at the Wellington Regional School of Construction providing information to local members of the engineering community about critical earthquake safety components in many major construction projects all over the globe and earthquake monitoring instrumentation.

During the year, WelTec published 4 editions of Connection magazine which links industry and our stakeholders with the latest WelTec news and achievements. Throughout 2015, WelTec contributed to initiatives aimed at increasing the number of international students choosing Wellington as a destination.

In 2015, 767 International students were enrolled with WelTec of which 432 enrolled for the first time. 409 qualifications were awarded to international students in 2015.

The table below indicates the citizenship affiliations of the 2015 international cohort.

2015 International Student Numbers: Citizenship



Focus area: Education and workforce development to service regional economy needs

This focus area is about building on existing connections and initiatives to grow the region’s skills and education base, and ensure the region’s specific skills needs are met.

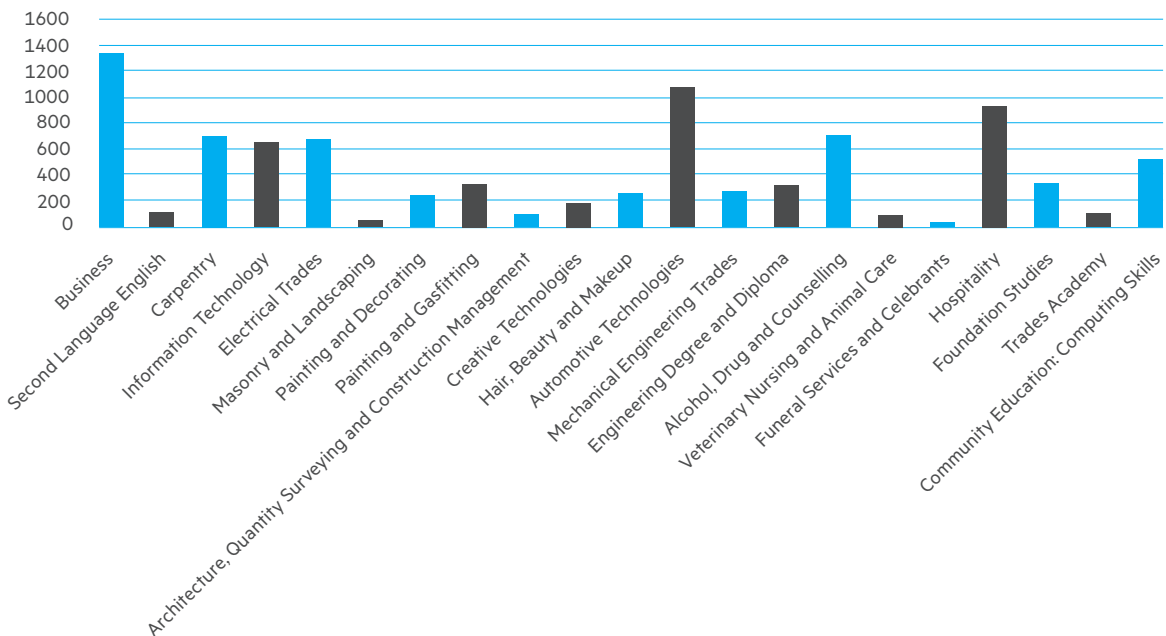
As an Institute of Technology, WelTec is dedicated to providing vocational education and training across a range of occupations and skills levels. In 2015, WelTec provided vocational courses as indicated in the graph below.

A total of 8,696 people were studying at WelTec during 2015, and 3,886 qualifications were awarded during the year.

WelTec has contractual relationships with 4 Industry Training Organisations and worked with 23 employers to provide literacy and numeracy support for staff members.

WelTec also has contracts with the Ministry of Social Development to deliver Construct Start, an introductory construction programme – along with Employment Pathway and Preparing for Employment training for 227 job seekers.

Numbers of Students Enrolled in 2015 in Different Areas of the Portfolio



Outcome 5 Contributing to the Growth of the National Economy

WelTec contributes significantly to the Skilled and Safe Workplaces and the Infrastructure components of the Government's Business Growth Agenda². The associated high-level goals of these are detailed below.

Skilled and safe workplaces

The Business Growth Agenda (BGA) reflects that a highly skilled workforce, safe and flexible workplaces and sensible regulation help make New Zealand an attractive place for businesses and workers. New Zealand needs to further develop an innovative, adaptable and inclusive education system that provides the skills necessary to succeed in an increasingly globalised labour market and to make this country a real hub of talent and ideas for the Asia-Pacific region. The BGA focus is on lifting achievement for every student, improving information and pathways for learners, increasing the relevance of tertiary education and building effective links between education and employment. This will ensure our education system provides the skills that businesses and workers need. Building skills to ensure workforce success for Māori and Pacific peoples, and supporting people moving from benefits into the workplace, are important elements in equipping all of our people to participate and succeed in our economy and society.

WelTec's provision is closely aligned to the objectives of making New Zealand's workplaces more skilled and productive.

WelTec graduates are well-equipped for employment and work productively throughout New Zealand. Their skills have enabled them to contribute to the New Zealand economy including the rapid growth of the Auckland economy. WelTec graduates are also involved in Wellington regional infrastructural activities such as the MacKays to Peka Peka roading project and the Canterbury rebuild.

WelTec plays a critical role in getting at-risk young people into a career (Priority 2: Tertiary Education Strategy 2014 -19). In 2015, we provided learning opportunities to 4,979 students aged under 25. Our Trades Academy provided learning opportunities for 139 secondary school age people in partnership with the student's school.

WelTec surveys employers annually to ensure that its graduates are meeting employers' needs and expectations.

The 2015 results show that 92% of employers agreed or agreed strongly that WelTec graduates have the skills required.

Perhaps more importantly in an era of rapidly changing technology, 93% of employers agreed or agreed strongly that WelTec graduates are able to acquire new skills readily.

WelTec contributed to the achievement of two key Better Public Service results in the area of boosting skills and employment, namely:

Increase the proportion of 18-year-olds with NCEA level 2 or equivalent qualification.

In 2015, WelTec delivered 3 NCEA Level 2 Vocational Pathway programmes in 2015 for the:

- Construction and Infrastructure Sector;
- Service Industries; and
- Social and Community Services Sector;

Development work was also undertaken for the provision of a NCEA Level 2 Vocational Pathway for the manufacturing and technology sector in 2016.

In 2015, 63 of our Trades Academy students gained a trades related qualification.

Increase the proportion of 25 to 34-year-olds with advanced trade qualifications, diplomas and degrees (at level 4 or above).

WelTec has significant offerings of advanced trade qualifications, diplomas and degrees at Levels 4-7. Excluding ITO students, 939 students aged 25-34 were enrolled in such qualifications in 2015. WelTec awarded 405 Level 4-7 qualifications to students aged 25 -34 (and another 671 to people aged under 25 and 571 to people aged 35 and over).

In addition, 398 ITO students aged 25-34 received tuition from WelTec during 2015.

Infrastructure

Appropriate, resilient infrastructure supports investment, growth and the quality of life in all parts of New Zealand. We cannot become more internationally connected, link our regions and cities, and reduce the impacts of distance without the necessary infrastructure. In order to improve our domestic and international flows of people, goods and information we will continue to work on removing the bottlenecks on our road networks, strengthening rail, sea and air infrastructure, completing the deployment of ultra-fast and rural broadband and improving infrastructure decision making. We will also focus on increasing competition and efficiency in residential construction, reforming the social housing sector, rebuilding Christchurch, improving water management and investing in social infrastructure (including schools and hospitals) in order to provide infrastructure that meets the ongoing needs of our communities.

The aim of this goal is that New Zealand's infrastructure is resilient and co-ordinated and contributes to economic growth and increased quality of life by 2030.

The contribution that WelTec makes to building a world class infrastructure for the Wellington Region, as noted under Outcome 4, is equally applicable to the national infrastructure.

WelTec's range of provision across National Qualification Framework (NQF) levels and technological disciplines is geared towards ensuring that businesses and households can benefit from the high quality hard and soft infrastructure that a modern, efficient economy requires.

BUSINESS PLAN PERFORMANCE

Goal 1

Academic Excellence: WelTec will be a leader in applied learning and educational outcomes by creating a more highly skilled and knowledgeable society with equitable representation of priority groups.

The number of Equivalent Fulltime Students (EFTS) enrolled in 2015 are detailed in the Statement of Service Performance Section.

Throughout the year strategies were implemented to improve learner success with a particular focus on priority learners, making use of available qualitative and quantitative data to identify students who would benefit from additional support. Specific action plans for courses with results below 60% successful completion were tabled with the Board of Studies, Executive Management Team and Academic Committee. The results of this effort is reflected in the year's course completion results in the Education Performance achievements in the Statement of Service Performance section.

The Pacific Action Plan was implemented.

The Memorandum of Understanding with Waiwhetu Marae continued to provide a mechanism to support both student and staff development through the Tamaiti Whangai approach. The Kaiwhakahaere Māori and Tamaiti Whangai staff provided cultural and pastoral support to both students and staff where and when appropriate.

LN (Literacy and Numeracy) is embedded for all students at Levels 1-3. The end of 2015 Tertiary Education Commission (TEC) report showed that assessment compliance exceeded both TEC expectations and the national averages.

Educational technology developments have included a consolidation of staff training and flexible learning strategies. Collaborative business planning with the Whitireia Online Learning Centre has resulted in a shared 2016 business plan.

Goal 2

Economic Growth: WelTec will be a driver of economic growth linking skill development to job creation.

The scoping of a two-year initiative was completed establishing research leadership and forward planning within WelTec. The Business plan for the first year of the resulting strategy was successfully implemented.

2015 Strategic Priority: Develop and maintain mutually beneficial partnerships with Industry to ensure we are delivering the most relevant programmes to enable skilled graduates to find jobs

A number of systems for engagement with industry were developed and tested with industry in an effort to provide consistency across the organisation. Forty five Industry Partnership Committee meetings were held. The Committees provided critical input to programme content as well as forward future planning. A series of industry focus groups were also run by the business partnership manager.

Progressing the creative technologies and applied arts campus has been a focus for the year. Industry-led fora identified how businesses and the creative and arts sectors want to associate with WelTec, Whitireia and the new campus. These focus groups also identified a number of potential new courses that industry are expressing a need for.

