



WINTER ANNUAL REPORT 2008



Wintec

WAIKATO INSTITUTE OF TECHNOLOGY

Te Kuratini o Waikato

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Overview of Wintec

Wintec's Mission

Ki te whakakaha i te iwi hāpori mā te ara mātauranga, rangahau ara umanga whanakenga.
To build a stronger community through education, research and career development.

Wintec (Waikato Institute of Technology)

In 1924 the 'Hamilton Technical College' was sited on the 'hill', above the city's Garden Place. With the demand for skilled trades people after the Second World War, the Hamilton Technical College came to the fore. The engineering profession, for one, wanted highly skilled people who studied theory while working in industry. This demand created an upsurge in students wanting an applied education that was both practical and employment-related. Between 1945 and 1970, students in technical education nationally soared from 16,500 to 103,000.

In the decade between 1960 and 1970, the number of students completing New Zealand Certificates increased 20 fold. In 1968 the 'Waikato Technical Institute' opened, offering vocational training for farming, industry and commerce, and went on to offer engineering, science, accountancy, business management, secretarial, carpentry and building trades including Māori pre-trade apprenticeships. The institute was renamed The Waikato Polytechnic in 1978.

Since then the institute has developed a range of internationally-recognised degree programmes with an applied focus while retaining its strong trades reputation. To more effectively represent its place in the community, the wider region and the education sector, the name of the institute was changed in July 2001 to 'Waikato Institute of Technology'. In 2002 we adopted the 'Wintec' brand which has since gained national and international recognition.

Wintec is one of the largest institutes of technology in New Zealand, and has more than 30,000 full-time and part-time students studying at its three campuses in Hamilton city and satellite campuses in Thames, Otorohanga and Te Kuiti. Wintec also has an office in Beijing, China.

Our programmes and qualifications are nationally and internationally recognised and our degrees have equal status to those from universities. Our strong links with industry and business give us the ability to offer relevant, tailored employment-

related education and training that meet changing market needs. Our degree programmes include Media Arts, Midwifery, Nursing, Business Studies, Applied Social Science, Information Technology, Sport and Exercise Science and latterly Occupational Therapy (in conjunction with Otago Polytechnic), Technology, Engineering Technology (in conjunction with the other metropolitan institutes of technology) and Teaching (Early Childhood Education), in a wide range of full and part-time courses for those already in the workforce. Wintec is also a recognised leader nationally in the delivery of on-line distance education for those unable to attend regular classes for reasons of geographical access or other commitments.

Since 2004, Wintec has been implementing a major change programme, the results of which have already impacted extremely positively on our strategic relationships in New Zealand and offshore, and on the quality of academic delivery, processes and internationalisation and commercialisation activities.



Hamilton City Libraries image - HCL_13932 (Andrew Wilson)



Members of Council

Members of Waikato Institute of Technology Council
as at 31 December 2008:

Appointed/Nominated by:

G Chesterman	Chairperson	Co-opted
C Baddeley	Deputy Chairperson, Chair – Building and Assets Committee	NZ Council of Trade Unions
J Bennett		Minister of Education
M Cave-Palmer	Chair – Finance and Audit Committee	Council
B Cooper		Minister of Education
M Flowers	Chief Executive	Council
D Hodges		General Staff, Waikato Institute of Technology
(Vacant)		Waikato Raupatu Lands Trust Executive after consultation with Te Arikinui Dame Te Atairangikaahu, or her successors
A Rink		Minister of Education
S Tucker		Employers and Manufacturers Association
F Smith		Students' Association of Waikato Institute of Technology
D Yates		Minister of Education
D Yeung		Academic Staff, Waikato Institute of Technology

Members who left Council during the year:

Appointed/Nominated by

J (Barna) Heremia		Waikato Raupatu Lands Trust Executive after consultation with Te Arikinui Dame Te Atairangikaahu, or her successors
T Taola		Students' Association of Waikato Institute of Technology

Chair's Report

A Remarkable Year for a High-performing Institute of Technology

2008 was a year of remarkable progress and achievement for Wintec. We saw some of the highest levels of enrolments for a number of years, across both domestic and international activity. Our Industry Training Organisation (ITO) funded courses also increased significantly in 2008 and we remain proud of the support we give to ITOs nationally.

The growth in the numbers of students is reflected in the improved financial result too, with a final surplus of \$608,000. Taken together, all of these outcomes clearly indicate that the Waikato region is being well served by its ITP - Wintec. This is something the entire Wintec community, and the region, should be proud of.

Sadly, 2008 was also a year which saw us farewell two unique individuals who were part of the Wintec community.

Dr. Hare Puke, Wintec Kaumatua for more than thirteen years, died in November. It was with great sadness that we said farewell to this great regional leader and an extraordinary man. He will be sorely missed. The contribution he made to his people in the region and as a bridge builder between Māori and Pakeha will remain a lasting legacy of which our organisation is justly proud. It is fitting, however, that in the year we lost Hare, Wintec also enjoyed one of its highest levels of Māori participation at Wintec.

Hare Puke provided cultural advice to Wintec and to many other organisations in the Waikato, including the Hamilton City Council and the University of Waikato. Hare was awarded the inaugural Wintec Medal in 2003. He was also presented with a korowai in recognition of his

unique and outstanding service to the organisation. As Hare would expect, we now look forward to continuing his work to provide the best education outcomes for Māori and to nurturing mutual respect and understanding between Māori and Pakeha without him. We will not forget his passion or his words of guidance as we undertake that task. A leadership scholarship for Māori staff, effective from 2009, has been established in his honour.

We also said farewell to Sir Edmund Hillary, a Fellow of the institute since 2002. Sir Edmund's conferment was the inaugural honorary award given by Wintec, and we are honoured to have him as part of our community.

October marked a first for Wintec, with the inaugural contribution to the newly formed Wintec Foundation. This was provided by Hamilton's Gallagher Group, who contributed \$2 million, a magnificent gesture which



acknowledged the position Wintec now holds in the region.

The contribution was announced by Gallagher Chairman and Chief Executive, Bill Gallagher, at a function which was also a joint birthday dinner to celebrate Wintec's 40 years as an institute of technology, and 70 years of the Gallagher Group.

Mr. Gallagher said the contribution reflected an excellent connection between the two organisations; both share the core philosophies of learning and innovation which are so critical to the growth of individuals, businesses and communities.

Our new \$12 million award-winning student building is now officially the Gallagher Hub. We will also provide an annual \$5000 scholarship in the name of the Gallagher Group to be awarded to an academic staff member for study overseas.

During the year, Laurie Pilling became the first trustee of the Wintec Foundation, a charitable trust established to generate wealth for Wintec from commercial and philanthropic sources. It is a pivotal role which draws on the senior Hamilton businessman's considerable experience in governance, business, entrepreneurship and community development. A well-known entrepreneur, he has enjoyed significant business success and experience on the boards of numerous companies and community organisations, and he will undoubtedly be a great asset to the Foundation. Two years ago, he was made a Wintec Fellow, joining a very select group of people.

One of the goals on the Foundation's horizon is to establish an alumni structure that will create long-term relationships with our

graduates. Most highly successful overseas tertiary institutions have a long tradition of maintaining strong links with graduates which, over the course of a lifetime, creates a valuable pool of goodwill and talent that can be drawn upon to support the organisation.

Wintec also conferred its eleventh Fellowship Honour during 2008 – to prominent Hamilton business leader Jerry Rickman. A past member of the Institute of Chartered Accountants of New Zealand Practice Review Board, he also served on its Continuing Education Committee and was an examiner in the institute's professional exams. Jerry Rickman served as Chair of the Waikato District Health Board, Chair of Waikato economic development agency Katolyst and other regional boards. He remains Chair of Waikato Regional Airport board and a consultant to the firm Price Waterhouse Coopers.

An Eye to the Future

After a year of significant challenges in 2007, we proceeded with the next phases of our campus modernisation programme, Siteworx. The Siteworx project is one part of a challenging, multi-year drive by Wintec to become more student-focused, more efficient, highly modernised, and better connected with its communities.

Council has given its full support to this visionary initiative. It is with great pride and satisfaction we celebrated the success of local architect firm Chow Hill on the awards they received for their superb design of what is now the Gallagher Hub, on our city campus: The New Zealand Institute of Architects, Waikato Bay of Plenty Branch, Public Architecture

category award; and the Property Council New Zealand Rider Levett Bucknall Education category Merit Award. We also completed the second stage of the modernisation project in 2008. This involved the refurbishment of a central city campus building, formerly housing the Wintec library, into a multi-purpose teaching, retail and student services facility. Again, I think the result has been quite spectacular, with the new facility resulting in teaching and learning spaces of the highest quality for our students and staff.

Also completed in 2008 was the Brian Perry Sports House, home to Sport Waikato and numerous community sports-related organisations, on our Avalon campus. The Brian Perry Sports House was officially opened in October, with King Tuheitia as the chief guest. The building adds real value to Wintec and we have enhanced our reputation in the community as a direct result.

Finally, towards the end of the year we began demolition of a large part of what is known as F block, an old brick building which borders the northern boundary of the city campus. The historic corner of the building which faces the city is to be restored, and a significant new addition will be completed to form a multi-purpose, partly commercially-tenanted central city venue. This will also include a major events space which will be available to both Wintec and the public to use. The refurbishment and rebuilding programme will be undertaken during 2009 and 2010, with completion scheduled for July 2010. This development will not only add a significant resource to Wintec and the city, it will also serve as a centrepiece to Wintec's goals of opening itself, and the campus, to the city.



Ramp Press Publishes Two Iconic Waikato Books

'Baches of Raglan' was the first of two books published by Ramp Press, Wintec's in-house publishing label, during 2008. The book is a collaboration between photography, journalism and design students and tutors at Wintec.

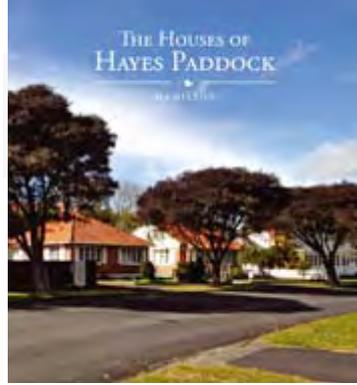
As a project, it gave students valuable real-world work experience – producing work for publication. It also provided the institution with a high quality publication, that showcases our students' talents.

Beryl Fletcher's breezy introduction, *The Shape Shifters*, offers a brief history of Raglan, its baches, and bach life. The book features 23 stories of bach owners old and new, permanent dwellers and holiday-homers, accompanied by photographs of the owners and their dwellings.

The second book published during 2008 was 'Houses of Hayes Paddock'. The book documents the significance of the area known within Hamilton as Hayes Paddock – the site of one of the country's major Labour Government-led state house projects, which started in 1939. More than 200 homes were built between then and 1945, with the seven streets named after the former Governors-General.

Thanks to the determined efforts of owners, historians and heritage enthusiasts, many of the homes retain the period feel, so much so that the Hayes Paddock area now has special protection under the city's district plan.

The book aimed to capture a piece of the city's special architectural history while providing Wintec students with 'real life' writing, photographic and design



experience. It also contains a background essay by heritage consultant and architectural historian, Ann McEwan.

Acknowledgements

During the year, the Council worked extremely well together as a team of dedicated people in the best interests of the Institute, and I would like to thank each councillor for their wonderful and continuing support.

My role as Chair has been made much easier with the commitment and backing of Deputy Chair Clint Baddeley, who also chairs our Building and Assets Committee and Council's Nominations Committee, in addition to his other roles for the community as Deputy Mayor of Waikato District Council and as a trustee on the Waikato Community Trust.

The outstanding contributions of the Chair of Finance and Audit Committee, Mary Cave-Palmer, and the involvement of Ministerial appointee, Dr Bryce Cooper, on the Executive Committee has ensured that governance continues at a high level of performance.

I would like to give special recognition to our council secretary, Margot Carthy, for her dedication to her role providing the support that is so essential. Her contribution was recognised with the Chairman's Award at the annual Staff Excellence Awards.

I would also like to publicly acknowledge the tremendous contribution Dianne Hodges has made to Council. Dianne stepped down after fourteen years on the Council as the Allied Staff Representative, also having served on the Council's Finance and Audit Committee. She was also Vice President for several years of TIASA, the Tertiary Institutes Allied Staff Association, prior to her election to the Council.

In 2008, the former Hamilton-based Member of Parliament, Dianne Yates, took up her appointment on the Council. Recently retired as a Labour list Member of Parliament, and previously electorate MP for Hamilton East, Dianne's extensive knowledge and expertise has proved very valuable to the Council generally and to its Finance and Audit Committee in particular.

Finally to Chief Executive Mark Flowers, his management team and staff, thank you for another year of great progress, and for your patience and understanding of the challenges resulting from the tertiary reforms.

Much has been accomplished, and this has set the benchmark for continuing to make a very real difference for our students and graduates.

And finally for our students – thank you for trusting Wintec with your future. We are proud to have had the opportunity to contribute to what is a formative part of your lives.



