

EASTERN INSTITUTE OF TECHNOLOGY

# ANNUAL REPORT

2018



THE EXPERIENCE YOU NEED  
& THE SUPPORT TO SUCCEED



Te Aho a Māui



# MISSION STATEMENT

EIT's Mission is to provide high quality, relevant and accessible tertiary education for the well-being of our students, whānau and communities.





## OUR VISION

**Engage** Students

**Inspire** Communities

**Transform** Worlds

## OUR VALUES

**Inspire** Success

**Nurture** Whanaungatanga

**Act** with Integrity

**Be** Committed

## OUR PRIORITIES

**Success** for Māori

**Student** Success

**Connectedness**

**Enquiring** Minds

**Smart** Thinking

**Ngā** Kaitiaki

# SOME HIGHLIGHTS FROM 2018

3,604



QUALIFICATIONS ACHIEVED

5

CEREMONIES ACROSS  
HAWKE'S BAY, TAIRĀWHITI  
AND AUCKLAND

4,794 EFTS

(6.1% UP ON 2017)



Professor David Tipene-Leach, MNZN



Rev Matiu Eru, QSM



David Pearson, long-serving Council Chair was acknowledged for his outstanding contribution to EIT on the completion of his term on Council.





Hastings Regional Learning Centre officially opened on 28 May 2018



Speaking at the official opening of the EIT Research and Innovation Centre, Deputy Chief Executive Mark Oldershaw (right) recognised the importance of the Institute's research in underpinning teaching at EIT. Executive Dean of Research Professor Natalie Waran, flanked by Director of Research Associate Professor Jonathan Sibley, highlighted the breadth of different types of research undertaken by researchers and the tangible impacts of EIT's community-centred research.

## NEW PROGRAMMES

- ▶ Master of Nursing Science
- ▶ Bachelor of Sport and Exercise Science
- ▶ Bachelor of Computing

Majors in;

- Systems Development
- Support and Infrastructure
- Information Systems
- Intelligent Systems

## STRONG EDUCATIONAL PERFORMANCE

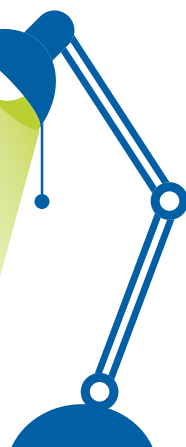
- ▶ 84% Course completion at L4 and above
- ▶ 94% Student programme satisfaction rate
- ▶ Māori Student participation increased to 52%

**\$152<sub>M</sub>**

NET ASSETS

**\$13.8<sub>M</sub>**

WORKING CAPITAL



**NO DEBT**



# ACKNOWLEDGEMENTS

EIT gratefully acknowledges grants received from the following organisations during 2018.

- ▶ Ōtātara Trust
- ▶ Air New Zealand Environment Trust



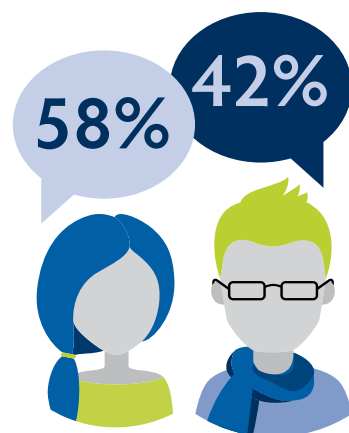
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# KEY ACTIVITIES & PERFORMANCE

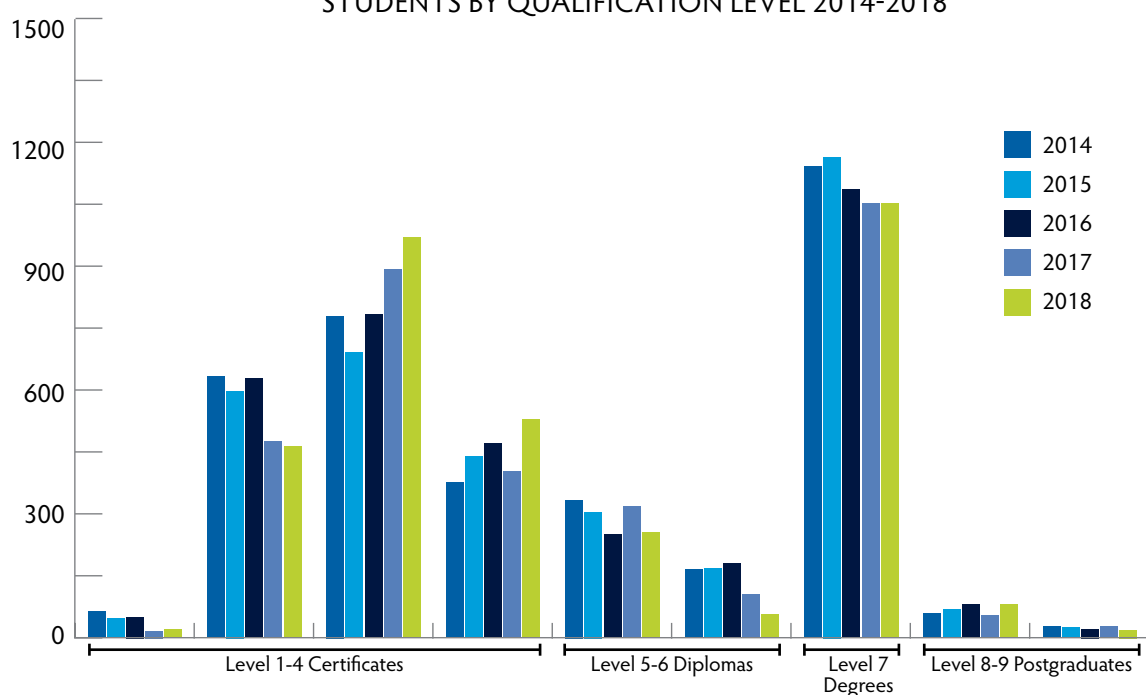
The following graphs relate to the parent organisation only.

**41%** UNDER 25



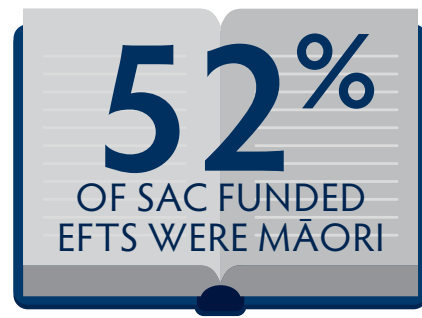
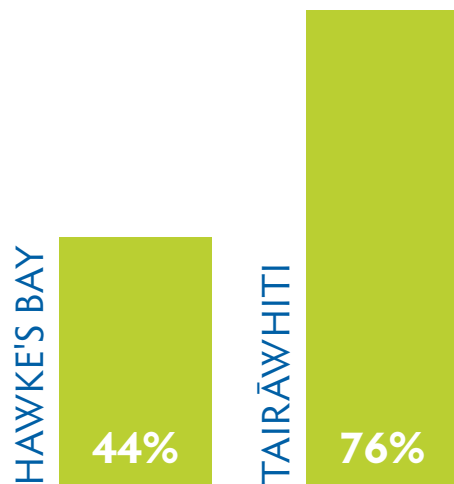
**10,325**  
STUDENTS  
(4,794 EFTS)

STUDENTS BY QUALIFICATION LEVEL 2014-2018





## MĀORI STUDENT PARTICIPATION



25% STUDYING AT  
DEGREE LEVEL  
OR HIGHER

## WE OFFER



17 POSTGRADUATE  
PROGRAMMES

12  
BACHELOR DEGREES

153  
PROGRAMMES



QUALIFICATIONS AWARDED

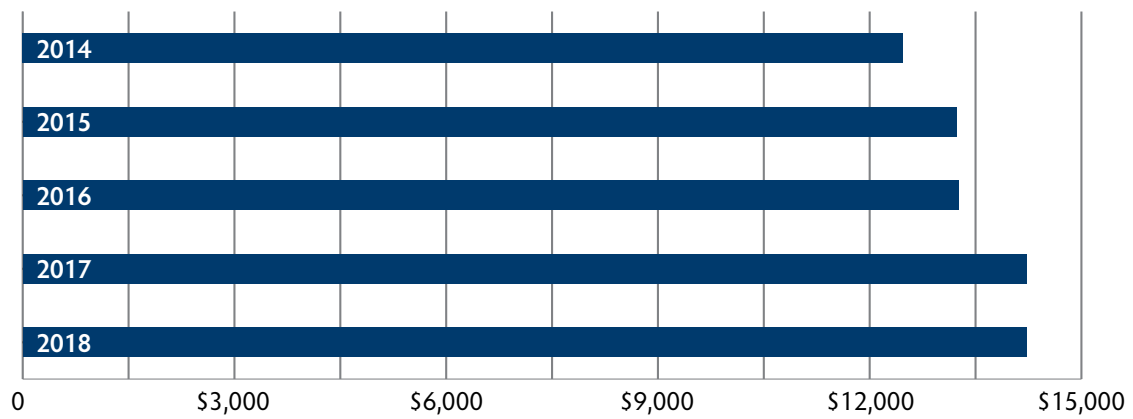
## INTERNATIONAL

1,276  
INTERNATIONAL  
STUDENTS

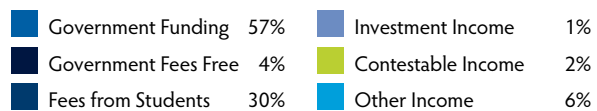
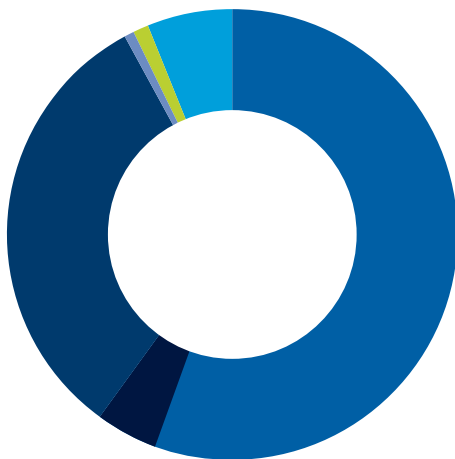
STUDENTS FROM  
46  
COUNTRIES

30%  
EFTS INCREASE  
ON 2017

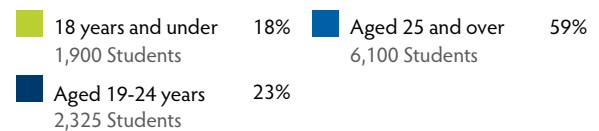
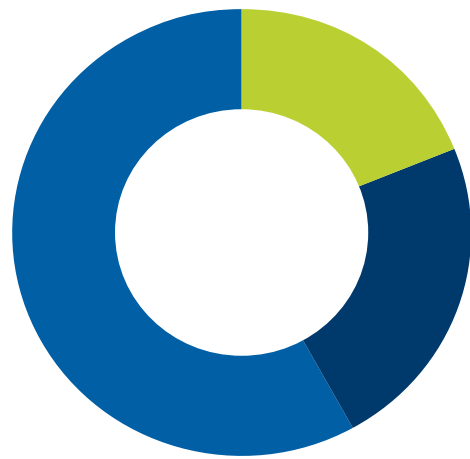
### COST PER EFTS 2014-2018



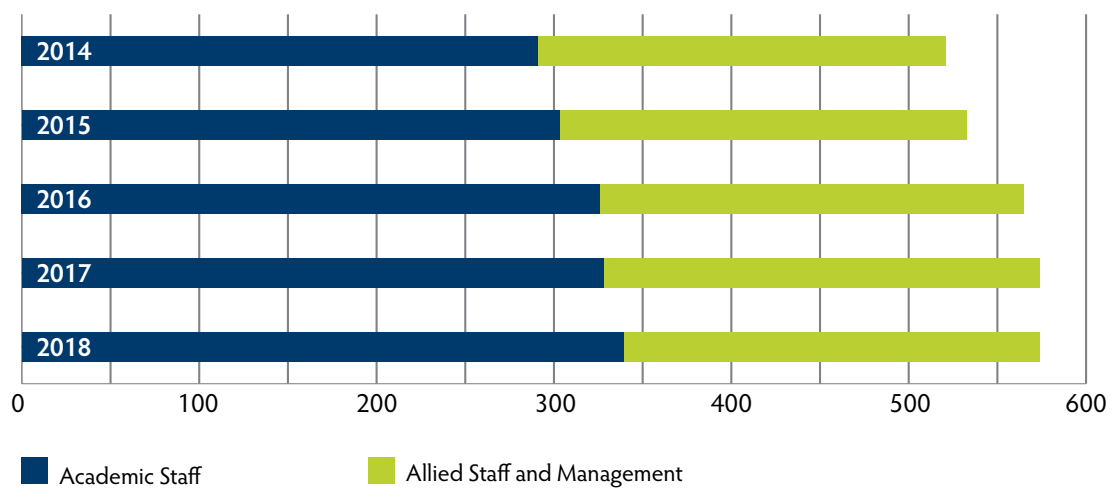
### MONEY RECEIVED IN 2018



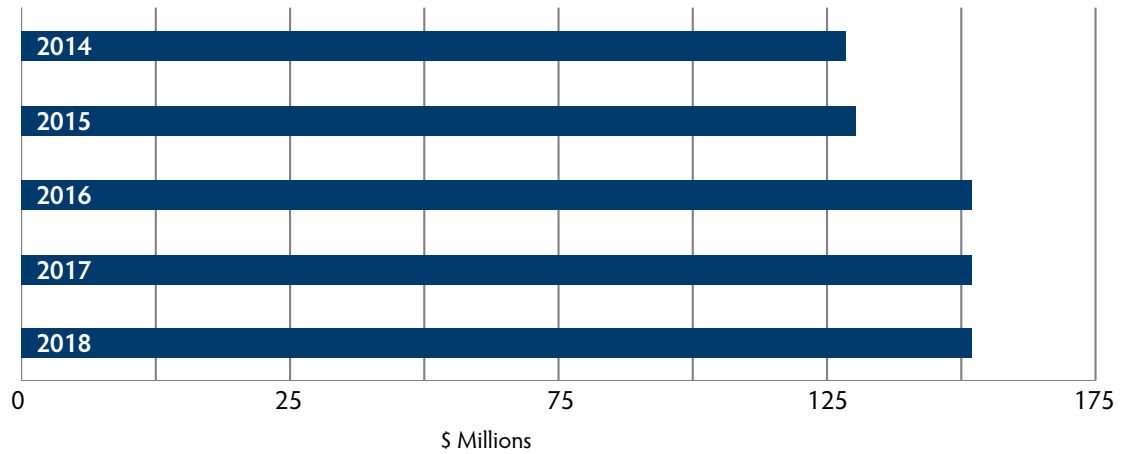
### AGE COMPOSITION OF EIT STUDENTS IN 2018



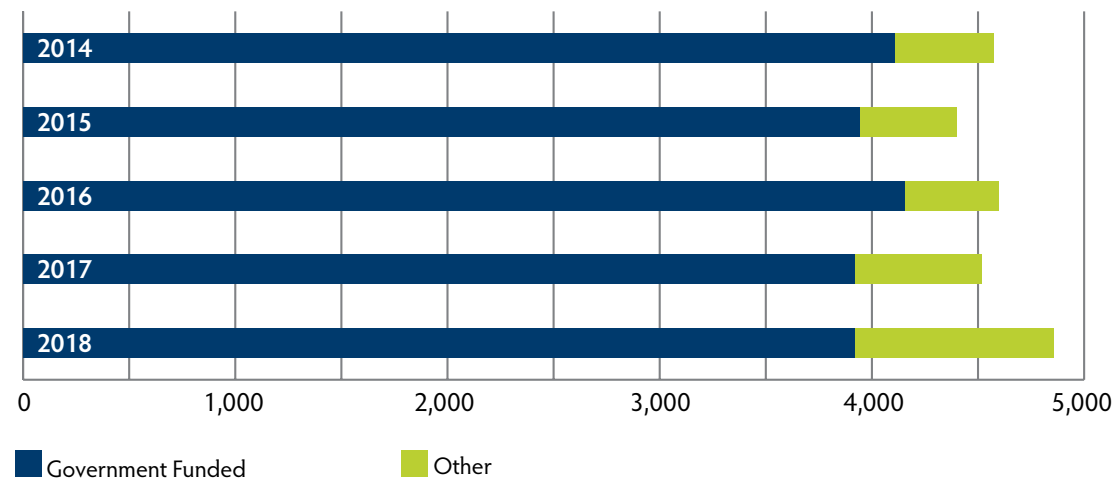
### STAFFING NUMBERS (FTE) 2014-2018



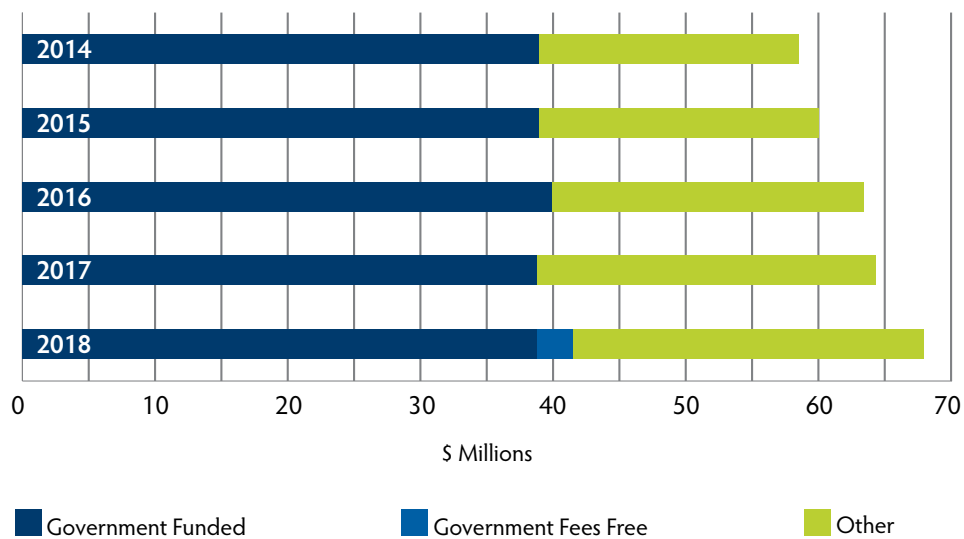
NET ASSET VALUE 2014-2018



EFTS GROWTH 2014-2018



INCOME 2014-2018





# COUNCIL MEMBERSHIP



**David Pearson**  
(to 31.05.18)  
*Chair, Ministerial*



**Geraldine Travers**  
(from 01.06.18)  
*Chair, Ministerial*



**Michael Morgan**  
*Deputy Chair  
Community*



**Hilton Collier**  
*Community*



**Kim Ngārimu**  
*Community*



**Tracee Te Huia**  
*Community*



**Ross McKelvie**  
*Ministerial*



**Jacoby Poulain**  
*Ministerial*



**Wendie Harvey**  
*Ministerial*



**Karen Coutts**  
*Secretary to Council*



KAUMĀTUA  
(Hawke's Bay)  
**Matiu Eru** QSM



KAUMĀTUA  
(Tairāwhiti)  
**Taina Ngarimu**



KUIA  
(Hawke's Bay)  
**Pauline Tangiora**  
QSM, QSO, JP

# EIT EXECUTIVE



**Chris Collins**  
Chief Executive



**Mark Oldershaw**  
Deputy Chief Executive



**Jo Blakeley**  
Executive Director -  
Student & Academic  
Services



**Victor Saywell**  
Executive Director -  
Corporate Services



**Bill Kimberley**  
Executive Director -  
Human Resources



**Brenda Chapman**  
Executive Director -  
Marketing



**Philippa Jones**  
Executive Director -  
International



**Tuhakia Keepa**  
Executive Director -  
Māori



**Patrick Jones**  
Executive Director -  
Policy & Planning



**Fred Koenders**  
Executive Dean -  
Faculty of Commerce  
& Technology



**Natalie Waran**  
Executive Dean -  
Faculty of Education,  
Humanities &  
Health Science



**Jan Mogford**  
Executive Dean  
& Tairāwhiti  
Campus Director

## STATEMENT OF RESPONSIBILITY

Annual financial report for year ended 31 December 2018

In terms of Section 220 of the Education Act 1989 and Section 155 of the Crown Entities Act 2004, we hereby certify that:

1. we have been responsible for the preparation of these Financial Statements and Statement of Service Performance and the judgements used therein; and
2. we have been responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and
3. we are of the opinion that these Financial Statements and Statement of Service Performance fairly reflect the financial position and operations of this institution for the year ended 31 December 2018.

Geraldine Travers  
Council Chair  
20 March 2019

Ross McKelvie  
Audit Committee Chair

Chris Collins  
Chief Executive

Victor Saywell  
Executive Director -  
Corporate Services

# COUNCIL CHAIR & CHIEF EXECUTIVE'S REPORT

EIT had another very strong and high performing year across multiple fronts, at a time when many institutions in the tertiary sector have been struggling. EIT continues to hold its position as one of New Zealand's leading institutes of technology.

EIT has continued to grow, with more students choosing EIT as their preferred tertiary institution to undertake study, when many institutions were experiencing a down-turn in students. In 2018 student numbers were larger than at any other point in EIT's history with some 4,794 equivalent full time students

(EFTS) studying at the Institute. This was also true of international students, with 1,276 international students from 46 different countries choosing EIT as their preferred study destination, at either Hawke's Bay, our Auckland international graduate campus, or in Tairāwhiti.



Chris Collins and Geraldine Travers



EIT continues to reach out strongly with its programme delivery across the regions of Hawke's Bay and Tairāwhiti. Teaching and learning occurs on main campuses, in one of the many Regional Learning Centres spread across the region, in remote locations in the hinterlands, in Marae, in community facilities, face-to-face and on-line. Students engaged in learning via wide ranging modes as full-time or part-time students, in work-based learning, through apprenticeships, and through a blend of different learning approaches. Achieving student success in relevant, accessible and quality programmes are key drivers for the institution and staff are to be commended for the energy, expertise and commitment they bring to achieving this.

EIT has also continued to grow and extend its applied and professional academic programmes, with a number of new academic programmes on offer in 2018, from certificate to masters degree levels. The relevance and demand for these programmes has contributed to the continued steady growth of the institution.

The diverse reach of these programmes also contributes to EIT's success. Māori participation and success rates at EIT are some of the highest in the tertiary sector in New Zealand. 76% of our SAC funded students in Tairāwhiti identify as Māori, with a 44% participation rate in Hawke's Bay, both significantly ahead of regional population percentages.

Parity of achievement between Māori and non-Māori students is also occurring at almost all qualification levels, which has been a key goal for EIT. While very pleasing to see this progress, EIT needs to continue its aim at being more effective in ensuring all students are given the very best opportunity and support to achieve and enjoy educational success, regardless of background or levels of prior educational success. Again, we wish to commend and acknowledge the commitment of staff to this institutional goal and for the successes achieved to date.

Financially the institution also remains one of NZ's strongest and soundest tertiary education institutions, at a time when many other institutions are confronted with serious financial challenges. There is no question that the inflationary pressures of the previous decade - with little or no inflationary funding adjustments - combined with the bluntness of the current funding model have resulted in considerably more challenging financial pressures for almost all tertiary institutions. This has been no different for EIT. We commend the Minister of Education for his willingness to consider reforms of the funding model. Nonetheless, despite these financial challenges, EIT finished 2018 with a small operating surplus, strong reserves and sound levels of working capital (\$13.8m), a strong balance sheet, and with no debt. EIT is one of the very few Institutes of Technology to be in this position in New Zealand.

Similarly, EIT has continued to carefully manage its capital assets in ensuring modern and well maintained campuses and learning environments. The Hawke's Bay campus, in particular, is a leading example of a regional campus which is world class by any standards. A new regional learning centre hub was also opened in the CBD of Hastings city by Council Chair David Pearson and Hastings Mayor Sandra Hazlehurst. This new learning centre has proved to be hugely successful. Additional student accommodation was developed and provided in Hawke's Bay. EIT's Auckland international graduate campus in Auckland's CBD was extended to accommodate the growing demand for EIT's post-graduate programmes from international students. A significant investment was also committed towards

the development of the new EIT Institute of Sport and Health, a major initiative led by the Hawke's Bay Community Fitness Centre Trust and Sir Graeme Avery. This new multi-million dollar facility at the Hastings Regional Sport Park will open in mid-2019. Important campus seismic and water-tightness remediation work has also been completed. Across all campuses, EIT has committed over \$72m over the last decade to ensuring the institution provides world class learning environments, both physical and virtual, for its growing and diverse student communities.

Importantly, it is the staff and network of community, business and industry support which makes EIT the success it is today. Staff continue to perform highly, with honours earned across wide ranging fields of study and professions. Staff commitment to students, our communities, their own professions and trades, and to applied, professional and vocational learning, are what makes EIT stand out as one of New Zealand's most successful institutes of technology.

We also acknowledge the commitment and expertise of Council members, who bring wisdom and governance insight to the leadership of the institution. We particularly wish to acknowledge the outstanding leadership of David Pearson who completed his term as Council Chair in May 2018. David ably lead EIT Council for nearly 15 years, New Zealand's longest serving Chair currently, building so ably on what had come before him. Under David's tenure EIT continued to go from strength to strength. Council was very pleased to acknowledge his contribution by naming the Hawke's Bay campus' atrium in his honour. Council was also very pleased to welcome Wendie Harvey to Council in May, a new Ministerial appointment and experienced board director. As the new incoming Chair from May 2018, I am fortunate to have such a capable Council.

While 2018 has been another highly successful year for EIT, many other institutions have experienced significant difficulties. The Government has recognised the need for significant change to the vocational sector and during 2018 launched the Vocational Education and Training Reform and ITP Roadmap programmes. While EIT is supportive of a careful rethink and a need for some change, we also caution against inadvertently unravelling and disempowering highly successful and relevant educational provision from an institution, such as EIT, which is so effectively reaching into the regions and communities of Hawke's Bay and Tairāwhiti. Regions are critical to the well-being of New Zealand and regional empowerment and decision-making in regional educational delivery are key to success going forward.