Our Jobs Brokers worked closely with many recruitment companies and employers, especially those involved with MacKays to Peka Peka, Transmission Gully and the railway yards as well as other professional businesses. We hosted numerous employer-led events and saw an increase in the number of referred vacancies as a result of these activities and a buoyant Wellington economy. Local builds such as Rymans Bob Scott Retirement Village continued to create significant job and training opportunities for graduates.

2015 Strategic Priority: Deliver a future-focused international strategy

International EFTS were 117% of 2015 target with a growth of 34% over 2014, and well above the average growth rate across the Institutes of Technology and Polytechnics (ITP) sector. Most EFTS growth occurred out of India (73%) and China (29%).

Results from the internationally-benchmarked International Student Barometer 2015 measuring international student satisfaction have indicated exceptional results for WelTec. WelTec was ranked first out of 6 participating New Zealand Metropolitan Institutes of Technology for student satisfaction in 26 of the 77 different aspects of the student experience measured in the survey, a significant improvement on 2013 results. WelTec was ranked first amongst the 10 participating New Zealand ITPs for "Recommendation" - 83% of WelTec students said they would recommend studying at WelTec.

Goal 3

Build a high-performing organisation

Throughout 2015 the Capability Development Unit provided programmes to support induction, training, the ongoing development of academic staff; and the development of leadership skills for managers.

A Work Environment Survey was conducted in 2015 with the commitment of repeating it on an annual basis. 400 individual staff members responded (92% response rate). The results showed 98% positive response from staff to caring about the success of WelTec.

In 2015 WelTec transitioned our Facilities team to W² Shared Services.

This jointly owned subsidiary (with Whitireia) now has three functional teams providing services in procurement, information and communications technology (ICT) services, and campus and facilities management. During the year progress was made in the development of a W² team culture and refinement of Service Level Agreements for use in 2016.

The NZQA external evaluation and review (EER) visit planned for 2015 was postponed until 2016 to allow for an internal review of the EER process by NZQA.

Financially WelTec finished below budgeted levels but ahead of internal forecasts. During the year WelTec agreed to an In Plan amendment to the TEC Investment Plan. This significant reduction in income was largely mitigated during the year with international student growth, increased contract income and minimisation of expenditure.

2015 Strategic Priority: Diversify income streams through business development aligned with our core strengths and with a focus on growing profits

A series of successful user pays programmes were run in 2015 including on the job training.

Goal 4

Valued Strategic Partnerships that deliver value

Strategic Partnership Milestones - Choice Protocol

A new management structure was developed and appointments made.

The Students First website was developed.

The name for the new creative technologies and applied arts campus on Cuba/Dixon Streets in the Wellington Central Business District was approved by the Council and a joint business plan commenced development.

A Prime Property Contractor was approved for both institutions.

Masterate programmes in health and IT provided jointly by both WelTec and Whitireia were approved.

New terms of reference for the Combined Academic Board and new subcommittee structure were approved by the Council.

WelTec, Whitireia and Victoria University of Wellington (VUW) jointly were awarded funding for a Wellington-based Information and Communications Technology (ICT) Graduate School in October.

Consolidation of delivery and sharing of campuses in Auckland.

Part-time delivery by the Wellington Trades Academy was introduced along with Trades Academy delivery to Porirua secondary schools by Whitireia.

Much work was done on joint policy development (academic compliance, health and safety, Vulnerable Children Act) and consistent reporting across WelTec and Whitireia.

INVESTMENT PLAN

STATEMENT OF SERVICE: PERFORMANCE COMMITMENTS

Economic Development Contribution

Employer Satisfaction

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
Relevant qualifications ³	88%	90%	91%
Work readiness of WelTec graduates ⁴	94%	94%	89%

Student Graduate Destinations

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
Proportion graduates gaining employment or going onto further study ⁵	80% (employment 61%; further study 19%)	80%	75% (employment 52%; further study 23%)

Research

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
% of FTE degree and postgraduate teaching staff engaged in active research projects	New measure for 2015	85%	48%
Number of quality assured research outputs	New measure for 2015	120 ⁶	55

International Student Contribution

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
International EFTS	365	420	491

Economic Impact

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
Direct and indirect economic impact of WelTec on the Wellington Region	Narrative published in outcomes section of 2014 Annual Report	Published report	Report published

Economic Impact

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
% of revenue from non-TEC funded related activities	New measure for 2015	25%	28%

³ As assessed by the annual Employer Satisfaction survey.

⁴ As assessed by the annual Employer Satisfaction survey.

⁵ As assessed by employment outcome surveys - undertaken shortly after programme completion.

⁶ The basis of the target when it was developed was the total number of refereed and non-refereed research outputs produced. In 2015 as per the SSP, only quality assured outputs have been reported.

Academic Achievement

Provision by Funding Source (EFTS)

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
SAC			
Level 1 to 2	155	165	145
Level 3 and above	2,523	2,469	2,446
Total	2,678	2,634	2,591
YG			
Level 1 to 2	93	62	62
Level 3 and above	58	65	65
Total	151	127	127
Other			
Secondary School based delivery ⁷	316	280	298
ITO	448	360	444
Full fee and contracts	103	40	68
Adult and Community Education	39	50	47
International	365	420	491
Total	4,100	3,911	4,066

Priority Groups – Participation

Objectives		Measures		
		2014 Actual	2015 Planned	2015 Actual
SAC				
Māori	All levels	19%		21%
	Level 1 to 2	1.5%	2%	1.6%
	Level 3 and above	17%	17%	19%
Pacific	All levels	11%		12%
	Level 1 to 2	0.9%	1%	0.7%
	Level 3 and above	10%	10%	11%
Under 25	All levels	63%		61%
	Level 1 to 2	3.4%	5%	3.1%
	Level 3 and above	60%	60%	58%
YG				
Māori	All levels	26%	48%	23%
Pacific	All levels	20%	10%	12%

⁷ Trades Academy and STAR.

Educational Performance

Objectives		Measures		
		2014 Actual	2015 Planned	2015 Actual
SAC				
All Students				
Course Completion	All levels	81%	80%	81%
	Level 1 to 2	75%	80%	80%
	Level 3 and above	82%	82%	81%
Qualification Completion	All levels	76%	76%	69%
	Level 1 to 2	71%	75%	77%
	Level 3 and above	76%	76%	68%
Student Retention	All levels	76%	70%	76%
Student Progression	Level 1 to 3	39%	44%	32%
Māori				
Course Completion	Level 1 to 2	63%	76%	78%
	Level 3 and above	79%	76%	75%
Qualification Completion	Level 1 to 2	52%	70%	72%
	Level 3 and above	72%	68%	63%
Pasifika				
Course Completion	Level 1 to 2	66%	80%	66%
	Level 3 and above	75%	76%	69%
Qualification Completion	Level 1 to 2	60%	70%	62%
	Level 3 and above	63%	68%	54%
Learners aged Under 25				
Course Completion	Level 1 to 2	71%	80%	79%
	Level 3 and above	80%	81%	78%
Qualification Completion	Level 1 to 2	66%	75%	77%
	Level 3 and above	68%	76%	63%
YG				
All Students				
Course Completion	All levels	76%	79%	80%
Qualification Completion	All levels	66%	73%	73%
Māori				
Course Completion	All levels	58%	79%	73%
Qualification Completion	All levels	46%	73%	66%
Pasifika				
Course Completion	All levels	70%	79%	75%
Qualification Completion	All levels	58%	73%	73%
International				
Course Completion	All levels	86%	88%	87%
	Level 1 to 2	60%		72%
	Level 3 and above	89%		88%
Qualification Completion	All levels	75%	82%	71%

Student Satisfaction

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
SAC and YG			
All students	93%	95%	96%
Māori	95%	95%	99%
Pacific	96%	95%	98%
Under 25s	94%	95%	97%
International			
International	Not reported	95%	96%

LLN

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
SAC and YG			
The proportion of EFTS assessed as requiring additional literacy and numeracy who are enrolled in level 1 - 3 provision and make literacy and numeracy progress as measured by the Literacy and Numeracy for Adults Assessment Tool	For students who were assessed 70%: gain for reading 82%: gain for numeracy	70%	For students who were assessed 69%: gain for reading 65%: gain for numeracy

Valued Partnerships

Key Stakeholder Satisfaction

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
Whole of organisation indicator			
Māori	New measure	Report published	These were planned 2015/2016 Investment Plan Outputs. Reports will be published in 2016.
Pasifika	New measure	Report published	
Key Government agencies	New measure	Report published	
Regional and local government	New measure	Report published	
Wellington Region Secondary Schools	New measure	Report published	

Progress with key Choice Protocol priorities

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
Whole of organisation indicator			
Choice Protocol progress	New measure for 2015	Report published	Achieved

High Performing Organisation

Financial Strength and Sustainability

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
Whole of organisation indicator			
Financial Strength			
Financial Surplus % ⁸ (Operating Surplus/ Total Revenue)	2.3%	1.5%	2.1%
Financial Sustainability			
Teaching FTE to EFTS Ratio	1:19	1:20	1:19

Infrastructure and Systems

Objectives	Measures		
	2014 Actual	2015 Planned	2015 Actual
Whole of organisation indicator			
Environ Mark Gold level maintained	New measure for 2015	Maintained	Achieved
Staff Engagement ⁹	New measure for 2015	Benchmark	A Work Environment Survey (WES) was completed and a Steering Group was established to provide leadership oversight for the development of a WES project plan and its implementation.