Chief Executive's Report

Delivering Quality Education and Development to The Region

Progress with Our Change Programme

We are now five years on from the start of our programme to modernise and reposition Wintec, a major exercise requiring the input of all staff and the council over an extended period of time. We believe it is going very well.

Change on this scale brings some stress and discomfort, as well as excitement and rewards. But I believe most would acknowledge the tangible improvements across the organisation, in terms of quality, efficiency and outcomes, and the substantial strengthening of our relationships within the region.

New systems, stronger community links, huge improvements in technology and facilities, greater efficiency, improved revenue, and many other changes mean Wintec is quite a different organisation from that of five years ago – and there is more to come!

None of this would have been possible without an enormous commitment from our staff, the leadership and support of the Council, and the focussed work of the senior management team.

Outstanding Performance

2008 began with challenges and uncertainties. It was the first year of the new Investment Plan-based funding model, and we were hopeful of an increase in international student numbers as a result of our marketing initiatives in 2007. It was the last year of our Tertiary Education Commission Quality Reinvestment Programme (QRP) funding, which required us to position ourselves for

sustainability and viability for 2009 and beyond. We needed to manage these issues while maintaining progress with our modernisation programme and many other initiatives.

Looking back at 2008, I believe we successfully tackled all of these challenges, and more. We moved smoothly into the new funding environment and performed well against our Investment Plan agreed with the Tertiary Education Commission (TEC). Overall, we delivered Equivalent Full Time Students (EFTS) to the value of 100% of our TEC funding agreement, an increase of nearly 9% on 2007 levels including over 4.5% growth in higher level programmes. This was achieved in the critical areas of health (nursing and midwifery), engineering and agriculture, as well as other areas of strong regional and workforce need. All this translates directly into an increase in more highly-skilled graduates for the Waikato region and that is something we are very proud of.





At the same time, we also increased our Industry Training Organisation (ITO) funded, and other domestic-based, provision by over 14%. Adult and Community Education (ACE) provision was very strong too.

International student numbers began to rebuild, growing by over 23% or nearly 100 EFTS. This growth, a reversal of the decline experienced over the past few years in common with most parts of the sector, was especially welcome and took our overall international numbers back to 2006 levels.

While this growth improved our revenue and financial position, we also knew that since 2008 was the last year of QRP funding we had to make further cost savings. We began making staff reductions early in the year. This is never an easy process, and we set out to complete this task as quickly and as smoothly as possible. The reduction of nearly 40 full time equivalent staff has placed us in a much stronger position for the next few years.

The combination of increased revenue, staff reductions, and other efficiencies all contributed to a surplus of \$608,000, \$588,000 better than planned. While not reaching the sector guideline of a 3% return on revenue, this is a good result when seen in the context of our major modernisation and change management programme. It also reflects our determination to manage in an uncertain environment, while continuing to invest in our future and ensure we are a leading institute of technology of international standard.

Above all, we are focussed on meeting the tertiary education and training needs of our region, and are in a strong position to build on this progress and respond to the challenges of 2009.

Delivery to the Region

Our focus is on meeting the needs of the Waikato region, and as one of the country's major metropolitan institutions, there are demanding expectations around the type of institution we should be.

The alignment of our programmes with regional needs is therefore a top priority. In 2008 we changed our Advisory Committees to Employer Partnership Groups, so that we can add value to the input from industry and other stakeholders. This relaunch, combined with a second year of regional consultation, has markedly strengthened our external focus.

There is an expectation that Wintec provides a full range of degree-based, technologically relevant programmes to meet the complex and sophisticated needs of the workplace. In response, we launched an exciting suite of new degree programmes in 2008. These were in Occupational Therapy (in conjunction with Otago Polytechnic), Technology, Engineering Technology (in conjunction with the other metropolitan institutes of technology) and Early Childhood Education.

We also had a range of non-degree programme developments in, for example, events management and agriculture, which were also aligned to regional strategies and priorities.

We closed our Auckland campus in 2008, and have increased the level of provision in the Waikato for 2009 and beyond. At the same time we continue to develop our small satellite campuses in Thames, Waihi, Te Kuiti and Otorohanga. One notable acknowledgement of

our commitment to meet regional needs, and certainly one of the highlights of the year, was the contribution by the Gallagher Group of \$2 million to our newly formed Wintec Foundation. The contribution of \$200,000 a year over the next 10 years supports the improvement of our facilities and our drive to provide our students with an environment which nurtures innovation and excellence.

Quality

In recent years we have placed an increasing focus on quality improvement and risk management systems, to ensure that we produce top quality graduates who have completed the very best of programmes, taught by skilled staff to develop the mix of skills and attitudes they need in the modern workplace. Our aim is for all our graduates to enter the workforce as well-equipped employees from day one, and to ensure that they are sought after by employers.

This year we took part in a trial of the new national quality audit model, reflecting our commitment to working with the sector and its quality assurance bodies.

Building Programme

Our modernisation programme includes technology upgrades, organisational improvements and campus re-development. The first phases of the building programme were completed in late 2007 with the opening of the new student Hub, now named the Gallagher Hub.

The second major development was the conversion of A Block on our city campus to a building comprising modern generic and specialised teaching spaces,



our student enrolment and information centre, student bookshop, and foundation studies centre.

The next phase of the redevelopment, which began towards the end of 2008, is a dramatic redevelopment of F block which will open the campus up to the central city and further transform the entire campus.

At our Avalon campus, the Brian Perry Sports House was built for Sport Waikato, a good example of the type of partnerships with regional organisations we are striving for. In 2008 we completed the strategic planning for further major improvements to the Avalon campus, which will begin in 2009. These will include upgrades to the trades and engineering facilities, and a new student facility. On the city campus we will build a new Whare and undertake other initiatives too.

Research and Technology Transfer

Research continues to be a strategic priority for Wintec, as it is for the TEC, with recent plans further strengthening the role of Institutes of Technology and Polytechnics (ITPs) in applied research and technology transfer. Research has a significant financial dimension for Wintec both in terms of costs and revenue, and we are looking to increase revenue from commercialisation and research funding opportunities.

“Technology transfer” is identified in the TEC’s Tertiary Education Strategy as a growing responsibility for the ITP sector. It is part of improving links between organisations to create economic opportunities for New Zealand through supporting a more aligned innovation system at both the

regional and national levels. This knowledge creation and transfer occurs through applying ideas, people, processes and products in a practical context, with the aim of achieving more successful commercialisation of ideas, growth in existing businesses and an increase in productivity.

Last year we consulted with a small group of relevant organisations to determine their views on “what technology transfer should look like for Wintec”. We also undertook an internal review of our research processes and policies. As a result, we are developing a new “Research, Development and Knowledge Transfer” (RDKT) model. This is designed to provide us with a better connection to the applied research needs of our region, improve our RDKT outputs, bring a better return on our investment in research, and shift some of the RDKT resource into the hands of industry and the community.

Innovation and Commercialisation

Several commercialisation initiatives came to fruition in 2008, alongside longer standing commitments, such as our contribution to Innovation Park. One example is the Hamilton Fibre Network Limited company (HFN), formed by Wintec, the Hamilton City Council, lines company Velocity Networks, Environment Waikato and the University of Waikato. The company provides ultra-fast broadband for Hamilton’s business, education and health sectors. This also involves connection to New Zealand’s high speed research, education and innovation network, the Kiwi Advanced Research and Education Network (KAREN). Connectivity to such high speed networks are increasingly part of

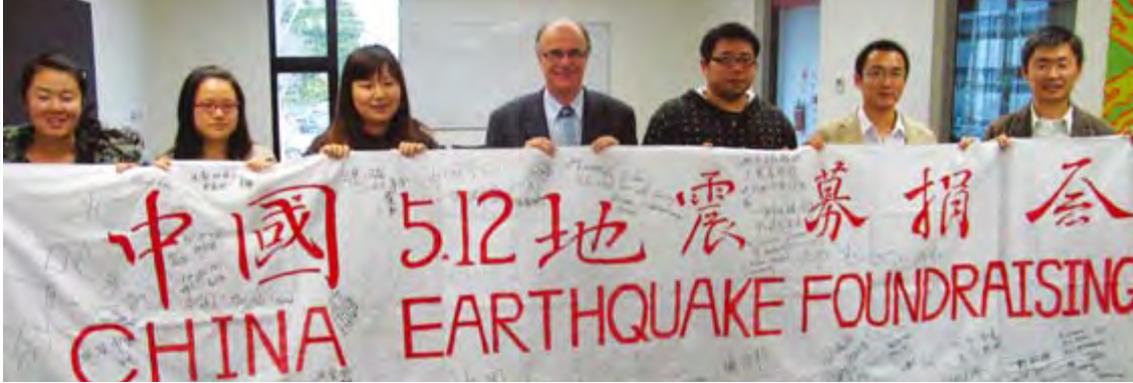
technological developments and developing interconnectedness of organisations and businesses.

Wintec and the Hamilton City Council also jointly established SODA Inc., the country’s first creative industries business incubator. SODA Inc. aims to enable successful businesses within the creative industries sector to thrive in Hamilton. We are very fortunate to have obtained the expertise of Dame Cheryll Sotheran in the role of chair.

Also during the year we were successful in receiving funding from the TEC’s Encouraging and Supporting Innovation fund to develop a showpiece agritechnology educational centre in the region. The funding, over three years, is to enable the establishment of a centre on AgResearch’s farm at Tokanui, south of Te Awamutu.

With the support of partners AgResearch, AgITO, Innovation Waikato and the Coalition of 21st Century Schools, Wintec will establish a centre that enables secondary school students, farm workers and tertiary students to gain practical experience using the latest dairying technologies. AgResearch is converting its sheep and beef research farm into an 800-cow dairy farm that uses leading-edge commercial practices. Wintec students, from short course and certificate to degree level, will be able to use the centre for their agriculture, science, information technology, engineering, and agritechnology studies.

Wintec is also involved in other initiatives through the Wintec Foundation, for example, Learning Works and Vital English Ltd. Learning Works is focussed at present on tailored training solutions to meet the needs of small and medium sized businesses



throughout New Zealand, while Vital English is operating in New Zealand and overseas with a suite of English language products. Both made good progress in 2008 and are set to build on that in 2009.

Strategic Partnerships, Networks and Sector Collaboration

Strong networks and strategic partnerships both within the tertiary education sector, and with business and other organisations, are essential to the achievement of our goals.

We were therefore sorry that the long-established Tertiary Education Alliance (TEA) was wound up during the year, but without equally strong commitment to that partnership from all members we could not justify our continuing commitment. We are, however, developing bilateral agreements with some of the former TEA partners, most notably the Western Institute of Technology at Taranaki (WITT).

Students and staff at both Wintec and WITT are set to enjoy a number of benefits emerging from academic cooperation and a 'shared services' information technology (IT) agreement. Sharing our systems and capability with WITT will help them fast-track their own IT advances in a cost-effective way.

We are also a part of the grouping of larger institutes within the sector. This group, comprising the country's larger metropolitan-based ITPs, offers important opportunities for collaboration, efficiencies and quality improvement. Already, we are about to complete the development of a shared Bachelor of Engineering Technology degree.

We have also continued with a range of other initiatives with various sector organisations, including Te Wānanga o Aotearoa over Māori Trades Training, various PTEs across a range of activities, and various other ITPs and universities, both nationally and internationally.

Finally, and much closer to home, we developed a collaborative agreement with the University of Waikato, to be signed in early 2009, with the aim of ensuring that the considerable resources present in both organisations are being used in a way that maximises our overall benefits to the region.

We continue to place considerable emphasis on participating with relevant business organisations in the region such as the Chamber of Commerce, Employers and Manufacturers Association, and the Business Development Centre. Our commitment to this role within the city's and region's economy is well illustrated by our close involvement in the development of the city's Economic Development Strategy (EDS), launched during the year. Wintec is a lead agency in two of the resulting EDS flagship projects and a partner agency in a further seven – meaning that nine of the fifteen projects run through the EDS have direct involvement from Wintec.

A further example of such collaboration is our close relationship with the District Health Board. In late 2007 and early 2008, we jointly conducted a sustained campaign to increase student numbers in health care, particularly nursing, bringing a substantial rise in new students in 2008 which will lead to a notable increase in graduates coming out of our health programmes in

future years. This is a direct and much needed boost to an industry facing workforce shortages.

We also collaborated with Montana Catering, New Zealand's largest events catering company, during the year in preparation for the inaugural Hamilton 400 – part of the Australian V8 Supercar Championship Series. In many ways this was a textbook example of responsive and innovative training, in collaboration with industry, to meet a specific regional need. The training ensured that hospitality staff available right across the event were appropriately trained in core hospitality skills, and we are rightfully proud of the outcomes achieved in a very short period of time.

International

I visited China twice last year. The first occasion was to attend the official signing of the China-New Zealand Free Trade Agreement. The second was as an invited guest speaker for Peking University Third Hospital as this prestigious institution formally celebrated its 50th anniversary. On both occasions I was able to visit a number of our partner institutions across China to reinforce the relationships upon which working in China depends. The visits again confirm for me the importance of international education in general, and the ever-increasing role of China within that context, and in world affairs generally.