We are proud of what EIT achieves – it is a privilege to be associated and involved with the success of this institution and we are thankful for the small part we get to play in being part of this. We thank and acknowledge Council colleagues, staff, and community, business, industry, iwi and civic leaders for their on-going and committed support and partnership in ensuring EIT remains one of New Zealand's leading tertiary education institutions.



Geraldine Travers  
Council Chair




Chris Collins  
Chief Executive

## OFF CAMPUS LOCATIONS



# TEACHING LOCATIONS

 Regional Learning Centre (RLC)  Offsite Teaching

## CAMPUS LOCATIONS





# 2018 SNAPSHOTS

## NEW CHAIR FOR EIT COUNCIL

Stepping into the role of Chair after 10 years serving on EIT's Council, Geraldine Travers saw the Institute as well-placed to deliver on many of the Government's priorities even as institutes of technology and polytechnics nationwide braced themselves for sector reform.

Travers brought her considerable experience in education to the position. Her extensive background includes 19 years as principal of Hastings Girls' High School, during which time North and South magazine flagged it as New Zealand's best state secondary school.

Earlier in her career, she was assistant principal at Havelock North High School (1991-93) and principal of St Mary's Diocesan School in Taranaki (1993-2007). The Hastings district councillor was awarded an MNZM for services to education in 2015.

A ministerial appointee, Travers took over from David Pearson, the longest-serving chair in New Zealand's polytechnic sector.

The managing partner in the chartered accountants and business advisory company BDO Central, Pearson began his 20-year association with EIT when he joined the School of Business's advisory committee in 1998.

Continuing to serve on the committee for 10 years, he became a Council member in 2003 and took up the role of Chair in 2005. In handing over the baton to Travers, Pearson said EIT was very much the jewel in the crown for the Hawke's Bay and Tairāwhiti regions – "it ranks amongst New Zealand's top-performing ITPs across a range of measures".

Another new ministerial Council appointment in 2018 was Wendie Harvey, whose significant experience in governance includes serving on the boards of Hawke's Bay Airport Ltd, Port of Napier Ltd and Quality Roading and Services (Wairoa) Ltd.

Also sitting on the eight-member Council, Ross McKelvie and Jacoby Poulain had their appointments renewed.

Geraldine Travers





# NEW YEAR HONOURS FOR MĀORI LEADERS AT EIT

Two Māori leaders recognised in the 2018 New Year Honours list were EIT's Professor of Māori and Indigenous Research Professor David Tipene-Leach and Rev Matiu Eru, who was then kaumātua for EIT Hawke's Bay.

Formerly a medical practitioner in Hawke's Bay, Tipene-Leach was made a Member of the New Zealand Order of Merit for services to Māori and health. From Pōrangahau and of Ngāti Kere and Ngāti Manuhiri descent, he has spent his working life promoting Māori health.

Acclaimed for his efforts in preventing Sudden Unexpected Death in Infancy (SUDI), he worked with weavers and Māori midwives in developing the wahakura woven flax bassinet and its "little sister", the plastic Pēpi-Pod.

The subsequent Safe Sleep programme has been credited with saving the lives of many babies.

A highly respected kaumātua, Matiu Eru received his Queen's Service medal for dedicating almost 60 years to tikanga Māori, leadership and services in Hawke's Bay.

An Anglican minister, Eru provided cultural guidance at EIT and to the Hawke's Bay District Health Board. He taught at Te Ūranga Waka, EIT's School of Māori Studies, for several years.

Having retired from his kaumātua role at EIT during 2018, he continued to work tirelessly in promoting te reo Māori, including helping those working for the Hawke's Bay Police to learn the language.

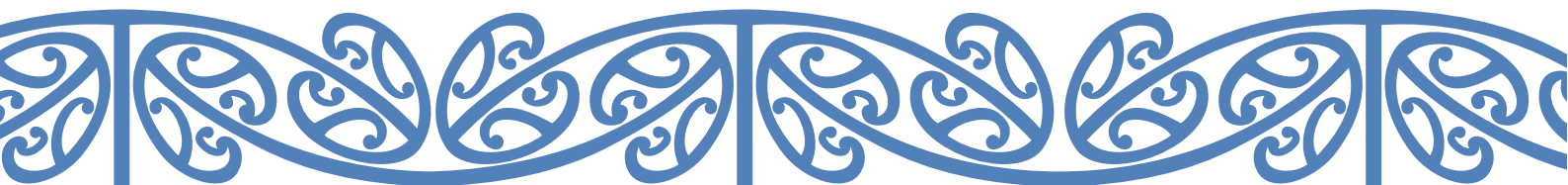
Of Tuhoe descent, Eru grew up in Ruatoki with Māori as his first language.



Professor David Tipene-Leach, MNZN



Rev Matiu Eru, QSM





## NEW HASTINGS REGIONAL LEARNING CENTRE

The opening of a new Hastings Regional Learning Centre early in the academic year was widely celebrated for underscoring EIT's commitment to serving the needs of all of its communities.

The strikingly refitted building in Heretaunga Street West reflects EIT's belief that high-quality tertiary education should be available to all.

A shopfront for wider inquiries about EIT's 148 programmes, the centre was blessed with an early morning karakia prior to opening for public inquiries in mid-April. Students started their classes at the end of the month.

Previously the centre operated from the Tower Building, on the corner of Railway and Lyndon roads. EIT purchased

the Heretaunga Street property in 2017 to provide a more central location, increased capacity and create a learning environment that better met the needs of students and staff.

The single-storey building was renovated and refitted with a flexible open-plan layout, allowing for more collaborative learning and an expanding suite of programmes.

Retail, community and horticulture programmes continued to be offered, the latter in association with community groups operating existing gardens. Barista training, te reo Māori and Māori and colonisation were added as short courses as firsts for the centre and a level 2 te reo Māori programme was offered in the second semester. A Food and Beverage (Café Services) programme ran twice during the year.



# INTERNATIONAL STUDENTS WELCOMED BY EIT

EIT continued to foster and expand on the welcoming and inclusive environment it provides for its international students, welcoming 1,276 students from 46 different countries during the course of the year.

A key event in the 2018 calendar was the EIT Community Connect day, which welcomed 30 local community groups onto campus to engage with international students and introduce them to their services.

Both the community groups and the students found it a positive experience. Students who attended the event were pleased to

have a forum where they could easily connect with people from the community and fellow students.

EIT continued helping students get the most out of their time in New Zealand through various other events and activities. International students celebrated EIT's cultural diversity at the Institute's annual international dinner and the peer mentoring scheme created a collegial connection between current and new students at an event aimed at helping the latter adjust to life in a new environment. An industry engagement evening encouraged students to showcase their classwork and network with prospective employees.



# INTERNATIONAL STUDENTS COMPLETE HOSPITALITY STUDIES AT EIT

EIT stepped up to help FutureCOL students gain their qualifications after the Hastings-based tertiary education provider went into liquidation early in 2018 following a Tertiary Education Commission audit in late 2016.

Twenty-four international students, most of them from India and Sri Lanka, transferred to EIT to study the Level 4 New Zealand Certificate in Cookery and the Level 5 New Zealand Diploma in Cookery.

Six of the 11 certificate students started close to the beginning of the 2018 academic year. EIT created a special class for five of these who were halfway through their FutureCOL course, structuring it

so that most of the classwork was undertaken during evenings. All subsequently progressed to Level 5 study.

Of the 13 Level 5 students who transferred to EIT, seven studied cookery and six patisserie. All completed and went on to secure jobs.

EIT's annual degustation dinners, staged in the Hawke's Bay campus's Scholars Restaurant, underscored the successful integration of the former FutureCOL students into the School of Hospitality's programmes. Students rose to the occasion, working under considerable pressure to prepare and plate the many degustation dishes served to guests over the course of seven nights.

# FIRST AUCKLAND CAMPUS DIRECTOR



Auckland campus director, Cherie Freeman

Cherie Freeman was appointed EIT Auckland's first campus director in 2018 following strong growth in student numbers and expansion of the campus.

Established in 2013, the central city campus meets the needs of international students wanting to combine the EIT experience with an urban lifestyle.

The campus predominantly offers postgraduate qualifications in business, computing and health science. There are also shorter English language programmes and IELTS testing.

While there were 310 full-time equivalent students in 2018, the actual number of enrolled students was much higher.

Drawing on her Ngāpuhi links, Freeman, who has 25 years' experience in the ITP sector, aims to introduce more Mātauranga Māori onto campus. This holistic approach to learning encompasses present day, historical, local and traditional knowledge and systems of knowledge, framing learning goals, aspirations and issues within an indigenous perspective – something, Freeman says, international students are keen to experience during their time in New Zealand.

# EIT STAGES EARLY GRADUATION

The Institute achieved another strong result across all of its campuses, awarding 3,604 qualifications, of which 931 were for diplomas or higher.

Notable was the growing number of Māori completing qualifications across EIT's various schools – 46 percent of EIT's 2018 graduates self-identified as Māori.

In another significant trend that reflected a progressively younger student body, 62 percent of degree graduates were aged under 25.

Jubilant EIT Hawke's Bay graduates celebrated their capping a few weeks earlier than usual, parading through downtown Napier in mid-March in traditional academic gowns, satin-lined hoods, korowai and tasselled trenchers.





# STUDENT STUDIO SERVES NAPIER CBD



Left to Right: Belinda Sleight (University of Waikato, Napier Director), Regan Cotter (EIT Business Internship Coordinator, David Skelton (Assistant Head of School, Business and Computing), Paulina Wilhelm (City Development Manager, Napier City Council) and Danyel Vickery (EIT Bachelor of Business Studies student, Studio Coordinator)

A pop-up summertime studio opened in November as a weekday hub for student research, projects and digital services to assist downtown businesses in Napier.

The collaboration was a first for EIT, Napier City Council and the University of Waikato in providing students with space to concentrate on work-based projects undertaken to meet degree requirements or summer research scholarship assignments.

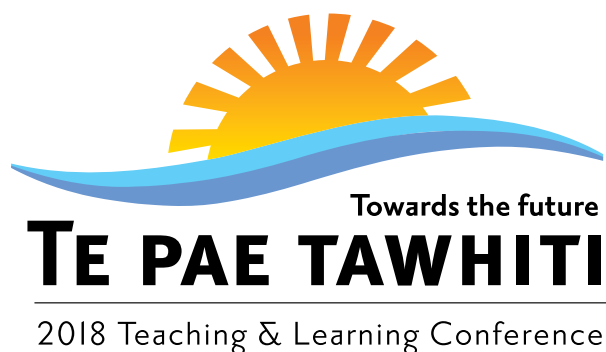
A Bachelor of Business Studies student at EIT, Danyel Vickery managed the Dalton Street studio as his final-year degree project, greeting clients and scoping their needs, dealing with public inquiries about study options at EIT and the University of Waikato and scheduling bookings for the shared spaces and equipment.

EIT students offered a social media and website development advisory service to Napier Inner City Marketing members and an accountancy service for not-for-profit organisations. Three other students worked on specific projects for businesses and a non-profit organisation.

The studio was also a base for University of Waikato summer research students working with Napier City Council, Hawke's Bay Regional Council and the Department of Conservation/Cape to City on projects focused on environmental planning, ecology and education.

The studio was the brainchild of Napier City Council's manager of city development, Pauline Wilhelm, who had seen student studios in action in cities in Canada.

## TEACHING AND LEARNING CONFERENCE



A two-day teaching and learning conference Te Pae Tawhiti was held on the EIT Hawke's Bay campus in September attracting delegates and speakers from throughout New Zealand.

The virtual keynote speaker for the event was Canadian-based education futurist Ken Steele from the University of Toronto.

The conference, which had 'Towards the Future' as its theme, included workshops, presentations, panels and activities.

Topics included Māori student mentorships, supporting distance learning with Google Forms and Docs, the creative use of community spaces, international student needs, supporting Pacific students and embedding employability skills.

# EIT OFFERS THREE NEW DEGREES

Alert to the changing needs of a fast-growing and evolving industry, the School of Computing introduced new majors for its Bachelor of Computing degree.

The four majors – Systems Development, Support and Infrastructure, Information Systems, and Intelligent Systems – provide students with more options for specialisation while responding to a growing skills shortage in New Zealand's IT sector.

In approving the reformatted programme, the NZQA Approval and Accreditation panel characterised the school as a "warm and appreciative learning environment". EIT was "trail-blazing", it said, in a space that has "historically been university territory."

In its commendations, the panel also noted: "The design and development of the programme shows the ability to collaborate with other areas of the institute and the choice of majors in the [bachelor's degree] shows both creativity and a strong connection to future industry need."

The NZQA-approved Master of Nursing Science provides a new EIT pathway for registered nurses to further develop their

knowledge and skills for a variety of advanced nursing practice and leadership roles.

The panel evaluating this postgraduate programme was impressed with the passion of the teaching team, the engagement of stakeholders and past students and the many pathway options for new students. It also commented positively on the Māori Capability development framework.

The newly-approved Bachelor of Sport and Exercise Science takes a substantive project-based approach to learning for its courses. Commending EIT for the depth and effectiveness of its engagement and relationships with community and industry organisations, the NZQA evaluation panel rated the degree's work-based elements as a major strength.

"The NZQA panel considered that a strength of the degree structure is the focus on the development of knowledge and planning and designing concrete activities, then implementation and evaluation."

The degree's predecessor, the Bachelor of Recreation and Sport, has been taught at EIT since 2001.

# PRIMARY INDUSTRIES SCHOOL LEADS FROM THE FRONT



Paul Keats (left) and Nigel Udy

EIT's School of Primary Industries strengthened its leadership in 2018 while expanding its educational role in support of the regional economy.

Nigel Udy was appointed Head of School, based at EIT

Tairāwhiti, while Paul Keats took up the position of Assistant Head of School based on the Hawke's Bay campus.

At the same time, EIT widened its suite of primary industry programmes, with 20-plus qualifications reflecting the institution's responsiveness to the strengthening agriculture, forestry and horticultural sectors in the Hawke's Bay and Tairāwhiti regions.

New programmes were offered to meet the needs of the rapidly growing apple and kiwifruit industries, and the beekeeping industry welcomed the introduction of the Level 2 New Zealand Certificate in Primary Industry Skills in Hawke's Bay, with its focus on apiculture.

In agriculture, Hawke's Bay supported the Primary ITO in delivering a range of programmes including the new agribusiness diploma.

Another strong area of growth was in commercial road transport, with EIT working closely with the industry to meet a nationwide shortage of truck drivers.

In conjunction with the community and various iwi, marae-based courses on sustainable primary production – mahina kai – were developed using traditional food growing and management techniques.

The school delivered programmes over a large area, from Te Araroa to Dannevirke, including from its two main campuses in Gisborne and Hawke's Bay.

# YOUNG VINTNER WINS AWARD



Elise Picot, HB A&P Bayleys Young Vintner of the Year 2018

Third-year Bachelor of Wine Science student Elise Picot was celebrated as the Hawke's Bay A&P Bayleys Young Vintner of the Year at the 2018 Hawke's Bay Wine Awards.

It was Picot's second success in the regional wine awards. In 2017, working part time assisting with tours and visitor wine tastings at Church Road, she was part of the winery's cellar door team that took out the best cellar door award.

Picot, who previously completed a degree in industrial design in Wellington, was also awarded the 2018 Bragato Trust undergraduate scholarship which will take her on a three-month tour of Italian wine regions.

The School of Viticulture and Wine Science has forged close relationships with Italy as a result of the Bragato Scholarship student exchange programme. This has led to other opportunities to interact, and in May EIT hosted a SIVE New Zealand 2018 tour group.

SIVE (the Italian Society for Viticulture and Enology) is the equivalent of New Zealand Winegrowers. The tour group included 18 Italian wine industry professionals – winemakers, winery owners, sommeliers, vineyard managers and researchers.

After visiting local wineries and vineyards, the group toured the school's amenities, took part in an on-campus wine tasting, heard a staff presentation on the Hawke's Bay wine industry and networked with students interested in exploring vintage opportunities in Italy in future years.

# BRAGATO SCHOLARSHIP IN 15<sup>TH</sup> YEAR

Exploring Italy's wine regions early in the year, Bachelor of Viticulture and Bachelor of Wine Science concurrent degree student Alex Peter was the 14th EIT student to benefit from the Bragato exchange scholarship.

The exchange scheme is named after Romeo Bragato, the legendary viticulturist who, after training at the School of Viticulture and Oenology in Conegliano in north-eastern Italy, went on to recognise New Zealand's potential for winegrowing.

The scheme's founder is Kevyn Moore, a former president of the New Zealand Grape Growers' Association. After meeting visiting Italian winemakers in 1999, Moore, with wife Corinne, was invited to talk to Conegliano students about Bragato at the premier viticultural school's 125th jubilee. That became the catalyst for the annual exchange, which is supported by the Rotary Club of Taradale.

A degree student from the University of Padua who has attended the school in Conegliano visits New Zealand wine regions and EIT on a month-long trip during the year and, as with the New Zealand counterpart, attends the Bragato Conference staged by this country's winegrowing industry.

The University of Padua, one of the oldest in Italy, has a campus on the same site as the school in Conegliano and shares buildings and vineyards.

Moore is delighted that the exchange programme continues to build strong bonds between those associated with the wine industries in both countries.



Alex Peter toured Italy early in 2018 as the previous year's Bragato scholarship winner



# EIT STUDENTS ACHIEVE WINE EXCELLENCE

EIT students continue to create wines that win medals at highly respected wine awards throughout New Zealand.

## HAWKE'S BAY A&P BAYLEYS WINE AWARDS

WINE NAME	VARIETY	STUDENT NAME/S	VINTAGE	AWARD
Methode Rose	Pinot Noir/ Chardonnay	Sanne Witteveen	2017	Best Student Wine
2017 Dartmoor's Pride Chardonnay	Chardonnay	Douw Grobler, Peter Zhang, Becky Dooney	2017	Bronze
Rangimarie Natrium	Chardonnay	Xiangpo Li	2018	Bronze
Graceful Deco Chardonnay	Chardonnay	Bo Wei, Dexia Ye, Huazhao Xu, Takeshi Gunji	2018	Bronze
Buff Lady Chardonnay	Chardonnay	Bo Wei, Dexia Ye, Huazhao Xu, Takeshi Gunji	2018	Bronze
R.R.P.L Sauvignon Blanc	Sauvignon Blanc	Raviraj Jadhav, Rohit Mittan, Phillip Heddermen, Lily Adsett	2018	Bronze
Flax and Bamboo Sauvignon Blanc	Sauvignon Blanc	Ben Fulton, Natalie Dewar, Pierce Qiang, Gavin Fang	2018	Silver
Anahera Sauvignon Blanc	Sauvignon Blanc	Alex Peter, Elise Picot, Jim Cameron, Michael Ledingham, Ella Liu	2018	Bronze
Puzzles Sauvignon Blanc	Sauvignon Blanc	Joe Woolley, Devin Marshall, Grace Smiley, Tyler Xiaoge	2018	Bronze
Rangimarie Apatu	Riesling	Xiangpo Li	2018	Bronze
NBS	Pinot Noir	Ben Fulton, Natalie Dewar, Shirley Stevens	2018	Bronze
18% NV Magic Port	Merlot	Andrew Bao		Bronze





## DOUBLE THE FUN AT REGIONAL WINE AWARDS

A long-time supporter of the Hawke's Bay A&P Bayleys Wine Awards, EIT ramped up its support in preparing both the main and dessert courses at the 2018 gala dinner.

In the past, EIT has been responsible for one course and, with more than 470 seated guests for the 2018 event held in a marquee at the Hawke's Bay A & P Showgrounds, doubling the workload was quite a commitment.

Cookery lecturer Kylie Howard tackled the main course while fellow patisserie lecturer Korey Field tempted the sweet-toothed with his dessert creation. Both were assisted in prepping, plating

and serving the dishes by more than 100 of EIT's food and beverage, tourism and cookery students.

EIT wine science students were also on hand to help with the wine service.

Recently appointed Head of School for Tourism and Hospitality Glenn Fulcher experienced his first Hawke's Bay A&P Bayleys Wine Awards, not as a guest, but in donning chef whites to coordinate kitchen activities with both teaching staff and students.



## EIT DINNER EVENINGS HONOUR COOKING TALENT

The late Noel Crawford was a cooking marvel, celebrated by foodies in Hawke's Bay and beyond.

So too is the annual dinner commemorating the legendary chef which also funds a memorial scholarship to support an aspiring chef for a year's study at EIT. Held in partnership with FAWC, EIT Hawke's Bay sold out two commemorative dinners staged a week apart at the Hawke's Bay campus' Scholars Restaurant in June.

Previous scholarship winners joined chef tutors in showcasing their culinary creativity, and hospitality school students helped in the kitchen and with serving the eight courses to guests.

As in past years, Hawke's Bay producers were generous in donating wine and ingredients for the gala evening.

Noel Crawford died in 2013, aged 63, after 30 years as a chef and mentor in the Hawke's Bay food industry. Dubbed 'the Saucerer', he founded the Aromatics gourmet food brand and was a regular and popular stallholder at the Hawke's Bay Farmers' Market where he sold his sauces and condiments.

The scholarship commemorating Crawford's contribution to Hawke's Bay's reputation for fine food was established in 2014.



# STUDENT CHEFS EMBRACE LOCAL FLAVOURS



Student chef Fadia Zein displays a small sample of the food products made for EIT's Locavore market

EIT's trainee chefs celebrated Hawke's Bay bounty in showcasing their preserves and charcuterie wares at the School of Hospitality's third annual Locavore on the Hawke's Bay campus.

The term locavore was coined some 13 years ago to embrace and promote the local aspect in food production. From its beginnings in San Francisco, the movement – aimed at connecting food producers and consumers in the same geographical area – quickly caught on worldwide.

At 2018's Locavore at Scholars, EIT's student chefs preserved fresh, sustainable, organic local produce, designed the packaging and then sold their wares to staff, students and other foodies at a market held on campus.

All the level 5 New Zealand Diploma in Cookery (Advanced) students took part, learning about urban foraging, sourcing produce from families, friends and staff.

To see how Hawke's Bay businesses work with local produce, they visited Te Mata Figs, The Chefs Garden@Epicurean, St George's Restaurant, Orcana Chillis 'N Peppers and Tukituki Dairy Goats.

Then, over eight weeks, they put what they were learning into practice. That included smoking, curing, dehydrating, bottling and fermenting foodstuffs and then honing their marketing skills, including packaging, labelling, pricing the goods and selling from their product-packed stalls.

"This exercise is about seeing food products through all the stages, from sourcing ingredients, cooking, packaging and communicating with customers in selling them the finished goods. These are all essential skills for the modern chef," said chef tutor Mark Caves.



## THE GIFT THAT KEEPS GIVING

The campaign against single-use plastic bags took a creative direction with bags handcrafted by EIT IDEAschool students.

As part of their Level 3 Art and Design Certificate programme, students made more than 30 bags for Boomerang Bags Hawke's Bay to distribute throughout the region.

The six-month certificate programme gives students a 'taster' of IDEAschool's four disciplines – fashion, art and design, music and screen production. In the art and fashion segment, the students undertook a number of screen printing and sewing projects, including the bags.

Certificate student Olivia Watts from Hastings with fashion programme coordinator Cheryl Downie

# EIT NAMING SPONSOR FOR REGIONAL SPORT AND HEALTH CENTRE

EIT's support for a multi-million community health and fitness hub under construction at the Hawke's Bay Regional Sports Park was reflected in the announcement of its name in July – the EIT Institute of Sport and Health.

One of its kind in Hawke's Bay, the world-class centre is being built on the northwest fringe of Hastings by the Hawke's Bay Community Fitness Centre Trust. Chairman Sir Graeme Avery, a driving force behind Auckland's AUT Millennium Institute of Sport and Health, said the trust was delighted to secure EIT as the naming sponsor.

EIT Institute of Sport and Health will provide an exciting new work-based teaching and learning space for EIT students studying sport and exercise science that is interconnected with EIT's applied research programmes based on community health and wellness. A range of programmes will be delivered aimed at promoting healthy lifestyles, supporting at-risk youth and improving community health and well-being, both at the centre and in the community. The aim is for these programmes to lead to improvements in the hauora of Hawke's Bay whānau and communities.

The EIT Institute of Sport and Health will also provide a venue for the team working with talented local athletes, developing their sports potential.

Demand for the athlete development programme greatly exceeded expectation since launching in late 2016, with a group of young sports talents training at a new temporary facility operated

at the sports park.

The programme, part of a vision that EIT has been involved with since 2009, was initiated by biomechanics lecturer Marcus Agnew who saw the benefits of a high performance development centre located in Hawke's Bay, and with Sport Hawke's Bay. A business proposal from EIT's School of Business followed and with the formation of the Hawke's Bay Community Fitness Trust chaired by Sir Graeme Avery, the dream has become a reality.

With teaching space and a research lab on site, the institute will be a focus for the delivery of EIT educational and research programmes ranging from certificates through to postgraduate qualifications in sport, exercise and health science. Specialist equipment and high-quality technology facilities and sports experts will support teaching and staircasing opportunities for students, helping to produce high quality graduates while also providing opportunities for EIT researchers to develop community-centred health and well-being research activities.

The centre is to open in mid-2019, with the staged development expected to provide accommodation for athletes and communities and a sport medicine, nutrition and rehabilitation facility. Ultimately this may include an Olympic-sized swimming pool and a learn-to-swim pool.

EIT involvement won't be limited to the facility itself, with staff and students continuing to work with schools and sports communities across the region.

## SPORTS SCHOLARSHIPS DELIVERING RESULTS

The 2018 year marked the 20th for Sport Hawke's Bay and EIT Sports Scholarships, with 100 students enrolled across a range of disciplines benefitting from the financial support they provided over the last two decades.

Each scholarship is valued at up to \$2000 and the money can be spent on fees for study or to offset the cost of travel, for sports equipment or other expenses associated with training.

Recipients have included Olympian and world champion K4 canoe sprinter Aimee Fisher and Olivia Mador-Puna, a Junior Māori Sportsperson of the Year whose sport is waka ama.