⁸ Three year moving average net surplus ratio

⁹ From Work Environment Survey

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Note	GROUP			PARENT		
		2015 Actual \$000	2015 Budget \$000	2014 Actual \$000	2015 Actual \$000	2015 Budget \$000	2014 Actual \$000
Revenue							
Revenue from non-exchange transactions							
Government funding	2	28,000	30,565	28,627	28,000	30,565	28,627
Tuition funding	3	10,212	12,743	10,853	10,212	12,743	10,853
Revenue from exchange transactions							
Tuition funding	4	8,600	6,819	6,582	8,556	6,819	6,582
Other teaching	5	3,918	3,139	3,655	3,918	3,139	3,655
Other income	6	5,705	5,698	5,090	2,703	2,602	2,322
Interest and dividend income		431	258	699	423	258	699
Total operating income		56,866	59,222	55,506	53,812	56,126	52,738
Cost of services							
Personnel	7	31,049	31,998	30,928	30,676	31,709	30,573
Teaching delivery		4,558	4,530	3,711	4,458	4,501	3,679
Administration	8	7,154	7,330	7,054	6,961	7,110	6,891
Infrastructure	9	8,946	8,594	8,582	6,158	6,053	6,022
Depreciation and amortisation	10	3,945	4,695	4,080	3,921	4,695	4,061
Total cost of services		55,652	57,147	54,355	52,174	54,068	51,226
Operating profit		1,214	2,075	1,151	1,638	2,058	1,512
Non operating items (expense)							
Non operating items (expense)	11	(204)	-	(852)	(450)	-	(852)
Share of jointly controlled entities (loss)	14	145	-	-	-	-	-
Profit		1,155	2,075	299	1,188	2,058	660
Other comprehensive revenue and expenditure							
Movement in property revaluation reserve	24	2,837	-	1,192	2,837	-	1,192
Movement in plant revaluation reserve	24	(18)	-	(79)	(18)	-	(79)
Total comprehensive revenue and expenditure		3,974	2,075	1,412	4,007	2,058	1,773

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Note	GROUP			PARENT		
		2015 Actual \$000	2015 Budget \$000	2014 Actual \$000	2015 Actual \$000	2015 Budget \$000	2014 Actual \$000
Balance at 1 January		73,938	72,760	72,526	73,910	72,437	72,137
Comprehensive income							
Profit for the year		1,155	2,075	299	1,188	2,058	660
Other comprehensive income		2,819	-	1,113	2,819	-	1,113
Total comprehensive income		3,974	2,075	1,412	4,007	2,058	1,773
Balance at 31 December		77,912	74,835	73,938	77,917	74,495	73,910

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	Note	GROUP			PARENT		
		2015 Actual \$000	2015 Budget \$000	2014 Actual \$000	2015 Actual \$000	2015 Budget \$000	2014 Actual \$000
Current assets							
Cash and cash equivalents	25	11,226	6,157	8,938	10,692	5,576	8,267
Receivables	12	5,629	4,967	6,414	5,591	4,943	6,293
Inventory	13	289	20	295	289	20	295
Total current assets		17,144	11,144	15,647	16,572	10,539	14,855
Non current assets							
Investment in subsidiary	14	-	-	-	-	-	-
Investment in associate and jointly controlled entities	15	723	1,777	577	140	1,340	140
Property, plant and equipment	16	77,021	75,549	73,192	76,994	75,515	73,158
Intangible assets	17	364	735	560	354	717	541
Total non current assets		78,108	78,061	74,329	77,488	77,572	73,839
Total assets		95,252	89,205	89,976	94,060	88,111	88,694
Current liabilities							
Payables	18	5,592	5,292	6,991	5,492	5,027	6,526
Employee benefit provisions	19	2,688	2,144	2,684	2,664	2,134	2,664
Income in advance	20	8,294	6,745	5,893	7,812	6,266	5,415
Total current liabilities		16,574	14,181	15,568	15,968	13,427	14,605
Non current liabilities							
Employee benefit provisions	21	171	185	175	171	185	175
Other non current liabilities		595	4	295	4	4	4
Total non current liabilities		766	189	470	175	189	179
Total liabilities		17,340	14,370	16,038	16,143	13,616	14,784
Net assets		77,912	74,835	73,938	77,917	74,495	73,910
Equity							
Crown equity	22	39,332	39,332	39,332	39,332	39,332	39,332
Retained earnings	23	9,105	8,847	7,950	9,110	8,507	7,922
Reserves	24	29,475	26,656	26,656	29,475	26,656	26,656
Total equity		77,912	74,835	73,938	77,917	74,495	73,910

The accompanying notes form part of these financial statements

STATEMENT OF CASHFLOWS

For the year ended 31 December 2015

	Note	GROUP			PARENT		
		2015 Actual \$000	2015 Budget \$000	2014 Actual \$000	2015 Actual \$000	2015 Budget \$000	2014 Actual \$000
Cash flows from operating activities							
Receipts from customers		59,372	58,680	55,838	56,370	55,612	52,395
Interest received		444	274	574	409	258	573
Payments to suppliers and employees		(52,866)	(53,308)	(48,187)	(49,698)	(50,134)	(45,354)
GST (net)		164	-	(234)	158	-	(241)
Net cash provided by/(used in) operating activities	25	7,114	5,646	7,991	7,239	5,736	7,373
Cash flows from investing activities							
Receipts from sale of property, plant and equipment		5	-	-	5	-	-
Purchase of property, plant and equipment		(4,724)	(6,768)	(10,595)	(4,712)	(6,768)	(10,551)
Purchase of intangible assets		(107)	(459)	(472)	(107)	(459)	(459)
Investment in associate		-	(1,200)	-	-	(1,200)	-
Net cash (used in)/provided by investing activities		(4,826)	(8,427)	(11,067)	(4,814)	(8,427)	(11,010)
Net (decrease)/increase in cash and cash equivalents		2,288	(2,781)	(3,076)	2,425	(2,691)	(3,637)
Cash and cash equivalents at the beginning of the financial year		8,938	8,938	12,014	8,267	8,267	11,904
Cash and cash equivalents at the end of the financial year	25	11,226	6,157	8,938	10,692	5,576	8,267
Represented by:							
Cash at bank and in hand		2,947	2,869	2,869	2,671	2,199	2,198
Term deposits - BNZ Bank		4,258	220	3,000	4,000	310	3,000
Term deposits - Westpac		4,021	3,068	3,069	4,021	3,067	3,069
		11,226	6,157	8,938	10,692	5,576	8,267

The GST (net) component of operating activities reflects the net GST paid to and received from Inland Revenue. 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.

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

Reporting Entity

Wellington Institute of Technology (WelTec) is a Crown Entity governed by the Crown Entities Act 2004 and the Education Act 1989. It provides full-time and part-time tertiary education in New Zealand.

WelTec and Group consists of Wellington Institute of Technology and its trading subsidiary WelTec Student Accommodation Limited (100% owned), and non-trading subsidiaries WelTec Enterprises Limited (100% owned) and WelTec Connect Limited (100% owned). WelTec Connect Limited has a 43.15% interest in Le Cordon Bleu New Zealand Institute Limited Partnership which is equity accounted. WelTec has a 50% interest in W² Shared Services Limited and W² Ventures Limited. WelTec also has a 50% interest two unincorporated joint ventures - Cybus and Computer Power Plus. All jointly owned entities are equity accounted into the Group financial statements.

The primary objective of WelTec and Group is to provide tertiary education services for the benefit of the community rather than making a financial return.

The financial statements of WelTec and the Group are for the year ended 31 December 2015. The financial statements were authorised for issue by the Council on 20 April 2016.

Basis of Preparation

Statement of Compliance

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, and the requirements of the Crown Entities Act 2004 and the Education Act 1989. WelTec and the Group is a public benefit entity for the purpose of complying with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements of WelTec and the Group comply with Public Benefit Entity (PBE) standards. The financial statements have been prepared in accordance with Tier 1 PBE standards.

Measurement base

The financial statements have been prepared on a historical cost basis, except for land, buildings and plant, which have been measured at fair value.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000), except where indicated. The functional currency of WelTec and Group is New Zealand dollars (NZ\$).

Effect of first-time adoption of PBE standards on accounting policies and disclosures

This is the first set of financial statements of WelTec and Group that is presented in accordance with PBE standards. WelTec and Group have previously reported in accordance with NZ IFRS (PBE).

The accounting policies adopted in these financial statements are consistent with those of the previous financial year, except for instances when the accounting or reporting requirements of a PBE standard are different to requirements under NZ IFRS (PBE) as outlined below.

The changes to accounting policies and disclosures caused by first time application of PBE accounting standards are as follows:
PBE IPSAS 23: Revenue from Non-Exchange Transactions
PBE IPSAS 23 prescribes the financial reporting requirements for revenue arising from non-exchange transactions.

There is no equivalent financial reporting standard under NZ IFRS. The application of this standard effected the Group's accounting for government grant and domestic student fee income. In the previous financial year government grants and domestic student fee income were recognised on a consumption basis once entitlement to the funding was achieved. However, PBE IPSAS 23 requires revenue from non-exchange transactions, such as government grants, to be recognised as revenue as soon as the inflow of resources can be recognised as an asset in the financial statements, unless the inflow of resources meets the definition of and recognition criteria for a liability. Non-exchange income can only be deferred and recognised as a liability if there is a condition attached to the income that requires an entity to use the income as specified or return the cash to the grantor.

Application of PBE IPSAS 23 to government grant funding has resulted in non-student delivery funding being recognised 12 months earlier than reported in 2013 and 2014.

Application of PBE IPSAS 23 to domestic student fee income has resulted in income previously considered "straddling" income being fully recognised in the year in which the students study contract became unconditional.

The current year and comparative figures in the statement of financial performance and statement of financial position for 2013 and 2014 have been amended accordingly, as follows:

Impact on Financial Statements

	WelTec and Group	
	As at 1 Jan 2014	Year ended 31 Dec 2014
	\$000	\$000
Increase in domestic students tuition funding	262	306
Increase/(decrease) in government funding	855	(157)
Net impact on retained earnings	1,117	-
Net impact on net profit	-	149

Impact on net assets/equity:

Increase in opening retained earnings		1,117
Increase in 2014 net profit		149
Net impact on net assets/equity		1,266
Impact on Statement of Financial Position:		
Increase in receivables		698
Decrease in income in advance		568
Net impact on net assets		1,266

Changes in accounting policies

There have been no changes in accounting policies during the financial year other than as noted on the previous page.

Prior period adjustment

The accounting cost of a lease arrangement that began in 2014 has been re-assessed during the period. As a consequence of this re-assessment the 2014 Statement of Comprehensive Income and Statement of Financial Position have been adjusted to reflect an increase in infrastructure costs and non-current other payables liability of \$291k.

Significant Accounting Policies

Basis of consolidation

The Group financial statements are prepared by adding together the like items of assets, liabilities, equity, income, expenses and cash flows on a line by line basis for all entities in the Group. All significant intra-group balances, transactions, income, and expenses are eliminated in full on consolidation.

Subsidiaries

WelTec consolidates in the Group financial statements all entities where WelTec has the capacity to control the financing and operating policies of an entity so as to obtain benefits from the activities of the entity. Investments in subsidiaries are carried at cost in the WelTec parent entity financial statements and tested for impairment on an annual basis.