We are placing a high value on international education. Its economic importance in supporting our financial position and that of much of the tertiary education sector is undeniable. Furthermore, these students represent so much more than the revenue this export industry brings into New Zealand. The resulting richness for Wintec and the local

community and, over the years, the benefits to domestic students and the regional workforce, are invaluable. If the current global financial situation highlights anything, it must surely be to illustrate the interconnectedness of the world's social and financial networks. It is my firm belief that we disadvantage our current and future students if we do not expose them to the realities of the global workplace and communities they will engage with.

Overall, 2008 was a very successful year at Wintec with respect to international education, which grew strongly with student numbers up by over 23% on the previous year. Our commitment to the China and India markets remains a major contributor to this growth.

Indeed, in 2008, against the sector trend, Wintec grew China student numbers. Our strategic approach is largely based on long term partnership-building with Chinese institutions, with our Beijing office supporting extensive pathway arrangements in China. The arrival of students from our partner institutions in Shandong and Sanjiang saw the fruition of three years of hard work by China and Wintec schools, and was a good outcome for our perseverance with this strategy.

Indian student numbers also grew strongly during the year and now represent 30% of our international student numbers, with strong interest in business and IT programmes.

A key component in completing our international strategy is to continue to diversify our range of source countries. This remains a focus of attention as we move into 2009.

Conclusion

The above comments will offer some insight into the overall strategy and results for Wintec in 2008; of course, much more could be added. We have made great progress.

This could only have been achieved through teamwork. I would like to take this opportunity to express my appreciation of the support received from Council, and for the ideas generated in our various discussions. It would not have been possible without the commitment of the senior management team. 2008 was a tough year in which we delivered in a significant number of areas, and the team rose to the challenge.

And finally, of course, none of this would be possible at all without the commitment and the creative work of all Wintec staff, in academic or other roles, in New Zealand and overseas, on our campuses and around our region.



Tribute

Hare Puke - I mate tō matou Kaumātua I te marama o Whiringa-ā-rangi.

Kua tekau mā toru tau a Hare hei Kaumātua mō Wintec. Ko tāna mahi, ki a ia, he whakatūhono i a Ngāi Māori me Ngāi Pākehā. He tangata hoki e āwhina ana, e ārahi ana i a Wintec, i Te Whare Wānanga o Waikato me Te Kaunihera o Kirikiriroa i te taha kawa me ngā tikanga Māori. Ki te nuinga he mahi nui āna i tua atu i tēnā.

He pukumahi a Hare ki te tautoko kia eke te Māori i te ao mātauranga. Kāore ngōna whakaaro mōna anō engari mō te hāpori kē o Waikato whānui me Wintec. Ka ngau kini te manawa, ka tū tonu te aroha i tana wehenga.

Ki a ia nō ngōna tūpuna tōna kaha ki te mahi me tōna āhua tangata. Nā tōna aroha nui ki ngōna mātua ka pukumahi ia kia noho whakahihī rāua i a ia.

“Kotahi tā rāua kōrero ki a mātou. Mahi! Mahi! Mahi! Kaua e waiho mā ngētehi atu hei āwhina. Māu anō tō whānau e tiaki,” tāna kī.

I ako ia i te kaupapa pukaha ki Hamilton Technical College, i te wāhi e tū nei a Wintec i tenei wā, ā, i te tau 1945 i uru ia ki te rōpū 15 o Te Hokowhitu a Tūmātauenga. Ahakoa he toa ia kāore ia i haere ki te whawhai.

Ahakoa ki te nuinga he tangata tino hūmārie, he tangata hoki kāore i te paku mataku i te aha noa iho.

He toa a Hare ki te maha o ngā mea. Ki te uaua te haere ka pērā te tangata. Ahakoa te aha me mahi te mahi!

“Me whakatū i ngā pou hei tohu i tō ara. Me mōhio hei āwhea whakarerekē ai engari me whakakaha i ngā wā katoa. E whakapono ana au ko te nuinga o ngā tāngata ka eke ki te taumata he tangata kua rongō i ngā uauatanga,” i kī a Hare i tētehi uiui mō te pukapuka a Wintec.

“He kaioma tata au, ā, he kaoma tawhiti a Murray Halberg. He ringa tehe tō Murray, ā, koinā tōna raru hei kawē. Ko tōku te whakapiki i tōku



mana. I toa a Murray i te tohu kōura i te Olympics.”

Nā tōna toa ki te tākaro i whakaingoaia a Hare i tētehi i ngā tokorima toa o Aotearoa i roto i te tīma whutupōro o te 1945 New Zealand Services, te tīma o Waikato me te tīma Ōpango i ngā tau 1946 me te 1947 hei paehau, hei topapū hoki.

I te tūrakinga o te Poari o Tainui ka mutu te noho a Hare hei tiamana. I tiamana ia mō te 12 tau.

Ko ngōna whakaaro mā te mātauranga tonu e kotahi ai te iwi Māori me tauwi.

I tākohangia te mētara o Wintec i te tau 2003. I whoatungia hoki tētehi korowai e Wintec mō ngāna mahi nui mā Wintec.

Kei te rere arorangi i te rangi ngā tangi apakura mōu, e Koro Hare. Kua hinga koe, e te Tōtara o te Waonui a Tāne. E kore nei te puna roimata e mimiti noa, e te Kākātarahe o Waikato, o Ngāti Wairere.

Hare Puke

- our loved and respected Kaumatua died peacefully in November.

Wintec Kaumatua for more than thirteen years, Hare Puke described his role in a city of bridges as a bridge builder between Māori and Pakeha. A more formal description would be that of a provider of cultural advice to Wintec, the University of Waikato and to the Hamilton City Council. Most would agree that Hare's contribution was a great deal more than that.

Hare worked tirelessly to support educational opportunities for Māori and firmly believed that education is the quickest way to close the gap between Pakeha and Māori. He contributed selflessly and with generosity to the wider Waikato community and to Wintec. He will be sorely missed and remembered with the greatest love and respect.

Hare said his strong work ethic and singular character was his ancestral heritage. Driven by a deep respect for his parents, the Tainui elder said he wanted to be a son his parents could be proud of.

“They instilled in us one message. Work work, work. Never be reliant on others for handouts. Take care of yourself and your family,” he said.

Hare studied engineering at Hamilton Technical College, on what is now Wintec's city campus site, and in 1945 joined the 15th reinforcement of the Māori Battalion, excelling in military training, although missing military action.

While some may have mistaken Hare's humble nature for timidity, others would say, and he readily agreed, he was fearless.

Hare excelled at a lot of things. It's what you do when the odds seem to be against you, he would say. Quitting wasn't an option.

“You have to establish the pillars which will mark your way, be flexible enough to alter them but always reinforce them. I believe that most people who excel have had to overcome obstacles,” Hare said for an interview for our Wintec magazine.

“I was an athlete, a short distance runner and Murray Halberg was a long distance runner. Murray Halberg had a withered arm - that was his obstacle to overcome, and mine was a lack of self esteem. Murray of course went on to win Gold at the Olympics.”

A gifted sportsman himself, Hare was named one of five of New Zealand's most promising rugby players in the 1945 New Zealand Services rugby team, and was a member of Waikato and Māori All Black sides in 1946 and 1947 as a wing and centre.

Hare gave many years of service to the Tainui Māori Trust Board. At the time it was disbanded, he had held the chair's role for 12 years.

Hare Puke was awarded the inaugural Wintec Medal in 2003. He was also presented with a korowai in recognition of his outstanding service to the organisation.

Highlights

Academic Development

Otago Polytechnic Occupational Therapy Degree to be Delivered at Wintec

Institute of Technology and Polytechnics Quality (ITPQ) and Occupational Therapy Board of New Zealand (OTBNZ) approval was received for the delivery of the Otago Polytechnic Bachelor of Occupational Therapy degree at Wintec from 2009. This unique collaboration addresses a significant industry shortage and targets those who cannot undertake study in Dunedin. The Waikato region will benefit from an ongoing supply of therapists who are already established in the area and who understand local issues.

Teaching Degree Meets Growing Regional Need

Approval was also received for a field-based early childhood teaching degree, the Bachelor of Teaching (Early Childhood Education), in time for delivery in February 2009. Wintec's early childhood education team has worked towards the degree development since 2002. A moratorium on initial teacher education provided a barrier to the degree development for the past six years. However, Wintec was granted an exemption to the moratorium in February 2008.

Representatives from ITPQ, the New Zealand Teachers' Council and industry representatives assessed the degree and recommended its approval and accreditation. The panel was impressed by staff, students and industry partners, as well as

Wintec's campus facilities and its commitment to Māori and flexible delivery and focus on the Waikato region.

Graduates and students currently enrolled on the Diploma of Teaching (ECE) also have the opportunity to complete a transition programme and receive the Bachelor of Teaching (ECE).

Fashion Design Diploma Launch

The launch of our School of Media Arts two-year Diploma in Fashion Design and Practice was well received by industry. The programme was enhanced by the role of high-profile designer and business owner Annah Stretton, who took up the role of Fashion Designer in Residence at Wintec.

The Diploma is the first of its kind in New Zealand, offering a balance of fashion design, production and technology, combined with an understanding of business processes, fashion retailing and exporting.

Bachelor of Technology Receives Accolades

ITPQ approved a three-year Wintec Bachelor of Technology degree which has endorsements in Agritechnology, Biotechnology, Environmental Technology and Food Technology. The Board was impressed with the comprehensiveness of the application and congratulated Wintec on the quality of its content. The degree is set to deliver excellent results for the region, with students graduating as technologists in the various endorsements, all of which are of vital importance to the regional economy. Wintec has current strengths and expertise in Biotechnology, Environmental

Technology and Food Technology. AgriTechnology is a new field that is a first for the Waikato.

The degree builds on the existing strengths Wintec has developed and which have been well received by industry. It provides options of business and IT papers which employers tell us are a critical component when highly skilled technicians are also managing staff. The degree is to include new teaching approaches that are in line with Wintec's commitment to flexible learning and technology transfer.

100% Pass Rate for Wintec Midwifery Students

The 100 per cent pass rate of Wintec Degree of Midwifery students, for the second successive year, is attributed in part to an excellent industry advisory group, the strength of the institute's relationships with the Waikato District Health Board (DHB) and the industry midwives who supervise the students.

Wintec also experienced an unprecedented interest in the three-year degree, with many applicants successfully stair-casing into the degree from foundation level programmes.

Encouraging Life-long Learning in the Community

Adult education opportunities in the community were significantly enhanced by our Adult Community Education (ACE) initiatives. By October, the equivalent of approximately 6,400 learners took advantage of Wintec's ACE programmes, across the Waikato.

Based in Wintec's Centre for Foundation Studies, ACE manages Tertiary Education Commission



funding to plan and implement community-based educational opportunities. ACE targets learners whose initial learning hasn't been successful and raises learners' foundation skills to encourage lifelong learning. Besides increased ACE student enrolments, other ACE successes in 2008 include supporting, developing and forming new (or strengthening existing) relationships with community groups and associated organisations.

Leading the Way with Upskilling in Literacy and Numeracy

A new approach to literacy and numeracy provision was established at Wintec in July with the establishment of the Centre for Foundation Studies (CFS). This was a direct result of recommendations from Wintec's 2007 review of its foundation provision. The move also builds on recommendations in two key Tertiary Education Commission policy documents. These all recognised that increasing New Zealanders' literacy, language and numeracy skills at a basic level is a critical challenge, essential to building a competitive, highly skilled and productive workforce.

The centre will embed literacy and numeracy into study courses throughout the institute and provide quality outcomes for students in their pathways of study.

In the Region

Wintec Waikato DHB Collaborative Research

A combined Wintec - Waikato DHB study into potential improvements to the Registered Nursing Competency Assessment Programme was "road-showed"

nationally and offshore at the two most significant International Nurse Education Conferences in the world.

The two organisations embarked on a research project to learn how the programmes could be improved as well as how the assessment stair-casing would work with the Waikato DHB's Registered Nurse orientation programme. The study included student needs from entry to the Wintec programme through the Waikato DHB orientation programme with the aim of improving this journey for the student. This was the first New Zealand study into Competency Assessment programmes as required by the New Zealand Nursing Council. Sharing this research with the other schools of nursing with similar programmes has subsequently attracted the attention of the Nurse Education in Tertiary Centre Group - a national body of all Heads of Schools in the sector as well as the New Zealand Nursing Council.

Gallagher Contribution to Wintec Foundation

A significant highlight and milestone of 2008 was the contribution to the Waikato Institute of Technology Foundation of \$2 million by the Gallagher Group (\$200,000 a year over the next 10 years). The Gallagher Group make an invaluable contribution as a member of our agritechnology Employer Partnership Group (EPG), as well as sponsoring the annual Fieldays Exhibitor (a daily newspaper written and designed by our Media Arts students during the Fieldays).

Both Bill and John Gallagher have previously received honorary Wintec Fellowships as well as

a wide range of other regional awards in acknowledgement of their contribution to local business and industry and the community.

In recognition of this generous contribution, our student hub is now known as the Gallagher Hub, and the events room has been named the Bill Gallagher Centre. We will also be celebrating the partnership in a number of other ways, including an annual \$5,000 Gallagher Group award to recognise the achievements of our staff and students.