EIT Health and Sport Head of School Kirsten Westwood said the scholarship programme acknowledged that an athlete's sporting life should be supported by education to provide them with options for developing careers.



Aimee Fisher - Olympian and world champion K4 canoe sprinter



# IDEASCHOOL ARTS FESTIVAL

## AN EIT FIRST

For the first time, all disciplines at IDEAschool combined to celebrate graduating student success with an arts festival held on campus in November.

In previous years, graduands of screen production, fashion, music and arts and design staged individual events over several weeks at different venues around the region.

The arts festival was about showcasing the breadth of student creativity at IDEAschool, celebrating talent and acknowledging the hard work that had gone into the various study programmes.

It signalled too, a further coming together of the various arts disciplines with the scope of the recently-created Bachelor of Creative Practice expanding in 2019.

The festival kicked off with the opening of an arts and design exhibition and continued into the evening with film screenings, the school's fashion show, which attracted an audience of 300, and performances by music students.

EIT's Scholars Restaurant was the festival hub, opening as a bar for the evening and providing food stalls to cater for guests.



EIT student Tegan Winter created her "Puritan Winter" collection for her Level 5 New Zealand Diploma in Fashion.

# GRAPHIC DESIGNERS WIN GOLD

Three EIT graduates struck gold for their employer - print, web and design company - printing.com Napier, in a nationwide competition.

The graphic designers each won gold in the independently-judged Redshift Design Awards, competing against more than 30 printing.com and Nettle design, web and print studios throughout the country.

Melissa McCormack's award was in the books category for her work on the Napier Girls' High School yearbook. Eden Clarkson won her creative services award for operational diagrams produced for Integrity Tank Cleaners CHB while Alexandra Dawson was awarded gold in the communications category for work done on Shattky Optometrists Bookmark.

All three graduated from EIT's IDEAschool with a Bachelor of Visual Arts and Design.

Graphic designers with the golden touch, Eden Clarkson (front), Melissa McCormack (centre) and Alexandra Dawson (back)



# SCHOOL HEAD TAKES MUSIC TO THE WORLD

Head of IDEAschool, Professor Matthew Marshall continued to pursue a long-held passion in taking New Zealand's guitar music out onto the world stage.

Having recently published two guitar pieces he commissioned from New Zealand composers, he played these works at a guitar festival held in New York in June. He also presented a talk about what it is that makes New Zealand's guitar music unique.

"There's a freshness to it," Marshall explained, "and a willingness to experiment without being burdened by the history and culture of traditional European music."

Marshall, who performs at festivals all around the world, established a company, Hatchet Music, for the express purpose of publishing guitar music by New Zealand composers.



# TOIHOUKURA EDUCATOR A MATARIKI STAR

Professor Derek Lardelli – Ahorangi at Toihoukura, EIT Tairāwhiti's School of Māori Art – took centre stage as the supreme winner at the Matariki Awards, an annual event celebrating the best within Māoridom nationwide.

Earlier in the evening, Lardelli shared the Te Waipuna Rangi Award for Arts and Entertainment with arts laureate recipient Rachel House.

Of Ngāti Porou and Rongowhakaata descent, Lardelli is highly acclaimed as an artist, tā moko designer, carver, composer, teacher and kapa haka champion. He has written many haka, including the All Blacks' haka 'Kapa-o-pango'.

Speaking to his supreme award, he said Māori art was a good example of how people, particularly in the past, used new tools and materials to innovatively grow a culture.

Other Toihoukura staff members who contributed to the success of the awards were tutor Makarini Solomon and workshop technician Ayson Lewis who crafted 14 of the taonga presented as trophies to award recipients.

The year continued to smile on Lardelli with him winning a "Keepers of Tradition" Iconic Award in September's Māori Music Awards.



Stars at the Matariki Awards – Ahorangi/Professor Derek Lardelli, flanked by Ayson Lewis (left) and Makarini Solomon

# SPARKIE LIGHTS UP AWARDS STAGE

Top Hawke's Bay apprentice for 2018, Matthew Macaulay is a bright spark in the trades.

From Hastings, Macaulay qualified as a horticulturist and then as a boilermaker before deciding to pursue an electrical engineering apprenticeship, studying at EIT.

An electric fitter at Unison, he was presented with the Mike Davis Memorial Cup for the top apprentice at the EIT-Rotary Club of Greenmeadows Trade Training Awards.

Macaulay was seeking a more secure working environment when he responded to an apprenticeship opportunity offered by Unison. While training as an electrical fitter, he signed up for night classes at EIT.

"I knew what I was wanting to do and aimed to pass, putting in the effort and getting the result," he said of the top award.







Managing YES@EIT and Entrepreneurs@EIT through his start-up business Workshopx Marketing, EIT Master in Applied Management graduate Ben Deller was one of the original founders of the Airnet NZ business NOW.

## BUSINESS SCHOOL PROMOTES ENTREPRENEURSHIP

Responding to a rapidly changing workplace environment, EIT's School of Business further developed its highly successful Entrepreneurship@EIT initiative in 2018.

Director of Research and Associate Professor in the School of Business, Jonathan Sibley says there has been a massive global shift to entrepreneurial ecosystems over the past decade.

"It's been estimated that 50 percent of all jobs created in OECD countries over the last decade have been created by innovative young firms," Dr Sibley pointed out. "There is an increasing need for workers to be able to create their own jobs."

Adapting and extending beyond teaching business courses for students looking for full-time career employment, Entrepreneurship@EIT fosters and nurtures the development of students' abilities to create new businesses and jobs.

The initiative was tailored to assist students and budding entrepreneurs at different stages of their development. YES@EIT

targets secondary school students, Entrepreneurs@EIT is for students attending EIT, and, developed in 2018, Entrepreneurs Gym is extending entrepreneurship capabilities across Hawke's Bay.

Since 2017, YES@ EIT has been stimulating the interest of fledgling entrepreneurs by supporting the secondary school's Young Enterprise Scheme run in the region through the Hawke's Bay Chamber of Commerce.

Launched in 2018, Entrepreneurs@EIT supports students in starting up new business ventures and growing existing businesses while they study. It offers skills development, mentoring, networking, business support and an 'entrepreneurs' clinic' to assist aspiring entrepreneurs to develop their skills.

Those attracted to the programme include fashion students setting up their own clothing labels, tradies, hair and beauty students and marketing students keen to be in business.

# ENHANCING HAWKE'S BAY'S NATURAL ENVIRONMENT

Having signed a Deed of Cooperation in 2017, EIT and the University of Waikato continued to work together on increasing educational opportunities in Hawke's Bay.

With environmental sustainability initiatives as an initial focus, the institutions jointly offered a free public two-day workshop on ecological restoration. Tips and tools for restoring Hawke's Bay's original vegetation cover were shared. These included plant selection, planting densities, restoration standards, identifying and propagating native plants and dealing with weeds and browsing animals.

EIT Executive Dean and Professor of One Welfare, Natalie Waran said the two institutions were working with the Hawke's Bay Regional Council and other local stakeholders to develop new and exciting educational and knowledge creation initiatives to underpin the development of ecological intelligence in the region and support biodiversity conservation and landscape restoration.



# TEACHING AL FRESCO

Named as a corporate guardian of the Hawke's Bay Biodiversity group, EIT brought together environmental educators from around New Zealand to explore ways of incorporating education outdoors into an innovative learning environment.

At an overnight hui held at Mangarara Eco Lodge in Central Hawke's Bay, 40 educators shared ideas on how to use the outdoors as a teaching tool.

"Our overall goal is to improve awareness and understanding of the environment across the whole community by promoting the conservation and sustainable use of natural resources, leading to a better environment and a better quality of life," said Professor Natalie Waran, Executive Dean, Faculty of Education, Humanities and Health Science, spearheading the initiative for EIT.

"We see it as critical for the whole community to understand the biodiversity issues facing our region and, in fact, the world."

Partnering EIT in organising the workshop were the Hawke's Bay Regional Council's Cape to City team and the Air New Zealand Environment Trust.

Addressing the group by video link, AIRNZ Environment Trust chair Ruud Kleinpaste spoke on the importance of developing future educators who were confident and skilled in providing education in an outdoor environment. He acknowledged EIT's leadership role in helping to achieve this in Hawke's Bay.

Attendees included Dame Anne Salmond, Professor in Māori Studies at the University of Auckland, who, with husband Jeremy Salmond, founded the Waikeru Ecosanctuary near Gisborne as a haven for rare and endangered species of native birds, plants and animals.

Professor Bronwen Cowie, director of the Wilf Malcolm Institute of Educational Research at Waikato University, presented national and international perspectives on using the environment as a context for learning with the aim of providing quality educational outcomes.

Esther Kirk, Environschools' national manager assisted by regional coordinator Sally Chandler, spoke on that organisation's kaupapa.

Department of Conservation's North Island education regional coordinator Ben Moorehouse outlined the department's environmental education perspective while owners Greg and Rachel Hart shared Mangarara Farm's approach to regenerative agriculture, which embraces connected landscape and people.

Following up on that, EIT's Bachelor of Teaching primary and early childhood teams brainstormed how they could incorporate all they had learned about using outdoor spaces into their teaching delivery.

In December an agreement was signed by EIT and the Air New Zealand Environment Trust to make practical progress to advance the concept. EIT will be further developing an existing log cabin on the hill above the Hawke's Bay campus and the surrounds as a base for outdoor environmental education for sustainability. Various educational activities and resources will be developed also, particularly for practising and candidate teachers in a collaborative approach with others. In addition to the development and use of the log cabin location, activities will occur in Tairāwhiti, Wairoa and Mangarara over a three year period, with the Trust contributing significant funding and support to EIT.



## TAIAHA SKILLS SUPPORT TE REO LEARNING AT PRISON

Tipene Rangihuna notched up three years in 2018 in instructing inmates on the correct use of the taiaha, the traditional long staff, in teaching EIT's te reo Māori programmes at Hawke's Bay's Mangaroa Prison.

Widely known as Papa T, Rangihuna said learning how to brandish the taiaha built confidence, so his students graduated from the levels 2 to 4 language programmes with better results.

Rangihuna has seen nearly 100 inmates graduate. Recidivism had dropped, he said, and several graduates progressed to degree study.

At the prison, Rangihuna continued to teach Māori from different iwi and enjoyed the diversity of students, including high security inmates, in his classes.

Of Ngāti Porou descent and a black belt in karate, his interest in taiaha was nurtured by a master of the art, the late Mita Mohi from Te Arawa, who also taught at Mangaroa Prison.

"Gang members have separate classes and many work out," he said. "They've got muscles on their eyelashes, but they show me respect."

The 68-year-old Rangihuna told his students not to try matching him at taiaha but to aim at doing it better. "Otherwise," he smiled, "they'll only have the proficiency of an old man."





# 100<sup>TH</sup> CARPENTRY APPRENTICE ON EIT BOOKS

EIT Hawke's Bay recorded 100 carpentry apprentices on its books in 2018.

And in another first for the Institute, EIT's School of Trades and Technology introduced a specially developed app which allows students and employers to keep track of learning progress on their mobile phones.

Programme coordinator for apprenticeships and cadetships, Shane Sigglekow worked with an app designer in the year-long project to create and refine the online tool, which digitally records theoretical and practical milestones.

Students and employers were quick on the uptake, downloading the app, introduced at the beginning of the year, onto their mobile phones.

From Left to Right  
Eddie Timu, Julie Anniss and Tom Hay (Tutor)



## BUILDING UP LOCAL SKILLS

Takapau locals were among those to benefit in 2018 from EIT's commitment to taking programmes out into the community.

Ten people, ranging in age from 17 to over 70 and all new to building, worked with EIT tutor Mike Chapman on a 14-week introductory national certificate in building. The group included a retired school principal, a retired teacher, a former production manager, horticulture workers and several students who

dovetailed their freezing works jobs around the three-days-a-week programme.

Most were wanting to gain experience to do odd jobs to help out whānau but others had longer-term career or study aspirations.

It was the first time EIT had run a programme in the Takapau settlement, although the course has been available in Waipukurau for the past five years.



Takapau residents Tony Maaka, left, and Taranaki Nepe Apatu were keen to take their skills further after completing EIT's introductory building programme

# RESEARCH HIGHLIGHTS

## EIT ESTABLISHES PROFESSORIATE

The EIT Professoriate was established in 2018 to lead research on the Auckland, Tairāwhiti and Hawke's Bay campuses.

Fourteen leading scholars – EIT's professors and associate professors – regularly reported throughout the year on current and forthcoming projects and brainstormed new ideas for extending and enhancing research undertaken at EIT.

The professoriate was formed to raise the profile of EIT's research, enhance community connections, increase external funding for research and support colleagues on the many projects underway.

Executive Dean Professor Nat Waran  
established the Professoriate at EIT



## RESEARCH AND INNOVATION CENTRE LEADERSHIP HANDOVER

The year saw significant changes for EIT's Research and Innovation Centre, established on the Hawke's Bay campus in 2017.

Associate Professor Jonathan Sibley from the School of Business took on the additional role of Director of Research and Innovation@EIT, which operates under the Executive Dean for Research, Professor Natalie Waran. Sibley has a strong commitment to research, particularly research which facilitates innovative solutions to community development.

His previous work with the United Nations Development Programme, Capital Development Fund and the World Bank reflects his underpinning philosophy that research must contribute to people being able to lead the lives they choose and contribute to the development of communities.

The Centre's strategic leadership has ensured research and innovation continues to develop at EIT, growing and strengthening links with community as well as extending the Institute's influence nationally and, in some areas, internationally.

Sibley's appointment as Research Director followed the July retirement of Professor Bob Marshall who contributed 16 very productive years to EIT. Originally from Canada, Marshall taught at the University of Otago and the University of Western Australia, and was Associate Professor and Foundation Head with the Department of Sports and Exercise Science at the University of Auckland before being appointed EIT's first research professor in 2002. He became the institute's first research director in 2011.



Associate professor Jonathan Sibley

# TRAINING KEY TO BUILDING BAY'S TECH SECTOR

Senior academics leveraged off their recent research findings at a policy think-tank hosted by EIT to explore ways of boosting Hawke's Bay's digital sector, a small but growing contributor to the regional economy and employment landscape.

Research Director and Postgraduate Programme Coordinator for the School of Business, Associate Professor Jonathan Sibley told the think-tank it was estimated that tech-related industries contributed approximately 3.5 percent to Hawke's Bay's GDP while primary production and processing in the region contributed around 22 percent.

EIT's analysis suggested at least 60 companies in Hawke's Bay derived most of their income from computing/tech/digital business. Anecdotal evidence indicated the number of digital companies was growing, partly due to local entrepreneurial

activity and partly due to firms relocating from other centres.

EIT's Bachelor of Computing Systems degree requires students to undertake an internship over one semester in their final year of study. Over a period of three years, 66 percent of students secured ongoing employment with the company they interned for after completing their studies.

"This suggests a focus on the development of the tech sector may also result in a larger number of talented young people staying in Hawke's Bay," said Dr David Skelton, Assistant Head of School – Computing.

That increasing likelihood of tech-skilled young people choosing to build their lives and careers in the Bay was encouraging for the region, given the positive outlook for the sector, Sibley said.

# QUANTIFYING THE MERITS OF COMMUNITY HOUSE DIALYSIS

Chronic Kidney Disease (CKD) is a major public health problem directly affecting 10-16 percent of adults.

It leads to premature death, and to advanced kidney disease requiring intense treatment with medication, palliative care, transplantation or dialysis involving shared decision-making by patients, families and their healthcare providers. Māori and Pasifika patients are particularly affected by kidney disease, experiencing rates almost four times that of their New Zealand European counterparts.

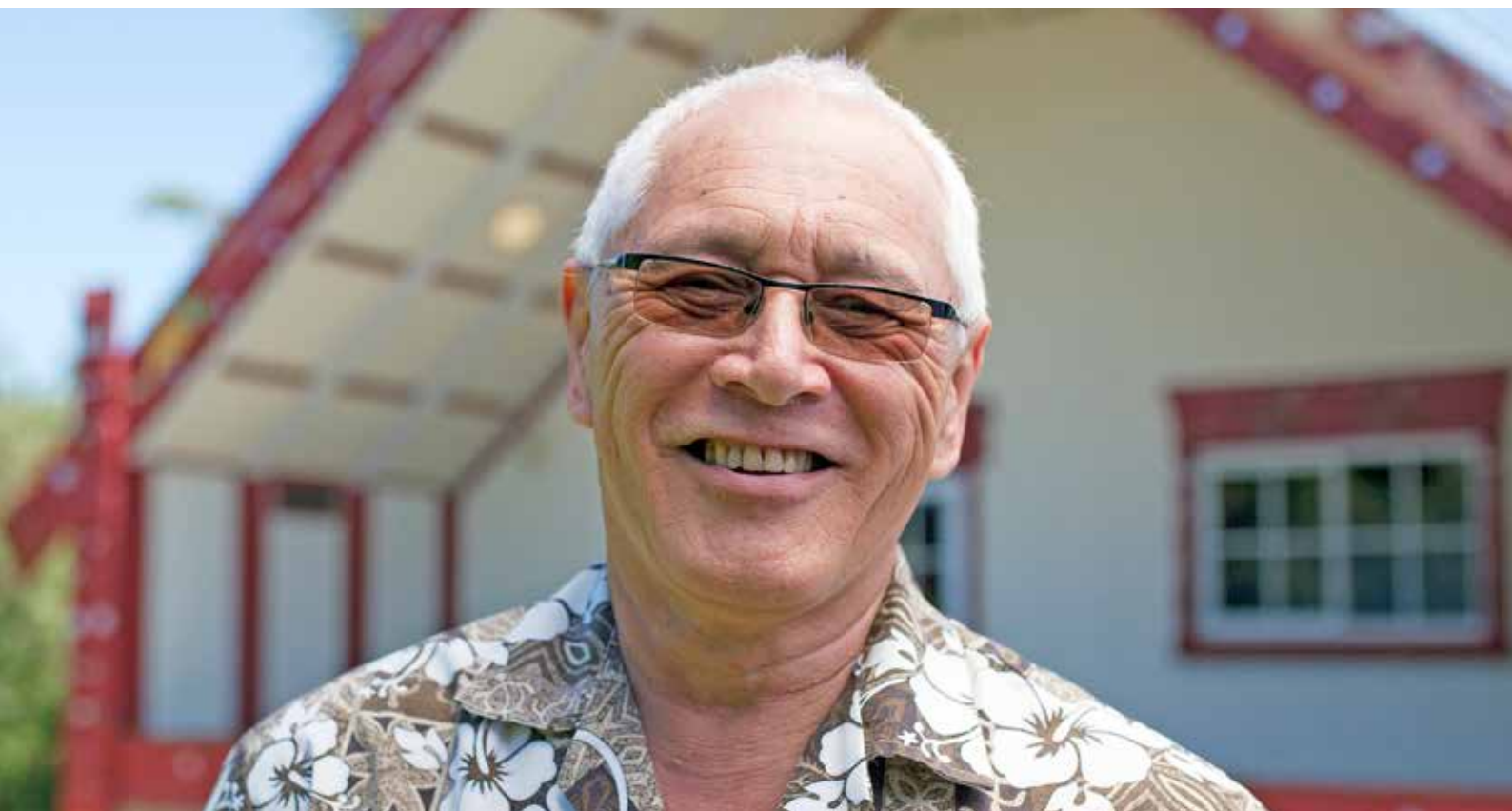
In prior research, Associate Professor of EIT's postgraduate nursing programmes Dr Rachael Walker found Māori patients with kidney disease are marginalised by the healthcare system due to delayed diagnosis, a focus on individual-based care rather than whānau-centred care, negative experiences of dialysis that cross generations and a lack of awareness by healthcare providers of cultural expectations during decision-making.

With a view to improving the experience of Māori and Pasifika on dialysis, Walker and her research team are undertaking research exploring the experiences of Māori and Pasifika who utilise community house dialysis in New Zealand. Community dialysis houses allow patients to dialyse independently (without medical or nursing staff on site) in a home-like environment.

Her project is aimed at understanding the expectations and experiences of Māori and Pasifika who choose to dialyse in a community house and identifying the attributes of community house dialysis that better align with their cultural needs.







## CULTIVATING CULTURAL COMPETENCE

Cultural competence in the health and social welfare sectors depends on the knowledge, attitudes and skills of the practitioner to be able to develop and maintain a healthy relationship with the client, patient or whānau with whom they are working. It sits alongside the historical trauma of colonisation, with the social determinants of health and institutional racism as the primary causes of health inequalities for Māori.

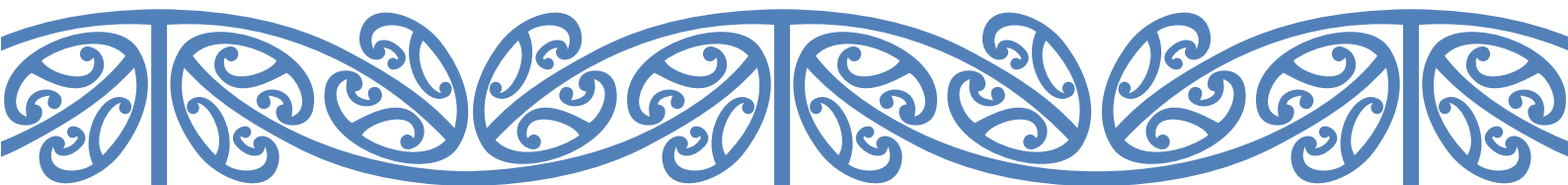
Professor of Māori and Indigenous Research Dr David Tipene-Leach is working with Te ORA (the Māori Medical Practitioners Association) and the Medical Council of New Zealand on a project designed to refresh and rejuvenate the approach that the council has taken to cultural competence amongst its members in the past decade. This project has grown to involve the Council of Medical Colleges, which trains specialists, and the Medical Deans, comprising the medical deans of each of the medical schools. This working group covers medical students and practising doctors, including those in specialist training and Māori doctors across the country. The plan is to move from a mostly voluntary 'attitudes, knowledge and skills'-based system to a more prescriptive programme of audit-based outcome indicators for practitioners and health organisations/systems. In addition, the emphasis moves from the competence of the practitioner to the safety of the client/patient/population.

Tipene-Leach and Research Professor Kay Morris Matthews are working on two projects that have significant cultural competence components –Te Kūwatawata and Ngātahi – that fit within this model of practice, that is, reformatting an 'old way of doing things' in order to provide better outcomes for those most poorly served by the health or welfare sectors.

Te Kūwatawata is a Hauora Tairāwhiti District Health Board mental health care service in Gisborne. Its Te Ao Māori framework is designed to span the primary and secondary NGO mental health sectors, where Māori make up half the total population and two-thirds of those using mental health services.

Ngātahi, in Hawke's Bay, is a professional training project designed by and for the vulnerable children's sector workforce that investigates workers' perceptions of their own skills gaps and then designs local training programmes to upskill themselves. Approximately 60 percent of the clientele of 40 organisations making up this sector are Māori. Not surprisingly, the large majority of non-Māori clients come from similarly deprived communities.

Both projects are national pilots which potentially could have significant outcomes nationwide.





Dr Anne Hiha

## KIA ANGITU PROMOTES MĀORI STUDENT SUCCESS

Aimed at boosting Māori learning engagement and achievement across Te Aho a Māui/EIT's teaching programmes, the Kia Angitu project launched in May.

EIT Research and Innovation Centre's partners in the project are the Education Development Centre and the Māori Directorate. Led by Dr Anne Hiha, a research fellow based at the EIT centre, other members of the research team are EIT staff members Deb Stewart, Margaret Young, Professor Kay Morris Matthews and Tuhakia Keepa.

Kia Angitu, which translates as future success, has kaupapa Māori as its underpinning philosophy. The 19-month project aims to raise the level of Māori learner engagement and success with an evaluation of that strategy running alongside it.

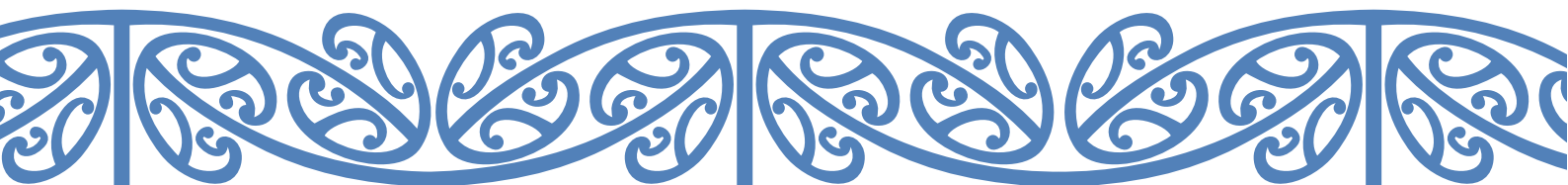
It involves students and teaching staff from a cross-section of Te Aho a Māui's pre-degree, degree and postgraduate programmes.

During the latter half of 2018, students were asked what helped

and what hindered their learning in class, and their suggestions for changes and improvements were noted. That led to research participants implementing strategies and initiatives in their classrooms and schools.

As an example of that, programme development staff in one school collaborated with others to ensure appropriate Māori names were used for programmes and courses and that these encompassed specific Māori content.

Other staff who included Māori words in their presentations found that doing so had made a positive difference in their relationship with Māori learners. One also said about the community of Kia Angitu research participants: "So much of the learning comes from the conversation. Little things like understanding that karakia is a blessing, not only a prayer, makes such a difference to my own confidence in immersing myself further in te ao Māori."



# SCIENTIST MADE AN HONORARY RESEARCH FELLOW

Dr Petra King was made an honorary research fellow at EIT, acknowledging her significant contribution to horticulture and viticulture science over the last 40 years.

Appointed a research scientist and viticulture lecturer at EIT in 2006, King worked on a range of research projects including a research programme investigating the effects of within-vineyard variability on vine and grape growth and wine quality, strategies to manage and minimise this variability, and the influence of under-vine management practices on grape and wine quality.



# ADAPTING TO INNOVATIVE LEARNING ENVIRONMENTS



The shift to Innovative Learning Environments (ILEs) in New Zealand schools is a Ministry of Education strategic direction that is challenging how teacher educators prepare preservice teachers (known at EIT as candidate teachers) to teach in these emerging spaces.