Associates and joint ventures

WelTec's associate and joint venture investments are accounted for in the Group financial statements using the equity method.

An associate is an entity over which WelTec has significant influence and that is neither a subsidiary nor an interest in a joint venture. A joint venture is an entity over which Weltec has joint control. The investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the associate or joint venture after the date of acquisition. The Group's share of the profit or loss is recognised in the Group profit or loss. Distributions received from an associate or joint venture reduce the carrying amount of the investment in the Group financial statements.

If the share of losses of an associate or joint venture equals or exceeds an interest in the associate or joint venture, the Group discontinues recognising its share of further losses. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group will resume recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Where the Group transacts with an associate or joint venture, profit or losses are eliminated to the extent of the Group's interest in the relevant associate. Investments in associates and joint ventures are carried at cost in the WelTec parent entity financial statements and tested annually for impairment.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to WelTec and Group and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

Government grants

Government grants are recognised when eligibility to receive the grant has been established. For Student Component Funding, entitlement is established upon the withdrawal period for an individual's course of study having passed. For project-based grants, entitlement is established upon the completion of agreed milestones.

Student tuition fees

Revenue from student tuition fees is recognised in the statement of comprehensive income on entitlement. Where funds have been received but not earned at balance date, an Income in Advance liability is recognised.

Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract at balance date.

Interest revenue

Interest revenue is recognised on a time-proportionate basis that takes into account the effective yield on the financial asset.

Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments net of lease inducements under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Foreign Currency Translation

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

Cash and Cash Equivalents

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet. Loans and receivables

Receivables

Trade receivables, student receivables and other receivables are recorded at their amortised cost, less any provision for impairment

Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or nominal cost), the cost of inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present condition and location are accounted for as follows: Consumables and work in progress - purchase cost on a first in, first out basis. The Groups consumables includes food stuffs and beverages, while work in progress includes framing, joinery and roofing items.

Property, Plant and Equipment

Land and buildings

Land and buildings are measured at fair value. Fair value is determined on the basis of an annual independent valuation prepared by registered valuers. Land values are based on discounted cash flows or capitalisation of net income (as appropriate). Buildings are valued based on depreciated replacement cost. This methodology is an acceptable estimate of fair value due to the lack of market-based evidence for education delivery purposes.

Any revaluation increase arising on the revaluation of land and buildings is credited to the appropriate revaluation reserve, except to the extent that it reverses a revaluation decrease for the same class of asset previously recorded as an expense in the statement of comprehensive income, in which case the increase is credited to the statement of comprehensive income to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings is charged as an expense in the statement of comprehensive income to the extent that it exceeds the balance, if any, held in the asset revaluation reserve.

Plant

Plant is measured at fair value. Fair value is determined on the basis of a three yearly independent valuation prepared by registered valuers based on discounted cash flows.

Any revaluation increase arising on the revaluation of plant is credited to the appropriate revaluation reserve, except to the extent that it reverses a revaluation decrease for the same class of asset previously recorded as an expense in the statement of comprehensive income, in which case the increase is credited to the statement of comprehensive income to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of plant is charged as an expense in the statement of comprehensive income to the extent that it exceeds the balance, if any, held in the asset revaluation reserve.

Other property, plant and equipment

All other 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 WelTec and Group and the cost of the item can be measured reliably.

An item of property, plant and equipment is stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of the acquisition.

Assets under construction

Assets under construction are disclosed separately. Upon completion, the asset's total cost is transferred to the appropriate asset class, at which point depreciation begins

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the profit or loss. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to general funds.

Depreciation

Depreciation has been provided on all property, plant and equipment, excluding land. Depreciation is calculated on a straight-line basis, at rates that expense the assets' cost (or valuation) to their estimated residual values over their useful life.

The useful life of each class of asset is as follows:

Leasehold improvements are depreciated over the shorter period of the useful life of the asset or the unexpired period of the lease. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Buildings	10 - 50 years	2% - 10%
Leasehold improvements	2 - 15 years	7% - 50%
Plant	3 - 30 years	3% - 33%
Equipment	3 - 5 years	20% - 33%
Furniture and fittings	5 years	20%
Library collection	5 years	20%
Hardware	3 years	33%

Intangible Assets

Intellectual property costs

Development costs for new intellectual property internally developed or acquired which have a benefit of more than one year have been capitalised. Such costs are expected to be recovered, and are amortised on a straight-line basis over the period of their expected useful lives, being three years.

Software

All software purchased or created by WelTec and Group which have a benefit of more than one year have been capitalised. Such costs are expected to be recovered, and are amortised on a straight-line basis over the period of their expected useful lives, being three years.

Assets under construction

Course development and software assets under construction are treated as an intangible asset until completion. Upon completion of a project, the total cost is transferred to the appropriate asset class, at which point amortisation begins.

Impairment of Property, Plant, and Equipment and Intangible Assets

Assets that are not revalued are reviewed for indicators of impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. All assets held by WelTec are cash generating units. 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 asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a discount rate that reflects current market assessments of the time value of money.

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 with an impairment loss recognised in the profit or loss.

Payables

Trade payables and other accounts payable are recognised when WelTec and Group becomes obliged to make future payments resulting from the purchase of goods and services.

Employee Benefits

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 rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the historical average amount of additional days used by staff to cover those future absences.

A liability and an expense is recognised for bonuses, where there is a contractual obligation.

Long term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement leave have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- The present value of the estimated future cash flows.

Expected future payments are discounted using the official cash rate. The inflation factor is based on the expected long-term increase in remuneration for employees.

Presentation of employee entitlements

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

Superannuation Schemes

Defined contribution schemes such as employer contributions to KiwiSaver, the Government Superannuation Scheme and other such superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the profit or loss when incurred.

Equity

Equity, being the difference between total assets and total liabilities reflects the Crown's interest in WelTec and Group. This public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specific uses/sources of accumulated funds. The components of equity are:

- Crown equity
- Retained earnings
- Reserves

Reserves

WelTec and Group has an asset revaluation reserve which has been generated by the revaluation of plant, land and buildings, as outlined in the Property, Plant and Equipment policy.

Goods and Services Tax

All items in the financial statements are stated exclusive of goods and services tax (GST), except for trade and other receivables and trade and other payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax then it is

recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to Inland Revenue is included as part of receivables or payables in the balance sheet.

The net GST paid to, or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST

Income Tax

Tertiary institutions are exempt from payment of income tax, as they are treated by Inland Revenue as charitable organisations. Accordingly, no income tax is provided for.

Budget Figures

The budget figures are those approved by the Council at the beginning 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 the financial statements.

Provisions

Provisions are recognised when: a present obligation (legal or constructive) arises as a result of a past event; 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 cash flows 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 balance date, and adjusted to reflect the current best estimate. When it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

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

Cost of Services

WelTec and Group has presented an analysis of its cost of services on the face of the statement of comprehensive income and within the notes to the accounts utilising a classification based on the underlying nature of the expenses.

Critical accounting estimates and assumptions

In preparing these financial statements, WelTec and Group 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 or 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:

Land, buildings and plant valuation

Note 16 provides information about the estimates and assumptions exercised in the measurement of revalued land, buildings and plant.

Retirement leave

Note 21 provides information about the estimates and assumptions exercised in the measurement of retirement leave.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies for the year ended 31 December 2015:

Crown-owned land and buildings

Crown-owned land and buildings are included as part of WelTec and Group's property, plant and equipment. Although legal title has not been transferred, the Crown has vested all the normal risks and rewards of ownership to WelTec and Group.

Restrictions on disposal of these Crown owned land and buildings are in place, as per section 192 of the Education Act 1989.

Distinction between revenue and capital contributions

Most Crown funding received 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, WelTec and Group accounts for the funding as an equity injection directly in equity. Information about equity

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
2 NON EXCHANGE GOVERNMENT FUNDING				
TEC Student Achievement Component	23,199	23,716	23,199	23,716
TEC Adult and Community Education	207	171	207	171
TEC Youth Guarantee	1,625	1,904	1,625	1,904
TEC Trades Academy	1,716	1,492	1,716	1,492
TEC Equity funding	152	157	152	157
TEC On-plan funding	386	482	386	482
TEC Off-plan funding	665	705	665	705
MSD E Tu Whanau grant	50	-	50	-
	28,000	28,627	28,000	28,627
3 NON EXCHANGE TUITION FUNDING				
Domestic students	10,212	10,853	10,212	10,853
	10,212	10,853	10,212	10,853
4 EXCHANGE TUITION FUNDING				
Domestic students	241	318	241	318
International students	7,761	5,664	7,761	5,664
Other fees	598	600	554	600
	8,600	6,582	8,556	6,582
5 OTHER TEACHING				
Contract students	3,242	3,324	3,242	3,324
Generic contract income	189	185	189	185
MSD contract income	388	146	388	146
TEC contract income	99	-	99	-
	3,918	3,655	3,918	3,655
6 OTHER INCOME				
Trading income	4,253	3,638	1,290	947
Other income	1,452	1,452	1,413	1,375
	5,705	5,090	2,703	2,322
7 PERSONNEL				
<i>Key Management Compensation:</i>				
Executive Management Team (note 31)	1,402	1,241	1,402	1,241
Council fees (note 31)	65	75	65	75
<i>Staff Compensation:</i>				
Short term employee benefits	28,593	28,622	28,224	28,274
Defined contribution plan employer contributions	527	527	523	523
Associated personnel expenses	462	463	462	460
	31,049	30,928	30,676	30,573
8 ADMINISTRATION				
Administrative expenditure	6,909	6,331	6,727	6,176
Non personnel research expense	45	127	45	127
Doubtful debts	73	476	73	476
Remuneration of external auditors	127	120	116	112
	7,154	7,054	6,961	6,891

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
9 INFRASTRUCTURE				
Information and computer technology	1,028	946	1,004	935
Insurance	876	1,016	661	784
Loss on disposal of assets	66	1	66	1
Operating leases	4,412	4,214	2,139	2,201
Occupancy	2,564	2,405	2,288	2,101
	8,946	8,582	6,158	6,022

10 DEPRECIATION AND AMORTISATION

Depreciation	3,641	3,777	3,626	3,767
Amortisation	304	303	295	294
	3,945	4,080	3,921	4,061

11 NON OPERATING ITEMS

Redundancies	(204)	(130)	(204)	(130)
WelTec Student Accommodation equity	-	-	(246)	-
Gain on revaluation of N Block	-	27	-	27
Students First - joint expenses with Whitireia	-	(87)	-	(87)
Students First - campus development	-	(344)	-	(344)
WelTec Connect related contract delivery	-	(318)	-	(318)
	(204)	(852)	(450)	(852)

12 TRADE AND OTHER RECEIVABLES

Student receivables	4,316	4,470	4,316	4,470
Trade receivables	1,174	1,775	1,136	1,473
Related party receivables (note 31)	372	857	372	1,038
less provision for impairment	(233)	(688)	(233)	(688)
	5,629	6,414	5,591	6,293

Fair value

Student receivables are inclusive of exchange and non-exchange transactions. All student fees are due before a course commences or upon enrolment if the course has already begun. Student fee receivables are non-interest bearing and are generally paid in full by course commencement date. Therefore, their carrying value approximates their fair value.