We would like to express our sincere thanks to Bill Gallagher and the Gallagher Group for their overwhelming support. This generous contribution was the first to the Foundation. The investment recognises the institute's commitment to delivering the skills required by the region and its determination to be a high quality, international standard institute of technology. The contribution will help support the institute's \$58 million modernisation project at the city campus and at Avalon.

Employment Partnership Groups Strengthen Links with Industry

Providing much-needed skills for the region's workforce requires strong relationships with a broad range of business sectors from arts to agriculture, and health to manufacturing. So when a survey revealed that a key contact point between Wintec and Waikato industry was not delivering as well as it could, the institute implemented significant change.

The former structure of industry advisory committees was overhauled, and Employer Partnership Groups were established.



SODA Inc. board members (Left to Right):
Creative Industries Director, Cheryl Reynolds,
Waikato Institute of Technology, Gordon Chesterman,
Hamilton City Councillor, chair Dame Cheryl Sotheran DNZM,
CEO, Stainless Design, John Cook
General Manager Community Services, Hamilton City Council, Sue Duignan.

Wintec Dean of Faculty, Merran Davis, led the repositioning of around 30 groups that allow Wintec's 12 schools to tap into industry trends and build strong relationships with a broad range of business sectors. Between five and eight industry representatives serve on each EPG and provide a more strategic dialogue enabling Wintec to be more responsive to industry. Already as a result of the new EPG structure, a number of programme and delivery changes have been implemented following input from industry-based members of EPGs.

Contributing to the Economic Growth and Social Development of the City

Wintec and Hamilton City Council jointly launched the country's first dedicated creative industries business incubator, SODA Inc., with Dame Cheryl Sotheran named as Chair of the Board. The incubator was named SODA Inc. in recognition of the historic Innes soft drink factory at 1 Victoria Street.

SODA Inc. aims to encourage the development of economically successful businesses within the creative industries sector in Hamilton. This initiative, a New Zealand first, will contribute to the development and diversification of local industry through excellence in entrepreneurial business activity in the creative industries sector, and by retaining, attracting and growing innovative businesses and individuals.

The launch represented more than four years of extensive research and development, and reflects Wintec's active role in helping to strengthen the local community and contribute to the economic growth and social development

of the city in partnership with the City Council, industry, business and community groups.

In the Community

Wintec's annual Matariki Wearable Arts Award event was presented at Hamilton's Meteor Theatre in June to a packed house who enjoyed a great night of design, innovation and exceptional interpretation of Matariki over three categories: Natural Fibre, Radical Recycled and Matariki Magic.

Judges included well regarded local practitioners Donna Campbell and Leafa Wilson. The event has grown both in size and stature since its inception six years ago as an internal Wintec event. The event had sponsorship support from Te Puni Kokiri, in addition to SAWIT (the Student Association of Wintec). This is the third year the event has been open to the public. Once again admission to the Wintec Wearable Arts Awards was by donation. This year's recipient was Te Whakaruruhau Māori Women's Refuge.

Four of Wintec's senior management team stepped up to the CanTeen fundraising head-shave challenge in October. Chief Financial Officer Paul Holloway was one of dozens of staff to raise money for the teen cancer support group, raising more than \$1,000 by shedding his locks for the cause. An evening auction featured a range of high-ticket donated items and garments made by students using CanTeen bandanas. One garment was designed and made by fashion icon Annah Stretton and the other five by Fashion Design Diploma students at Wintec.

Internationalisation

2008年, 和整体趋势相反, 怀卡托理工学院的中国学生数量有明显增加。通过采取和中国院校合作办学的方式, 北京办公室的协助以及本校员工的努力, 我校的中国学生人数已经明显超过了留学生总人数的一半。三年来, 通过中国员工的努力和院校间的合作, 来自山东理工大学和三江学院的专业学生得以顺利入学。因此继续发展我校和中国合作伙伴的合作关系至关重要。同时, 今年怀卡托理工学院将和成都大学和河北师范大学建立新的合作关系。

在商务和信息技术课程的较高学历课程中, 印度留学生数量也有显著增长。因为我校针对市场的策略的加强以及对合作伙伴关系的不断开发, 这些课程也得以不断的改进。

同时, 在2008年, 我校也通过拜访位于马来西亚, 东南亚的院校, 扩大在该地区的留学市场。以全球市场来看, 我校在2008年建立了稳定的院校间国际合作关系, 并发展了和沙特阿拉伯的合作。

Senior staff from Hebei Normal University in China visited Wintec to explore the possibility of widening the scope of opportunities for educational exchange between the two organisations. Hebei University was one of the earliest universities in China to work internationally. Located on a sprawling campus, the university has more than 1100 staff and 36,000 students. The institute has a strong focus on educational research, primary and intermediate teacher training, adult education and IT provision. Wintec representatives visited the university to discuss possible areas of co-operation in the field of teacher training, collaborative research and pathway opportunities for students.



Our People/ Achievements

Julia Bruce, senior academic staff member for hairdressing, was one of only nine people in the country to be awarded a Tertiary Teaching Excellence Award. She was selected from hundreds of nominations by a Tertiary Teaching Awards Committee, in recognition of her achievements in student-focused teaching. The award was presented by Peter Hodges at the Beehive. Julia received considerable media coverage, including an interview on Radio New Zealand's Morning Report.

Scholarship Boosts Māori Health

Ripeka Edwards-Harris was the 2008 recipient of the Dame Te Atairangikaahu Nursing Scholarship. The scholarship was created to encourage Tainui students to undertake study towards the Bachelor of Nursing, Bachelor of Midwifery, Postgraduate Diploma in Nursing or Master of Nursing at Wintec. Ripeka was also awarded the Tihei Mauri Ora (TMO) Student Award for excellence this year. Ripeka is currently studying for her Masters of Nursing at Wintec. On successful completion, she will be the first Tihei Mauri Ora student to graduate with a Master of Nursing from the institute.

Ramp Press Publishes Two Iconic Regional Books

Wintec Centre for Creative Industries, Ramp Press published two books during 2008. 'Baches of Raglan' was a collaborative work between students and lecturers from the Schools of Media Arts and Communication. The book contains more than ninety colour

photographs and an eclectic array of personal stories about many of the baches which were built in the boom years of the 1950s and 1960s.

The second book, 'The Houses of Hayes Paddock', documents the significance of one of the city's major Labour Government-led state house projects, starting in 1939. More than 200 homes were built between then and 1945, with the seven streets named after former governors-general.

'Houses of Hayes Paddock' was the fourth book to be produced by Wintec's Media Arts and Communications schools and contains a background essay by heritage consultant and architectural historian Ann McEwan.

The first Ramp Press books were published in 2007: 'Lake of Coal', co-published by Craig Potton Publishing and Ramp Press, short-listed for the Montana Book Awards; and 'Heritage Hamilton', commissioned by Hamilton City Council.

E-learning Symposia

Wintec organised a series of nationwide symposia on e-learning in vocational education and industry training with international keynote speaker, Dr Tony Bates. The symposia were held in Hamilton (Wintec), Auckland (Manukau Institute of Technology), Christchurch (Core Education) and Wellington (University of Victoria). The Hamilton symposium was well attended, with representatives from Mitre 10, North Shore and Hamilton City Councils, Genesis Energy, Waikato and Bay of Plenty District Health Boards, Fonterra, AgResearch, e-Learning development companies and academics from other tertiary institutions.

Flexible Delivery - iTunesU

Our Centre for Learning Technologies facilitated a teleconference presentation with members of Apple Australia and Renaissance New Zealand on iTunesU. The lessons gained from the workshop will help to drive the implementation of a Wintec iTunesU presence.

New QA self-assessment process

Wintec's recently-developed Self Assessment, External Evaluation and Review model (SAEER) is on track to go live from 2009. An external evaluation and review panel gave a 'high confidence' rating for its capability in supporting Wintec to effectively self-manage its responsibilities for accountability and improvement, and a 'confidence' rating for its performance in achieving valued outcomes.

Wintec was one of only eight organisations (including four ITPs) selected for the trial of a proposed new system developed by the New Zealand Qualifications Authority (NZQA).

Wintec's staff worked with the New Zealand Business Excellence Foundation to produce a customised version of the model, which is based on similar models used widely in the business sector. The successful outcome of the trial puts Wintec in a good position to further develop and refine its WinQual Excellence Framework.



Extra Spark in Creative Festival 08

Spark, the Wintec School of Media Arts international festival of media, arts and design, celebrated its 10th anniversary in August.

Speakers at the week-long event gave presentations on contemporary art, design, writing, acting, photography, publishing, filmmaking and music. Attendance numbers were 35% higher than the previous year, totalling around 2500 at all events and workshops.

Spark is the longest running arts festival of its kind in New Zealand.

Graduate wins Māori Music Awards

Wintec Master of Media Arts graduate Carol Storey won Best Traditional Māori Album for 'Mokomoko' at the inaugural Waiata Māori Awards. A composer, singer and acoustic guitarist, she released her debut album, Mokomoko, in 2008. The album comprises ten contemporary Māori language songs backed by notable musicians. Carol completed her Master of Arts (Music) with distinction in 2007. The Mokomoko collection provided the basis for her thesis, and her dissertation involved research on contemporary Māori women composers including Whirimako Black, Hinewehi Mohi and Moana Maniapoto.

Staff Expertise Recognised

Four Media Arts staff: Lauren Winstone (with Nick Spratt), Lisa Benson, Mark Purdom and Tony Nicholls were among the 30 artists selected as finalists for the Trust Waikato National Contemporary Art Award 2008. 253 entries were received from throughout



the country. In addition three visual arts lecturers were chosen as semifinalists in the COCA/ Anthony Harper Award for Contemporary Art; Lisa Benson, Mark Curtis and Lauren Winstone had their work displayed in the Christchurch Art Gallery Te Puna o Waiwhetu.

'Fieldays Exhibitor' Better than Ever

A team of more than 30 journalism, photography and graphic design students again successfully produced four issues of the daily 'Fieldays Exhibitor' over the four days of the National Fieldays event. The graphic design team based themselves on the city campus, while the others fed them a steady stream of stories and photographs from the Artechmobile based at Mystery Creek, where the massive national event is staged. The largest issue ran to 24 pages, and the work produced by the students was in great demand from the 'Waikato Times', 'Rotorua Daily Post' and many community papers.

Modernisation Continues

Stage two of the campus modernisation programme (Siteworx), was the refurbishment of A block in the centre of the city campus. Formerly the library, the building has been renovated with design elements to link the look to the Gallagher Hub. As well as a number of classrooms and computer laboratories, it is now home to a range of student services including enrolment, information, health, counselling, foundation studies support and student bookshop.

The third phase of Wintec's modernisation programme, which includes the creation of a boulevard up into the "heart" of the campus, saw the beginning of

the demolition of what is currently known as F Block towards the end of the year.

The corner of F block has an Historic Places Trust category B rating, meaning the façade of the former Hamilton Technical College must be preserved. The building was built in 1917. This demolition work marked the beginning of 18 months of work, which will include the strengthening of the historic Heritage B part of the old brick building, bringing it up to earthquake standards.

The ground floor will house a public café and bar, as well as retail space for Wintec's hairdressing and beauty students. Retail space for outside businesses will also be available. It will also have a large, flexible space for functions and conferences. Distinctive internal features which will be preserved include the terrazzo flooring and a curved staircase with iron balustrades and wooden banisters.



A Gigabyte a Second - Super Fast Broadband for Hamilton a Reality

Ultra-fast broadband is a reality for Hamilton business, education and health sectors with the formation of the Hamilton Fibre Network Limited company. Hamilton City Council, along with long-time strategic network partners Wintec and Velocity Networks, saw the realisation on more than four years of collaboration at the signing in June.

Formalising the company structure represented an exciting milestone in a process which had seen Hamilton City and Wintec



successfully bid for seed funding in 2004. Hamilton City Council showed real commitment to providing high speed broadband for the benefit of Hamilton, while at the same time Wintec was committed to being connected to New Zealand's high speed research, education and innovation network, the Kiwi Advanced Research and Education Network, or KAREN.

The network is dedicated to fostering collaboration in teaching, learning, research and innovation by seamlessly connecting members with researchers, educators, data and internet resources anywhere in the world at any time. Wintec also needed high speed access linkages to Innovation Park, and has invested in the installation of these fibre cables to its Avalon campus, Horticultural campus at Hamilton Gardens, to Innovation Park and also to the Meteor Theatre, the home of Wintec Creative Industries Incubator, SODA Inc., also a collaboration with the City.

Future-proofing the Dairy Industry

Wintec received funding to develop a showpiece agritech educational centre mid-year. The Tertiary Education Commission approved funding of up to \$930,500 over three years to establish the centre on AgResearch's farm at Tokanui, just south of Te Awamutu.