Programme coordinator for the Bachelor of Teaching (Primary) Dr Emily Nelson said that while EIT's degree programme was

still largely underpinned by a conventional view of teaching and learning, practice was moving quickly in primary schools. A research project Nelson undertook with EIT primary education lecturer Leigh Johnson was in response to the changing teaching dynamic.

ILEs were not yet the norm in New Zealand, Nelson said, but they were increasing and, bespoke in their design and organisation, they were taking on a variety of forms and configurations.

Nelson and Johnson's research found candidate teachers teaching in ILEs on practicum were faced with steep and novel challenges around how they planned, taught, assessed and managed students and learning as they worked collaboratively with associate teachers and, increasingly, other colleagues.

To succeed, Nelson said, preservice teachers translate their campus learning and own understanding of learning environments and pedagogy into appropriate practice for ILEs, a challenge while they are simultaneously being assessed, but one they relish. A key support for preservice teachers in ILEs is the increased opportunity for collaboration with experienced colleagues. This collaboration brings immediate opportunities to reflect on their practice, opportunities for them to contribute ideas to the teaching and learning programme and opportunities to gain support from multiple colleagues and perspectives.

## RESEARCH OUTPUTS

	2013	2014	2015	2016	2017	2018
Research Outputs (refereed & non-refereed)	216	254	254	241	308	293
Outputs per Academic FTE	0.70	0.91	0.84	0.72	0.94	0.95
Outputs per Academic FTE with Research Hours *						2.05

\* New measure in 2018



# ADVISORY, CONSULTATIVE COMMITTEES & REFERENCE GROUPS

## MĀORI STRATEGIC ADVISORY GROUP (MSAG)

The primary purpose of the MSAG is to provide strategic advice to EIT in the delivery of quality tertiary education to Māori communities. In this role, the MSAG provides governance to the implementation of EIT's Māori Student Success Framework and the work of the Director of Māori.

The MSAG comprises representatives from the Hawke's Bay and Tairāwhiti region who are experts in their respective sectors, which range from Māori health development to Māori farm, agriculture and land management. Three of the current members are on the EIT Council. The MSAG held its only meeting in 2018 on 7 September.

External membership on the MSAG in 2018 comprised:

Tracee Te Huia (Chair) (EIT Council)	Heke Huata
Bayden Barber	Farley Keenan
Hilton Collier (EIT Council)	Jacoby Poulain (EIT Council)
Chrissie Hape	Jeremy Tatere-McLeod

## TAIRĀWHITI STAKEHOLDER FORUM

A Tairāwhiti Stakeholder Forum was held on 18 October and involved a meeting over lunch at EIT's Toru Restaurant. A wide range of community, business and educational organisations were invited and an opportunity was provided to present to the group on EIT and the Institute's activities particularly in relation to the Tairāwhiti region. The meeting particularly focused on in-work training and meeting the needs of businesses in the region. It was a valuable opportunity for Chief Executive, Chris Collins and Tairāwhiti Campus Director, Jan Mogford, to directly engage with key stakeholders. Key staff from a range of EIT's schools were also in attendance and were able to dialogue directly with stakeholders.

External attendees at this event included:

<b>Alec Pert</b> Viticulture	<b>Charles Barrie</b> Department of Conservation
<b>Donette Kupenga</b> Haati Naati Café Ruatoria	<b>Dwayne Tamatea</b> Turanga Health
<b>Eloise Wallace</b> Tairāwhiti Museum	<b>Henry Koia</b> ManaiaSafe Forestry School
<b>Jeremy Muir</b> Gisborne Herald	<b>Jodie Cook</b> Matapuna Training Organisation
<b>Kim Holland</b> Eastland Wood Council	<b>Lillian Baldwin</b> Māori Tourism
<b>Mere Pohatu</b> Te Puni Kokiri	<b>Robyn Dear</b> RJ & RA Building Ltd
<b>Rodney Dear</b> RJ & RA Building Ltd	<b>Simone Poi</b> Matapuna Training Organisation
<b>Stu Potter</b> BDO	<b>Terry Sheldrake</b> Chamber of Commerce
<b>Wayne Panapa</b> Te Runanganui o Ngāti Porou	

# FACULTY ADVISORY COMMITTEES

Advisory Committees have the task of providing strategic advice and industry based perspectives to EIT's Council, management and staff. They have been formulated with the aim of achieving strategic discussions about industry needs and tertiary directions, alongside operational input to individual programmes.

Advisory Committees are shaped around EIT School structures, with a broad membership. Specific industry expertise and knowledge relating to programme detail is sought on an as-needed-basis, where this is not available within the membership of the Advisory Committees.

In Tairāwhiti, a range of programme specific committees provide advice and guidance from an industry perspective to tutors. These committees and individuals from the region also feed into the wider advisory committee structure.

External members on Advisory Committees are noted below.

## | BACHELOR OF TEACHING (PRIMARY)



<b>Shona Burrough</b> Havelock North Primary School	<b>Greg Riceman</b> Raureka Primary School
<b>Malcolm Dixon</b> Hastings District Council	<b>Andy Hayward</b> Gisborne Central School
<b>Maurice Rehu</b> Richmond School	<b>Linda Tyrrell</b> Flaxmere Primary School

## | BACHELOR OF TEACHING (EARLY CHILDHOOD EDUCATION)



<b>Cherreen Exeter</b> Ministry of Education	<b>Meagan Rennall</b> ABC Havelock North
<b>Sue Walker</b> Happy Days Child Care Centre	<b>Kimi Joel</b> Taokotaianga Apīi Kuki Airani ECC
<b>Roberta Thomson</b> Edukids Taradale	<b>Michelle Cherry</b> Pirimai Kindergarten

## | BEAUTY



<b>Amanda Murray</b> Makeup Artistry	<b>Kay Deakin</b> Visage
<b>Dawn Baxter</b> Casa Bella Beauty	<b>Fiona Ritchie</b> Simply Indulgent
<b>Rebecca Field</b> Caci Havelock North	<b>Amy Dawson</b> Beauty Rituals

## | BUSINESS



<b>Zoe Barnes</b> Napier Inner City Marketing	<b>Stuart Armstrong</b> BDO
<b>Sue Boys</b> BDO	<b>Karen Aspey</b> Gisborne District Council
<b>Chris Guillemot</b> Crowe Horwath	<b>David Hall</b> Eastland Realty
<b>Steve Halpin</b> Furnware	<b>Kim Holland</b> Eastland Wood Council
<b>Bruce Robertson</b> Gibson Management Ltd	<b>Anne Muir</b> Office Products Depot
<b>Mark Heaney</b> Hawke's Bay Regional Council	<b>Brendan Walsh</b> Noel Leemings



## COMPUTING



<b>Alfredo Puche</b> ABB	<b>Martin Bischofer</b> DataNow
<b>Andrew (Andy) Fowler</b> Haden Custance	<b>Matthew Miller</b> Mogul
<b>Andrew Siddles</b> CIO To Go	<b>Matt Oakley</b> Leaderbrand
<b>Andrew Smith</b> Hastings District Council	<b>Mike Walker</b> Vo2
<b>Anthony Gouder</b> Hawkes Bay Regional Council	<b>Nathan Rosandich</b> Mogul
<b>Ben Hill</b> Pan Pac Forest Products Ltd	<b>Phil Shakespeare</b> Devine Technology
<b>Bec Mitchell</b> Vo2	<b>Romulo (Rommie) Nunes</b> Fingermark Ltd
<b>Duncan Barr</b> Napier City Council	<b>Shae Bauerfeind</b> Student Representative
<b>Graham Ward</b> Pan Pac	<b>Shawn Hill</b> VO2 CodeBlue
<b>James Simmonds</b> WebFox	<b>Steve Watson</b> Port of Napier
<b>Kay Le Comte</b> Tamatea High School	<b>Tim Price-Walker</b> Fingermark Ltd
<b>Leisa Epplett</b> SPARK Digital	

## ENGLISH LANGUAGE



<b>Jan Dearing</b> Taradale High School	<b>Kana Koga</b> Agent
<b>Geraldine Edwards</b> Iona College	<b>Lyn Malaugh</b> Hastings Boys' High School
<b>Jillian Frizzell</b> Hastings Girls' High School	<b>Robin Stewart</b> William Colenso College
<b>Sue Holdaway</b> Dannevirke High School	

## HAIRDRESSING



<b>Yvonne Jenkinson</b> MeCHE	<b>Natasha Bird</b> M>phosis
<b>Kathy Owen</b> Korr Hairdressing	<b>Brittany Chick</b> Defining elegance
<b>Tessa Corby</b> Hair2Go	<b>Max Lambert</b> Maxim Barbers
<b>Renee Creagh</b> Fergus George	<b>Peleti Oli</b> Somehz Touch
<b>Holly Cranston</b> Mane Tamers	

## HEALTH AND WELLBEING



<b>Kim Henneker</b> Hawke's Bay District Health Board	<b>Paul Wright</b> IDEA Services
<b>Caroline Lampp</b> Whatever It Takes Trust Inc	<b>Andrew McGarrol</b> Hawke's Bay District Health Board
<b>Jeff Carroll</b> Hohepa Hawke's Bay	<b>Pete McLachlan</b> Strive Rehabilitation, EIT
<b>Bronwyn Murdoch</b> Richmond Services Ltd	<b>Teresa Loughlin</b> Otatara Resthome Residential Care
<b>Horiana Nukutarawhiti-Dagg</b> Te Taiwhenua o Heretaunga	

## IDEASCHOOL ARTS AND THINKING



<b>Richie Jackman</b> Music Machine	<b>Sally Louisson</b> Production Manager
<b>Caroline Lawrence</b> Sew Unlimited	<b>Tom Burnstyn</b> Cinematographer
<b>Kevin Murphy</b> Napier City Council	<b>John Norris</b> Producer
<b>Makiko Sakamoto</b> David Trubridge Design	<b>Toni MacKinnon</b> Hastings City Art Gallery
<b>Chris McLean</b> Number 9 Design	<b>Kaye McGarva</b> MUSE Gallery
<b>Ashton Northcott</b> Sacred Heart College	<b>Sophie Wallace</b> Parlour Projects
<b>Roy Brown</b> The Cabana	

## NURSING EDUCATION



<b>Chris McKenna</b> Hawke's Bay District Health Board	<b>Ngaira Harker</b> Hawke's Bay District Health Board
<b>Donna O'Sullivan</b> Carlyle Medical Centre	<b>Peta Rowden</b> Hawke's Bay District Health Board
<b>Janine Palmer</b> Reseal Services	<b>Sally Houliston</b> Hawke's Bay District Health Board
<b>Jayne Bain</b> Hastings Health Centre	<b>Sara Mason</b> New Zealand Nurses Organisation
<b>Karen Smiley</b> Options Hawke's Bay & Allied Health Directorate	<b>Jordan Hill</b> Student Representative - Year 3
<b>Laureen Sutherland</b> Anglican Care (Waiapu) Ltd	<b>Kieran Nicholson</b> Student Representative - Year 2
<b>Lee Allsop</b> The Doctors Napier	<b>Talalelei Taufale</b> Hawke's Bay District Health Board
<b>Leigh White</b> Hastings Health Centre	



## | SPORT, MASSAGE & HEALTH SCIENCE



<b>Andrew Phillips</b> Hawke's Bay District Health Board	<b>Wi Ormsby</b> PHO
<b>Sue Smith</b> Sport Hawke's Bay	<b>Ken McLeod</b> Lindisfarne College
<b>Dan Rodden</b> Sport Hawke's Bay	<b>Melissa Franklin</b> ActiveWorx Health
<b>Jock MacIntosh</b> Hawke's Bay Regional Sports Park	<b>Wendy Pirie</b> HB Community Fitness Trust
<b>Mark Aspden</b> Sport Hawke's Bay	

## | SOCIAL SCIENCES



<b>Karen Harris</b> Whatever It Takes Services	<b>Lisa Harrington</b> Oranga Tamariki
<b>Marie Roser</b> DOVE Hawke's Bay	<b>Leanne Forward</b> East Coast Department of Corrections Ara Poutama Aotearoa
<b>Bruce Green</b> Hawke's Bay District Health Board	

## | TE ŪRANGA WAKA



**Crystal Edwards** Radio Kahungunu

**Pomare Sidney** Lindisfarne College

## TRADES AND TECHNOLOGY



<b>Mark Watkins</b> Advanced Plumbing Ltd	<b>Craig Legarth</b> MITO – Motor Industry Training Organisation
<b>Andrew Crompton</b> Eastbridge Ltd	<b>Grant Lower</b> Stichbury Automotive Care
<b>Lans Hasselmann</b> Titan Buildings Ltd	<b>Darron Mathews</b> EMF Electrical Ltd
<b>Bob Hawley</b> Red Steel New Zealand	<b>Gordon Sanson</b> Homeworx Design and Build Ltd

## TOURISM AND HOSPITALITY



<b>Neil Barber</b> Art Deco Masonic Hotel	<b>Keith Price</b> Napier City Council
<b>Sarah Shand</b> Napier Girls' High School	<b>Hamish Lothian</b> Greenwich Bakery Consultants
<b>Kim Saber</b> Trattoriaaalla Toscana	<b>Jason Heaven</b> Heavens Bakery
<b>Chris Jarvis</b> Bay Espresso	<b>Shay Bird</b> Liquor King
<b>Damon McGuinness</b> Emporium	<b>Sam Orton</b> Orton Catering
<b>Gareth Kelly</b> Odyssey Tours	<b>David Hodson</b> Kauri Cliffs Lodge
<b>Ben Hutton</b> HB Tourism	<b>Terry Lowe</b> Napier Girls' High School/Private caterer
<b>Jenny Ryan</b> Takoro Trails Cycle Tours	<b>John Bland</b> Princess Alexander (Aged care)
<b>Jane Libby</b> Napier I Site Visitor Centre	<b>Andy Glover</b> Oceania (Aged care)
<b>Bill Sheppard</b> Best Travel	<b>Katie Nimons</b> Nimons
<b>Megan Harris</b> In House Marketing	<b>Kylie Fernandes</b> Porters Hotel
<b>Greg Smith</b> Airport Manager	

## VITICULTURE & WINE SCIENCE



<b>Brett Fullerton</b> Constellation Brands	<b>Matt Stafford</b> Craggy Range Wines
<b>Bridget Wilton</b> Horticulture Group	<b>Ollie Powrie</b> Villa Maria
<b>Chris Howell</b> Prospect Vines	<b>Sid Chandra</b> Villa Maria
<b>Graham Barleet</b> Pernod Ricard	<b>Sophie Harris</b> Te Awanga Estate
<b>Katrina Allen</b> Craggy Range Wines	<b>Xan Harding</b> Grapegrower
<b>Lauren Swift</b> Ash Ridge Wines	<b>Antony Mackenzie</b> Ant Mackenzie Wines

## VETERINARY NURSING



<b>Mike Lintott</b> Carlyle Veterinary Clinic	<b>Yvonne Haren</b> Vet Services Hawkes Bay
<b>Debbie Neave</b> Pet2Us Kennels	



# 2018 STATEMENT OF SERVICE PERFORMANCE

EIT's Council has a statutory responsibility to ensure that it strives to eliminate barriers to the progress of students, and that it does not create any unnecessary barriers as a result of its activities.

As with previous years EIT continued its focus on priority learners during the 2018 year as we recognise that many will experience barriers to achievement. Many of the key initiatives instigated by the institute had a key concentration on improving learner outcomes for Māori, Pacific and young learners (under 25 years). Although many successes were recognised during the year the institution does acknowledge that success at the foundation level (levels 1-2) has become more challenging due to the complex social and economic issues that many of our learners face. This could be particularly true in some of the more remote locations that EIT delivers from.

Council and management recognise that tertiary education at all levels should be accessible to the wider demographic within the Hawke's Bay and Tairāwhiti regions and it does not ignore the hard to reach and hard to engage students.

As a leading tertiary provider, and the largest provider across the Tairāwhiti and Hawke's Bay regions EIT continues to place an emphasis on parity of learning outcomes for all students and as stated above both the Council and Management recognise the importance of this through the Council's statutory responsibilities and the institute's strategic priorities.

The Strategic Framework 2015–2019 identifies six key strategic priorities that continue to focus the Institute over the 2018 year. As acknowledged by Council, the strategic priorities form a 'framework' that all other key planning documents will derive from and as such the framework does not include any specific success measures. Success measures are incorporated in the Institute's 2018 Annual Plan and are incorporated below under each strategic priority. This is consistent with how EIT has reported performance over the previous three years.

The strategic priorities within the Strategic Plan Framework 2015-2019 are:-

- ▶ Success for Māori
- ▶ Student Success
- ▶ Connectedness
- ▶ Enquiring Minds
- ▶ Smart Thinking
- ▶ Ngā Kaitiaki

## SUCCESS FOR MĀORI

### STRATEGIC PRIORITIES

We are committed to Māori Success:

- ▶ Supporting and preparing Māori students and staff to succeed
- ▶ Achieving parity of outcomes
- ▶ Employing and developing more Māori staff at all levels
- ▶ Engaging and supporting Māori communities with targeted quality programmes
- ▶ Ensuring Māori responsiveness of all staff

### COMMENTARY

EIT continues to embed the Herea te Ra Māori Capability Development Framework across the Institute and considerable progress was made over 2018. Aligned with the implementation of this framework EIT is witnessing some improvements in key performance indicators for Māori students. Total Māori student participation (as measured by domestic SAC funded EFTS) increased to 52% across all levels, which remains one of the highest in the ITP sector and is well above total regional demographics. It was encouraging to see an increase in Māori student participation at level 4 and above (25% in 2018 from 23% in 2017). Although

this still sits under the aspirational targets agreed with TEC (28%) it is encouraging to see improvements being made. Māori student participation in levels 1-3 remains similar to previous years.

Māori student progression from level 1-3 to higher levels of study across the institution is 44.1% which is also encouraging. Although the commitment with TEC is 55% this is a commendable result and helps explain why our Māori student participation levels at level 4 and above are improving.

We do recognise that draft 2018 Māori student course completions for level 3 and above have dropped slightly over the year in review (at 74.5% down from 76.8% in 2017). Some of this drop might be a reflection of EIT providing more regional delivery to challenging cohorts. As stated previously in our commentary – increased accessibility is seen as a significant success measure for EIT and the EIT Council however it also comes with its challenges. The need for considerations around targeted pastoral care and other support services is reviewed on an ongoing basis to ensure that strategies are in place to help students through their studies. The use of the Revive tool and the Herea Te Ra Framework are anticipated to help improve course completion rates for Māori students over future years.

Retention of Māori students remains strong with a 70% retention rate of Māori students studying at level 3 and above.

ACTIVITIES THAT SUPPORTED THESE SUCCESS MEASURES WERE:		
<b>OBJECTIVE</b>	Embedding of Herea Te Rā in staff development training and in curricula across campuses.	Herea te rā has successfully been integrated as a key organisation and personal development solution for all new staff.
<b>SUCCESS MEASURES</b>	<p>Evaluation of Workshops and training for staff capabilities and evidence of mātauranga Māori adopted in curricula.</p> <p>Development of Herea Te Rā capabilities is evidenced across EIT staff.</p> <p>Herea te rā is identified as key organisation and personal development focus for all new staff.</p>	<p>A Herea te rā online induction module has been created to support the induction of all new staff and current staff yet to assess themselves against the framework.</p> <p>Other Herea te rā resources and initiatives have been developed, to support its implementation. These include but are not limited to,</p> <ul style="list-style-type: none"> <li>▶ EDC delivered Māori pedagogies workshop;</li> <li>▶ Māori student success intranet page and online resources.</li> </ul> <p>An approach to the development of Mātauranga Māori across the portfolio of new programmes is currently being developed and will support recently reviewed programmes including the Bachelor of Sport and Exercise Science and the Bachelor of Nursing.</p>

# STUDENT SUCCESS

## STRATEGIC PRIORITIES

Our students:

- ▶ Are engaged in relevant programmes
- ▶ Are successfully supported in their learner journey
- ▶ Are well-prepared and work-ready
- ▶ Achieve educational and career success
- ▶ Are sought after by employers

## COMMENTARY

Course completions for all students at Level 4 and above remained stable during 2018, at 84% (same figure as 2017). Completions for all students at levels 1-3 increased significantly over the year (71% in 2018 from 66% in 2017, which is a particularly pleasing result given the large number of students leaving high school with level 2 NCEA already – teaching at the foundation level for tertiary institutions means providing to a smaller and increasingly challenged cohort.

Progression from students studying at Level 1-2 to a higher level in 2018 improved markedly in 2018, up to 57.3% from 48%. Similarly the progression rate for students at Level 1-3 progressing to Level 4 or above increased to 43.2% from 40%. The same trends around progression and retention of Youth Guarantee (YG) students can also be observed. Given EIT's strategy around engagement and accessibility, and the volume of delivery at Levels 1-3 it is particularly pleasing to note the ongoing aspiration of our Level 1-3 cohorts.

YG numbers dropped in 2018 as many students who would have previously been eligible for YG support opted to instead enrol as SAC students so as to safeguard potential future access to the government's fees free policy. As a result the YG cohort characteristics in 2018 differ from previous years. Course completion at Level 3 improved from 76.8% in 2017 to 80% in 2018, yet dropped at Level 2 from 66.7% in 2017 to 62.7 in 2018. The overall size of the Level 2 YG cohort remains very small (27 EFTS in 2018) and as noted above, young students studying at

tertiary institutes towards level 2 qualifications will increasingly have additional support needs as they aspire to succeed.

The 2018 EIT Graduate Destination Survey (of 2017 EIT graduates) confirmed some encouraging results in terms of employment outcomes and ensuring that the EIT programme of study is fit for purpose. Highlights of key data included – 75% of 2017 EIT graduates transitioned in paid employment in 2018; 97% of graduates are working in New Zealand, with 60% working in Hawke's Bay; there was a 94% programme satisfaction rate, with 87% of 2017 graduates stating that their programme of study was seen as 'good value for money'; 35% of EIT graduates in 2017 are engaged in further study in 2018.

It was encouraging to see Pacific Island student participation remain steady in 2018 year at 5.5%. Whilst this is a small drop from 2017 (5.7%) it is still slightly over representative for the regional demographics and reflects an increased focus on transitioning pacific students from secondary school to tertiary-level education. It is pleasing to see an increase in the retention rate of Pacific Island students in 2018 (71.9% up from 67.7% in 2017) but at this stage draft 2018 course completion and qualification completion rates are down on 2017 results. Whilst the nature of small cohort numbers can make these statistics potentially less meaningful, initial analysis suggests that success at Levels 3 and 4 remains the area of biggest challenge (as with cohorts overall). At degree level Pacific Island students continue to achieve well at 79% course completion in 2018. EIT is nonetheless committed to improving Pacific Island student success and with the aid of key staff appointments in 2018 looks forward to establishing refreshed result targets and strategies in 2019.

EIT continues to serve the younger student population well. 48% of government-funded SAC and YG EFTS across the institution were under the age of 25 in 2018. Whilst the participation of SAC funded under-25 year olds was only 40.3% compared to an ambitious target set three years ago of 48%, it was still a slight improvement on the 39.6% result in 2017. EIT's view on this is that with such strong employment opportunities in recent years more young people have moved directly into the workforce

rather than continuing post-secondary study, this is particularly evident in the Level 4 and above SAC funded participation statistics. Despite this, the under-25 year focus is still a priority for the government and the regions we operate in and EIT ensured that these students remained a key cohort of overall enrolments (i.e. all funding streams). As with previous years, the EIT Schools Trades Academy remained one of the largest in the country and continued to receive very strong support from the Hawke's Bay and Tairāwhiti secondary schools.

Māori and Pacific Trades Training (MPTT) consortium in Hawke's Bay and Tairāwhiti provided EIT with further opportunities to partner with local iwi being Ngāti Kahungunu and Ngāti Porou

respectively. Although funded EFTS fell slightly over the last year (from 300 in 2017 to 280 in 2018) there was a more refined focus on ensuring that students enrolled were well supported and met a more stringent entry criteria. This resulted in a pleasing increase in MPTT course completions (up from 71% in 2017 to 72% in 2018) but also a drop in course withdrawals.

Another pleasing trend over the year was the continued growth in international students against a backdrop of further stringent immigration policy settings and a relatively fluid recruitment market. Total international student EFTS across EIT increased to 672 (up from 519 in 2017 and 417 in 2016). Course completions for international students remained high at 89%.

## ACTIVITIES THAT SUPPORTED THESE SUCCESS MEASURES WERE:

<b>OBJECTIVE</b>	Project to leverage current work being undertaken to target growth in international student numbers, enhance the student experience for international, build staff capabilities and grow international partnerships.	Plan developed, agreed and signed off by executive team. Completed and ready for implementation.
<b>SUCCESS MEASURES</b>	Plan developed, agreed and signed off by executive team.	
<b>OBJECTIVE</b>	Scope and document what would be required to undertake an "all of institution" approach to improving the student experience relating to application and enrolment and other student system/process interactions throughout the remainder of the student's study at EIT.	Project scoping and consultation has been completed and recommendations have been presented to executive team. Executive have agreed on implementation priorities and these have been included in the 2019 Annual Plan. Project scoping phase completed.
<b>SUCCESS MEASURES</b>	A document outlining the strategic direction and possible systematic and/or business processes/structure solutions is produced for Executive and Council to consider.	

# CONNECTEDNESS

## STRATEGIC PRIORITIES

We build active partnerships with:

- ▶ Iwi, hapu marae and whanau.
- ▶ Pacific communities
- ▶ Local and international communities
- ▶ Employers, industry and professions
- ▶ The wider education sector

## COMMENTARY

EIT remained a key regional stakeholder and contributor to both the Matariki Hawke's Bay Regional Economic Development Strategy implementation and the Tairāwhiti Regional Economic Action Plan (TEAP) during the year in review. EIT is also currently either leading or a key stakeholder in a number of applications to the Provincial Growth Fund (PGF) in Hawke's Bay and Tairāwhiti. This is further evidence of our strong, visible and active regional presence. Whilst the outcomes of these PGF applications are unknown at the time of writing the 2018 Annual Report the identified projects are all built around increasing employment outcomes within the regions that we serve and ensure that there is a coordinated and joined-up approach to

regional needs.