Other receivables are non-interest bearing and are generally settled on 30-day terms. Therefore the carrying value of other receivables approximates their fair value.

The ageing profile of student receivables as at year end is detailed below.

Not past due	4,025	3,997	4,025	3,997
Past due 1 – 30 days	3	-	3	-
Past due 31 – 60 days	65	150	65	150
Past due 61 – 90 days	8	48	8	48
Past due over 90 days	215	275	215	275
	4,316	4,470	4,316	4,470

All receivables greater than 30 days in age are considered to be past due. There are provisions for impairment on receivables with overdue amounts. Due to the large number of student fee receivables, the impairment assessment is performed on a collective basis, based on an analysis of past collection history and debt write-off. Movements in the provision for impairment of receivables are as follows:

At 1 January	(688)	(332)	(688)	(318)
Provisions reversed during the year	444	-	444	-
Bad debts written off against provision during the year	84	120	84	106
Provision released/(additional provision made) during the year	(73)	(476)	(73)	(476)
At 31 December	(233)	(688)	(233)	(688)

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
13 INVENTORY				
Work in progress - at cost	266	276	266	276
Finished goods - at cost	23	19	23	19
	289	295	289	295
14 INVESTMENT IN SUBSIDIARY				
Share in WelTec Enterprises Limited	-	-	-	-
Share in W ² Ventures Limited	-	-	-	-
Share in WelTec Connect Limited	-	-	-	-
Share in WelTec Student Accomodation Limited	-	-	-	-

WelTec established WelTec Enterprises Limited in 2014 to become the new holding company for 100% WelTec owned subsidiaries and associated trading entities. At the same time W² Ventures Limited was established to be the holding company for any subsidiary or associated entity owned on a 50%/50% basis with Whitireia Community Polytechnic. As at 31 December no trading had been undertaken by either of these entities.

WelTec Connect Limited a 100% owned subsidiary ceased trading in 2013 with the investment and all outstanding balances fully impaired within the 2013 financial year.

WelTec Student Accomodation Limited is a 100% owned subsidiary that provides student accomodation services located at 222 Willis Street, Wellington.

15 INVESTMENT IN ASSOCIATE AND JOINTLY CONTROLLED ENTITIES	2015 Actual \$000	2014 Actual \$000
Investment in Associate (Parent and Group)		
MotorTrain Limited	-	-

MotorTrain Limited is a shell company in which WelTec holds a 25% interest. No transactions were incurred during the year.

Investment in jointly controlled entities

W² Shared Sevices Limited

W² Shared Services Limited is jointly owned on a 50%:50% basis with Whitireia Community Polytechnic and began trading in January 2015 to replace the unincorporated joint venture structure utilised in 2014. W² Shared Services Limited has nil net assets, nil profit and no equity invested. WelTec and Whitireia are debtors to W² Shared Sevices Limited. Refer Related Party note 31.

Le Cordon Bleu New Zealand Institute Limited Partnership

WelTec Connect Limited holds the Groups investment in Le Cordon Bleu New Zealand Institute (LCBNZI), being a 43.15% investment in the Le Cordon Bleu New Zealand Institute Limited Partnership and a 33.3% shareholding in LCB Management NZ Limited, the General Partner of the Limited Partnership.

WelTec and LCBNZI jointly developed premises at 52 Cuba Street in Wellington City. WelTec's School of Hospitality and LCBNZI co-locate in this facility. Academic delivery commenced in September 2012. WelTec fully impaired its investment in LCBNZI in 2013 based on forecasted financial results for the medium term.

Parent and Group	2015 Actual \$000	2014 Actual \$000
Investment in Le Cordon Bleu New Zealand Institute Limited Partnership		
Assets		
Current assets	551	379
Non current assets	1,896	2,123
Total assets	2,447	2,502
Liabilities		
Current liabilities	(1,964)	(2,081)
Non current liabilities	(68)	(76)
Total liabilities	(2,032)	(2,157)
Income	1,969	1,372
Expenses	(1,900)	(1,806)
Profit/(Loss)	69	(434)
Share of joint venture's contingent liabilities	-	-
Share of joint venture's commitments	2,014	2,109

Cybus

WelTec and Universal College of Learning (UCOL) have a 50% interest in a joint venture, Cybus, which undertakes academic and support services on contract to the Le Cordon Bleu New Zealand Institute Limited Partnership. The following amounts represent the Group's share of the assets, liabilities, income and expenses of the joint venture:

Group	2015 Actual \$000	2014 Actual \$000
Investment in Cybus	-	-
Assets		
Current assets	398	240
Non current assets	-	-
Total assets	398	240
Liabilities		
Current liabilities	(398)	(240)
Non current liabilities	-	-
Total liabilities	(398)	(240)
Income	1,649	1,220
Expenses	(1,649)	(1,220)
Profit/(Loss)	-	-
Share of joint venture's contingent liabilities	-	-
Share of joint venture's commitments	-	-

Computer Power Plus

WelTec and Whitireia Community Polytechnic have a 50% interest in a joint venture, Computer Power Plus, which undertakes academic and support services on contract to Whitireia New Zealand Limited. The following amounts represent the group's share of the assets, liabilities, income and expenses of the joint venture:

Parent	2015 Actual \$000	2014 Actual \$000
Investment in Computer Power Plus	140	140
Group		
Investment in Computer Power Plus	723	577
Assets		
Current assets	746	780
Non current assets	187	227
Total assets	933	1,007
Liabilities		
Current liabilities	(211)	(423)
Total liabilities	(211)	(423)
Income	2,471	2,484
Expenses	(2,326)	(2,345)
Profit/(Loss)	145	139
Share of joint venture's contingent liabilities	-	-
Share of joint venture's commitments	1,029	1,150

16 PROPERTY, PLANT AND EQUIPMENT

GROUP 2015 \$000	Land and Buildings	Leasehold Improvement	Plant	Equipment	Hardware	Furniture and Fittings	Library Collection	Assets under Construction	Total
Gross Carrying Amount									
Balance as at 1 January	58,324	10,346	2,298	1,486	9,346	2,433	2,178	5,343	91,754
Additions	3,223	-	52	16	301	136	97	894	4,719
Disposals	-	(436)	(138)	(2)	(697)	(3)	-	-	(1,276)
Reclassifications	4,993	-	7	-	350	-	(7)	(5,343)	-
Net revaluation increments/decrements	1,180	-	-	-	-	-	-	-	1,180
Balance as at 31 December	67,720	9,910	2,219	1,500	9,300	2,566	2,268	894	96,377

Accumulated Depreciation									
Balance as at 1 January	-	4,336	536	1,119	8,561	2,202	1,808	-	18,562
Depreciation Expense	1,653	491	420	189	630	106	152	-	3,641
Disposals	-	(436)	(54)	(2)	(699)	(3)	-	-	(1,194)
Reclassifications	-	-	-	-	-	-	-	-	-
Net revaluation increments/decrements	(1,653)	-	-	-	-	-	-	-	(1,653)
Balance as at 31 December	-	4,391	902	1,306	8,492	2,305	1,960	-	19,356

Net Book Value	67,720	5,519	1,317	194	808	261	308	894	77,021
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PARENT 2015 \$000	Land and Buildings	Leasehold Improvement	Plant	Equipment	Hardware	Furniture and Fittings	Library Collection	Assets under Construction	Total
Gross Carrying Amount									
Balance as at 1 January	58,324	10,346	2,298	1,483	9,337	2,401	2,178	5,343	91,710
Additions	3,223	-	52	16	301	128	97	894	4,711
Disposals	-	(436)	(138)	(2)	(697)	(3)	-	-	(1,276)
Reclassifications	4,993	-	7	-	350	-	(7)	(5,343)	-
Net revaluation increments/decrements	1,180	-	-	-	-	-	-	-	1,180
Balance as at 31 December	67,720	9,910	2,219	1,497	9,291	2,526	2,268	894	96,325

Accumulated Depreciation									
Balance as at 1 January	-	4,336	536	1,118	8,559	2,195	1,808	-	18,552
Depreciation Expense	1,653	491	420	188	627	95	152	-	3,626
Disposals-	-	(436)	(54)	(2)	(699)	(3)	-	-	(1,194)
Reclassifications	-	-	-	-	-	-	-	-	-
Net revaluation increments/decrements	(1,653)	-	-	-	-	-	-	-	(1,653)
Balance as at 31 December	-	4,391	902	1,304	8,487	2,287	1,960	-	19,331

Net Book Value	67,720	5,519	1,317	193	804	239	308	894	76,994
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GROUP 2014 \$000	Land and Buildings	Leasehold Improvement	Plant	Equipment	Hardware	Furniture and Fittings	Library Collection	Assets under Construction	Total
Gross Carrying Amount									
Balance as at 1 January	53,649	10,645	2,314	1,436	9,145	2,396	2,053	87	81,725
Additions	4,782	-	91	64	388	71	125	5,075	10,596
Disposals	-	-	(107)	(14)	(189)	(34)	-	-	(344)
Reclassifications	102	(299)	-	-	2	-	-	181	(14)
Net revaluation increments/decrements	(209)	-	-	-	-	-	-	-	(209)
Balance as at 31 December	58,324	10,346	2,298	1,486	9,346	2,433	2,178	5,343	91,754