With the support of partners AgResearch, AgITO, Innovation Waikato and the Coalition of 21st Century Schools, Wintec will establish a centre that enables secondary school students, farmers, farm workers and tertiary students, including Wintec Bachelor of Technology students, to gain practical experience using the latest dairying technologies. AgResearch is currently converting

its sheep and beef research farm into an 800-cow dairy farm that uses leading edge commercial practices. Wintec students, from short course and certificate to degree level, will be able to use the centre for their agriculture, science, information technology, engineering and agritech studies. Wintec and the AgITO have been actively exploring opportunities for collaboration, and the project provides a platform for the two organisations to develop educational resources and demonstrate industry best practice.

The Applied Agritechologies Centre is to be established at the \$6 million AgResearch high performance model research farm, which was the catalyst for the proposal. The venture will bring together the key commercial partners in the AgBio New Zealand Cluster, and will sit alongside a leading-edge dairy conversion being developed by AgResearch and equipped by leading commercial agritechology companies.

The centre will comprise leading-edge technology educational facilities alongside researchers and agritechology companies to educate farmers and students in all aspects of high-performing dairy farming. The centre is due for completion by June 2009, with development of all integrated technologies and course development, including a suite of certificate, diploma and degree level qualifications being developed over the following 12 months.

Wintec Delivers IT Resources with WITT

Students and staff of Wintec and New Plymouth's Western Institute of Technology at Taranaki (WITT)

will enjoy a number of benefits emerging from a 'Shared Services' Information Technology (IT) programme currently developed between the two tertiary providers.

The programme is an example of initiatives arising through WITT and Wintec's long-established collaboration, which began under the auspices of the Tertiary Education Alliance. Wintec and WITT are now aiming to develop shared IT services across a wide range of areas, from academic programme development and delivery through to human resources and information technology services.

The project is a commercial arrangement between the two institutes. From an academic perspective there are clear benefits to be derived from the successful collaboration of these two professional groups.

Taking Power Conservation to the People

A group of apprentices employed by Mighty River Power and completing block course studies at Wintec designed and built a working electricity generation model featuring both a hydro-generating plant and a geothermal plant on a custom-made transportable display trailer.

Seventeen Wintec engineering and electrical students employed under Mighty River Power's three-and-a-half-year apprenticeship programme were given 10 weeks to design and complete the unit. The project was funded by Mighty River Power.

The electricity generation model made an appearance at Atiamuri Dam's 50th Anniversary in October. The model will be showcased at numerous future events, expos and presentations organised or attended by Mighty River Power.

Statement of Responsibility

In terms of the Crown Entities Act 2004, the council is responsible for the preparation of the institute's financial statements and statement of service performance, and for the judgments made in them.

The Council of the institute has the responsibility for establishing, and has established, a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

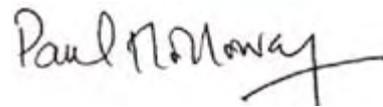
In the Council's opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of the institute for the year ended 31 December 2008.



Council Chairman
Date 25th May 2009



Chief Executive



Chief Financial Officer

Audit Report

To the readers of Waikato Institute of Technology (the Institute) and group's financial statements and performance information for the year ended 31 December 2008

The Auditor-General is the auditor of Waikato Institute of Technology (the Institute) and group. The Auditor-General has appointed me, Karen MacKenzie, 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, for the year ended 31 December 2008.

Unqualified Opinion

In our opinion:

- the financial statements of the Institute and group on pages 23 to 57:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Institute and group's financial position as at 31 December 2008; and
 - the results of operations and cash flows for the year ended on that date.
- the performance information of the Institute and group on pages 54 to 57 fairly reflects its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 25 May 2009 and is the date at which our opinion is expressed.

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

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service

performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

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

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

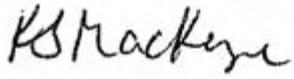
The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Institute and group as at 31 December 2008. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The Council is also responsible for preparing performance information that fairly reflects the service performance achievements for the year ended 31 December 2008. The Council's responsibilities arise from the Education Act 1989 and the Crown Entities Act 2004.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

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



Karen MacKenzie
Audit New Zealand
On behalf of the Auditor-General
Hamilton, New Zealand

Financial Performance

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	CONSOLIDATED			PARENT		
		Actual	Budget	Actual	Actual	Budget	Actual
		2008	2008	2007	2008	2008	2007
		\$000	\$000	\$000	\$000	\$000	\$000
Continuing operations							
Revenue							
Government grants	3(a)	46,967	41,319	44,928	46,967	41,319	44,928
Student tuition fees		18,995	16,240	15,999	18,995	16,240	15,999
Other income	3(b)	4,818	8,791	4,111	4,810	8,791	4,111
Finance income	3(c)	456	-	470	456	-	470
Total revenue		71,236	66,350	65,508	71,228	66,350	65,508
Operating Expenses							
Employee benefit expenses	3(d)	(38,279)	(36,330)	(37,479)	(38,279)	(36,330)	(37,479)
Depreciation expense	8	(6,682)	(9,260)	(6,561)	(6,682)	(9,260)	(6,561)
Amortisation of intangible assets expense	9	(735)	-	(857)	(735)	-	(857)
Materials and consumables	3(f)	(24,101)	(20,230)	(20,456)	(23,827)	(20,230)	(20,456)
Other expenses	3(e)	(799)	(510)	(659)	(799)	(510)	(659)
Total operating expenses		(70,596)	(66,330)	(66,012)	(70,322)	(66,330)	(66,012)
Surplus from continuing operations before finance costs		640	20	(504)	906	20	(504)
Finance costs	3(c)	(32)	-	-	(32)	-	-
Surplus from continuing operations		608	20	(504)	874	20	(504)
Net Surplus for the period		608	20	(504)	874	20	(504)

The accompanying notes form part of these financial statements.

**BALANCE SHEET
AS AT 31 DECEMBER 2008**

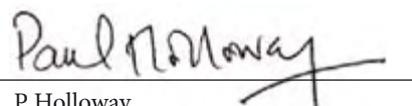
	Notes	CONSOLIDATED			PARENT		
		Actual	Budget	Actual	Actual	Budget	Actual
		2008	2008	2007	2008	2008	2007
		\$000	\$000	\$000	\$000	\$000	\$000
ASSETS							
Current Assets							
Cash and cash equivalents	4	-	-	1,060	-	-	1,060
Student fees and other receivables	5	4,568	4,750	4,952	4,563	4,750	4,952
Inventories	6	251	100	125	251	100	125
Prepayments		746	360	541	746	360	541
Current portion of financial assets		-	-	-	-	-	-
		5,565	5,210	6,678	5,560	5,210	6,678
Non-current & other assets classified as held for sale		-	-	-	-	-	-
Total Current Assets		5,565	5,210	6,678	5,560	5,210	6,678
Non-current Assets							
Financial assets	7	2,779	1,640	1,725	2,779	1,640	1,725
Property	8	100,130	109,940	90,857	100,130	109,940	90,857
Plant and equipment (excl land and buildings)	8	8,279	-	8,857	8,279	-	8,857
Special funds investments		113	100	106	113	100	106
Intangible assets	9	4,489	-	4,681	4,489	-	4,681
Total Non-current Assets		115,790	111,680	106,226	115,790	111,680	106,226
TOTAL ASSETS		121,355	116,890	112,904	121,350	116,890	112,904
LIABILITIES							
Current Liabilities							
Cash and bank	4	113	-	-	113	-	-
Trade and other payables	10	4,066	3,520	6,266	3,794	3,520	6,266
Provisions	11	1,574	2,030	1,397	1,574	2,030	1,397
Revenue received in advance	12	2,754	1,000	2,083	2,754	1,000	2,083
		8,507	6,550	9,746	8,235	6,550	9,746
Finance leases		-	-	-	-	-	-
Total Current Liabilities		8,507	6,550	9,746	8,235	6,550	9,746
Non-current liabilities							
Interest-bearing loans and borrowings		3,300	6,230	-	3,300	6,230	-
Provisions	11	440	-	516	440	-	516
Revenue received in advance	12	-	-	-	-	-	-
Total Non-current liabilities		3,740	6,230	516	3,740	6,230	516
TOTAL LIABILITIES		12,247	12,780	10,262	11,975	12,780	10,262
NET ASSETS		109,108	104,110	102,642	109,375	104,110	102,642
EQUITY							
General equity		92,068	92,620	91,118	92,335	92,620	91,118
Restricted reserves		140	90	129	140	90	129
Asset revaluation reserve	13	16,900	11,400	11,395	16,900	11,400	11,395
TOTAL EQUITY		109,108	104,110	102,642	109,375	104,110	102,642

The accompanying notes form part of these financial statements.

These financial statements were approved for signing by the Council on 18 May 2009.



M Flowers
Chief Executive
25 May 2009



P Holloway
Chief Financial Officer
25 May 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	CONSOLIDATED			PARENT		
		Actual	Budget	Actual	Actual	Budget	Actual
		2008	2008	2007	2008	2008	2007
		\$000	\$000	\$000	\$000	\$000	\$000
Cash flows from operating activities							
Receipt of government grants		45,231	44,460	47,226	45,231	44,460	47,226
Receipt of student tuition fees		18,324	15,157	16,862	18,324	15,157	16,862
Receipt of other ancillary income		6,183	7,243	5,463	5,908	7,243	5,463
Payments to employees		(38,103)	(36,213)	(37,413)	(38,103)	(36,213)	(37,413)
Payments to suppliers		(25,615)	(19,757)	(18,702)	(25,340)	(19,757)	(18,702)
Interest paid		-	-	-	-	-	-
Net cash flows from operating activities	4	6,020	10,890	13,436	6,020	10,890	13,436
Cash flows from investing activities							
Purchase of property, plant and equipment		(11,370)	(15,600)	(17,124)	(11,370)	(15,600)	(17,124)
Purchase of financial assets in the nature of investments		-	-	(546)	-	-	(546)
Interest received		456	-	510	456	-	510
Proceeds from sale of property, plant and equipment		79	-	56	79	-	56
Net cash flows from investing activities		(10,835)	(15,600)	(17,104)	(10,835)	(15,600)	(17,104)
Cash flows from financing activities							
Capital contributions received from the Crown		342	-	858	342	-	858
Proceeds from borrowings		3,300	6,230	-	3,300	6,230	-
Repayment of borrowings		-	(1,520)	-	-	(1,520)	-
Net cash flows from investing activities		3,642	4,710	858	3,642	4,710	858
Net increase / (decrease) in cash and cash equivalents		(1,173)	-	(2,810)	(1,173)	-	(2,810)
Net foreign exchange difference		-	-	-	-	-	-
Cash and cash equivalents at the beginning of the period		1,060	-	3,870	1,060	-	3,870
Cash and cash equivalents at the end of the period	4	(113)	-	1,060	(113)	-	1,060

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2008

	PARENT				
	Public Equity \$000	Retained Earnings \$000	Trust Funds \$000	Revaluation Reserve \$000	Total \$000
At 1 January 2008	53,216	37,901	129	11,395	102,641
Surplus / (deficit) for the year	-	874	-	-	874
Movement in trust funds	-	-	11	-	11
Crown contribution	342	-	-	-	342
Revaluation	-	-	-	5,505	5,505
31 December 2008	53,558	38,775	140	16,900	109,373
At 1 January 2007	52,358	38,426	108	11,395	102,288
Surplus / (deficit) for the year	-	(504)	-	-	(504)
Movement in trust funds	-	(21)	21	-	-
Crown contribution	858	-	-	-	858
31 December 2007	53,216	37,901	129	11,395	102,642

	CONSOLIDATED				
	Public Equity \$000	Retained Earnings \$000	Trust Funds \$000	Revaluation Reserve \$000	Total \$000
At 1 January 2008	53,216	37,901	129	11,395	102,642
Surplus / (deficit) for the year	-	608	-	-	608
Movement in trust funds	-	-	11	-	11
Crown contribution	342	-	-	-	342
Revaluation	-	-	-	5,505	5,505
31 December 2008	53,558	38,509	140	16,900	109,108
At 1 January 2007	52,358	38,426	108	11,395	102,288
Surplus / (deficit) for the year	-	(504)	-	-	(504)
Movement in trust funds	-	(21)	21	-	-
Crown contribution	858	-	-	-	858
31 December 2007	53,216	37,901	129	11,395	102,642

The accompanying notes form part of these financial statements.

Notes to the Financial Statements FOR THE YEAR ENDED 31 DECEMBER 2008

1 REPORTING ENTITY

The financial statements of Waikato Institute of Technology for the year ended 31 December 2008 were authorised for issue in accordance with a resolution of the Councillors on 25 May 2009.

The Waikato Institute of Technology is a Crown Entity and is established under the Education Act 1989 as a public tertiary institution. It provides full-time and part-time tertiary education in New Zealand.

The consolidated financial statements include the following subsidiaries: SODA Inc Limited and the Wintec Foundation, and associates in Vital English Ltd, Hamilton Fibre Networks Ltd (HFNL). Refer to note 23 for further details of all entities included in the group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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.

The Waikato Institute of Technology is a public benefit entity for the purpose of complying with generally accepted accounting practice in New Zealand.