The opening of the new regional learning centre in Hastings underscored EIT's continued commitment to serving the needs of all communities. This centre is one of six centres throughout the Hawke's Bay and Tairāwhiti regions operating outside of our main campuses that help ensure that access to tertiary education remains as convenient as possible and is targeted to specific community needs. The Hastings Regional Learning Centre delivered 174 total EFTS in 2018 across a variety of programme offerings. It was encouraging to see that 47 of these EFTS were delivered at Level 3 (the majority of the remaining balance of EFTS delivered were at level 2). 170 EFTS were delivered from the Central Hawke's Bay campus in Waipukurau, and an additional 141 EFTS were delivered via the EIT Wairoa Regional Learning Centre (mostly in horticulture/apiculture, and level 2 and level 3 Te Reo Māori).

The EIT online platform and TANZ eCampus offerings also enhance our ability to serve remote communities.

EIT completed a significant review of the School of Primary Industries to ensure that it was aligned with the changing and developing needs of the primary industry sector. Throughout this process there was a considerable amount of interaction and liaison with the sector around course and programme offerings, employment outcomes and pathways for students. This work



will continue in to 2019 however the School has developed an excellent strategic vision and direction for the foreseeable future.

EIT became naming right sponsor of the soon to be opened EIT Institute of Sport and Health. The EIT Institute of Sport and

Health will allow for additional teaching space and provide further opportunities for community-centred research and community-based programmes in health and wellbeing that will lead to improvements in the hauora of Hawke's Bay whanau and community groups.

#### ACTIVITIES THAT SUPPORTED THESE SUCCESS MEASURES WERE:

<b>OBJECTIVE</b>	Strategic review and alignment of the School of Primary Industries to ensure that EIT is best positioned to serve the employment and training needs of our regions.	Review project nearing completion, with some work progressing into 2019. Strategic review and agreed action plan signed off by executive team within agreed timelines.
<b>SUCCESS MEASURES</b>	Strategic review and agreed action plan (including an agreed timeline) signed-off and adopted by executive team.	Implementation continues and will continue into 2019.
<b>OBJECTIVE</b>	EIT is active in the implementation of the Regional Economic Development Strategies in Hawke's Bay and Tairāwhiti.	Presentation of School review has been presented to Executive Team and adopted.
<b>SUCCESS MEASURES</b>	EIT is a key contributor to the strategies and action plans in the REDS strategies for Hawke's Bay and Tairāwhiti.	Ongoing direct involvement and representation on key steering committees has continued throughout 2018. EIT has submitted applications for regional funding under the Provincial Growth Fund Initiative.



Chris Scott, EIT Alumni & Winemaker, Church Road Winery (Left) with Sanne Witteveen (Middle) & Elise Picot (Right) | EIT students

# ENQUIRING MINDS

## STRATEGIC PRIORITIES

Our research:

- Positions EIT as a sector leader
- Informs practice in industry and the professions
- Underpins teaching and learning
- Contributes to Māori knowledge and development
- Connects with local Pacific and international communities

## COMMENTARY

Research activity and output continued across all EIT campuses in 2018. Ten grants were awarded from EIT's internal research grant funding during the year under review.

2018 saw the official public opening of the EIT Research and Innovation Centre. EIT also established its own Professoriate to lead research on all campuses and to identify and explore research opportunities.

The EIT Public Lecture series continued in 2018 and was well supported throughout the year. EIT hosted a number of public lectures in 2018 covering a range of topics.

Through the Teaching and Learning Steering Group EIT held a two-day teaching and learning conference entitled "Te Pae Tawhiti". This conference was designed for EIT teaching and academic staff and included a number of external and internal presenters. This was a tangible example of EIT's continued commitment to best practice in teacher development and our continued commitment to engaging Māori and Pacific students and staff. Presentation topics included Māori student mentorships, supporting distance learning, international student needs, supporting Pacific students and embedding employability skills.

Activities that supported these success measures were:

<b>OBJECTIVE</b>	EIT's self-assessment and evaluation activities provide robust preparation for the field work component of the 2019 External Evaluation and Review.	Final EER scope has been signed off with NZQA.
<b>SUCCESS MEASURES</b>	<p>Guidance on self-assessment using Te Hono o Te Kahurangi evaluation process is developed and implemented.</p> <p>Informative, accurate and complete self-assessment documentation provided to NZQA Lead Evaluator to determine the EER scope.</p> <p>2019 EER Scope agreed with NZQA.</p>	<p>Work plan continuing for 2019 EER and workshops/self-assessment reporting has begun. Dedicated resource managing EER preparation and work streams/workgroups are in place.</p> <p>Liaison with relevant schools and service sections within the identified EER scope will continue into early 2019.</p> <p>Goal on track and will continue to first quarter 2019.</p>

# SMART THINKING

## STRATEGIC PRIORITIES

We are sustainable and effective:

- Developing dynamic systems and services
- Using enabling technologies
- Providing accessible information
- Valuing entrepreneurial thinking and practice
- Using resources responsibly
- Being future focused

## COMMENTARY

EIT continued to explore the utilisation of new technologies to improve and enhance interactions between our students, and the institution. A significant scoping exercise was completed over the year to examine and recommend the smarter use of new technologies for enrolments and applications. It is intended that further development of this work will continue during 2019.

The EIT Teaching and Learning Group along with the Institute's Educational Development Centre (EDC) have launched a project to consider new teaching pedagogies along with the design and implementation of a pilot incorporating three new teaching spaces to commence in 2019. Evaluation will follow and feed through to ongoing professional development for teaching staff.

EIT's investment in TANZ eCampus continued to grow and EFTS are steadily improving as well. The TANZ eCampus platform along with EIT Online has allowed increased participation of learners in remote regions and learners that are also trying to balance work and family commitments. EIT has invested in dedicated staff expertise to lead current and future thinking around learner analytics and business intelligence so that our online presence and delivery can continue to improve. Success will be measured through increased retention and completion statistics as well as student feedback and interaction with EIT staff. As with previous years much of this work will also leverage the significant investment in learner analytics across the TANZ partnership.

Analysis of effective staff work flows, timetabling and budgeting

was achieved through the enhanced use of the Staff Workload Allocation Tool (SWAT).

EIT maintained close engagement with the secondary school sector again in Hawke's Bay and Tairāwhiti. Key engagement opportunities existed through campus open days, taster sessions, visits by schools to EIT, Year 13 Scholarships, Hawke's Bay Schools Trades Academy, EIT Tairāwhiti Trades Academy and other initiatives.

Direct engagement and discussions with schools utilising the Ngā Kete data-set helped to enhance these relationships by allowing schools to better understand the destination of their students once they left school. Time and resources were also invested to key EIT staff understanding the stories that the Ngā Kete data-set can tell and the strategies that should develop from that.

#### ACTIVITIES THAT SUPPORTED THESE SUCCESS MEASURES WERE:

<b>OBJECTIVE</b>	Review the structure of the existing QMS and investigate new functionality for system improvement.	The SharePoint upgrade in July has provided the system improvements needed but has impacted negatively on timing for document development and staff training. Policy reviews continue.
<b>SUCCESS MEASURES</b>	Infrastructure improvements for the QMS are investigated and identified.  Staff consultation on policies and practices informs a review.  QMS Policy Sets reflect good practice, and provide staff with appropriate guidance.	Partially complete with additional work to continue in to 2019.
<b>OBJECTIVE</b>	Improve student success by advancing EIT's business intelligence & analytical capabilities.	As well as continuing to utilise traditional "after the fact" EPI measures in self-assessment processes, the use of "Revive" to identify early potential issues likely to impact on a student's chance of success is now an EIT wide operation (including the mandatory use of Revive to record attendance). EIT was invited to speak to this approach at a TEC-led development day for ITP Council members.
<b>SUCCESS MEASURES</b>	Analytical outputs identified, prioritised and delivered to selected stakeholders across EIT resulting in improved EPIs.  Technical infrastructure needs identified.  Support structures to meet those needs are identified.	Revive is moving out of project mode now and into business as usual mode from 2019.  The TEC release of new post study outcome metrics and data is being unpacked and incorporated into existing self-assessment frameworks. EIT is increasingly incorporating the data available through Ngā Kete into our standard self-assessment templates and evidence sources.
<b>OBJECTIVE</b>	Develop and 'pilot' a new and innovative teaching and learning classroom/space to reflect and trial new teaching and learning delivery methods.	The Teaching and Learning Group identified the scope of the pilot and Capital Planning and IT have been involved in planning for implementation and design. Three rooms have been identified and agreed to be modified, two in Hawke's Bay and one in Tairāwhiti.
<b>SUCCESS MEASURES</b>	A teaching space identified and a pilot developed and implemented to trial new teaching and learning delivery methods.	Work will continue into 2019, and is expected to be ready for academic use by February.  In addition, development of a unique "learning in nature" teaching environment has been initiated, and funding secured for development in 2019.



# NGĀ KAITIAKI

## STRATEGIC PRIORITIES

We are:

- ▶ Inspired by EIT's vision, mission and priorities
- ▶ Passionate about success for all students
- ▶ Connected across campuses and schools with each other
- ▶ Supported to train and develop
- ▶ Recognised for our expertise

## COMMENTARY

The EIT Staff Wellness Programme is now well embedded in the suite of staff offerings and uptake from staff engagement in the programme is strong.

A number of events were held during the year across all campuses to celebrate student and staff success. Such events included (but were not limited to) IDEASchool Arts Festival, an industry evening with students at EIT Auckland campus, involvement of EIT staff across all campuses in volunteer week, mentoring support for Young Enterprise Scheme, and the Te Pae Tawhiti Teaching and Learning Conference.

Many students and EIT staff members were recognised for individual awards and national recognitions as detailed throughout the 2018 Annual Report.

Growth in total student numbers enrolled at EIT - 10,330 student enrolments up by 1,000 enrolments from 2017.

### ACTIVITIES THAT SUPPORTED THESE SUCCESS MEASURES WERE:

<b>OBJECTIVE</b>	Develop and implement a comprehensive targeted strategy for sustainable EFTS growth and operational efficiencies beyond 2018 that positions EIT well to meet the needs of the regions, students and stakeholders we serve.	Appropriate EFTS planning has progressed throughout the year with strategies in place to ensure that EFTS opportunities are maximised. All plans agreed by Executive Team.  2019 delivery is in final planning phases for delivery from February 2019.
<b>SUCCESS MEASURES</b>	Plan in place for 2018 EFTS targets prior to first reforecast if budgeted targets are not projected to be met.  2019 plan developed, agreed and signed off by Executive Team.  Implementation of agreed plan for 2019 and beyond, to ensure that EIT delivery, operational matters and resourcing are in place by the required timeline.	New Business Planning work streams are continuing to identify and develop new business opportunities for 2020 delivery and beyond. This work will continue in to 2019.

# INVESTMENT PLAN

## - KEY PERFORMANCE INDICATORS

COURSE COMPLETION		TEO PLAN PERFORMANCE COMMITMENT								
		2014 Actuals	2015 Actuals	2016 Actuals	2017 Commitments	2017 Draft/ Estimated Actuals	2017 Actuals	2018 Commitments	2018 Draft/ Estimated Actuals	
The successful course completion rate (SAC Eligible EFTS)	Levels 1-2	N/A	72.0%	74.2%	80.0%	65.1%	65.3%	80.0%	69.8%	
		Levels 3+	77.2%	79.6%	78.9%	83.0%	79.1%	80.6%	85.0%	79.5%
		Levels 4+	81.3%	82.3%	82.2%	85.0%	84.4%	84.6%	87.0%	83.8%
	Māori	Levels 3+	72.8%	74.6%	75.9%	80.0%	74.3%	76.8%	82.0%	74.5%
		Levels 4+	76.5%	77.1%	80.4%	84.0%	81.4%	82.0%	86.0%	80.9%
	Pasifika	Levels 3+	75.6%	71.0%	76.5%	80.0%	76.1%	75.2%	82.0%	75.3%
		Levels 4+	79.4%	71.5%	77.9%	84.0%	80.3%	79.9%	86.0%	75.0%
	aged under 25	Levels 3+	76.7%	79.1%	77.6%	83.0%	79.8%	80.7%	85.0%	81.0%
		Levels 4+	80.8%	81.8%	81.3%	85.0%	84.0%	84.2%	87.0%	84.4%

QUALIFICATION COMPLETION			TEO PLAN PERFORMANCE COMMITMENT							
			2014 Actuals	2015 Actuals	2016 Actuals	2017 Commitments	2017 Draft/ Estimated Actuals	2017 Actuals	2018 Commitments	2018 Draft/ Estimated Actuals
The qualification completion rates (SAC Eligible EFTS)	All	Levels 1-2	N/A	62.6%	73.5%	68.0%	74.3%	60.6%	70.0%	64.6%
		Levels 3+	70.7%	80.0%	73.2%	78.0%	66.2%	72.1%	82.0%	61.4%
		Levels 4+	76.0%	85.0%	72.9%	80.0%	66.7%	70.9%	83.0%	65.9%
	Māori	Levels 3+	61.6%	70.1%	71.6%	75.0%	59.4%	69.5%	80.0%	54.8%
		Levels 4+	63.7%	73.6%	69.0%	75.0%	58.2%	66.5%	80.0%	59.3%
	Pasifika	Levels 3+	60.5%	60.1%	68.1%	75.0%	68.4%	65.2%	80.0%	57.3%
		Levels 4+	64.6%	55.5%	69.7%	75.0%	67.0%	66.0%	80.0%	54.5%
	aged under 25	Levels 3+	66.1%	76.8%	68.2%	75.0%	64.6%	64.9%	80.0%	55.8%
		Levels 4+	69.5%	80.4%	68.9%	75.0%	63.7%	62.9%	80.0%	59.4%

STUDENT PROGRESSION			TEO PLAN PERFORMANCE COMMITMENT							
			2014 Actuals	2015 Actuals	2016 Actuals	2017 Commitments	2017 Draft/ Estimated Actuals	2017 Actuals	2018 Commitments	2018 Draft/ Estimated Actuals
The student progression rate (SAC Eligible student count) to a higher level	All	Levels 1-2	N/A	44.5%	43.3%	50.0%	38.2%	48.0%	50.0%	57.3%
		Levels 1-3	36.0%	37.3%	36.3%	50.0%	29.5%	40.8%	55.0%	43.2%
	Māori	Levels 1-3	37.8%	37.9%	37.2%	50.0%	29.0%	43.3%	55.0%	44.1%
	Pasifika	Levels 1-3	44.8%	47.0%	47.9%	50.0%	40.0%	46.6%	55.0%	37.5%

STUDENT RETENTION			TEO PLAN PERFORMANCE COMMITMENT							
			2014 Actuals	2015 Actuals	2016 Actuals	2017 Commitments	2017 Draft/ Estimated Actuals	2017 Actuals	2018 Commitments	2018 Draft/ Estimated Actuals
The student retention rate (SAC Eligible student count)	All	Levels 1-2	N/A	50.2%	60.3%	62.0%	60.0%	55.4%	66.0%	54.7%
		Levels 3+	72.4%	70.0%	71.0%	73.0%	66.6%	68.0%	75.0%	71.7%
	Māori	Levels 3+	67.6%	65.8%	67.6%	70.0%	66.2%	65.5%	73.0%	69.6%
	Pasifika	Levels 3+	68.1%	69.4%	62.4%	70.0%	70.3%	67.7%	73.0%	71.9%

YOUTH GUARANTEE			TEO PLAN PERFORMANCE COMMITMENT							
			2014 Actuals	2015 Actuals	2016 Actuals	2017 Commitments	2017 Draft/ Estimated Actuals	2017 Actuals	2018 Commitments	2018 Draft/ Estimated Actuals
The successful course completion rate for all students		Level 1	53.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Level 2	66.7%	73.5%	70.0%	76.0%	66.2%	66.2%	80.0%	62.7%
		Level 3	84.5%	74.5%	76.0%	78.0%	76.8%	76.8%	80.0%	80.0%
The qualification completion rate for all students		Levels 1-2	61.9%	72.4%	66.0%	68.0%	65.8%	65.8%	73.0%	60.4%
		Levels 3	84.3%	72.9%	84.0%	73.0%	64.1%	64.1%	75.0%	61.8%
The student progression rate for all students to a higher level		Level 1	80.4%	41.7%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Level 2	22.6%	56.8%	62.0%	58.0%	48.8%	48.8%	63.0%	71.4%
		Level 3	30.6%	32.8%	36.0%	38.0%	33.3%	33.3%	40.0%	26.6%
The student retention rate for all students		Level 1	62.9%	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Level 2	74.1%	62.9%	66.0%	80.0%	67.3%	67.3%	83.0%	68.1%
		Level 3	75.7%	79.9%	72.0%	80.0%	70.9%	70.9%	83.0%	70.6%

PARTICIPATION			TEO PLAN PERFORMANCE COMMITMENT							
			2014 Actuals	2015 Actuals	2016 Actuals	2017 Commitments	2017 Draft/ Estimated Actuals	2017 Actuals	2018 Commitments	2018 Draft/ Estimated Actuals
The proportion of SAC Eligible EFTS enrolled at the TEO	Māori	Levels 1-2	N/A	12.1%	12.2%	11.0%	9.2%	8.8%	10.0%	8.5%
		Levels 3+	34.2%	34.2%	38.2%	37.0%	41.1%	41.4%	40.0%	43.8%
		Levels 4+	21.2%	22.4%	23.8%	26.0%	23.0%	23.0%	28.0%	25.2%
	Pasifika	Levels 1-2	N/A	0.8%	1.0%	1.5%	0.5%	0.7%	2.0%	0.8%
		Levels 3+	3.9%	4.4%	4.4%	5.0%	3.3%	5.0%	5.5%	4.7%
		Levels 4+	2.9%	3.3%	3.5%	4.5%	2.2%	3.5%	5.5%	3.1%
	aged under 25	Levels 3+	39.5%	39.8%	37.6%	45.0%	40.8%	39.6%	48.0%	40.3%
		Levels 4+	29.2%	30.9%	28.9%	35.0%	29.5%	28.8%	40.0%	29.4%



	TEO PLAN PERFORMANCE COMMITMENT							
	2014 Actuals	2015 Actuals	2016 Actuals	2017 Commitments	2017 Draft/ Estimated Actuals	2017 Actuals	2018 Commitments	2018 Draft/ Estimated Actuals
The number of international student EFTS	327.68	321.05	417	500	519	519	550	672
The amount of External Research Income earned	N/A	\$199,999	\$111,505	\$600,000	\$8,506	\$90,506	\$650,000	\$232,039
The number of Research Degrees completed	22	18	13	20	13	13	25	14

Notes:

1. 2018 EPIs have been calculated using TEC methodology as closely as possible. However, final TEC published EPIs may differ when TEC apply their methodology and non EIT data.
2. In 2018 TEC adjusted the way qualification completion is measured. However, the commitments above were set using the original methodology and hence results have been calculated the same way to provide a consistent year on year trend.
3. 2018 qualification completion EPI has been based on internal EIT data where students have accumulated equal or more credits than required to be awarded the qualification they are enrolled in. However, as at the time of calculating this EPI, many of these students will not have applied for, or had approved, their eligibility to graduate confirmation, hence the results could differ slightly.



Rebecca Renner | EIT graduate and is continuing her study with Veterinary Nursing L6

# ACADEMIC OUTCOMES

## ACADEMIC OUTCOMES 2017\*

SCHOOL	AWARDS						
	Training Scheme Awards	Certificate (L1-4)	Diploma (L5-6)	Degree (L7)	Graduate Diploma (L6-7)	Postgrad (L8+)	Total
Centre of Veterinary Nursing	17	8	34				59
English Language Centre		31					31
ideaschool		57	27	30		2	116
School of Business		62	70	20	97	75	324
School of Computing		499	33	50	22	51	655
School of Education and Social Sciences		64		39			103
School of Health and Sport Science		164	36				200
School of Nursing	91	67		84		94	336
School of Primary Industries	30	365	7				402
School of Tourism and Hospitality		181	31				212
School of Trades and Technology	7	317	12				336
School of Viticulture and Wine Science		10	10	11	33		64
Te Ūranga Waka	22	441		10		3	476
Toihoukura					4	11	15
<b>EIT Total</b>	<b>167</b>	<b>2266</b>	<b>260</b>	<b>244</b>	<b>156</b>	<b>236</b>	<b>3329</b>
EIT Hawke's Bay Total	114	1187	230	205	71	130	1937
EIT Tairāwhiti and Regional Learning Centres Total	53	1074	30	39	4	11	1211
EIT Auckland Total		5			81	95	181

## ACADEMIC OUTCOMES 2018 \*

SCHOOL	AWARDS						
	Training Scheme Awards	Certificate (L1-4)	Diploma (L5-6)	Degree (L7)	Graduate Diploma (L6-7)	Postgrad (L8+)	Total
Centre of Veterinary Nursing		10	31				41
English Language Centre		36	15				51
ideaschool		75	54	23		10	162
School of Business		118	70	33	40	49	310
School of Computing		218		43	33	60	354
School of Education and Social Sciences		62		7			69
School of Health and Sport Science		261	40			4	305
School of Nursing	161	67		86		136	450
School of Primary Industries	150	323	7				480
School of Tourism and Hospitality		186	40				226
School of Trades and Technology	57	330	8				395
School of Viticulture and Wine Science		6	10	69	24		109
Te Ūranga Waka	103	507		11		3	624
Toihoukura		3		6	3	16	28
<b>EIT Total</b>	<b>471</b>	<b>2202</b>	<b>275</b>	<b>278</b>	<b>100</b>	<b>278</b>	<b>3604</b>
EIT Hawke's Bay Total	197	1216	227	239	66	156	2101
EIT Tairāwhiti and Regional Learning Centres Total	274	983	10	39	4	17	1327
EIT Auckland Total		3	38		30	105	176

\* Note; these figures are collated based on likely application to graduate requests approved by Faculties during the beginning of the academic year. The final graduation figures reported to TEC in the April SDR can differ due to applications to graduate being received and approved after the Annual Report date of printing or likely application not being made or declined.