GROUP 2014 \$000	Land and Buildings	Leasehold Improvement	Plant	Equipment	Hardware	Furniture and Fittings	Library Collection	Assets under Construction	Total
Accumulated Depreciation									
Balance as at 1 January	-	3,982	-	920	7,808	2,096	1,623	-	16,429
Depreciation Expense	1,240	541	564	221	919	108	184	-	3,777
Disposals	-	-	(27)	(11)	(177)	(2)	-	-	(217)
Reclassifications	187	(187)	(1)	(11)	11	-	1	-	-
Net revaluation increments/decrements	(1,427)	-	-	-	-	-	-	-	(1,427)
Balance as at 31 December	-	4,336	536	1,119	8,561	2,202	1,808	-	18,562
Net Book Value	58,324	6,010	1,762	367	785	231	370	5,343	73,192

PARENT 2014 \$000	Land and Buildings	Leasehold Improvement	Plant	Equipment	Hardware	Furniture and Fittings	Library Collection	Assets under Construction	Total
Gross Carrying Amount									
Balance as at 1 January	53,649	10,645	2,314	1,436	9,145	2,396	2,053	71	81,709
Additions	4,782	-	91	61	381	39	125	5,075	10,554
Disposals	-	-	(107)	(14)	(189)	(34)	-	-	(344)
Reclassifications	102	(299)	-	-	-	-	-	197	-
Net revaluation increments/decrements	(209)	-	-	-	-	-	-	-	(209)
Balance as at 31 December	58,324	10,346	2,298	1,483	9,337	2,401	2,178	5,343	91,710
Accumulated Depreciation									
Balance as at 1 January	-	3,982	-	920	7,808	2,096	1,623	-	16,429
Depreciation Expense	1,240	541	564	220	917	101	184	-	3,767
Disposals	-	-	(27)	(11)	(177)	(2)	-	-	(217)
Reclassifications	187	(187)	(1)	(11)	11	-	1	-	-
Net revaluation increments/decrements	(1,427)	-	-	-	-	-	-	-	(1,427)
Balance as at 31 December	-	4,336	536	1,118	8,559	2,195	1,808	-	18,552
Net Book Value	58,324	6,010	1,762	365	778	206	370	5,343	73,158

Land and buildings carried at fair value

An independent valuation of the land and buildings was performed by Darroch Limited, registered independent valuers as at 31 December 2015. Land fair value is determined by reference to market-based evidence being the amount for which the assets could be exchanged between a knowledgeable willing buyer and seller in an arm's length transaction. Reference has been made to the best use of the land on an "unencumbered" basis, adjusted for designations against the land or the use of the land is restricted because of reserve or endowment status.

Specialist buildings are valued at fair value using depreciation replacement cost methodology. This methodology is an acceptable estimate of fair value due to the lack of market-based evidence for education delivery purposes.

Restrictions on title

Under the Education Act 1989, WelTec and Group is required to obtain the consent from the Ministry of Education to dispose or sell off property where the value of the property exceeds an amount determined by the Minister.

There are also various restrictions in the form of historic designations, reserve, and endowment encumbrances attached to the land. WelTec and Group does not consider it practical to disclose in detail the value of land subject to these restrictions.

Plant carried at fair value

An independent valuation of plant was performed by Forbes Valuation, a registered independent valuer as at 31 December 2013. This valuation was undertaken for all plant used in the delivery and support of education outcomes provided by WelTec using market based information.

17 INTANGIBLE ASSETS

Group \$000	2015				2014			
	Software	Intellectual Property	Assets under Construction	TOTAL	Software	Intellectual Property	Assets under Construction	TOTAL
<i>Gross Carrying Amount</i>								
Balance as at 1 January	2,691	2,010	104	4,805	2,373	1,880	65	4,318
Additions	83	-	25	108	239	130	104	473
Disposals	-	-	-	-	-	-	-	-
Reclassifications	129	-	(129)	-	79	-	(65)	14
Balance as at 31 December	2,903	2,010	-	4,913	2,691	2,010	104	4,805
<i>Accumulated Amortisation</i>								
Balance as at 1 January	2,437	1,808	-	4,245	2,257	1,685	-	3,942
Amortisation Expense	189	115	-	304	180	123	-	303
Balance as at 31 December	2,626	1,923	-	4,549	2,437	1,808	-	4,245
Net Book Value	277	87	-	364	254	202	104	560

Parent \$000	2015				2014			
	Software	Intellectual Property	Assets under Construction	Total	Software	Intellectual Property	Assets under Construction	Total
<i>Gross Carrying Amount</i>								
Balance as at 1 January	2,663	2,010	104	4,777	2,373	1,880	65	4,318
Additions	83	-	25	108	225	130	104	459
Disposals	-	-	-	-	-	-	-	-
Reclassifications	129	-	(129)	-	65	-	(65)	-
Balance as at 31 December	2,875	2,010	-	4,885	2,663	2,010	104	4,777
<i>Accumulated Amortisation</i>								
Balance as at 1 January	2,428	1,808	-	4,236	2,257	1,685	-	3,942
Amortisation Expense	180	115	-	295	171	123	-	294
Balance as at 31 December	2,608	1,923	-	4,531	2,428	1,808	-	4,236
Net Book Value	267	87	-	354	235	202	104	541

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

18 TRADE AND OTHER PAYABLES	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
Trade payables	4,399	5,741	4,117	5,281
Related party payable (note 31)	262	720	453	720
Goods and services tax (GST) payable	931	530	922	525
	5,592	6,991	5,492	6,526

Trade payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of payables approximates their fair value.

19 CURRENT EMPLOYEE BENEFIT PROVISIONS	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
	Accrued employee payments	977	873	970
Annual and discretionary leave	1,416	1,537	1,399	1,526
Current long service leave	43	49	43	49
Sick leave	252	225	252	225
	2,688	2,684	2,664	2,664

A provision is recognised for post employment benefits payable to employees. Employees are entitled to annual leave pay, long service leave and retirement leave pay. Annual leave and sick leave entitlements expected to be settled within 12 months of the balance date are measured at the current rates of pay and classified as current liabilities.

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
20 INCOME IN ADVANCE				
Student income in advance	7,512	5,067	7,512	5,067
Other income in advance	782	826	300	348
	8,294	5,893	7,812	5,415
21 NON CURRENT EMPLOYEE BENEFIT PROVISIONS				
Long Service leave	98	103	98	103
Retirement leave	73	72	73	72
	171	175	171	175

Entitlements related to long service leave and retirement leave have been calculated at the present value of future cash flows determined on an actuarial basis and classified as non-current liabilities. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

Expected future payments are discounted using forward discount rates as provided by the Treasury. The salary inflation factor has been determined after considering historical salary inflation patterns and referencing the Treasury time series of Fiscal and Economic Indicators.

If the salary inflation factor were to increase or decrease by 1% from that used, with all other factors held constant, the carrying amount of the retirement leave would be \$3,000 higher/lower and the long service leave would be \$5,000 higher/lower.

If the discount rate used were to increase or decrease by 1% from that used, with all other factors held constant, the carrying amount of the retirement leave would be \$3,000 higher/lower while the long service leave would be \$5,000 higher/lower.

	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
22 CROWN EQUITY				
Opening balance	39,332	39,332	39,332	39,332
Equity Injection	-	-	-	-
Closing balance	39,332	39,332	39,332	39,332

Crown Equity represents the total investment the Crown has in WelTec. It is comprised of two components, Notional Equity - the carrying value of Crown-owned land and buildings at the date the Crown vested all the normal risks and rewards of ownership to WelTec, and Received Equity - actual cash payments received.

Capital Management

WelTec and Group's capital is its equity, which comprises its Crown equity noted above, retained earnings (note 23) and reserves (note 24). Equity is represented by net assets. WelTec is subject to the financial management and accountability provisions of the Education Act 1989, which includes restrictions in relation to: disposing of assets or interests in assets, ability to mortgage or otherwise charge assets or interests in assets, granting leases of land or buildings or parts of buildings, and borrowing.

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

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

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
23 RETAINED EARNINGS				
Opening balance	7,950	7,651	7,922	7,262
Profit	1,155	299	1,188	660
Balance at end of financial year	9,105	7,950	9,110	7,922
24 RESERVES				
Opening balance	26,656	25,543	26,656	25,543
Release of reserve on disposal of assets	(18)	(79)	(18)	(79)
Revaluation (decrements)/increments	2,837	1,192	2,837	1,192
Balance at end of financial year	29,475	26,656	29,475	26,656

These reserves have been generated by the revaluation of land and buildings undertaken by Darroch Limited on an annual basis, and the revaluation of plant on a 3 yearly basis undertaken most recently by Ewan Forbes, registered Plant and Machinery Valuer in 2013 (see note 16).

25 NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and term investments in money market instruments, net of outstanding bank overdrafts. The carrying value of cash at bank, call deposits and term deposits < 90 days approximates their fair value.

Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
<i>Cash and cash equivalents:</i>				
Operating Funds	7,254	3,111	6,720	2,440
Designated Funds:				
- Campus Development	3,972	5,827	3,972	5,827
	11,226	8,938	10,692	8,267
(b) Reconciliation of profit for the period to net cash flows from operating activities				
(Loss)/profit for the period	1,155	299	1,188	660
Add/(less) non-cash items:				
Depreciation and amortisation of non current assets	3,945	4,080	3,921	4,061
Loss/(gain) on sale on disposal of non current assets	66	1	66	1
Doubtful debts expense	73	476	73	476
Rent holiday	(55)	(55)	(55)	(55)
Share of associate profit	(145)	-	-	-
Dividend declared by related party	-	(139)	-	(139)
Gain on revaluation of non current assets	-	(27)	-	(27)
Add/(less) movements in working capital items:				
Decrease/(increase) in receivables	712	1,210	628	1,001
Decrease/(increase) in inventories	6	(276)	6	(276)
(Decrease)/increase in payables	(1,099)	1,646	(1,035)	1,346
Increase/(decrease) in employee entitlements	1	85	(4)	60
(Decrease)/increase in income in advance	2,455	691	2,451	265
Net cash from operating activities	7,114	7,991	7,239	7,373

26 EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Statement of comprehensive income

WelTec Parent

The 2015 WelTec parent operating profit of \$1.638m represents a 3% return on total income. This is a pleasing result given the domestic student demand challenges faced during the year.