The financial statements have been prepared on a historical cost basis, except for investment properties, assets classified as held for sale, land and buildings that have been measured at fair value.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

(b) Basis of consolidation

The purchase method is used to prepare consolidated financial statements, which involves adding together items of assets, liabilities, equity, income and expenses on a line by line basis. All significant intergroup balances, transactions, income and expenses are eliminated on consolidation. Wintec's investments in its subsidiaries are carried at cost in Wintec's own 'parent entity' financial statements.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the institute as at balance date and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the group has the power to govern the financial and operating policies of the entity, generally a company with a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The institute's investments in associates are carried at cost in the institute's parent financial statements and accounted for on an equity basis in the consolidated accounts.

(c) Statement of compliance

The financial statements comply with Applicable Financial Reporting Standards, which include New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS').

(d) Property, plant and equipment

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

- Land and buildings are measured at fair value less subsequent accumulated depreciation and subsequent accumulated impairment losses.
- Plant and equipment, motor vehicles and computer hardware are stated at cost less accumulated depreciation and any accumulated impairment in value.

**Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Class of assets	Rate
Land	0% per annum
Plant and equipment	5% - 33.33% per annum
Motor vehicles	20% per annum
Computer hardware	25% - 33.33% per annum
Buildings	
Structure	1 – 84 years
Fitout	1 – 19 years
Services	1 – 22 years

Impairment

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

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the income statement in the other expenses line item. An impairment loss on a revalued asset is recognised directly against any revaluation surplus for that asset.

Assets held for educational and related activities are assessed for impairment by considering the assets for obsolescence, changes in their useful lives, optimisation in use and other related matters.

Revaluations

Following initial recognition at cost, land and buildings 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 loss.

Fair value 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.

Revaluation of property, plant and equipment is carried out on a class of asset basis.

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 income statement.

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

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Property, plant and equipment *(continued)*

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 (at least once every three years) to ensure that the carrying amount does not differ materially from the assets' fair value at the balance sheet date.

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 income statement in the year the item is derecognised.

Held for sale

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

(e) Investment properties

An investment property is initially measured at its cost including transaction cost. Where an investment property is acquired at no cost or nominal cost, its cost is deemed to be its fair value as at the date of acquisition.

Subsequent to initial recognition investment properties are stated at fair value as at each balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are recognised in the income statement in the year in which they arise.

Investment properties are de-recognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

Any gains or losses on de-recognition of an investment property are recognised in the income statement in the year of de-recognition.

(f) Intangible assets

Computer software

Computer software is separately acquired and capitalised at its cost as at the date of acquisition.

After initial recognition, separately acquired intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Intangible assets *(continued)*

A summary of the policies applied to the institute's intangible assets is as follows:

Computer Software	Method
Useful lives	Finite - 5 years
Method used	Straight line method
Internally generated / acquired	Separately acquired

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

The carrying value of each class of intangible asset is reviewed for indicators of impairment annually. Intangible assets are tested for impairment where an indicator of impairment exists.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is de-recognised.

Course development costs

Course Development costs are recognised as an expense in the income statement in the year in which it is incurred.

Research costs

Research costs are recognised as an expense in the income statement in the year in which it is incurred.

(g) Investments

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

After initial recognition, investments which are classified as available-for-sale are measured at fair value or at cost in cases where the fair value can not 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 income statement.

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the institute has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification.

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Investments in bank deposits are classified as loans and receivables.

Investments that are intended to be held-to-maturity or those classified as loans and receivables, are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments *(continued)*

Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity.

For investments carried at amortised cost, gains and losses are recognised in income when the investments are de-recognised or impaired, as well as through the amortisation process.

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment. Where the fair value cannot be reliably determined the investments are measured at cost.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value.

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

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

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

(i) Student fees and other receivables

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

Bad debts are written off when identified.

(j) Cash and cash equivalents

Cash and short-term deposits 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 Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(k) Borrowing costs

Borrowing costs are recognised as an expense when incurred.

(l) Interest-bearing loans and borrowing

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of transaction costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any transaction costs and any discount or premium on settlement.

Gains and losses are recognised in the income statement when the liabilities are de-recognised as well as through the amortisation process.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) Provisions

Provisions are recognised when the institute has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

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

(n) Employee entitlements

The liability for employees' compensation for future leave is accrued in relation to the length of service rendered by employees and relates to vested and unvested entitlements.

(o) Leases

Finance leases, which transfer to the Institute substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. The institute has received ministerial approval for all such leases.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are included in the income statement as finance costs.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases.

(p) Revenue

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

Government grants

Government grants are recognised when eligibility to receive the grant has been established and it is recognised over the period in which the course is taught by reference to the stage of completion of the course as at the balance sheet date.

Notes to the Financial Statements *(continued)* FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue (continued)

Stage of completion is measured by reference to the days of course completed as a percentage of total days for each course. Where funds have been received but not earned at balance date a Revenue in Advance liability is recognised.

Government grants which are allocated to the institute with no restriction on use and in which the Crown has no future residual interest are considered equity injections and are reflected in the Statement of Changes in Equity.

Student tuition fees

Revenue from student tuition fees is recognised over the period in which the course is taught by reference to the stage of completion of the course as at the Balance Sheet date.

Stage of completion is measured by reference to the days of course completed as a percentage of total days for each course.

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

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

(q) **GST**

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

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

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

(r) **Investments and other financial assets**

Investments and financial assets in the scope of NZ IAS 39 *Financial Instruments: Recognition and Measurement* are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

Notes to the Financial Statements *(continued)* FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments and other financial assets *(continued)*

When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

Recognition and de-recognition

All regular way purchases and sales of financial assets are recognised on the trade date, ie the date that the institute commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are de-recognised when the right to receive cash flows from the financial assets have expired or been transferred.

Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the balance sheet.

Loans and receivables

Loans and receivables including loan notes and loans to key management personnel are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

Available-for-sale securities

Available-for-sale investments are those non-derivative financial assets, principally equity securities, that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for-sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments with no active market, fair values are determined using valuation techniques. Such techniques include: using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible and keeping judgemental inputs to a minimum.

(s) **Income tax**

The institute is exempt from income tax and, therefore, the financial statements do not contain any provision for income tax.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(t) De-recognition of financial instruments

The de-recognition of a financial instrument takes place when the institute no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

(u) Changes in accounting estimates

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

(v) Financial risk management objectives and policies

The institute's principal financial instruments comprise receivables, payables, bank loans and overdrafts, available for sale investments, cash and short-term deposits. The institute manages its exposure to key financial risks, including interest rate and currency risk, in accordance with the institute's financial risk management policy. The objective of the policy is to support the delivery of the institute's financial targets whilst protecting future financial security.

The main risks arising from the institute's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The institute uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk liquidity risk, is monitored through the development of future rolling cash flow forecasts.

Council reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Finance and Audit Committee under the authority of Council. Council reviews and agrees policies for managing each of the risks identified below, including the setting of limits for trading in derivatives, hedging cover of foreign currency and interest rate risk, credit allowances, and future cash flow forecast projections.

(w) Risk exposures and responses

Interest rate risk

The institute's exposure to market interest rates relates primarily to the institute's long-term debt obligations. The level of debt is disclosed in the notes to the financial statements.

The institute constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing, alternative hedging positions and the mix of fixed and variable interest rates.

Notes to the Financial Statements *(continued)* FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Risk exposures and responses *(continued)*

Foreign currency risk

The institute only has limited exposure to foreign currency risk. All fees are denominated in NZ Dollars to diminish risks associated with revenue streams. Where transactions in foreign currencies are forecast that are material to the institute, forward exchange contracts are entered into to diminish the risk of the group to fluctuations in exchange rates.

Credit risk

Credit risk arises from the financial assets of the institute, which comprise cash and cash equivalents, trade and other receivables, available-for-sale financial assets and derivative instruments.

The institute's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note. The institute does not hold any credit derivatives to offset its credit exposure. The institute trades only with recognised, creditworthy third parties and as such, collateral is not requested nor is it the institute's policy to securitise its trade and other receivables.

In addition, receivable balances are monitored on an ongoing basis with the result that the institute's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the institute and financial instruments are spread amongst a number of financial institutions to minimise the risk of default of counterparties.

Liquidity risk

The institute's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The institute's policy is that total borrowings will not exceed 25% of the value of total assets. At 31 December 2008, borrowings were equal to 2.7% of the institute's total assets (2007: 0%).

(x) **Key judgements, estimates and assumptions**

The following items have been included in the financial statements as a result of key judgements or estimates.

Impairment of non-financial assets other than goodwill

The institute assesses impairment of all assets at each reporting date by evaluating conditions specific to the institute and to the particular asset that may lead to impairment. These include programme performance, technology, economic and political environments and future programme expectations. If an impairment trigger exists the recoverable amount of the asset is determined. Management do not consider that the triggers for impairment testing have been significant enough and therefore no provision has been made during the financial year.

Classification of assets and liabilities as held for sale

The institute classifies assets and liabilities as held for sale when its carrying amount will be recovered through a sale transaction. The assets and liabilities must be available for immediate sale and the institute must be committed to selling the asset either through the entering into a contractual sale agreement or the activation and commitment to a program to locate a buyer and dispose of the assets and liabilities.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Key judgements, estimates and assumptions *(continued)*

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

(y) Capital management

The institute manages its capital in consideration of the capital requirements of its Investment Plan as approved by the Tertiary Education Commission (TEC).

(z) Budget figures

The budget figures are those given final approval by the Council on 12 December 2007. The budget figures have been prepared in accordance with generally accepted accounting practices and New Zealand International Financial Reporting Standards and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

(aa) Changes in Accounting Policies

Accounting policies have been applied consistently to all periods presented in these financial statements.

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008

3 REVENUES AND EXPENSES

	Notes	CONSOLIDATED		PARENT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
(a) Government grants					
Operational bulk grant		38,919	34,012	38,919	34,012
Other grants		8,048	10,916	8,048	10,916
		46,967	44,928	46,967	44,928
(b) Other income					
Revenue from childcare operations	18	731	589	731	589
Gain on disposal of property, plant and equipment		301	6	301	6
Revenue from other operating activities		3,786	3,516	3,778	3,516
		4,818	4,111	4,810	4,111
(c) Finance (costs)/income					
Bank loans and overdrafts		(32)	-	(32)	-
Finance charges payable under finance leases and hire purchase contracts		-	-	-	-
Total finance costs (on historical cost basis)		(32)	-	(32)	-
Interest earned on bank deposits		456	470	456	470
Total finance income (on historical cost basis)		456	470	456	470
(d) Employee benefits expense					
Wages and salaries		(38,279)	(37,479)	(38,279)	(37,479)
Employee welfare expenses		-	-	-	-
Post employment benefits		-	-	-	-
		(38,279)	(37,479)	(38,279)	(37,479)
(e) Other expenses					
Bad debts		(164)	(120)	(164)	(120)
Expenses of childcare operations	18	(625)	(519)	(625)	(519)
Hardship grants		(10)	(14)	(10)	(14)
Trust funds awards		-	(6)	-	(6)
		(799)	(659)	(799)	(659)
(f) Materials and consumables					
Included in the materials and consumables expenses of \$23,827 is \$1,813 which relates to operating lease payments					
(g) Aggregate research and development costs recognised in the income statement					
Research costs charged directly to the income statement		(241)	(305)	(241)	(305)

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008

4 CASH AND CASH EQUIVALENTS

	CONSOLIDATED		PARENT	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Cash at bank and in hand	(113)	1,060	(113)	1,060
Short-term deposits	-	-	-	-
	(113)	1,060	(113)	1,060

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

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

The carrying value of Cash and Cash Equivalents recorded in the financial statements is stated at fair value.

Reconciliation of cash for the purpose of the cash flow statement

For the purpose of the cash flow statement, cash and cash equivalents comprise the following as at 31 December.

	CONSOLIDATED		PARENT	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Cash at bank and in hand	-	1,060	-	1,060
Short-term deposits	-	-	-	-
Bank overdrafts (note 15)	(113)	-	(113)	-
	(113)	1,060	(113)	1,060

Reconciliation of the net surplus after tax to the net cash flows from operations

Net profit / (loss) for the period	608	(504)	874	(504)
<i>Adjustments for:</i>				
Depreciation	6,682	6,561	6,682	6,561
Amortisation	735	857	735	857
Impairment losses				
Fair value (gain) /loss on investment properties				
Net (gain) on disposal of property, plant and equipment	(251)	(6)	(251)	(6)
Investing/financing	(463)	(516)	(463)	(516)
<i>Changes in assets and liabilities</i>				
(Increase) / decrease in inventories	(126)	(8)	(126)	(8)
(Increase) / decrease in trade and other receivables	655	(322)	389	(322)
(Increase) / decrease in prepayments	(205)	159	(205)	159
Increase / (decrease) in trade and other payables	(2,245)	6,353	(2,245)	6,353
Increase / (decrease) in revenue received in advance	671	864	671	864
Increase / (decrease) in finance leases	11	(2)	11	(2)
Increase / (decrease) in trust funds				
Net cash from operating activities	6,020	13,436	6,020	13,436

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

5	OTHER RECEIVABLES	CONSOLIDATED		PARENT	
		2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000
	Trade receivables	4,617	4,950	4,612	4,950
	Related parties	1	2	1	2
		4,618	4,952	4,613	4,952
	Less provision for doubtful debts	(50)	-	(50)	-
		4,568	4,952	4,563	4,952

The status of receivables as at 31 December 2008 and 2007 are detailed below

	CONSOLIDATED		PARENT	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Not past due	4,289	4,180	4,298	4,180
Past due 1 - 60 days	154	410	149	410
Past due 61 - 120 days	132	175	132	175
Past due greater than 120 days	33	187	33	187
Total	4,617	4,952	4,612	4,952

As of 31 December 2008 and 2007, all overdue receivables have been assessed for impairment and appropriate provisions applied. The impairment provision has been calculated based on expected losses for Wintec's pool of debtors. Expected losses have been determined based on analysis of Wintec's losses in previous periods and the age of the debt.