Kayleigh Blackburn | EIT Graduate, NZ Certificate in Hairdressing Emerging Stylist  
Dana Young (model) | EIT hairdressing student



# EIT REPRESENTATION ON NATIONAL / INTERNATIONAL ORGANISATIONS, GRANTS AND AWARDS

## Blakeley, Jo

- ▶ Member, Institutes of Technology and Polytechnics (ITP) Academic Managers' Forum
- ▶ Member, Tertiary Accord of New Zealand Academic Committee
- ▶ Deputy Chair, East Coast/Hawke's Bay Te Tairāwhiti Te Matau-a-Māui Conservation Board

## Clear, Alison

- ▶ Member, ACM Education Council
- ▶ Lead PR and Co-chair, International Computing Curriculum 2020 project ACM & IEEE-CS funded
- ▶ Secretary, Australasian SIGCSE
- ▶ Technical Program Chair, Frontiers in Education Conference, San Jose, October 2018
- ▶ Member, Organising Committee, SIGCSE 2018 Conference, Baltimore, February 2018
- ▶ Program Chair, Learning and Teaching in Computing and Engineering LaTiCE 2018 Conference, Auckland, April 2018

## Collins, Chris

- ▶ Member, NZITP CEO Committee
- ▶ Member, Business Hawke's Bay Board
- ▶ Board Member, Tertiary Accord of New Zealand (TANZ)
- ▶ Board Member, TANZ e-Campus Ltd
- ▶ Trustee, Ōtātara Trust
- ▶ ITP Sector Representative, TEC Investment Approach Sector Reference Group
- ▶ Member, Matariki (Hawke's Bay Regional Economic Development Strategy) Governance Group
- ▶ Trustee, Hawke's Bay Community Fitness Centre Trust (formal leave of absence from September 2017)
- ▶ Member, Tairāwhiti Economic Action Plan Strategy Group
- ▶ Chair, International Board, International Federation of Evangelical Students (IFES)

## Cooper, Glynis

- ▶ Trust Member, Hawkes Bay Teenage Parents Trust.
- ▶ External Moderator for Western Institute of Technology

## Cotter, Regan

- ▶ Executive Member, New Zealand Association of Cooperative Education (NZACE)

## Day, Stephanie

- ▶ Reviewer: CITRENZ 9th Annual Conference 2018, Reviewer: Journal of Knowledge Management and E-Learning

## Dinwoodie, Rebekah

- ▶ Co-Chair, New Zealand Applied Business Education Forum

## Dipper, Markus

- ▶ EIT representative, ITP Managers Forum

## Erturk, Emre

- ▶ Council Member, Royal Society of New Zealand Hawke's Bay Branch
- ▶ Executive Editor, Journal of Applied Computing and Information Technology
- ▶ Editorial Board Member, International Journal of E-Learning and Distance Education
- ▶ Editorial Board Member, Journal of Engineering, Technology and Applied Science Research
- ▶ Executive Editor, Computing and Information Technology Research and Education New Zealand Conference Proceedings
- ▶ Reviewer, Computer Standards & Interfaces
- ▶ Reviewer, International Conference on Computing and Big Data
- ▶ Reviewer, International Journal of Interdisciplinary Global Studies
- ▶ Reviewer, International Journal of Doctoral Studies
- ▶ Reviewer, Research in Learning Technology
- ▶ Master's Examiner, Southern Institute of Technology
- ▶ Member, Australasian Business Ethics Network
- ▶ Member, ACM (Association for Computing Machinery)

## Forrest, Rachel

- ▶ Member, Institutes of Technology and Polytechnics Library Managers' Forum
- ▶ Elected Member, NZ Institute of Agricultural and Horticultural Sciences

## Friis, Diane

- ▶ Member, Institutes of Technology and Polytechnics Library Managers' Forum
- ▶ Committee Member, Library and Information Association of New Zealand Aotearoa (LIANZA) Standing Committee on Copyright

## Goodson, Melissa

- ▶ Member, Institutes of Technology and Polytechnics Finance Forum

## Jagroop-Dearing, Anita

- ▶ Fellow, Royal Society of Public Health (FRSPH), United Kingdom

- ▶ Associate Fellow, Higher Education Academy, United Kingdom
- ▶ Invited Member, British Society of Haemostasis and Thrombosis (BSHT), United Kingdom
- ▶ Member, European Primary Care Cardiovascular Society (EPCCS)
- ▶ Member, Editorial Board of Asian Journal of Botany
- ▶ Reviewer for Current Antiplatelet Therapy (CATH) of Bentham Science Journals
- ▶ Reviewer for Grant giving body Heart Research, United Kingdom
- ▶ Grant Reviewer, Reviewing for a funding body, Heart Research, United Kingdom

#### John, Surej P

- ▶ Section Editor, Australasian Journal of Information Systems (A grade journal according to ABDC), <http://journal.acs.org.au/index.php/ajis>
- ▶ Member of the Editorial Review Board, Journal of Hospitality and Tourism Management (B grade Journal according to ABDC) <https://www.journals.elsevier.com/journal-of-hospitality-and-tourism-management/>
- ▶ Editorial Advisory Board Member, FIIB Business Review (FBR) <https://in.sagepub.com/en-in/sas/fiib-business-review/journal203492>
- ▶ Member, American Marketing Association (<https://www.ama.org>)
- ▶ Member, Marketing Association New Zealand (<https://www.marketing.org.nz/>)
- ▶ Member, Research Association New Zealand (<https://www.researchassociation.org.nz/>)
- ▶ Member, Auckland Chamber of Commerce
- ▶ Member, Association of Information Systems
- ▶ Reviewer, Tourism Management (A\*)
- ▶ Reviewer, International Journal of E-Commerce (A)
- ▶ Reviewer, Anatolia (B)
- ▶ Reviewer, Australasian Marketing Journal (B)
- ▶ Reviewer, Health Marketing Quarterly (B)
- ▶ Reviewer, Tourism Review International (C)

#### Jones, Philippa

- ▶ Chair, ITP International Directors Group
- ▶ ITP Sector Representative, Prime Minister's Scholarships for Latin America (PMSLA) selection panel
- ▶ Board Member, Learning Hawke's Bay (LHB) Governance Group

#### Lander, Patrick

- ▶ Member, Sport and Exercise Science New Zealand
- ▶ Reviewer, Sports Medicine
- ▶ Editorial Board Member, International Journal of Exercise Science
- ▶ External Examiner, University Waikato Master of Health Sport & Human Performance
- ▶ External Monitor, UCOL Bachelor of Exercise and Sport Science
- ▶ External Moderator, Unitec Bachelor of Sport

#### Lloyd, Nikki

- ▶ External Verifier for Tourism, City & Guilds International  
Thanks Nikki

#### McConnell, Cheryl

- ▶ Invited Member, Initial Teacher Education Advisory Group, Education Council, Aotearoa New Zealand
- ▶ Member, REANZ Hawkes Bay, Liaison Officer with Reggio Emilia Aotearoa New Zealand
- ▶ External Moderator, Manukau Institute of Technology, BTECE
- ▶ External Monitor, Western Institute of Technology, Unitec Institute of Technology, Whitireia New Zealand Institute of Technology, BTECE

#### Meyer, Salomé

- ▶ Member, Central Hub Advisory Group of Ako Aotearoa
- ▶ Member, Flexible Learning Association of New Zealand (FLANZ)
- ▶ Member, Higher Education Research and Development Society of Australasia Inc. (HERDSA)
- ▶ Reviewer, The Internet and Higher Education. A Quarterly Review of Innovations in Post-secondary Education. Elsevier
- ▶ Reviewer, International Journal of Africa Nursing Sciences – Elsevier
- ▶ Reviewer, Collegian: The Australian Journal of Nursing Practice, Scholarship & Research, the official journal for the Australian College of Nursing. Recognised for Outstanding Contribution in Reviewing from Elsevier in July 2018.
- ▶ Reviewer, African Health Sciences. Makerere Medical School, Uganda
- ▶ Reviewer, Journal of Applied Computing and Information Technology (JACIT) produced by Computing and Information Technology Research in Education in New Zealand (CITRENZ)
- ▶ Reviewer, Health RSA Gesundheit. Journal of Interdisciplinary Health Sciences. Elsevier
- ▶ Reviewer, Curationis. The official journal of The Democratic Nursing Organisation of South Africa.
- ▶ Reviewer, Online Brazilian Journal of Nursing.
- ▶ Editor for the Continental Journal of Nursing Science. Wilolud Online Journals.
- ▶ Reviewer, Flexible Learning Association of New Zealand (FLANZ) conference, Inception to Infinity: Places, spaces and time for learning 9-11 April 2018, Massey University, Palmerston North
- ▶ Reviewer, The Computing and Information Technology Research Education New Zealand (CITRENZ) Conference held in Wellington, New Zealand on 11-13 July 2018
- ▶ Reviewer, Higher Education Research and Development Society (HERDSA) conference held on 2-5 June 2018 in Adelaide, Australia.

#### Morris Matthews, Kay

- ▶ Editorial Board Member and Reviewer, History of Education
- ▶ Editorial Board Member and Reviewer, History of Education Review
- ▶ Member, Ngātahi Steering Group, Hawke's Bay District Health Board

#### Munday, Karen

- ▶ Elected Committee Member, New Zealand Nutrition Society

#### Oldershaw, Mark

- ▶ Trustee, Hawke's Bay Youth Future Trust
- ▶ Board Member, UNICEF New Zealand
- ▶ Member, Centre for Labour, Employment and Work, Victoria University Advisory Board
- ▶ Member, Hawke's Bay Inter-sectorial Group Operations Group
- ▶ Member, Matariki HB REDS Project Team

#### Otis, Edmond

- ▶ Member, International Research Consortium for the Promotion of Occupational Resilience (ICPOR)

#### Papps, Elaine

- ▶ External Monitor, Whitireia/WelTec Master of Professional Practice
- ▶ Reviewer, International Nursing Review
- ▶ Reviewer, Nursing Praxis in New Zealand
- ▶ Reviewer, Kai Tiaki Nursing Research

#### Pentecost, Mandy

- ▶ National Executive member, New Zealand Association of Counsellors. Portfolios: Research, Publications, Counsellor Education.
- ▶ External Monitor MIT Bachelor of Applied Counselling.

#### Postlewaight, Gillian

- ▶ Reviewer, New Zealand International Research in Early Childhood Education Journal
- ▶ External Moderator, Western Institute of Technology
- ▶ Independent Member, National Council of Women

#### Rowan, Yvonne

- ▶ Member, Association of Tertiary Learning Advisors of Aotearoa New Zealand (ATLAANZ)

#### Roy, Ram

- ▶ Member, Local Advisory Committee, EIT Hawkes Bay
- ▶ Member, Research Committee, School of Business & Computing, EIT, Hawke's Bay
- ▶ Member, Production and Operations Management Society (POMS), USA
- ▶ Member, Chartered Institute of Logistics and Transport, New Zealand
- ▶ Member, ANZAM (Australia New Zealand Academy of Management)
- ▶ Member, Royal Society of New Zealand
- ▶ External Moderator of BBS course for NMIT, Nelson, New Zealand
- ▶ Internal Examiner for Master's thesis, School of Business, EIT, Auckland, New Zealand
- ▶ External Examiner for PhD thesis, National Institute of Technology, Kurukshetra, India
- ▶ Course Coordinator for two courses in Masters in Applied Management programme
- ▶ Reviewer, GSL Journal of Business Management and Administration Affairs, USA

- ▶ Reviewer, David Publishing Company, Illinois, USA
- ▶ Reviewer, Computing & Information Technology Research & Education New Zealand (CITRENZ) Conference, Wellington, New Zealand
- ▶ Reviewer, International Journal of Industrial and Systems Engineering (IJISE), USA
- ▶ Reviewer, Design and Modelling in Science, Education, and Technology - DeMSET 2018 Conference, USA
- ▶ Reviewer, GSL Journal of Public Health and Epidemiology, April 2018, USA.

#### Rudge, Mandy

- ▶ External Monitor, Whitireia/Weltec, Bachelor of Creativity
- ▶ External Moderator, UCOL, Diploma Photographic Imaging
- ▶ External Moderator, UCOL, Bachelor of Creative Media

#### Saywell, Victor

- ▶ Facilitator, Institutes of Technology and Polytechnics Finance Forum
- ▶ Chair, Strive Rehabilitation @ Hawke's Bay Trust
- ▶ Trustee, Strive Rehabilitation Trust

#### Sinclair, Andrew

- ▶ Executive Committee, FABENZ (Foundation and Bridging Education NZ)

#### Skelton, David

- ▶ Member, ITP Forum, IT Professionals New Zealand
- ▶ Associate Editor, Computing and Information Technology Research and Education of New Zealand (CITRENZ) Conference Proceedings
- ▶ Reviewer, Computing and Information Technology Research and Education of New Zealand (CITRENZ) Conference
- ▶ Reviewer, New Zealand Association of Cooperative Education Conference
- ▶ Reviewer, International Journal of Work-Integrated Learning

#### Smith, Hannah

- ▶ Affiliate Member, New Zealand Institute of Safety Management
- ▶ Member, Hawkes Bay Safety Focus Group

#### Taylor, Lee-Anne

- ▶ Committee member, Hawkes Bay Branch, Physiotherapy New Zealand
- ▶ Central Netball Zone, Elected board member March 2018
- ▶ PATU Aotearoa Advisory Member
- ▶ Coach, Hawkes Bay U17 Representative Netball
- ▶ Coach Developer, Netball New Zealand

#### Tipene-Leach, David

- ▶ Member, Ministerial Advisory Group to Minister of Health
- ▶ Chair, Te Ora/Māori Medical Practitioners Association
- ▶ Member, Expert Advisory Committee to the National Safe Sleep Programme

#### Turner, Lee

- ▶ Executive Committee, FABENZ (Foundation and Bridging Education NZ)



#### Walker, Rachael

- ▶ NZ Representative, Australian New Zealand Dialysis and Transplant Registry (ANZDATA) Advisory Committee
- ▶ Nursing Working Group, International Society of Nephrology (ISN)
- ▶ Nurse Liaison Group, International Society of Peritoneal Dialysis
- ▶ Nurse Representative, Australasian Kidney Trials Network
- ▶ Guidelines and Writing Group, Caring for Australasians with Renal Impairment (CARI)
- ▶ Member, Renal Society of Australasia
- ▶ Member, Australia New Zealand Society of Nephrology

#### Westwood, Kirsten

- ▶ President, Hawke's Bay Medical Research Foundation
- ▶ Chair, Hawke's Bay Heart Foundation

#### Yahanpath, Noel

- ▶ Reviewer, Journal of Qualitative Research in Financial Markets
- ▶ Reviewer, Journal of Risk Finance
- ▶ Reviewer, International Journal of Islamic and Middle Eastern Finance and Management
- ▶ Reviewer, Australian Accounting Business and Finance Journal
- ▶ Reviewer, Journal of Financial Regulation and Compliance
- ▶ Reviewer, Education + Training journal
- ▶ Reviewer, International Journal of Mentoring and Coaching in Education



Sam Ngarimu-Goldsmith | Graduate, Bachelor of Computing Systems

# INTERNATIONAL CENTRE MEMBERSHIP ORGANISATIONS

EIT has institutional membership of the following international education-related organisations:

- ▶ English New Zealand
- ▶ IDP Education
- ▶ India New Zealand Business Council (INZBC)
- ▶ International Student Association Inc in Australia (ISANA)
- ▶ Learning Hawke's Bay (LHB)
- ▶ Study Applied Sciences NZ (SAS)
- ▶ Study Auckland
- ▶ UK NARIC

## PRIZES, AWARDS & GRANTS

### | AWARDS

**The following Chief Executive Awards were presented to staff in December:**

**Chief Executive's Excellence Award (Research)**

Associate Professor Rachael Walker, Postgraduate Nursing Programmes, School of Nursing

**Chief Executive's Excellence Award (General Staff)**

Chrissie Garland, Senior International Student Admissions Advisor, Registry

**Chief Executive's Excellence Award (Teaching)**

Istvan Lengyel, IT Lecturer, School of Computing

**Special One-off Awards**

- ▶ Di Reid & Linda Shaw, Technicians, Faculty of Education, Humanities & Health Science
- ▶ Jonathan Perry, International Marketing & Communications Advisor

**Outstanding Community Engagement Award**

Lee Kershaw, Te Ara o Takitimu Co-ordinator

**Chief Executive's Tairāwhiti Award**

Steve Main, Automotive Tutor, School of Trades & Technology

**2018 Teaching & Learning Award**

Sam Sidney, Agricultural Tutor, School Primary Industries

factors and the effect of lifestyle interventions among a tertiary education population in New Zealand. A pilot study

**Emily Nelson**

Innovative Learning Environments in Partnership Schools: Perspectives, Opportunities & Implications for Pre-service Education

**Pippa McKelvie-Sebileau & Karen Blundell**

Waste minimisation at EIT, towards a single-use plastic free campus at EIT

**Matthew Marshall**

The classical guitar and jazz guitar nexus: same but different – a meeting of unlike minds and their re-merging

**Dobrija Lopez**

Students' peer mentoring programme

**Chris Malcolm and Tim Giles**

Investigating whānau inclusive practice within HBDHB community mental health teams

### | EXTERNAL RESEARCH GRANTS 2018

**David Tipene-Leach**

Te Kuwatawata  
Ministry of Health

**Kay Morris Matthews**

Ngātahi - Towards better outcomes for vulnerable children and their families  
Hawke's Bay District Health Board

**Rachael Walker**

Improving the experience of NZ Māori and Pasifika on dialysis – a case study of community house dialysis  
Lotteries Commission

**Cherie te Rore**

PhotoVoice for Foundation Studies students  
Ako Aotearoa

**Jonathan Sibley**

HB Growth Study  
Ministry of Business Innovation and Employment

**Nat Waran**

Environment trust project  
Air New Zealand

### | EIT INTERNAL RESEARCH GRANTS 2018

**Petra King**

Anti-transpirant spray used on Merlot grapes at veraison to reduce sugar accumulation rate for production of a Rose style low alcohol wine: Season 2

**Pamela Wood**

Nursing in New Zealand, 1900-1950

**Chey Dearing**

Validation of a novel male fertility questionnaire and the effects of a HITT training programme on male fertility parameters and spermatozoa

**Ken Olejar**

Seaweed ferment extract as a natural fungicide for viticulture and horticulture

**Anita Jagroop Dearing**

The prevalence, knowledge and attitude of cardiovascular risk



Jobey Pomare | Graduate, Bachelor of Sport and Exercise Science



# STATEMENT OF RESOURCES FOR THE YEAR ENDED 31 DECEMBER 2018

Further to the financial value of resources represented in the Balance Sheet, the Eastern Institute of Technology utilised the following physical resources:

The overall gross floor area of EIT facilities used in 2018 was 58,603 square metres.

## 1. SITE AND LOCATION

EIT occupies land in Taradale, Napier, with the main Hawke's Bay campus being located part way between Napier and Hastings CBDs and sharing a common boundary with the significant Ōtātara Pa site. The campus comprises 27 hectares, most of which was gifted to the people of Hawke's Bay by the late Mrs H M Hetley and that land is vested in the Crown.

An additional two hectares of land opposite the Hawke's Bay campus is the site for the student residential village.

EIT also has established Regional Learning Centres, within the Hawke's Bay region in Hastings, Maraenui, with leased facilities in Wairoa, and in Waipukurau.

The main Tairāwhiti campus is located over three hectares in the Gisborne CBD area and the Rural Studies Unit is located over four hectares in Stout Street, Gisborne.

Other Regional Learning Centres operating on the East Coast are leased properties and include Ruatoria, Tokomaru Bay and Tolaga Bay.

The Auckland campus operates out of leased facilities in a multi-storey building in the middle of Queen Street, Auckland CBD, for programme delivery to international students.

## 2. BUILDINGS

### Hawke's Bay Campus

Buildings at this campus include the trades & technology open plan workshop facilities, a specialty plumbing workshop, a multi-functional science laboratory complex, tourism and hospitality complex with a public restaurant, student amenities facilities and atrium, lecture theatres, Te Ūranga Waka administration complex, Whare Matoro meeting house, marae, reception building, children's centre, five multi-storey buildings, and a modern library with adjoining learning centre complex, along with administration offices, ideaschool complex, winery, a video production complex, veterinary nursing training facilities and farming buildings. These buildings are supplemented by 16 prefabricated re-locatable units of temporary accommodation.

### Pettigrew.Green Arena

The Institute leases permanent specialist areas at the Pettigrew.

Green Arena opposite the main Hawke's Bay campus, including the exercise science laboratory facilities, massage teaching facilities, a specialist fitness gym and portions of the main stadium floor, as well as periodically leasing other spaces such as the PGA gymnasium, lecture theatre and classroom areas for Institute programmes.

### Student Accommodation

The Institute owns and manages a variety of student accommodation facilities in the Napier area. The land opposite the Hawke's Bay campus is the site for the managed 72 bed student residential village, consisting of twelve residential villas. In addition, the Institute owns and manages an 11 bed self-contained apartment complex located in the nearby suburb of Greenmeadows, two 6 bed self-contained flats adjoining the student residential village, and a 3 bed ex-residential house located on the Hawke's Bay campus. The total number of student beds owned and managed by the Institute at the end of 2018 is 98.

### Hastings Centre

In late 2017 EIT purchased a commercial building in Heretaunga Street West, which was refurbished and the Institute's new campus opened mid-April and previous Hastings Centre on Railway Road relocated to the new premises and the lease was surrendered at the same time. The new Hastings campus includes computer rooms, computer hub, lecture rooms, reception and public information area, café training facilities, offices and student amenities.

### Maraenui Centre

The centre facilities, owned by the Institute, provide an open plan computer teaching room, a seminar room, a separate large classroom with attached kitchen facilities and a reception/office area.

### Central Hawke's Bay Centre

The centre at Waipukurau occupies leased premises comprising classrooms, an IT Suite, a common room, office, workshop area and service spaces.

### Wairoa Centre

EIT leases a small centre in the Wairoa CBD area which includes

a computing suite, classrooms and office facilities. In addition, an EIT prefabricated building is located on the grounds providing additional classroom space. Some areas of the centre grounds are being used by our Primary Industries School for horticulture training.

#### Tairāwhiti Campus (Gisborne CBD)

Buildings at this campus include an administration block and library complex, trades training workshop, Toi Houkura Māori Arts & Crafts facilities, Middleton Building nursing suites and computing rooms, Te Whatukura Māori Cultural Centre, student centre with a computer hub and cooking teaching facilities, including a public restaurant. There are a number of prefabricated buildings on campus in use.

#### Rural Studies Unit – Stout Street, Gisborne

This unit consists of a training winery and laboratory complex, plant propagation and rural facilities, as well as prefabricated classrooms and administration offices.

#### Ruatoria

Leased buildings in Ruatoria include workshop areas, classrooms, a computer hub and administration offices.

#### Tokomaru Bay

The leased Tokomaru Bay site consists of classroom facilities, computer room, office and outdoor under-cover horticulture working area. The lease for these facilities will not be renewed for 2019 with current and future programmes relocated to Ruatoria RLC.

#### Tolaga Bay

EIT leases teaching space on the Hauiti Marae site at Tolaga Bay. There are two classrooms, plus kitchen and toilet facilities. In addition to the classroom space there is a large outdoor area to enable both carpentry and horticulture projects to be completed.

#### Auckland Campus

The Auckland campus facilities in Queen St were consolidated to consecutive floors, which became available to us to lease during the year. EIT now occupies the sixth floor (reception, administration, tutor offices and classrooms), fifth floor (student common room, computer hub, computer suites and general classrooms) and fourth floor (classrooms, seminar rooms, student research offices).

## 3. SPACE ALLOCATION

Location	Rented Spaces m <sup>2</sup>	Teaching m <sup>2</sup>	Administration m <sup>2</sup>	Amenities m <sup>2</sup>	Services m <sup>2</sup>	Total Net Area m <sup>2</sup>
Taradale	1,076	16,888	6,049	7,600	6,755	38,368
Maraenui	0	254	0	34	14	302
Hastings	0	271	150	115	89	625
Central Hawke's Bay	0	269	76	13	7	365
Wairoa	0	233	76	85	45	439
Pettigrew.Green Arena	0	1,377	0	32	0	1,409
Tairāwhiti	221	6,305	1,612	2,001	936	11,075
RSU Stout Street	0	1,604	213	1,046	45	2,908
Tokomaru Bay	0	133	12	28	3	176
Tolaga Bay	0	184	0	35	24	243
Ruatoria	0	506	81	187	86	860
Auckland	0	883	250	389	311	1,833
<b>TOTALS</b>	<b>1,297</b>	<b>28,907</b>	<b>8,519</b>	<b>11,565</b>	<b>8,315</b>	<b>58,603</b>

#### General Statistical Data on Space Utilisation

##### Gross Floor Area

The total floor area for all EIT facilities is 58,603m<sup>2</sup>, which equates to a floor area of 12.15m<sup>2</sup> per EFTS, for 2018.

##### Net Floor Area

The combined net area of all EIT teaching spaces is 28,907m<sup>2</sup>, which equates to an area of 5.99 m<sup>2</sup> per EFTS.

## 3. HUMAN RESOURCES

Expressed as Full-Time Equivalent staff (FTEs)

	2013	2014	2015	2016	2017	2018
Tutorial Staff	306.8	291.4	303.3	326.3	328.4	342.0
Allied Staff and Management	224.3	230.5	230.1	238.5	245.6	238.8
<b>TOTAL STAFF</b>	<b>531.1</b>	<b>521.9</b>	<b>533.4</b>	<b>564.8</b>	<b>574.0</b>	<b>580.8</b>

# STATEMENT OF STATISTICS

FOR THE YEAR ENDED  
31 DECEMBER 2018

## EFFECTIVENESS INDICATORS

### EFTS TARGET : ACTUAL

	Target	Actual	%
2014	4,527	4,574	101
2015	4,404	4,398	100
2016	4,546	4,597	101
2017	4,653	4,518	97
2018	4,757	4,794	101

## EFFICIENCY INDICATORS

Targets for these efficiency indicators were not set as part of the budget process.