WelTec finished 2015 having achieved 98.7% of SAC Level 3 and above Investment Plan funding targets. It is noted that the percentage achieved is calculated on a lower base than originally planned - the TEC confirmed an In Plan amendment to funding. This resulted in a reduction of funding totalling \$2.52m.

WelTec experienced increased income from international students, and favourable ITO contract work compared to budget and the on-going relationship with the Ministry of Social Development generated favourable variances to budget in 2015.

Cost of Services were managed throughout the year to help offset reduced revenue levels. Savings were achieved in teaching delivery consistent with lower student numbers, and a restructuring of our Resource Centre with a revised student support model being implemented mid-year. Depreciation was favourable reflecting timing of major capital projects and delayed replacement of plant and hardware assets.

Subsidiaries and jointly controlled entities

2015 was the second year of operation for WelTec Student Accommodation Limited, which reported a loss. The accommodation provided at 222 Willis Street had a lower than budgeted occupancy rate during the year, along with set-up costs for a new model for summer short term stays opened to the public. The summer offering proved popular and we received positive reviews and higher than budgeted occupancy rate. The Balance Sheet has been strengthened by a provision of a capital injection from WelTec in 2015. Within WelTec Parent result this amount is reflected as an expense within Non-Operating items.

W² Shared Services Limited commenced trading as a limited liability company, having operated as an unincorporated joint venture in 2014. WelTec and Whitireia each hold a 50% shareholding in the company. W² performed better than budget in costs, and achieved a planned breakeven result in 2015 for the two customers, WelTec and Whitireia. Campus Services were successfully transitioned from WelTec and Whitireia into this new operation.

Computer Power Plus had another successful academic year, and although unfavourable to budget, still provided a profitable result. WelTec has reflected 50% of this profit via an equity accounting entry within the accounts below the consolidated profit for the Group, as no dividend/distribution was declared for 2015.

Group Balance sheet

Cash and cash equivalents finished 2015 \$5.1m higher than budget. This reflects property development being reduced against budget as projects were delayed. Net operating cash flows exceeding planned levels during the year, and the budgeted capital injection into subsidiaries was not progressed in 2015.

Receivables are higher than budget reflecting TEC receivable due for 2016 students enrolled during 2015.

Property, plant and equipment did not reach budgeted levels in 2015, however the annual revaluation increased the carrying value of the assets. The property developments during 2015 were limited to completing the Wellington Regional School of Construction facility on Hutt Road, Petone and the reconfiguration of the Wellington School of Engineering on Cuba Street, Petone.

The Income in Advance budget was set utilising NZ IFRS rather than NZ IPSAS exchange and non-exchange accounting treatments which is the key reason for the variance to budget.

Group Statement of cash flows

Cash flows from operating activities generated a favourable variance to budget with payments to staff and suppliers being carefully managed, and interest income exceeding budgeted levels with higher cash balances.

27 COMMITMENTS

	GROUP AND PARENT	
	2015 Actual \$000	2014 Actual \$000
(a) Capital expenditure commitments		
Buildings	95	3,345
Equipment	76	18
Hardware	49	157
Furniture and fittings	-	9
	220	3,529

(b) Lease commitments**28 LEASES****(a) Leasing arrangements**

WelTec and Group enter into operating leases for buildings and vehicles:

- Building premises are leased for WelTec satellite delivery offices in Auckland and Christchurch, and for WelTec delivery in Wellington city. The length of terms of these leases vary from under 12 months to 22 years, with rights to renewal on a number of contracts.

- WelTec Student Accommodation Limited has entered into an operating lease for the building located at 222 Willis Street, Wellington. The initial lease term is for 15 years with further rights to renewal included within the contract.

- Vehicles are leased over 3 - 5 year terms depending on the type of vehicle concerned.

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
(b) Non-cancellable operating lease payments				
Not longer than 1 year	3,867	3,858	1,894	1,858
Between 1 and 5 years	11,996	12,456	5,741	4,119
Longer than 5 years	46,034	24,717	23,860	2,299
	61,897	41,031	31,495	8,276

29 CONTINGENT LIABILITIES

WelTec has no contingent liabilities as at 31 December 2015. (2014, \$2.03m reflecting a joint and several guarantee of a loan for Le Cordon Bleu New Zealand Institute with the other New Zealand based partner, Universal College of Learning which was repaid during 2015.)

30 FINANCIAL INSTRUMENTS

(a) Financial instrument categories

Accounting policies for financial instruments have been applied to each class of financial asset and financial liability outlined below. The book value of each equals their fair value:

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
Loans and receivables				
Cash and cash equivalents	11,226	8,938	10,692	8,267
Trade and other receivables	5,629	6,414	5,591	6,293
Total loans and receivables	16,855	15,352	16,283	14,560
Financial liabilities at amortised cost				
Trade and other payables	5,592	6,991	5,492	6,526
Total financial liabilities at amortised cost	5,592	6,991	5,492	6,526

(b) Financial instrument risks

Risk Management

Strategic risk management is undertaken by Council through the monitoring of regular risk reports provided by management.

These reports highlight potential areas of risk, and the steps that are being followed to ensure the risks are appropriately managed.

The Finance department provides treasury management services for WelTec, co-ordinating the access to domestic and international financial markets and management of the financial risks relating to the operations of the business.

WelTec does not enter into, or trade financial instruments for speculative purposes.

Details of significant accounting policies and methods adopted, including the criteria for recognition, and the basis of measurement applied in respect of each class of financial asset, financial liability and equity instrument are disclosed in the Accounting Policies section of these financial statements.

Currency risk

WelTec has no material exposure to movements in foreign exchange rates. Income sourced from overseas is received in New Zealand dollar equivalents, while trading supplies sourced from international providers are not a material portion of WelTec's annual expenditure. Council Policy on foreign exchange states that should an international purchase of \$20,000 or more be required, investigation is made into forward cover. At balance date no forward contracts or any other form of hedging exist.

Credit risk

Credit risk exposure for WelTec exists principally within cash and cash equivalents, and trade and other receivables balances.

Credit risk in respect of cash holdings is managed by spreading short term investment deposits with the major trading banks within New Zealand, while ensuring WelTec receives the best return on the funds invested, as specified by Council Policy. Receivable balances are unsecured. They are stated at their estimated realisable value after providing for amounts not considered recoverable

The maximum credit exposure for each class of financial instrument is as follows:

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
Cash and cash equivalents	11,226	8,938	10,692	8,267
Trade and other receivables	5,629	6,414	5,591	6,293
Total credit risk	16,855	15,352	16,283	14,560

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

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2013 Actual \$000
Counterparties with credit ratings				
Cash and cash equivalents AA- rating	11,226	8,938	10,692	8,267
Total cash and cash equivalents	11,226	8,938	10,692	8,267
Counterparties without credit ratings				
Trade and other receivables with no defaults in the past	5,629	6,414	5,591	6,293
Total trade and other receivables	5,629	6,414	5,591	6,293

Liquidity risk

WelTec manages liquidity risk by maintaining adequate reserves to ensure the provision of educational services for the foreseeable future. This is completed by continuously monitoring and forecasting cash flows for the medium term. The maximisation of operational inflows and efficient management of operational and investing outflows ensures sufficient cash reserves are maintained.

Contractual maturity analysis of financial liabilities

The table below analyses financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Carrying amount \$000	Contractual cash flow \$000	Less than 6 months \$000	6-12 Months \$000	1-2 years \$000
Group 2015					
Trade and other payables	5,592	5,592	5,592	-	-
Total	5,592	5,592	5,592	-	-
Parent 2015					
Trade and other payables	5,492	5,492	5,492	-	-
Total	5,492	5,492	5,492	-	-

	Carrying amount \$000	Contractual cash flow \$000	Less than 6 months \$000	6-12 Months \$000	1-2 years \$000
Group 2014					
Trade and other payables	6,991	6,991	6,991	-	-
Total	6,991	6,991	6,991	-	-
Parent 2014					
Trade and other payables	6,526	6,526	6,526	-	-
Total	6,526	6,526	6,526	-	-

Interest rate risk

WelTec has exposure to interest rate risk to the extent that it has outstanding investments at fixed rates. The interest rates risk on investments is managed through the use of short term investments, in accordance with Council Policy. No significant exposure to interest rate risk exists on the remaining financial assets and liabilities.

Sensitivity analysis

The table below illustrates the potential profit or loss and equity impact for reasonably possible market movements, with all other variables held constant, based on financial instrument exposures at the balance date.

	2015		2014	
	Profit -50bps \$000	Profit +50bps \$000	Profit -50bps \$000	Profit +50bps \$000
Group and Institute Interest rate risk				
Financial Assets				
Cash and cash equivalents	(7)	7	(8)	8
Other financial assets	-	-	-	-
Total sensitivity	(7)	7	(8)	8

Explanation of interest rate risk sensitivity

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured on a basis points (bps) movement. For example, a decrease in 25 bps is equivalent to a decrease in interest rates of 0.25%. The sensitivity for interest rate swaps has been calculated using a derivative valuation model based on a parallel shift in interest rates of -50bps/+50bps.

31 RELATED PARTY DISCLOSURES**Transactions with key management personnel**

Financial details of key management personnel remuneration are disclosed in note 7 to the financial statements.

Key management personnel includes the Council (Chairperson, Deputy Chairperson and six Councillors as specified on page 20-21 of this annual report) and the Executive Management Team (members specified on page 22-23 of this annual report). WelTec and Whitireia share the cost of the Council and Chief Executive remuneration with Whitireia paying the Chairperson and three other Council member's fees. WelTec paid the Deputy Chairperson, and three other members fees in 2015 and provided for an equalisation payment to Whitireia to ensure an equal share of governance expenditure for the year. This process was also followed in 2014.

	GROUP		PARENT	
	2015 Actual \$000	2014 Actual \$000	2015 Actual \$000	2014 Actual \$000
Executive Management Team	1,402	1,241	1,402	1,241
Executive Management Team members 2015 - 6.7 FTE (2014 - 6.6 FTE)				

Council members paid by WelTec

Equalisation payment to Whitireia	4	6	4	6
Vaughan Renner (Deputy Chairperson)	20	20	20	20
Deborah Hume	16	16	16	16
Nancy McIntosh - Ward	16	16	16	16
Jackie Lloyd	9		9	
Peter Steel	-	17	-	17

Related party transactions with subsidiary, associate, and jointly controlled entity

During the reporting period WelTec entered into transactions with LCBNZI Limited Partnership, a partnership in which WelTec holds an equity interest through WelTec Connect Limited (refer note 15). These transactions occurred within a normal supplier relationship on terms and conditions no more or less favourable than those which it is reasonable to expect WelTec would have adopted if dealing with the partnership as per any independent third party.