6	INVENTORIES	CONSOLIDATED		PARENT	
		2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000
	Held for resale	247	121	247	121
	Materials and consumables	4	4	4	4
		251	125	251	125

7	OTHER FINANCIAL ASSETS	CONSOLIDATED		PARENT	
		2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000
	NON-CURRENT				
i)	Other financial assets:				
	- Shares in PINZ (at Cost)	38	38	38	38
ii)	Investment in associates				
	Vital English	1,687	1,687	1,687	1,687
	Hamilton Fibre Network Ltd	238	-	238	-
(iii)	Loans to associates				
	Hamilton Fibre Network Ltd	816	-	816	-
		2,779	1,725	2,779	1,725

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 31 DECEMBER 2008

8 PROPERTY, PLANT AND EQUIPMENT

PARENT AND CONSOLIDATED

	Land and buildings \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Library \$'000	Total \$'000
Year ended 31 December 2008					
At 1 January 2008, net of accumulated depreciation	90,857	7,153	135	1,569	99,714
Revaluation	5,505	-	-	-	5,505
Additions	16,013	3,268	15	649	19,945
Disposals	(9,452)	(539)	-	(82)	(10,073)
Depreciation charge for the year	(2,793)	(3,206)	(27)	(656)	(6,682)
At 31 December 2008, net of accumulated depreciation	100,130	6,676	123	1,480	108,409
At 1 January 2008					
Cost or fair value	98,282	25,217	444	8,880	132,823
Accumulated depreciation and impairment	(7,425)	(18,064)	(309)	(7,311)	(33,109)
Net carrying amount	90,857	7,153	135	1,569	99,714
At 31 December 2008					
Cost or fair value	100,130	26,593	459	9,447	136,629
Accumulated depreciation and impairment	-	(19,917)	(336)	(7,967)	(28,220)
Net carrying amount	100,130	6,676	123	1,480	108,409
Year ended 31 December 2007					
At 1 January 2007, net of accumulated depreciation	82,862	5,300	127	1,653	89,942
Additions	11,787	7,151	29	557	19,524
Disposals	-	(3,191)	-	-	(3,191)
Depreciation charge for the year	(3,792)	(2,107)	(21)	(641)	(6,561)
At 31 December 2007, net of accumulated depreciation	90,857	7,153	135	1,569	99,714
At 1 January 2007					
Cost or fair value	86,495	23,603	415	8,322	118,835
Accumulated depreciation and impairment	(3,632)	(18,303)	(288)	(6,669)	(28,892)
Net carrying amount	82,863	5,300	127	1,653	89,943
At 31 December 2007					
Cost or fair value	98,282	25,217	444	8,880	132,823
Accumulated depreciation and impairment	(7,425)	(18,064)	(309)	(7,311)	(33,109)
Net carrying amount	90,857	7,153	135	1,569	99,714

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

8 **PROPERTY PLANT AND EQUIPMENT** *(continued)*

Revaluations

An independent valuation was obtained to determine fair value of land and buildings. Fair value is determined by reference to an open market basis, being 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 at the valuation date for land and buildings of a non-educationally specific nature. Where buildings have been designed specifically for educational purposes they are valued at depreciated replacement cost which is considered to reflect fair value for such assets.

Land and buildings were valued by Doug Saunders, independent registered valuer of the firm Telfer Young (Waikato) Ltd.

The effective date of the revaluation was 31 December 2008.

Land and buildings with a carrying amount of \$30,806,074 (2007: \$28,770,849) included in the property, plant and equipment are owned by the Crown. Although legal title has not been transferred, the Waikato Institute of Technology has assumed all normal risks and rewards of ownership.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

9 INTANGIBLE ASSETS	CONSOLIDATED		PARENT	
	Computer Software \$'000	Total \$'000	Computer Software \$'000	Total \$'000
Year ended 31 December 2008				
At 1 January 2008, net of accumulated amortisation	4,681	4,681	4,681	4,681
Additions	543	543	543	543
Amortisation	(735)	(735)	(735)	(735)
At 31 December 2008, net of accumulated amortisation	4,489	4,489	4,489	4,489
At 1 January 2008				
Cost (gross carrying amount)	8,544	8,544	8,544	8,544
Accumulated amortisation	(3,863)	(3,863)	(3,863)	(3,863)
Net carrying amount	4,681	4,681	4,681	4,681
At 31 December 2008				
Cost (gross carrying amount)	9,087	9,087	9,087	9,087
Accumulated amortisation	(4,598)	(4,598)	(4,598)	(4,598)
Net Carrying amount	4,489	4,489	4,489	4,489
Year ended 31 December 2007				
At 1 January 2007, net of accumulated amortisation	4,795	4,795	4,795	4,795
Additions	743	743	743	743
Amortisation	(857)	(857)	(857)	(857)
At 31 December 2007, net of accumulated amortisation	4,681	4,681	4,681	4,681
At 1 January 2007				
Cost (gross carrying amount)	7,801	7,801	7,801	7,801
Accumulated amortisation	(3,006)	(3,006)	(3,006)	(3,006)
Net carrying amount	4,795	4,795	4,795	4,795
At 31 December 2007				
Cost (gross carrying amount)	8,544	8,544	8,544	8,544
Accumulated amortisation	(3,863)	(3,863)	(3,863)	(3,863)
Net carrying amount	4,681	4,681	4,681	4,681

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

10	TRADE AND OTHER PAYABLES	CONSOLIDATED		PARENT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
	Trade payables	1,980	2,100	1,708	2,100
	Other payables	2,086	4,144	2,086	4,144
	Interest payable				
		4,066	6,244	3,794	6,244
	Related party payables	-	22	-	22
	Subsidiaries	-	-	-	-
		4,066	6,266	3,794	6,266

Trade payables are non-interest bearing and are normally settled on 60-day terms.

Other payables are non-interest bearing and have an average term of 6 months.

Interest payable is normally settled quarterly throughout the financial year.

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

11	PROVISIONS	CONSOLIDATED		PARENT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
	<i>Employee Entitlements</i>				
	At 1 January	1,913	1,847	1,913	1,847
	Additions during the year	1,739	2,696	1,739	2,696
	Utilised during the year	(1,638)	(2,630)	(1,638)	(2,630)
	At 31 December	2,014	1,913	2,014	1,913
	Current portion	1,574	1,397	1,574	1,397
	Non-current portion	440	516	440	516
		2,014	1,913	2,014	1,913

Employee Entitlements

A provision is recognised for post employment benefits payable to employees. Employees are entitled to annual leave pay, long service leave pay and retirement gratuities. Annual leave and sick leave entitlements expected to be settled within 12 months of the balance sheet date are measured at the current rates of pay and classified as current liabilities. Entitlements related to long service leave and retirement gratuities have been calculated at present value of future cash flows determined on an actuarial basis.

The provision is affected by a number of assumptions including expected length of service, attrition rate, and salary increases.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

12 REVENUE RECEIVED IN ADVANCE	CONSOLIDATED		PARENT	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Government grants				
Student fees	2,754	2,083	2,754	2,083
	2,754	2,083	2,754	2,083
Current portion	2,754	2,083	2,754	2,083
Non-current portion	-	-	-	-
	2,754	2,083	2,754	2,083

13 ASSET REVALUATION RESERVE	CONSOLIDATED		PARENT	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
At 1 January	11,395	11,395	11,395	11,395
Depreciation transfer	-	-	-	-
Revaluation of land and building	5,505	-	5,505	-
At 31 December	16,900	11,395	16,900	11,395

The asset revaluation reserve is used to record increments and decrements in the fair value of land and buildings to the extent that they offset one another.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

14 FINANCIAL RISK MANAGEMENT

Credit risk

With the exception of student fees, the institute trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the institute's exposure to bad debts is not significant as a result of the ability to withhold graduation from students who do not pay their fees.

With respect to credit risk arising from the other financial assets of the institute, which comprise cash and cash equivalents and available-for-sale financial assets, the institute's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. There are no significant concentrations of credit risk within the institute.

Credit risk - Accounts Receivable Ageing Analysis

Year ended 31 December 2008

	CONSOLIDATED				PARENT			
	Current	Overdue	Overdue provided for	TOTAL	Current	Overdue	Overdue provided for	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other receivables	4,291	326	50	4,567	4,291	321	50	4,562
Related party receivables	1	-	-	1	1	-	-	1
Total	4,292	326	50	4,568	4,292	321	50	4,563

Year ended 31 December 2007

	CONSOLIDATED				PARENT			
	Current	Overdue	Overdue provided for	TOTAL	Current	Overdue	Overdue provided for	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other receivables	4,696	254	-	4,950	4,696	254	-	4,950
Related party receivables	2	-	-	2	2	-	-	2
Total	4,698	254	-	4,952	4,698	254	-	4,952

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2008

15 FINANCIAL INSTRUMENTS

Interest rate risk

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk.

Year ended 31 December 2008	PARENT						Total \$'000
	<1 year \$'000	>1 - <2 years \$'000	>2 - <3 years \$'000	>3 - <4 years \$'000	>4 - <5 years \$'000	>5 years \$'000	
	<i>Loans & receivables at amortised cost</i>						
Deposits	-	-	-	-	-	-	-
<i>Floating rate assets</i>							
Cash	-	-	-	-	-	-	-
<i>Other liabilities at amortised cost</i>							
MoE building loan	-	-	-	-	-	-	-
Loan on discounted ops	-	-	-	-	-	-	-
<i>Floating rate liabilities</i>							
Finance leases & hire purchase	-	-	-	-	-	-	-
Bank overdrafts	(113)	-	-	-	-	-	(113)
BNZ bank loan	-	-	-	-	-	-	-
Year ended 31 December 2007							
<i>Fixed rate assets</i>							
Deposits	-	-	-	-	-	-	-
<i>Floating rate Assets</i>							
Cash	1,334	-	-	-	-	-	1,334
<i>Other liabilities at amortised cost</i>							
MoE building Loan	-	-	-	-	-	-	-
Loan on discontinued ops	-	-	-	-	-	-	-
<i>Floating rate Liabilities</i>							
Finance leases & hire purchase	-	-	-	-	-	-	-
Bank overdrafts	-	-	-	-	-	-	-

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

15 FINANCIAL INSTRUMENTS *(continued)*

Interest rate risk

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk.

Year ended 31 December 2008	CONSOLIDATED						Total \$'000
	<1 year \$'000	>1 - <2 years \$'000	>2 - <3 years \$'000	>3 - <4 years \$'000	>4 - <5 years \$'000	>5 years \$'000	
	<i>Loans & receivables at amortised cost</i>						
Deposits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<i>Floating rate assets</i>							
Cash	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<i>Other liabilities at amortised cost</i>							
MoE building loan	-	-	-	-	-	-	-
Loan on discounted ops	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<i>Floating rate liabilities</i>							
Finance leases & hire purchase	-	-	-	-	-	-	-
Bank overdrafts	(113)	-	-	-	-	-	(113)
	-	-	-	-	-	-	-
Year ended 31 December 2007							
<i>Fixed rate assets</i>							
Deposits	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<i>Floating rate Assets</i>							
Cash	1,334	-	-	-	-	-	1,334
	-	-	-	-	-	-	-
<i>Other liabilities at amortised cost</i>							
MoE building loan	-	-	-	-	-	-	-
Loan on discontinued ops	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<i>Floating rate liabilities</i>							
Finance leases & hire purchase	-	-	-	-	-	-	-
Bank overdrafts	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Notes to the Financial Statements *(continued)*

FOR THE YEAR ENDED 31 DECEMBER 2008

15 FINANCIAL INSTRUMENTS *(continued)*

Interest on financial instruments classified as floating rate is re-priced at intervals of less than one year.
Interest on financial instruments classified as fixed rate until maturity of the instrument.

The other financial instruments of the institute that are not included in the above tables are non-interest bearing.

16 COMMITMENTS AND CONTINGENCIES

Operating lease commitments - institute as lessee

The institute has entered into commercial leases on certain motor vehicles and items of small machinery where it is not in the best interest of the institute to purchase these assets.

These leases have an average life of between 4 and 10 years with renewal terms included in the contracts. Renewals are at the option of the specific entity that holds the lease.

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

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

	CONSOLIDATED		PARENT	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Within one year	1,156	1,737	1,156	1,737
After one year but not more than five years	4,443	4,812	4,443	4,812
More than five years	16,510	18,945	16,510	18,945
	22,109	25,494	22,109	25,494

These commitments include the lease with Tainui for the city campus land.
The term of the lease is 20 years with further rights of renewal of 20 years.