### TUTORIAL STAFF : STUDENT RATIO

	2014	2015	2016	2017	2018
FTE Teaching Staff : EFTS	1 : 15.7	1 : 14.5	1 : 14.1	1 : 13.8	1 : 14.0

### NET TEACHING AREA PER EFTS

	2014	2015	2016	2017	2018
Ratio of Teaching Area per EFTS (m <sup>2</sup> )	6.2	6.4	6.2	6.4	6.0

### GROSS OPERATING COSTS PER EFTS

	2014	2015	2016	2017	2018
Operating Costs per EFTS	\$12,472	\$13,229	\$13,257	\$14,220	\$14,195

## EQUAL EMPLOYMENT OPPORTUNITY INDICATORS

### COMPOSITION OF STAFF

	Teaching	2017 Non Teaching	Total	Teaching	2018 Non Teaching	Total
% of full time staff who identify themselves as Māori	20%	19%	20%	21%	21%	21%
% of female staff	53%	72%	61%	55%	74%	63%
% of full-time staff who identify themselves as having disabilities	3%	6%	4%	4%	5%	4%



## WOMEN AND MĀORI STAFF IN SENIOR POSITIONS

	Women	Māori
2014	55%	14%
2015	50%	14%
2016	52%	14%
2017	55%	14%
2018	50%	18%

## FINANCIAL PERFORMANCE INDICATORS

### SHORT-TERM LIQUIDITY

	2014	2015	2016	2017	2018
Current Assets / Current Liabilities	159%	242%	250%	241%	179%

### DEBT : EQUITY RATIO

	2014	2015	2016	2017	2018
Debt : Equity Ratio	-	-	-	-	-

### CHANGE IN FINANCIAL VALUE

	2014	2015	2016	2017	2018
Net Assets (\$000)	129,955	131,593	153,353	153,272	152,391
Change (%)	0.40%	1.26%	16.54%	-0.05%	-0.57%

### RETURN ON NET ASSETS

	2014	2015	2016	2017	2018
Return on Net Assets	2.30%	1.48%	1.71%	0.10%	0.04%

### NET SURPLUS (BEFORE EXTRAORDINARIES)

	2014	2015	2016	2017	2018
As % of Income	2.50%	3.23%	4.12%	0.23%	0.10%

## EFTS NUMBERS

SCHOOL	2016 Actual	2017 Actual	2018 Target	2018 Actual
Primary Industries	525	561	627	556
Veterinary Nursing	49	63	73	61
Viticulture & Wine Science	116	100	100	76
Business	416	442	473	557
Computing	467	439	450	399
Education & Social Sciences	300	292	312	289
English Language Centre	85	88	79	98
Health & Sport Science	390	326	326	360
ideaschool	193	180	209	209
Nursing	523	488	509	504
Tairāwhiti Adult Community Education	79	84	*	*
Te Ūranga Waka	413	453	531	635
Toihoukura	69	59	61	58
Tourism & Hospitality	250	227	255	286
Trades Academy	120	123	120	108
Trades & Technology	602	593	623	598
<b>TOTAL EFTS</b>	<b>4,597</b>	<b>4,518</b>	<b>4,757</b>	<b>4,794</b>

\* Tairāwhiti Adult Community Education included in the relevant school in 2018



Cath Healey | EIT graduate and is continuing her study with the Master of Professional Practice at EIT







# FINANCIAL STATEMENTS

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# BALANCE SHEET

as at 31 December 2018

		Consolidated			Parent	
	Notes	2018 Actual \$000	2018 Budget \$000	2017 Actual \$000	2018 Actual \$000	2017 Actual \$000
<b>CURRENT ASSETS</b>						
Cash and Cash Equivalents	1	2,958	1,109	1,409	2,924	1,371
Short Term Investments	1	25,061	21,000	26,591	25,000	26,500
Trade and Other Receivables	3	1,723	1,655	1,446	1,722	1,445
Inventories		908	863	899	908	899
Prepayments		576	251	322	576	322
<b>Total Current Assets</b>		<b>31,226</b>	<b>24,878</b>	<b>30,667</b>	<b>31,130</b>	<b>30,537</b>
<b>LESS CURRENT LIABILITIES</b>						
Trade and Other Payables	4	5,631	3,961	4,755	5,621	4,746
Other Trading Liabilities	4	1,076	339	1,032	1,076	1,032
Fees and Income in Advance	4	7,285	4,057	4,002	7,285	4,002
Employee Entitlements	9	3,448	2,986	2,921	3,448	2,921
Other Current Liabilities		3	3	3	3	3
<b>Total Current Liabilities</b>		<b>17,443</b>	<b>11,346</b>	<b>12,713</b>	<b>17,433</b>	<b>12,704</b>
<b>NON-CURRENT ASSETS</b>						
Other Financial Assets	2	1,225	2,907	1,900	3	705
Investment in Associates	2	1,194			1,194	
Receivables Non Current		436	420	512	436	512
Property, Plant and Equipment	6	131,907	130,843	130,538	131,907	130,538
Intangible Assets	7	3,213	2,564	1,052	3,213	1,052
Capital Works in Progress	8	1,038	1,638	1,462	1,038	1,462
<b>Total Non-Current Assets</b>		<b>139,013</b>	<b>138,372</b>	<b>135,464</b>	<b>137,791</b>	<b>134,269</b>
<b>LESS NON-CURRENT LIABILITIES</b>						
Lease - Make Good Provision		50	50	50	50	50
Employee Entitlements	9	148	102	96	148	96
Other Non-Current Liabilities		207			207	
<b>Total Non-Current Liabilities</b>		<b>405</b>	<b>152</b>	<b>146</b>	<b>405</b>	<b>146</b>
<b>NET ASSETS</b>		<b>152,391</b>	<b>151,752</b>	<b>153,272</b>	<b>151,083</b>	<b>151,956</b>
<b>EQUITY</b>						
General Funds		90,946	89,358	90,878	89,638	89,562
Asset Revaluation Reserve		61,445	62,394	62,394	61,445	62,394
<b>TOTAL EQUITY</b>		<b>152,391</b>	<b>151,752</b>	<b>153,272</b>	<b>151,083</b>	<b>151,956</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# REVENUE STATEMENT

for the year ended 31 December 2018

		Consolidated		Parent	
	Notes	2018 Actual \$000	2018 Budget \$000	2017 Actual \$000	2017 Actual \$000
<b>REVENUE</b>					
Government Funding		39,191	39,686	38,791	38,791
Government Fees Free		2,461			2,461
Fees from Domestic Students		8,470	11,467	10,703	10,703
Fees from International Students		11,874	9,695	9,061	9,061
Contestable Funding		1,197	623	672	672
Interest and Dividend Income		1,065	930	1,147	1,088
Other Revenue		3,806	3,656	4,056	4,001
<b>Total Operating Revenue</b>		<b>68,064</b>	<b>66,057</b>	<b>64,429</b>	<b>64,316</b>
<b>EXPENDITURE</b>					
Cost of Services		68,114	66,532	64,278	64,246
<b>Total Cost of Services</b>	10	<b>68,114</b>	<b>66,532</b>	<b>64,278</b>	<b>64,246</b>
<b>Net Surplus / (Deficit) from Operations</b>		<b>(50)</b>	<b>(475)</b>	<b>151</b>	<b>70</b>
Share of Associate's Surplus / (Deficit)		118			118
<b>NET SURPLUS / (DEFICIT)</b>		<b>68</b>	<b>(475)</b>	<b>151</b>	<b>70</b>

# STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

for the year ended 31 December 2018

		Consolidated		Parent	
	Notes	2018 Actual \$000	2018 Budget \$000	2017 Actual \$000	2017 Actual \$000
<b>Net Surplus / (Deficit)</b>		<b>68</b>	<b>(475)</b>	<b>151</b>	<b>70</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>					
Building Impairment		(949)	-	(231)	(231)
<b>Total Other Comprehensive Revenue and Expense</b>		<b>(949)</b>	<b>-</b>	<b>(231)</b>	<b>(231)</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>(881)</b>	<b>(475)</b>	<b>(80)</b>	<b>(161)</b>

The accompanying accounting policies and notes form an integral part of these financial statements.



# STATEMENT OF CASH FLOWS

for the year ended 31 December 2018

		Consolidated		Parent	
	Notes	2018 Actual \$000	2018 Budget \$000	2017 Actual \$000	2017 Actual \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipt of Government Funding		42,222	38,024	40,885	42,222
Receipt from Other Revenue		5,270	4,652	3,981	5,271
Receipt of Student Fees		23,005	21,162	20,182	23,005
Interest and Dividend Income Received		1,097	930	1,134	1,040
Payments to Employees & Suppliers		(60,239)	(60,666)	(59,801)	(60,193)
<b>Net Cash Flow from Operating Activities</b>	<b>11</b>	<b>11,355</b>	<b>4,102</b>	<b>6,381</b>	<b>11,345</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Receipts from Realisation of Investments		26,760	22,500	26,344	26,500
Acquisition of Short Term Investments		(25,000)	(21,000)	(26,500)	(25,000)
Acquisition of Long Term Investments		(648)	(512)	(978)	(374)
Purchase of Property, Plant and Equipment		(10,804)	(6,400)	(6,554)	(10,804)
Purchase of Intangible Assets		(234)	(300)	(160)	(234)
Proceeds from Sale of Assets		120	-	743	120
<b>Net Cash Flow to Investing Activities</b>		<b>(9,806)</b>	<b>(5,712)</b>	<b>(7,105)</b>	<b>(9,792)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Capital Funding		-	-	-	-
<b>Net Cash Flow from Financing Activities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total Increase (Decrease) in Cash Flows		1,549	(1,610)	(724)	1,553
Add Opening Balance		1,409	2,719	2,132	1,371
<b>Closing Balance</b>		<b>2,958</b>	<b>1,109</b>	<b>1,409</b>	<b>2,924</b>
<b>COMPRISING: CASH AND CASH EQUIVALENTS</b>		<b>2,958</b>	<b>1,109</b>	<b>1,409</b>	<b>2,924</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2018

	Notes	Consolidated			Parent	
		2018 Actual \$000	2018 Budget \$000	2017 Actual \$000	2018 Actual \$000	2017 Actual \$000
Opening Balance		153,272	152,227	153,353	151,956	152,118
		<b>153,272</b>	<b>152,227</b>	<b>153,353</b>	<b>151,956</b>	<b>152,118</b>
Net Surplus / (Deficit)		68	(475)	151	76	70
Other Comprehensive Revenue and Expense		(949)	-	(231)	(949)	(231)
<b>CLOSING BALANCE</b>		<b>152,391</b>	<b>151,752</b>	<b>153,272</b>	<b>151,083</b>	<b>151,956</b>

# STATEMENT OF CHANGES IN ASSET REVALUATION RESERVE

for the year ended 31 December 2018

	Notes	Consolidated			Parent	
		2018 Actual \$000	2018 Budget \$000	2017 Actual \$000	2018 Actual \$000	2017 Actual \$000
Opening Balance		62,394	62,394	62,625	62,394	62,625
Building Impairment		(949)	-	(231)	(949)	(231)
<b>CLOSING BALANCE</b>		<b>61,445</b>	<b>62,394</b>	<b>62,394</b>	<b>61,445</b>	<b>62,394</b>

# STATEMENT OF CHANGES IN GENERAL FUND

for the year ended 31 December 2018

	Notes	Consolidated			Parent	
		2018 Actual \$000	2018 Budget \$000	2017 Actual \$000	2018 Actual \$000	2017 Actual \$000
Opening Balance		90,878	89,833	90,728	89,562	89,493
Net Surplus / (Deficit)		68	(475)	151	76	70
<b>CLOSING BALANCE</b>		<b>90,946</b>	<b>89,358</b>	<b>90,878</b>	<b>89,638</b>	<b>89,562</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# STATEMENT OF COMMITMENTS

as at 31 December 2018

## CAPITAL WORKS

EIT is undertaking the following capital works:

**Hawke's Bay Campus** – Hetley building air conditioning: There was a \$119K commitment in regard to this project at balance date.

**Tairāwhiti Campus** – Kingergarten building seismic upgrade: There was a \$43k commitment in regard to this project at balance date.

**Tairāwhiti Campus** – Prefab building seismic upgrade: There was a \$7k commitment in regard to this project at balance date.

**Total Capital Works commitment 2018 - \$169K (2017 - 3,115K).**

CAPITAL WORKS	2018 \$000	2017 \$000
Services	119	371
Buildings	50	2,744
<b>TOTAL CAPITAL WORKS COMMITMENT</b>	<b>169</b>	<b>3,115</b>

NON-CANCELLABLE OPERATING CONTRACTS	2018 \$000	2017 \$000
Operating commitments in respect of building rentals, cleaning, health and student services are as follows:		
Due within one year	1,067	1,399
Due later than one year, but not later than five years*	1,873	1,298
Due later than five years*	228	
<b>TOTAL NON-CANCELLABLE OPERATING COMMITMENTS</b>	<b>3,168</b>	<b>2,697</b>

\* The duration of these leases varies between 13 and 72 months.

Leases can be renewed at EIT's option, with rents set by reference to current market rates for items of equivalent age and condition. There are no restrictions placed on the Institute and group by any of the leasing arrangements.

The accompanying accounting policies and notes form an integral part of these financial statements.



# STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 December 2018

## REPORTING ENTITY

The Eastern Institute of Technology (the Institute or EIT) is a TEI domiciled in New Zealand and is governed by the Crown Entities Act 2004 and the Education Act 1989.

The consolidated financial statements of the Group consist of Eastern Institute of Technology ('the parent') and includes a 16.67% share of its associate TANZ eCampus Ltd which is equity accounted, Eastern Institute of Technology Ltd (a wholly owned subsidiary) and Otatara Trust (a charitable trust). All subsidiaries and associates are incorporated and domiciled in New Zealand.

The primary objective of the Institute and Group is to provide tertiary education services for the benefit of the community rather than making a financial return. Accordingly, the Institute has designated itself and the Group as public benefit entities (PBEs) for the purposes of complying with GAAP.

The financial statements of the Institute and Group are for the year ended 31 December 2018. The financial statements were authorised for issue by the Council on 20 March 2019.

## BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. The financial statements have also been prepared on an historical cost basis, except for land, infrastructure, buildings and services that have been measured at fair value.

### 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. These financial statements, including the comparatives, have been prepared in accordance with the Public Sector PBE Accounting Standards (PBE Standards) - Tier 1. These financial statements comply with PBE accounting standards.

### Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Institute and its subsidiaries is New Zealand dollars (NZD).

### Standards Issued and Not Yet Effective that Have Been Early Adopted

#### Impairment of Revalued Assets

In April 2017, the XRB issued Impairment of Revalued Assets, which now scopes in revalued property, plant, and equipment into the impairment accounting standards. Previously, only property, plant, and equipment assets measured at cost were scoped into the impairment accounting standards. The Institute has early adopted this amendment in preparing its 31 December 2018 financial statements.

### Standards Issued and Not Yet Effective and Not Early Adopted

#### Interests in other entities

In January 2017, the XRB issued new standards for interests in other entities (PBE IPSAS 34 - 38). These new standards replace

the existing standards for interests in other entities (PBE IPSAS 6 - 8). The new standards are effective for annual periods beginning on or after 1 January 2019, with early application permitted. The Institute has not yet assessed the effects of these new standards.

#### Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Institute has not yet assessed the effects of this new standard.

#### Service Performance Reporting

In November 2017, the XRB issued PBE FRS 48 Service Performance Reporting which replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Institute has not yet assessed the effects of this new standard.

#### Amendments to Statement of Cash Flows

In November 2018, the XRB issued an amendment to PBE IPSAS 2 Statement of Cash Flows, which is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Institute has not yet assessed the effects of this amendment.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Consolidation

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

### Critical Accounting Estimates and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Accounting policy note H provides information about the estimates and assumptions exercised in the measurement of revalued assets. Accounting policy notes E and G provide additional information on depreciation and impairment.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the notes to the financial statements.

## ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements. The accounting policies have been applied consistently by Group entities.

### A. Revenue

Revenue is recognised and carried at original receivable amount less an allowance for any uncollectible amounts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and the following specific recognition criteria must also be met before revenue is recognised:

#### Government Funding

EIT receives government funding from the Tertiary Education Commission, which funds part of EIT's costs in providing tertiary education to the Hawke's Bay and Tairāwhiti regions. Government tuition funding is classified as non-exchange revenue. It is recognised as revenue when the course withdrawal date has passed, based on the number of eligible students enrolled in the course at that date and the value of the course.

#### Government Fees Free

Government Fees Free funding is classified as non-exchange revenue. It is recognised as revenue when the course withdrawal date has been passed by an eligible student.

#### Student Tuition Fees

Revenue from domestic student tuition fees is classified as non-exchange revenue. It is recognised as revenue when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course. Revenue from international student tuition fees is classified as exchange revenue.

#### Sale of Materials

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

#### Interest Income

Revenue is recognised as the interest accrues.

### B. Budget Figures

The budget figures are those approved by the Council at the beginning of the financial year. The budget figures relate to the combined group. The variance between the Group and parent is immaterial. The budget figures have been prepared in accordance with generally accepted accounting practice.

### C. Property, Plant and Equipment

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

- Land is valued on a market basis which is considered to reflect fair value while all buildings, services and infrastructure are valued on the basis of Optimised Depreciated Replacement Cost which is considered to reflect fair value.
- Leasehold improvements, plant and equipment, motor vehicles, and computer hardware are stated at cost less accumulated depreciation and any accumulated impairment in value.

### Additions

The cost of an item of property, plant and equipment is initially 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 the Institute and Group and the cost of the item can be measured reliably.

### Disposals

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

### D. Capital Work in Progress

Capital work in progress is calculated on the basis of expenditure incurred and certified gross progress claim certificates up to balance date. Work in progress is not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

### E. Depreciation

Depreciation is calculated on the following basis over the estimated useful life of the asset:

Buildings	1.25% to 20%	Straight Line
Building Services	1.67% to 20%	Straight Line
Building Fitout	1.60% to 20%	Straight Line
Motor Vehicles	5% to 20%	Straight Line
Plant & Tools	10%	Straight Line
Furniture & Fittings	10%	Straight Line
Equipment	20%	Straight Line
Electronic Equipment	10% to 25%	Straight Line
IT Equipment	20% to 25%	Straight Line
Musical Instruments	10%	Straight Line
Collectors' Items	Nil	
Library Collection	10% to 33.3%	Straight Line

### F. Intangibles

**Software** is capitalised at cost at its date of acquisition. Depreciation is calculated on the following basis over the estimated useful life of the asset:

Software	10% to 33.3%	Straight Line
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#### The Regional Indoor Sports and Events Centre Trust

(RISEC) prepayment which relates to access rights to the Pettigrew Green Arena for educational purposes, is recorded at an amount initially determined by independent valuation and subsequently amortised on a straight-line basis over fifteen years. After ten years new arrangements were negotiated from 1 January 2013 and the remaining prepayment is being amortised over twenty-one years. The carrying value of this asset will be tested for impairment and where indicators of impairment exist an impairment expense will be recognised.

#### The EIT Institute of Sport and Health Naming Rights

relates to a facility being constructed by the Hawke's Bay Community Fitness Centre Trust at the Hawke's Bay Regional Sports Park in Hastings and gives EIT naming rights to the facility and various activities. EIT will lease part of the facility for its own educational use. These naming rights will be amortised on a straight line basis over 35 years. This will

begin when the facility opens, which is expected to be during 2019. The carrying value of this asset will be tested for impairment and where indicators of impairment exist an impairment expense will be recognised.

## G. Impairment

At each balance date, the Institute and Group assesses whether there is any objective evidence that a financial asset or Group of financial assets is impaired. Any impairment losses are recognised in comprehensive revenue and expense.

### **Loans and receivables (including cash , cash equivalents, debtors and other receivables)**

Impairment of a loan or a receivable is established when there is objective evidence that the Institute and Group will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For other financial assets, impairment losses are recognised directly against the instruments' carrying amount.

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

Assets held for educational and related matters and related activities are assessed for impairment by considering the assets for obsolescence, changes in useful life assessments, optimisation and other related matters. This review will be done when events or circumstances indicate that the carrying value may not be recoverable. Impairment is measured as the difference between the recoverable amount and the carrying value. Impairment gains or losses are recognised in the Revenue Statement in the other revenue or expenses line item. An impairment loss on a revalued asset is recognised directly against any revaluation surplus for that asset.

#### **Value in use for non-cash-generating assets**

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### **Value in use for cash-generating assets**

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

## H. Revaluations

The land, buildings, infrastructure and services were valued

by C W Nyberg (an independent, registered valuer of Darroch Limited). The Hawke's Bay Campus and Tairāwhiti Campus were last valued as at 31 December 2016. All land has been valued at fair value as determined from market-based evidence.

Following initial recognition at cost, land, infrastructure, buildings and services are carried at a revalued amount which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and accumulated impairment losses.

Fair value of land is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Where buildings have been designed specifically for educational purposes they are valued at optimised depreciated replacement cost which is considered to reflect fair value for such assets.

Revaluation of property is carried out on a class of asset basis by an independent registered valuer.

Any net revaluation surplus is credited to the asset revaluation reserve included in the equity section of the Balance Sheet unless it reverses a net revaluation decrease of the same asset previously recognised in the Revenue Statement.

Any net revaluation decrease is recognised in the Revenue Statement unless it directly offsets a previous net revaluation increase in the same asset revaluation reserve.

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

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

Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date or on a period not exceeding five years.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Revenue Statement in the year the item is de-recognised.

## I. Receivables

Student Fees, and other receivables, are recognised and carried at original receivable amount less an allowance for any uncollectible amounts. A provision for impairment is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

## J. Financial Assets

EIT classifies its financial assets into the following four categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables, and financial assets available for sale. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

All investments are recognised at cost, being the fair value of the consideration given and, in the case of an investment not at fair value any profit or loss, including acquisition charges associated with the investment, is recognised in the Revenue Statement.

After initial recognition, investments which are classified as available for sale, are measured as fair value or at cost in cases where fair value cannot be reliably measured.

Gains or losses on available for sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the Revenue Statement.

#### K. Goods and Services Tax (GST)

The Financial Statements are prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated GST inclusive. Group accounts include GST on Otatara Trust balances.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Balance Sheet. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments are contingencies and disclosed exclusive of GST.

#### L. Taxation

Tertiary Institutes are exempt from the payment of income tax as they are treated by the IRD as charitable organisations. Accordingly, no charge for income tax has been provided.

#### M. Leases

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.

#### N. Employee Entitlements

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

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

Long service leave and retirement gratuities are calculated based on the present value of estimated future cash flows. The discount rate is the market yield on relevant New Zealand Government Stock at the Balance Sheet date.

A provision for the likelihood of sick leave being taken in excess of entitlement will, when material, be calculated in accordance with Treasury guidelines.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Revenue Statement as incurred.

#### O. Financial Instruments

EIT and its subsidiaries are party to financial instruments as part of their normal operations. These financial instruments include bank accounts, investments, trade payables, trade receivables and loans.

All financial instruments are recognised in the Balance Sheet and all revenue and expenses in relation to financial

instruments are recognised in the Revenue Statement.

Except for those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

#### P. Cash Flows, Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

#### Operating Activities

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

#### Investing Activities

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

#### Financing Activities

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

#### Q. Investment in Associates

Investments in Associates are equity accounted.

#### R. Equity

Equity is the community's interest in EIT and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- General Funds
- Asset Revaluation Reserve

#### Asset Revaluation Reserve

This reserve relate to the revaluation of land, buildings and infrastructure assets to fair value.

#### S. Critical Judgements in Applying Accounting Policies

Management has exercised the following critical judgements in applying accounting policies for the year ended 31 December 2018:

#### Crown Owned Land and Buildings

Property in the legal name of the Crown that is occupied by the Institute and Group is recognised as an asset in the Balance Sheet. The Institute and Group consider it has assumed all the normal risks and rewards of ownership of this property despite legal ownership not being transferred and accordingly it would be misleading to exclude these assets from the financial statements. These lands and buildings were first recognised on 31 December 1994.

#### 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, the Institute and Group accounts for the funding as a capital contribution directly in equity.

#### Changes in Accounting Policy

There have been no changes in accounting policies.



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2018

## 1. CASH, CASH EQUIVALENTS AND SHORT TERM INVESTMENTS

### CURRENT

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
ASB Bank	4,000	5,500	4,000	5,500
Bank of New Zealand	8,000	8,000	8,000	8,000
Forsyth Barr for Ōtātara Trust	34	38	-	-
Investments - Current Portion via Forsyth Barr	61	91	-	-
Kiwi Bank	4,000	4,000	4,000	4,000
ANZ Bank	5,000	7,000	5,000	7,000
Westpac	6,924	3,371	6,924	3,371
<b>TOTAL</b>	<b>28,019</b>	<b>28,000</b>	<b>27,924</b>	<b>27,871</b>
These funds are held for:				
Operating Purposes	27,897	27,899	27,802	27,770
Specific Purposes	122	101	122	101
<b>TOTAL</b>	<b>28,019</b>	<b>28,000</b>	<b>27,924</b>	<b>27,871</b>
These funds are classified as:				
Cash and Cash Equivalents	2,958	1,409	2,924	1,371
Short Term Investments	25,061	26,591	25,000	26,500
<b>TOTAL</b>	<b>28,019</b>	<b>28,000</b>	<b>27,924</b>	<b>27,871</b>

The carrying value of cash at bank, call deposits, and term deposits with maturities less than three months approximates their fair value.

### INTEREST RATES & MATURITY

The average interest rate and associated maturity of Institute term deposits are:

	2018	2017	
Current Average Interest Rate	3.51%	3.65%	
	Less than 6 months \$000	6-12 months \$000	12 -24 months \$000
Current – maturity at 31 December 2018 for the Institute	12,000	13,000	-

## 2. OTHER FINANCIAL ASSETS

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Held to maturity via Forsyth Barr	817	793	-	-
Fair Value through P&L via Forsyth Barr	406	403	-	-
Farmlands Shares	2	2	2	2
Eastern Institute of Technology Ltd	-	-	1	1
TANZ eCampus Ltd	-	702	-	702
<b>TOTAL</b>	<b>1,225</b>	<b>1,900</b>	<b>3</b>	<b>705</b>

### Fair Value

**New Zealand Government Bonds:** recognised at their fair value. Fair value has been determined using quoted market bid prices from independently sourced market information for Government bond prices.

**Listed Shares:** recognised at their fair value. Fair value has been determined using published bid price quotations from the NZX at balance date.

**Managed Fund:** measured at fair value and consists of listed shares and listed bonds. The fair value of the managed fund investments is determined using the same methods and assumptions as described above for listed shares and Government bonds.

### Investment in Subsidiaries

Eastern Institute of Technology Ltd is a non-trading subsidiary.

### Investment in Associates

TANZ eCampus Ltd is jointly owned by six New Zealand Polytechnics, one of which is the Eastern Institute of Technology (EIT). TANZ eCampus Ltd delivers online tertiary education. The investment in TANZ eCampus Ltd has been equity accounted in 2018, for EIT's 1/6th share.

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Opening Balance	702	-	702	-
Investment	374	-	374	-
Share of total comprehensive revenue and expense	118	-	118	-
<b>CLOSING BALANCE</b>	<b>1,194</b>	<b>-</b>	<b>1,194</b>	<b>-</b>

### Summarised financial information of associate presented on a gross basis:

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Assets	9,833	-	9,833	-
Liabilities	2,669	-	2,669	-
Revenue	5,502	-	5,502	-
Surplus / (Deficit)	382	-	382	-
EIT's Interest in Associate	16.67%	-	16.67%	-

### 3. TRADE AND OTHER RECEIVABLES

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
<b>Student Receivables</b>				
Student Fee Receivables	380	227	380	227
Less: Provision for Impairment	(95)	(165)	(95)	(165)
<b>Net Student Fee Receivables</b>	<b>285</b>	<b>62</b>	<b>285</b>	<b>62</b>
<b>Other Receivables</b>				
Other Debtors and Receivables	1,032	973	1,031	972
Less: Provision for Impairment	(4)	(1)	(4)	(1)
<b>Net Other Receivables</b>	<b>1,028</b>	<b>972</b>	<b>1,027</b>	<b>971</b>
<b>Other Non-Exchange Receivables</b>				
Other Non-Exchange Receivables	410	412	410	412
<b>TOTAL DEBTORS AND OTHER RECEIVABLES</b>	<b>1,723</b>	<b>1,446</b>	<b>1,722</b>	<b>1,445</b>

Other Receivables includes accrued interest receivable.

#### AGEING OF STUDENT RECEIVABLES:

	2018			2017		
	Gross \$000	Impairment \$000	Net \$000	Gross \$000	Impairment \$000	Net \$000
<b>Institute &amp; Group</b>						
Due 1-30 days	21	-	21	3	-	3
Due 31-60 days	40	-	40	15	-	15
Due 61-90 days	73	-	73	13	-	13
Greater than 90 days	246	(95)	151	196	(165)	31
<b>TOTAL</b>	<b>380</b>	<b>(95)</b>	<b>285</b>	<b>227</b>	<b>(165)</b>	<b>62</b>

Student fees, and other receivables, are recognised and carried at original receivable amount less an allowance for any uncollectible amounts.

A provision for impairment is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

The Institute holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

### 4. TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Creditors	1,376	1,294	1,376	1,295
Accrued Expenses	3,482	2,604	3,472	2,594
Contract Retentions	20	28	20	28
GST Payable	753	829	753	829
<b>TOTAL CREDITORS AND OTHER PAYABLES</b>	<b>5,631</b>	<b>4,755</b>	<b>5,621</b>	<b>4,746</b>

Payables are non-interest bearing and are normally settled on normal commercial terms. Therefore, the carrying value of payables approximates their fair value. \$3,434K is non-exchange (2017: \$2,937K).