	PARENT	
	2015 Actual \$000	2014 Actual \$000
Subsidiary		
WelTec Student Accommodation Limited		
Debtor for services provided by WelTec	-	181
Payable for services provided by WelTec Student Accommodation Limited	191	-

	GROUP AND PARENT	
	2015 Actual \$000	2014 Actual \$000
Associate		
MotorTrain Limited		
No related party transactions were entered into during the year	-	-
LCBNZI Limited Partnership		
Services provided by WelTec	(351)	170
Debtor for services provided by WelTec	54	307
LCB Management Limited		
No related party transactions were entered into during the year	-	-

	GROUP AND PARENT	
	2015 Actual \$000	2014 Actual \$000
Jointly Controlled Entity		
Computer Power Plus Joint Venture		
Services provided by WelTec	139	236
Debtor for services provided by WelTec	65	405
Cybus Joint Venture		
Services provided by WelTec	242	92
Debtor for services provided by WelTec	209	145
W² Shared Services Limited (2014 Joint Venture)		
Services provided by WelTec	38	682
Services received from W ²	1,811	1,418
Debtor for services provided by WelTec	44	-
Payable for services provided by W ²	262	720

32 CHANGES IN ACCOUNTING ESTIMATES

There have been no changes in accounting estimates during the period.

32 EVENTS AFTER BALANCE DATE

There are no events after balance date to report.

RESPONSIBILITIES

In the financial year ended 31 December 2015, the Council and Management of Wellington Institute of Technology were responsible for:

- The preparation of the Financial Statements, Statement of Objectives and Service Performance and the judgements used therein.
- Establishing and maintaining a system of internal control designed to provide reasonable assurance, as to the integrity and reliability of financial reporting.

In the opinion of Council and Management of Wellington Institute of Technology, the Financial Statements and Statement of Service Performance for the year ended 31 December 2015 fairly reflect the financial position and operations of Wellington Institute of Technology and Group.



ROGER SOWRY

CHAIRPERSON
20 APRIL 2016



CHRIS GOSLING

CHIEF EXECUTIVE
20 APRIL 2016

OTHER FINANCIAL SUMMARIES

TE WHARE AKO FINANCIAL SUMMARY

Te Whare Ako is a Business Unit within WelTec providing early childhood education services.

WelTec holds a separate licence from the Ministry of Education for the provision of these services.

This financial summary does not reflect occupancy costs or depreciation on buildings and equipment used by the unit.

	2015 Actual \$000	2014 Actual \$000
Income		
Government grants	358	403
ISS subsidy	64	62
Childcare fees	90	120
Other fees	-	1
	512	586
Expenses		
Employee benefits	512	508
Other direct costs	31	22
	543	530
Trading contribution	(31)	56



Left:
Our Te Whare Ako teachers
outside our facility.

COMPULSORY STUDENT SERVICES LEVY

The compulsory student services fee charged by WelTec per domestic and international Equivalent Full Time Student in 2015 is \$190 GST inclusive. This fee has remained unchanged since 2013.

The following statement of income and expenditure reflects the activity WelTec in consultation and partnership with student representatives has completed in 2015 utilising in part funding provided by Student Services Fees:

	Advocacy and legal advice \$000	Careers information \$000	Counselling services and pastoral care \$000	Employment information \$000	Financial support and advice \$000	Media \$000	Sports, recreation and cultural activities \$000	Total \$000
2015 Income	5	68	266	67	11	11	22	450
2015 Expenditure	5	61	238	60	10	10	20	404
Contribution	-	7	28	7	1	1	2	46
2014 Income	47	50	312	57	16	1	17	500
2014 Expenditure	51	54	337	61	17	1	19	540
Contribution	(4)	(4)	(25)	(4)	(1)	-	(2)	(40)

ADVOCACY AND LEGAL ADVICE:

Advocacy support is provided to students needing help to resolve problems. WelTec contracted out advocacy advice to the New Zealand Universities Student Association in 2015.

CAREERS INFORMATION, ADVICE AND GUIDANCE:

A role which supports students' transition into post-study employment. Learning Commons staff provided CV and Interview workshops throughout the year.

COUNSELLING SERVICES, PASTORAL CARE AND HEALTH SERVICES:

Non-academic counselling and pastoral care were provided by Vitae Counselling Services, a service contracted by WelTec as an autonomous provider. Workshops were also held on time and stress management, budgeting and preparing for exams.

Pastoral support was also provided by the five Mentors (4 FTE) who between them were available for 1-1 appointments, in-class and off-campus support, facilitating financial support and providing advice and welfare services.

Students were also offered emergency financial support for hardship situations, including health-related issues.

EMPLOYMENT INFORMATION:

WelTec provided information about employment opportunities for students while they are studying through Job Brokers, a role which supports students' transition into post-study employment

A Career Counsellor was contracted to provide 1-1 and small group career advice, providing information about employment opportunities for students while they are studying.

The Student Experience Team offered entry-level careers advice and the WelTec Student Association provided students with employment advice through Student Job Search (SJS).

FINANCIAL SUPPORT AND ADVICE:

The Student Support Advisor (1 FTE) offered budget information and advice, and assistance with StudyLink issues.

Students were also offered emergency financial support and funding for hardship situations, including provision for accommodation, health-related issues, travel and food. A Justice of the Peace was also available on campus.

MEDIA:

WelTec's Marketing team assisted in providing student to student communications, posters, newsletters and Internet-based media

SPORTS, RECREATION AND CULTURAL ACTIVITIES:

Student events, clubs, competitive sport teams, cultural events and other recreational activities were organised and delivered, including administrative support and events funding to ensure students were able to meet new people and participate in campus life.

INDEPENDENT AUDITOR'S REPORT



Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF
WELLINGTON INSTITUTE OF TECHNOLOGY AND GROUP'S
FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2015

The Auditor-General is the auditor of Wellington Institute of Technology ("the Polytechnic") and group. The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements and statement of service performance of the Polytechnic and group on her behalf.

Opinion on the financial statements and the statement of service performance

We have audited:

- the financial statements of the Polytechnic and group on pages 48 to 72, that comprise the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Polytechnic and group on pages 42 to 46.

In our opinion:

- the financial statements of the Polytechnic and group on pages 48 to 72:
 - present fairly, in all material respects the Polytechnic and group's:
 - financial position as at 31 December 2015; and
 - financial performance and cash flows for the year then ended;
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Reporting Standards.
- the statement of service performance of the Polytechnic and group on pages 42 to 46 presents fairly, in all material respects, the Polytechnic and group's service performance achievements measured against the proposed outcomes described in the investment plan for the year ended 31 December 2015.

Our audit was completed on 20 April 2016. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the statement of service performance are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Polytechnic and group's financial statements and statement of



service performance 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.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of the disclosures in the financial statements and the statement of service performance; and
- the overall presentation of the financial statements and the statement of service performance.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the statement of service performance.

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

Responsibilities of the Council

The Council is responsible for preparing financial statements that comply with generally accepted accounting practice in New Zealand and present fairly the Polytechnic and group's financial position, financial performance and cash flows.

The Council is also responsible for preparing a statement of service performance that presents fairly the Polytechnic and group's service performance achievements measured against the proposed outcomes adopted in the investment plan.

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

The Council is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the financial statements and the statement of service performance, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and the statement of service performance and reporting that opinion to you based on our audit. Our responsibility arises from the Public Audit Act 2001.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

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

A handwritten signature in blue ink, appearing to read 'Stuart Mutch', with a long horizontal stroke extending to the right.

Stuart Mutch
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand

ACRONYMS

AOD	Alcohol and Other Drugs
ACE	Adult and Community Education
BGA	Business Growth Agenda
BPS	Better Public Service
CCDHB	Capital and Coast District Health Board
CAB	Combined Academic Board
CE	Chief Executive
DAPAANZ	Drug and Alcohol Practitioners' Association Aoteroa New Zealand
DHB	District Health Board
EEO	Equal Employment Opportunities
EER	External Evaluation Review
EFTS	Equivalent Full-Time Student
EMT	Executive Management Team
EPIs	Educational Performance Indicators
E2E	Engineering to Employment
FTE	Full-Time Equivalent
GDP	Gross Domestic Product
HR	Human Resources
HVDHB	Hutt Valley District Health Board
IAS	International Accounting Standard
ICCC	International Culinary Cooking Competition
ICT	Information and Communications Technology
IOD	Institute of Directors
IFRS	International Financial Reporting Standards
IPENZ	Institution of Professional Engineers New Zealand
IPSAS	International Public Sector Accounting Standards
IS	Information Systems

IT	Information Technology
ITO	Industry Training Organisation
ITP	Institutes of Technology and Polytechnics
LCBNZI	Le Cordon Bleu New Zealand Institute
LLN	Language Literacy and Numeracy
MBIE	Ministry of Business Innovation and Employment
MoU	Memorandum of Understanding
NCEA	National Certificate of Educational Achievement
NZGAAP	New Zealand Generally Accepted Accounting Practice
NZQA	New Zealand Qualifications Authority
NZQF	National Qualifications Framework
NZIFRS	New Zealand International Financial Reporting Standards
PBE	Public Benefit Entity
PBRF	Performance-Based Research Fund
RandD	Research and Development
SAC	Student Achievement Component
SDR	Single Data Return
SME	Small and Medium Enterprises
STAR	Secondary/Tertiary Alignment Resources
TRoQ	Targeted Review of Qualification
TEC	Tertiary Education Commission
TES	Tertiary Education Strategy
VUW	Victoria University of Wellington
WelTec	Wellington Institute of Technology
Wintec	Waikato Institute of Technology
WES	Work Environment Survey
YG	Youth Guarantee

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Petone

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Wellington CBD Campus

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Tel (04) 920 2400

Wellington School of Hospitality

52 Cuba Street, Wellington CBD
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Wellington Regional School of Construction

18 Western Hutt Road, Petone
Tel (04) 920 2400

Auckland

450 Queen Street, Auckland CBD
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