## OTHER TRADING LIABILITIES

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Special Funds	122	101	122	101
Statutory Liability	954	931	954	931
<b>TOTAL OTHER TRADING LIABILITIES</b>	<b>1,076</b>	<b>1,032</b>	<b>1,076</b>	<b>1,032</b>

Special funds, held for the purpose of providing scholarships to students are classified as current liabilities.  
Statutory Liability relates to payroll liabilities such as PAYE, ACC levy and employer Kiwisaver contributions.

## FEES AND INCOME IN ADVANCE

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Student Fees Received in Advance	6,693	3,719	6,693	3,719
Other Income Received in Advance	592	284	592	284
<b>TOTAL FEES AND INCOME IN ADVANCE</b>	<b>7,285</b>	<b>4,003</b>	<b>7,285</b>	<b>4,003</b>

## 5. BANKING FACILITIES (PARENT AND CONSOLIDATED)

The Institute has a credit card facility of \$250K with Westpac (2017: \$250K).

## 6. PROPERTY, PLANT AND EQUIPMENT

### CURRENT YEAR 2018

	Opening Cost \$000	Opening Accum Depn \$000	Opening Carrying Amt \$000	Impair- ment/ Revalua- tion \$000	Additions \$000	Disposals Cost \$000	Closing Cost \$000	Disposals Accum Depn \$000	Depn \$000	Closing Accum Depn \$000	Closing Carrying Amount \$000
Land & Infrastructure - Institute	10,167	281	9,886	-	1,804	-	11,971	-	285	566	11,405
Land & Infrastructure - Crown	11,358	14	11,344	-	-	-	11,358	-	14	28	11,330
<b>Total Land &amp; Infrastructure</b>	<b>21,525</b>	<b>295</b>	<b>21,230</b>	<b>-</b>	<b>1,804</b>	<b>-</b>	<b>23,329</b>	<b>-</b>	<b>299</b>	<b>594</b>	<b>22,735</b>
Building & Services - Institute	76,960	2,638	74,322	(550)	3,866	-	80,276	-	2,718	5,356	74,920
Building & Services - Crown	28,547	1,341	27,206	(399)	197	-	28,345	-	1,335	2,676	25,669
Leasehold Improvements	732	470	262	-	506	-	1,238	-	94	564	674
<b>Total Building, Services &amp; Leasehold</b>	<b>106,239</b>	<b>4,449</b>	<b>101,790</b>	<b>(949)</b>	<b>4,569</b>	<b>-</b>	<b>109,859</b>	<b>-</b>	<b>4,147</b>	<b>8,596</b>	<b>101,263</b>
Motor Vehicles	2,489	1,475	1,014	-	416	95	2,810	75	295	1,695	1,115
Plant & Equipment	19,515	15,225	4,290	-	1,948	475	20,988	473	1,656	16,408	4,580
Other Assets	4,879	2,665	2,214	-	271	-	5,150	-	271	2,936	2,214
<b>Total Other Assets</b>	<b>26,883</b>	<b>19,365</b>	<b>7,518</b>	<b>-</b>	<b>2,635</b>	<b>570</b>	<b>28,948</b>	<b>548</b>	<b>2,222</b>	<b>21,039</b>	<b>7,909</b>
<b>2018 TOTAL</b>	<b>154,647</b>	<b>24,109</b>	<b>130,538</b>	<b>(949)</b>	<b>9,008</b>	<b>570</b>	<b>162,136</b>	<b>548</b>	<b>6,668</b>	<b>30,229</b>	<b>131,907</b>



## PRIOR YEAR 2017

	Opening Cost \$000	Opening Accum Depn \$000	Opening Carrying Amt \$000	Impairment/ Revaluation \$000	Additions \$000	Disposals Cost \$000	Closing Cost \$000	Disposals Accum Depn \$000	Depn \$000	Closing Accum Depn \$000	Closing Carrying Amount \$000
Land & Infrastructure - Institute	9,713	-	9,713	-	454	-	10,167	-	281	281	9,886
Land & Infrastructure - Crown	11,358	-	11,358	-	-	-	11,358	-	14	14	11,344
<b>Total Land &amp; Infrastructure</b>	<b>21,071</b>	<b>-</b>	<b>21,071</b>	<b>-</b>	<b>454</b>	<b>-</b>	<b>21,525</b>	<b>-</b>	<b>295</b>	<b>295</b>	<b>21,230</b>
Building & Services - Institute	75,835	-	75,835	-	1,125	-	76,960	-	2,638	2,638	74,322
Building & Services - Crown	28,357	-	28,357	(231)	447	26	28,547	-	1,341	1,341	27,206
Leasehold Improvements	732	398	334	-	-	-	732	-	72	470	262
<b>Total Building, Services &amp; Leasehold</b>	<b>104,924</b>	<b>398</b>	<b>104,526</b>	<b>(231)</b>	<b>1,572</b>	<b>26</b>	<b>106,239</b>	<b>-</b>	<b>4,051</b>	<b>4,449</b>	<b>101,790</b>
Motor Vehicles	1,953	1,255	698	-	630	94	2,489	64	284	1,475	1,014
Plant & Equipment	17,193	14,053	3,140	-	2,680	358	19,515	358	1,530	15,225	4,290
Other Assets	4,967	2,846	2,121	-	350	438	4,879	438	257	2,665	2,214
<b>Total Other Assets</b>	<b>24,113</b>	<b>18,154</b>	<b>5,959</b>	<b>-</b>	<b>3,660</b>	<b>890</b>	<b>26,883</b>	<b>860</b>	<b>2,071</b>	<b>19,365</b>	<b>7,518</b>
<b>2017 TOTAL</b>	<b>150,108</b>	<b>18,552</b>	<b>131,556</b>	<b>(231)</b>	<b>5,686</b>	<b>916</b>	<b>154,647</b>	<b>860</b>	<b>6,417</b>	<b>24,109</b>	<b>130,538</b>

Crown assets have been included in the Balance Sheet. Refer Statement of Accounting Policy R. These assets comprise most of the land and buildings on the Taradale campus, together with part of the Tairāwhiti campus land and buildings.

No consolidated figures have been presented for Land and Buildings and Other Assets as they do not change from the Parent.

Impairments to buildings in 2018 (\$949k) relate to weather-tightness and seismic strengthening. (2017: \$231k)

There are no restrictions on assets.

## 7. INTANGIBLE ASSETS

### CURRENT YEAR 2018

	Opening Cost \$000	Opening Accum Depn & Amortisation \$000	Opening Carrying Value \$000	Impairment / Revaluation \$000	Additions \$000	Disposals \$000	Closing Cost \$000	Disposals Accum Depn & Amortisation \$000	Depn & Amortisation \$000	Closing Accum Depn & Amortisation \$000	Closing Carrying Amount \$000
Acquired Software	3,039	2,824	214	-	605	160	3,484	160	115	2,779	705
RISEC Trust Prepayment*	3,100	2,262	838	-	-	-	3,100	-	52	2,314	786
EIT Institute of Sport and Health Naming Rights**	-	-	-	-	1,722	-	1,722	-	-	-	1,722
<b>2018 TOTAL</b>	<b>6,139</b>	<b>5,086</b>	<b>1,052</b>	<b>-</b>	<b>2,327</b>	<b>160</b>	<b>8,306</b>	<b>160</b>	<b>167</b>	<b>5,093</b>	<b>3,213</b>

### PRIOR YEAR 2017

	Opening Cost \$000	Opening Accum Depn & Amortisation \$000	Opening Carrying Value \$000	Impairment / Revaluation \$000	Additions \$000	Disposals \$000	Closing Cost \$000	Disposals Accum Depn & Amortisation \$000	Depn & Amortisation \$000	Closing Accum Depn & Amortisation \$000	Closing Carrying Amount \$000
Acquired Software	2,879	2,782	97	-	160	-	3,039	-	43	2,824	214
RISEC Trust Prepayment*	3,100	2,208	892	-	-	-	3,100	-	54	2,262	838
<b>2017 TOTAL</b>	<b>5,979</b>	<b>4,990</b>	<b>989</b>	<b>-</b>	<b>160</b>	<b>-</b>	<b>6,139</b>	<b>-</b>	<b>97</b>	<b>5,086</b>	<b>1,052</b>

\* The amortisation of the RISEC Trust prepayment ends on 31 December 2033

\*\* EIT Institute of Sport and Health Naming Rights are to be amortised over 35 years from when the facility opens, which is expected in 2019

No consolidated figures have been presented for Intangible Assets as they do not change from the Parent.

## 8. CAPITAL WORKS IN PROGRESS

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Buildings	689	1,094	689	1,094
Intangibles	349	368	349	368
<b>TOTAL WORKS IN PROGRESS</b>	<b>1,038</b>	<b>1,462</b>	<b>1,038</b>	<b>1,462</b>

## 9. EMPLOYEE ENTITLEMENTS

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
<b>Current Portion</b>				
Salary Accrual	160	-	160	-
Annual Leave Accrual	3,288	2,921	3,288	2,921
<b>Total Current Portion</b>	<b>3,448</b>	<b>2,921</b>	<b>3,448</b>	<b>2,921</b>
<b>Non-Current Portion</b>				
Long Service Leave	83	26	83	26
Retirement Gratuities	65	70	65	70
<b>Total Non-Current Portion</b>	<b>148</b>	<b>96</b>	<b>148</b>	<b>96</b>
<b>TOTAL EMPLOYEE ENTITLEMENTS</b>	<b>3,596</b>	<b>3,017</b>	<b>3,596</b>	<b>3,017</b>

## 10. COST OF SERVICES

The Institute has included the following expenses in the Revenue Statement:

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Audit Fees – to Audit New Zealand for audit of financial statements	113	110	108	105
<b>Total Audit Fees</b>	<b>113</b>	<b>110</b>	<b>108</b>	<b>105</b>
Depreciation - Buildings	1,397	1,346	1,397	1,346
Depreciation - Services	792	780	792	780
Depreciation - Intangibles	115	43	115	43
Depreciation - Other	4,479	4,291	4,479	4,291
<b>Total Depreciation</b>	<b>6,783</b>	<b>6,460</b>	<b>6,783</b>	<b>6,460</b>
Amortisation of RISEC Trust Prepayment	52	52	52	52
Fees Paid to Council Members - Refer Note 16	160	160	160	160
Operating Leases of Electronic Equipment	1	1	1	1
Renting of Buildings	748	621	748	621
(Gain) / Loss on Disposal of Assets or Assets Written Off	(6)	(23)	(6)	(23)
Bad Debts	143	37	143	37
Salaries and Wages	40,423	38,736	40,423	38,736
Employee Defined Contribution Plan	1,032	976	1,032	976
Change in Provision for Impairment on Receivables	(66)	43	(66)	43
Other Costs	18,731	17,106	18,671	17,078
<b>Total</b>	<b>61,218</b>	<b>57,709</b>	<b>61,158</b>	<b>57,681</b>
<b>TOTAL COST OF SERVICES</b>	<b>68,114</b>	<b>64,278</b>	<b>68,049</b>	<b>64,246</b>

## 11. RECONCILIATION OF THE NET CASH FLOW FROM OPERATING ACTIVITIES WITH THE NET SURPLUS

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Net Surplus	68	151	76	70
Add back Non-Cash Depreciation, Associate Share of Surplus & Other Items	7,005	6,428	6,987	6,484
<b>+/(-) Movements in Working Capital Items</b>				
(Increase)/Decrease in Accounts Receivable and Prepayments	(530)	(323)	(531)	(323)
(Increase)/Decrease in Inventory	(9)	(217)	(9)	(217)
(Decrease)/Increase in Accounts Payable and Provisions	1,538	76	1,539	76
(Decrease)/Increase in Income in Advance	3,283	266	3,283	266
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>11,355</b>	<b>6,381</b>	<b>11,345</b>	<b>6,356</b>

## 12. FINANCIAL INSTRUMENTS

### FINANCIAL INSTRUMENT CATEGORIES

The accounting policies for financial instruments have been applied to the line items below:

	Consolidated		Parent	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
<b>FINANCIAL ASSETS</b>				
<b>Loans &amp; Receivables</b>				
Cash and Cash Equivalents	2,958	1,409	2,924	1,371
Student Receivables	285	62	285	62
Other Receivables	1,028	972	1,027	971
Other Financial Assets				
- Term Deposits	25,000	26,500	25,000	26,500
<b>Total Loans &amp; Receivables</b>	<b>29,271</b>	<b>28,943</b>	<b>29,236</b>	<b>28,904</b>
<b>Investments Held to Maturity</b>	<b>880</b>	<b>886</b>	<b>2</b>	<b>2</b>
<b>Fair Value through P&amp;L</b>				
Other Financial Assets	406	1,105	-	702
<b>Total Fair Value through P&amp;L</b>	<b>406</b>	<b>1,105</b>	<b>-</b>	<b>702</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Financial Liabilities at Amortised Cost</b>				
Trade and Other Payables	5,631	4,755	5,621	4,746
Other Trading Liabilities	1,076	1,032	1,076	1,032
<b>Total Financial Liabilities at Amortised Cost</b>	<b>6,707</b>	<b>5,787</b>	<b>6,697</b>	<b>5,778</b>

### FINANCIAL INSTRUMENT RISKS

The Institute and Group have a series of policies to manage the risks associated with financial instruments. It is risk adverse and seeks to minimise exposure from its treasury activities. These policies do not allow any transactions that are speculative in nature to be entered into.

#### Market Risk

##### Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Institute and Group's managed fund is exposed to price risk because it invests in listed investments. This price is managed by diversification of the managed fund portfolio in accordance with the limits set out in the Institutes and Group's investment policy. Term investments are also managed by the Institutes and Group's investment policy.

**Fair Value Interest Rate Risk**

Fair value interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates create exposure to cash flow interest rate risk. The Group has no borrowings and term investments are invested with fixed interest rates.

**Credit Risk**

Financial instruments which potentially subject the Institute to credit risk principally consist of bank balances, accounts receivable, accounts payable and term borrowing and are recognised in the Balance Sheet.

Credit risk is the risk that a third party will default on its obligation to the Institute and Group, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested in term deposits, which give rise to credit risk.

The Institute limits the amount of credit exposure to any one financial institute for term deposits to no more than 33% of total investments held. The Group invests funds only with registered banks that have a Standard and Poor's credit rating of at least A. There are no other financial assets that have credit quality information available.

In the normal course of its business the Institute incurs credit risk from debtors. There are no significant concentrations of credit risk and the Institute has a credit policy which is used to manage this exposure.

The fair value of other financial instruments is equivalent to the carrying amount disclosed in the Balance Sheet.

**Liquidity Risk**

Liquidity risk is the risk that the Institute and Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Liquidity risk is not significant for the Institute due to sufficient cash balances and term deposits.

For the purposes of financial contractual maturity analysis, all financial liabilities (referred to in Note 4), are due within the next six months.

For the purposes of financial contractual maturity analysis, with respect to financial assets, the major asset is term deposits and their respective maturity shown in Note 1.

**Currency and Interest Rate Risk**

The Institution has no significant exposure to currency risk and interest rate risk on its remaining financial assets and liabilities.

## 13. SUBSEQUENT EVENTS

On 13 February 2019 the Minister of Education announced a proposal to reform vocational education in New Zealand to create the New Zealand Institute of Skills and Technology that would bring together all sixteen Institutes of Technology and Polytechnics, together with the industry training work of Industry Training Organisations, into a single entity from 1 January 2020. Public consultation on this proposal is open until 27 March 2019. Should this proceed as proposed, then Eastern Institute of Technology may be incorporated into the new body and may cease to exist as a separate legal entity, however because the Government is yet to make a decision on the proposal, it is not clear what the impact, if any, would be on EIT. The Council of the Eastern Institute of Technology remains satisfied it is appropriate for its financial statements to be prepared on a going concern basis, despite this proposal where decisions are yet to be made and also notes the strong financial and educational performance of the Institute.

## 14. CONTINGENT ASSETS AND LIABILITIES

Contingent Liabilities - As at 31 December the Institute has no known contingent liabilities (2017: Nil)

Contingent Assets - As at 31 December the Institute has no known contingent assets (2017: Nil)

## 15. RELATED PARTY INFORMATION

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



for such transactions.

There are no related party transactions to be disclosed.

KEY MANAGEMENT PERSONNEL	Actual 2018	Actual 2017
<b>Council Members</b>		
Full-time Equivalent Members	8	8
Remuneration (\$000)	160	160
<b>Executive Management Team, including the Chief Executive</b>		
Full-time Equivalent Members	12	12
Remuneration (\$000)	2,224	2,159

Executive Management personnel include the Chief Executive, Deputy Chief Executive, Executive Directors, Tairāwhiti Campus Executive Director and Executive Deans. Remuneration includes the cost of employer contributions to Kiwisaver and the Government Superannuation Fund.

Due to the difficulty in determining the full-time equivalent for Council members, the full-time equivalent figure is taken as the number of Council members.

There were no other related party transactions.

## 16. COUNCIL MEMBER FEES

The following amounts were paid to Council members in the reporting period:

COUNCIL MEMBER	2018 \$	2017 \$
D Pearson (term concluded 31 May 2018)	14,980	35,952
G Travers	28,105	17,120
M Morgan	21,400	21,400
H Collier	17,120	17,120
R McKelvie	17,120	17,120
J Poulain	17,120	17,120
T Te Huia	17,120	17,120
K Ngarimu (term commenced 31 August 2017)	17,120	5,707
W Harvey (term commenced 1 June 2018)	9,987	-
S Smail (term concluded 31 August 2017)	-	11,413
<b>TOTAL</b>	<b>160,072</b>	<b>160,072</b>

## 17. CAPITAL MANAGEMENT

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

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

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

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

EIT has the following reserve:

- Asset Revaluation Reserve

## 18. COMPULSORY STUDENT SERVICES FEES

The Institute began charging a student services levy in 2013.

## 19. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

### Revenue Statement

Total consolidated operating revenue for the year was above budget by \$2.1M. International student fees were \$2.2M above budget, as a result of strong growth at both the Auckland and Hawke's Bay campuses. Government funding was above budget by \$2.0M (being receipt of unbudgeted government fees free funding under the new policy in 2018 of \$2.5M, plus higher on and off plan government funding of \$0.9M, less a reduction in domestic student based funding of \$1.4M). Domestic student fee revenue was down by \$3.0M (\$2.5M was substitute funded by government as noted above). Growth in ITO revenue and research income increased contestable funding \$0.6M above budget, while other income and interest contributed another \$0.4M.

Total consolidated expenditure was \$1.6M above budget for the year, supporting increased delivery and revenue. Staffing costs were above budget by \$1.7M, while operating costs were \$0.1M below budget.

### Balance Sheet

Institute consolidated cash and cash equivalents were \$1.8M above budget and short term investments were \$4.1M above budget. This primarily reflected significantly higher income in advance from international students for 2019 delivery, but also higher trade creditors including refunds due to TEC for unutilised funding as a result of less domestic delivery than budgeted, especially at lower levels, as a result of strong employment in the economy. While the cash flow shows \$4.5M higher than budgeted combined capital expenditure, the deferral of \$2.0M of capital expenditure into 2018 that had been expected to occur in 2017 was a factor. The remainder largely reflected the purchase of unbudgeted additional properties to support student accommodation growth. Impairments to buildings for seismic and weather tightness issues reduced the asset revaluation reserve by \$0.9M and also reduced the value of property, plant and equipment.

### Statement of Cash Flows

Refer to the explanations provided above for the Balance Sheet with respect to cash and cash equivalents, short term investments and capital expenditure. The increase in net cash flow from consolidated operating activities primarily reflects the increases in current liabilities and the higher than budgeted operating result referred to in the explanations provided above for the Revenue Statement.

## 20. ŌTĀTARA CHILDREN'S CENTRE

### INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 Actual \$000	2018 Budget \$000	2017 Actual \$000
<b>INCOME</b>			
Ministry of Education			
ECE - 20 hours Funding	403	365	372
ECE - Funding Subsidy Under 2	114	158	128
ECE - Funding Subsidy Over 2	146	130	169
	<b>663</b>	<b>653</b>	<b>669</b>
Fees - Staff, Students, Public	183	177	221
Family Assistance (WINZ)	96	80	71
	<b>279</b>	<b>257</b>	<b>292</b>
<b>Total Income</b>	<b>942</b>	<b>910</b>	<b>961</b>
<b>EXPENSES</b>			
Personnel	784	790	780
Other	56	69	54
<b>Total Expenses</b>	<b>840</b>	<b>859</b>	<b>834</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>102</b>	<b>51</b>	<b>127</b>

Note: The accounts presented above are required to be presented separately for Ministry of Education purposes to support the funding provided. There is no reflection of the portion of occupancy costs, Institute overheads or depreciation of buildings and equipment used by the childcare centre, which are included in the Financial Statements of the Institute.

# COMPULSORY STUDENT SERVICES LEVY

EIT has consulted with students on the student services levy. The consultation covered the level of fees, the type of services, the procurement of services and the authorisation of expenditure. Feedback from primarily student-led workshops was that students were broadly comfortable with the services provided through the levy, and were realistic about the modest fee increase for the following year. Additional budgeting and employment advice, and counselling services were requested. The fee for 2018 for a full time equivalent student was \$290 including GST and \$86 including GST for distance students only, with pro rata fees for part time students. Income and expenditure associated with the provision of these services is separately accounted for in our accounting system. Details of the types of service and of the income and expenditure for the year are set out below:

	Total \$000	Advocacy & Legal Advice \$000	Careers Info, Advice & Guidance \$000	Counselling Services \$000	Employment Information \$000	Financial Support & Advice \$000	Health Services \$000	Media \$000	Club & Societies \$000	Sport, Rec & Cultural Activities \$000
<b>REVENUE</b>										
Compulsory Student Services Levy	490	49	88	17	27	44	152	-	20	93
Other	197	20	35	7	11	18	61	-	8	37
<b>Total Revenue</b>	<b>687</b>	<b>69</b>	<b>123</b>	<b>24</b>	<b>38</b>	<b>62</b>	<b>213</b>	<b>-</b>	<b>28</b>	<b>130</b>
Expenditure	668	97	134	33	58	58	180	-	15	93
<b>SURPLUS/(DEFICIT)</b>	<b>19</b>	<b>(28)</b>	<b>(11)</b>	<b>(9)</b>	<b>(20)</b>	<b>4</b>	<b>33</b>	<b>-</b>	<b>13</b>	<b>37</b>

## Advocacy and Legal Advice

EIT Support Services staff and the EIT Students' Association (Younited), which is contracted by EIT, all provide support to students needing assistance with academic grievances, income support matters, and other issues related to their study. This includes advocacy and legal advice relating to accommodation.

## Careers Information, Advice and Guidance

Students are guided into employment through support from the EIT Careers Counsellor and other staff, and through a contracted service to the EIT Students' Association. Good working relationships with industry and agencies have evolved and continue to be fostered at each campus.

## Counselling Services

Staff dedicated to the provision of pastoral care for students, including targeted provision to priority learner groups, youth and international students are coordinated centrally from the Hawke's Bay campus. Staff and contractors providing student guidance services work together on initiatives and activities across campuses. Holistic support is provided through the support services being networked closely with community groups. A chaplaincy service is provided in Hawke's Bay.

## Employment Information

A collaborative EIT and the EIT Students' Association service provide information on employment opportunities for students while they study. The EIT Students' Association is contracted to provide programmes and events that assist students with: employment information and opportunities; the preparation of job applications; and holiday employment applications.

## Financial Support and Advice

A financial support and advice service is provided to students. Those requiring further support are assisted through to budgeting referral services.

## Health Services

Access to nursing, counselling and medical health professionals is available during the main academic terms on the Hawke's Bay campus. Access to counselling and other health services is provided at the Tairāwhiti campus and referral counselling services are available in the Auckland campus. Pastoral care is provided by EIT Student Support Services and through contracted support from the EIT Students' Association.

## Media

Students manage their own social media and website and disseminate information by students for students through this and other channels. The EIT Students' Association assists students with this.

## Clubs and Societies

External clubs and societies are given the opportunity to promote their services to students during Orientation week and at other events. Clubs and Societies are listed on the EIT Students' Association website. All such activities were self-funding.

## Sport, Recreation and Cultural Activities

A wide range of amenities including rooms, recreation and sporting equipment, furniture, audio and visual equipment, are available to all students and student groups. New equipment was purchased in consultation with the EIT Students' Association. Activities occur in each semester and are designed to support and engage students. These include orientation events, cultural, international and whanau events, recreational and sporting activities.

## Independent Auditor's Report

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

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

#### Opinion

We have audited:

- the financial statements of the Institute and group on pages 76 to 94, that comprise the balance sheet as at 31 December 2018, the revenue statement, the statement of comprehensive revenue and expense, statement of changes in equity, and the statement of cash flows for the year ended on that date and the statement of accounting policies and the notes to the financial statements that include other explanatory information; and
- the statement of service performance of the Institute and group on pages 51 to 60.

In our opinion:

- the financial statements of the Institute and group on pages 76 to 94:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2018; and
    - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards; and
- the statement of service performance of the Institute and group on pages 51 to 60 presents fairly, in all material respects, the Institute and group's service performance achievements measured against the proposed outcomes described in the investment plan for the year ended 31 December 2018.

Our audit was completed on 20 March 2019. This is the date at which our opinion is expressed.

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

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

Without modifying our opinion, we considered the adequacy of the disclosures made in note 13 on page 92 that outline the Government's proposal to merge the activities of all polytechnics and institutes of technology. Should the merger proceed, it could have a significant impact on the future of the Institute and group. However, a final decision on the proposal is yet to be made. We consider these disclosures to be adequate.

#### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and



Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

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

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

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

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

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

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

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

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

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

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

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

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

- Council approved budget for the financial statements; and
- Investment plan for the statement of service performance.

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

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

- We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute and group's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute and group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the statement of service performance of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated statement of service performance. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Our responsibilities arise from the Public Audit Act 2001.

## Other information

The Council is responsible for the other information. The other information comprises the information included on pages 4 to 50, 61 to 75, and 95, but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and the statement of service performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the statement of service performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of service performance or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the Institute and group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

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



S B Lucy  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand







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