Finance lease and hire purchase commitments

The institute has no finance leases or hire purchase contracts.

Capital commitments

The institute has the following capital commitments:

	CONSOLIDATED		PARENT	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Property, Plant and Equipment	3,151	-	3,151	-
Intangible assets	-	-	-	-
Investment property	-	-	-	-
	3,151	-	3,151	-

In April 2008, the institute entered into an agreement with Sports Waikato whereby it has the right to buy the building that Sports Waikato has built on the Wintec campus. Sports Waikato also has the right to require the institute to buy the building. These rights are exercisable in April 2013. The purchase price at the time will be the market value of the building with a minimum purchase price of the certified construction cost. The minimum purchase price is included in the capital commitments figures as at 31 December 2008 above as this is the most reliable estimate currently available.

Contingent Liability

Wintec is currently negotiating settlement of a legal claim. The amount of possible settlement is not able to be reliably estimated at present.

Notes to the Financial Statements *(continued)* FOR THE YEAR ENDED 31 DECEMBER 2008

17 RELATED PARTY DISCLOSURE

Related parties include Print House (a printing firm in which Mr Chesterman, the Council Chair, is a Director), Hamilton City Council (Mr Chesterman is a Councillor) and The Waikato Institute of Technology Student Residence Trust. Related parties also include all subsidiaries and associates as outlined in note 1.

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year (for information regarding outstanding balances at year-end, refer to note 5 and note 10):

	CONSOLIDATED				PARENT			
	Ancillary services provided to related parties	Purchases from related parties	Amounts owed to related parties	Amounts owed by related parties	Ancillary services provided to related parties	Purchases from related parties	Amounts owed to related parties	Amounts owed by related parties
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Related parties								
2008	16	440	0	1	16	440	0	267
2007	19	478	22	2	19	478	22	2
Key management personnel								
2008	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-

Terms and conditions of transactions with related parties

Ancillary services to and purchases from related parties are made in arm's length transactions at both normal market prices and normal commercial terms.

Outstanding balances at 31 December 2008 and 2007 are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables.

For the year end 31 December 2008, the institute has not raised any provision for doubtful debts relating to amounts owed by related parties as the payment history has been excellent (2007: \$nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. When assessed as required, the institute raises such a provision.

	CONSOLIDATED		PARENT	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Key management personnel compensation				
Short term benefits	1,638	1,623	1,638	1,623
Employee welfare expenses	-	-	-	-
Post employment benefits	-	-	-	-
	1,638	1,623	1,638	1,623

Key management personnel includes all members of Senior Executive and Council.

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

18 CHILD CARE SUMMARY

	ACTUAL 2008 \$'000	BUDGET 2008 \$'000	ACTUAL 2007 \$'000
Income			
Government grants (children under two)	199	215	143
Government grants (children over two)	75	60	102
Government grants (free Early Childhood Education)	202	170	96
Incentive grant	5	4	6
Fees Work and Income New Zealand (WINZ)	131	105	114
Other fees	119	118	127
	731	672	588
Expenses			
Staffing	526	482	456
Other costs	98	80	66
	624	562	522
Trading surplus	107	110	66

Provisionally registered teachers' support grant

Grants were received for three provisionally registered teachers and were spent in the following way:

Paid teacher release time	\$4,322
Professional development	\$459
Subscriptions	\$507
Stationery/ink/art supplies	\$1,042
Resources/books	\$1,259
Equipment	\$423
Total	\$8,012

Notes to the Financial Statements *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2008

19 SUBSEQUENT EVENTS

At balance date, Wintec held shares in Prima Group Limited and in Vital English Limited on behalf of the Wintec Foundation pending the legal establishment of the Wintec Foundation. The shares in these companies will be transferred to the Wintec Foundation in June 2009.

20 AUDITORS' REMUNERATION

	2008 \$'000	2007 \$'000
Amounts received or due and receivable by Audit New Zealand for:		
• Audit of financial statement	86	66
• Other assurance services	-	-
• Other services	-	-
	86	66

21 PERFORMANCE AGAINST BUDGET

Revenue was above budget by \$5.2m. A number of factors contributed to this, including the achievement of contracted EFTS which were not included in the original revenue or operating expenditure budget.

Domestic and International tuition fees and ITO funding were all higher than budgeted due to the achievement of higher than expected EFTS in all areas. Investment income relates to interest received and was higher than budget due to the improved cash position of Wintec.

Costs have exceeded budget by \$4.0m, primarily due to increased operating costs associated with the achievement of the additional revenue e.g. additional overseas commission, additional costs associated with contract EFTS etc.

There were also increased salary costs associated with servicing the additional EFTS, higher than expected restructuring costs and more leave accrual accrued and not taken.

22 Councillors' fees

The following fees were earned by members of Council during the year

Council Member	Actual	Actual
	2008	2007
	\$	\$
Baddeley, C	11,834	18,056
Bennett, J	7,306	6,803
Bernards, K	320	-
Cave-Palmer, M	11,011	11,213
Chesterman, G (Chair)	25,350	24,375
Cooper, B	6,400	5,630
Heremia, J	3,520	2,240
Hodges, D	6,677	6,590
Rink, A	5,120	6,270
Smith, A	1,920	-
Taola, T	1,920	3,520
Tucker, S	4,480	5,695
Williams, T	-	575
Yates, D	4,160	-
Yeung ,D	6,720	7,482
Total Councillors' Fees	96,738	98,449

- 23** At balance date, Wintec held shares in Prima Group Limited (including its subsidiaries and associates) and in Vital English Limited on behalf of the Wintec Foundation pending the legal establishment of the Wintec Foundation. The shares in these companies (and the shares held by Prima Group Limited in Prima Limited, Learning Works Limited, Wintec Education and Training Associates Limited and Waikato International Limited) will be transferred to the Wintec Foundation in June 2009.

Subsidiary/Associate	Percentage % Ownership	Balance Date	Business Activity
Wintec Foundation	100%	31/12	Charitable Trust
Soda Inc Ltd	60%	31/12	Creative Industries business incubator
Prima Group Ltd	100%	31/12	Investment holding company
Prima Ltd*	100%	31/12	Identifying and commercialising intellectual property
Learning Works Ltd*	100%	31/12	Developing and delivering training to industry
Wintec Education and Training* Ltd	100%	31/12	Investment holding company
Waikato International Ltd*	100%	31/12	Investment holding company
Vital English Limited**	40%	31/12	Designing and distributing English Language teaching and learning solutions
Hamilton Fibre Network Ltd	24.6%	30/6	High-speed urban broadband network.

*100% owned by Prima Group Ltd

**40% owned by Prima Ltd

- 24** The Crown Entitles Act 2004 requires the financial statements for the year ended 31 December 2008 and audit thereof to be completed by 30 April 2009. Completion of the financial statements and audit was delayed pending the resolution of the correct accounting treatment for the commitment to purchase the Sports Waikato building referred to in Note 16.

2008 Statement of Service Performance Wintec's Investment Plan KPIs

Investment Plan KPI	Subgroups	2008 Target	2008 Actual	Comments
<i>Customers and Stakeholders</i>				
Proportion of TEC EFTS enrolled at level 4 and above	Total	62.0%	65.4%	Achieved.
	Māori	66.0%	62.7%	Overall Māori enrolments in 2008 increased significantly. The absolute number of Māori enrolled at level 4 and above did increase in 2008. However the proportion enrolled at Level 4 and above decreased slightly due to an even larger increase in Māori enrolments at levels 1-3.
	Pasifika	46.0%	56.9%	Achieved.
	Under 25s	54.0%	71.8%	Achieved.
Proportion of TEC EFTS enrolled in National and industry qualifications	n/a	Baseline to be established		Due to difficulties with data availability and definitional problems, these indicators were not developed.
Percentage of TEC EFTS enrolled in foundation studies	n/a	Baseline to be established		
Progression rate (TEC EFTS) from study at levels 1-3 to level 4 and above	Total	21.0%	24.6%	Achieved.
	Māori	16.0%	21.3%	Achieved.
	Pasifika	17.0%	72.7%	Achieved. Due to the relatively small numbers involved, the outcomes for Pasifika are prone to significant fluctuation.
	Under 25s	24.0%	24.7%	Achieved.
Course retention rate – (TEC EFTS) level 4 and above	Total	85.0%	86.5%	Achieved.
	Māori	80.0%	79.1%	This outcome improved by 0.4% on 2007 levels.
	Pasifika	78.0%	75.5%	Historically, this measure fluctuates due to the relatively small numbers involved. The retention rate was 3.9% higher than the 2007 rate.
Course completion rate – (TEC EFTS) level 4 and above	Total	80.0%	78.5%	The completion rate decreased by 0.5% on 2007. The target set is a stretch target.
	Māori	73.0%	71.0%	This increased by 0.5% on 2007 levels, insufficient improvement to meet the stretch target set.
	Pasifika	72.5%	61.1%	The target was set based on the 2006 achievement. This outcome is 0.7% lower than that achieved in 2007. Due to the relatively small numbers involved, the outcomes for Pasifika are prone to significant fluctuation.
1st-year attrition rate – (TEC EFTS) level 4 and above	Total	44.0%	44.2%	Outcome is the same as for 2007. The target set is stretch target.
	Māori	52.0%	47.5%	Achieved.
	Pasifika	40.0%	41.8%	Outcome is lower than achieved in 2007. Due to small numbers involved, this indicator is prone to some fluctuation.
Percentage of TEC students in employment or further study six months after completion	Total	95.0%	92.4%	This increased by 0.9% in 2008 to 92.4%.
	Māori	95.0%	90.9%	In 2008, 90.9% of Māori graduates surveyed were in employment or further study. Due to the moderate numbers involved there is some fluctuation in these figures from year to year.
	Pasifika	85.0%	100.0%	Achieved.

Investment Plan KPI	Subgroups	2008 Target	2008 Actual	Comments
Two-year qualification completion rates for 1 EFTS programmes (TEC EFTS) Level 4 and above	-	36.0%	33.3%	A slight decline in the proportion of the 2007 cohort returning to Wintec in 2008 has resulted in a reduction in the overall completion rate.
<i>Māori</i>				
Māori enrolments (TEC EFTS) as % of total TEC enrolments	-	20.0%	22.7%	Achieved.
<i>Pasifika</i>				
Pasifika enrolments (TEC EFTS) as percentage of total TEC enrolments	-	3.5%	3.5%	Achieved.
<i>Stakeholder satisfaction</i>				
Student satisfaction rate (TEC EFTS)	-	85.0%	79.4%	In 2008, a new methodology for implementing this survey was utilised while the target was based on the previous methodology. This significantly affected the response rate and sampling error for the survey. The margin of error at 95% confidence interval is now 2.6%. As a result comparison with previous year's result is difficult.
<i>People</i>				
EFTS: Academic staff FTES ratio (excluding online EFTS)	-	17.4	17.8	Achieved. Growth in core domestic EFTS, increased international students and staffing reductions have resulted in an improved EFTS to academic staff ratio.
Total staff expenditure (\$M)	-	32.25	35.17	2008 target was based on preliminary and conservative financial modelling which excluded significant revenues and associated costs.
Total staff expenditure as % of revenue	-	48.9%	49.4%	Targets set assumed greater staffing cost reductions than necessary based on conservative financial modelling.
<i>Finance</i>				
Total TEC revenue (\$M)	-	41.39	41.70	Achieved. Increase driven by funding for additional TEC funded projects.
Total revenue (\$M)	-	65.97	71.23	Increased revenue due to growth in core domestic EFTS and increased international students. This is partially offset by increased costs associated with student growth.
Total expenditure (\$M)	-	65.94	71.35	
Surplus/Loss (before extraordinary) (\$M)	-	0.02	0.87	
Surplus/Loss as % of revenue	-	0.00%	1.23%	Improved operational performance through increased revenue streams.
EBITDQ (Earnings before Interest, Tax, Depreciation and QRP)	-	5.42	5.48	Achieved.
Per cent of planned TEC EFTS achieved	-	97%-103%	98.96%	Target achieved and also resulted in delivery of 100.25% of Student Achievement Component funding. Funding capped at 100%.

2008 Statement of Service Performance Wintec's Business Plan KPIs

KPI	2008 Target	2008 Actual	Comments
<i>Customers and Stakeholders</i>			
<i>International</i>			
International course completion rate	80.0%	84.0%	Achieved.
1st-year International attrition rate	34.0%	31.6%	Achieved.
International student satisfaction rate	70.0%	65.9%	In 2008 a new methodology for implementing this survey was utilised. This significantly affected the response rate and sampling error for the survey. As a result, comparison with previous year's results is difficult. In addition, low sample size with international students makes these results prone to fluctuation.
<i>School leavers' market</i>			
Per cent of region's school leavers from preceding year attending Wintec in preceding or current year	10.5%	13.6%	Achieved.
<i>Outlying region market</i>			
Per cent of region's outlying school leavers from previous year attending Wintec in preceding or current year	7.8%	9.9%	Achieved.
Number and % of total enrolments originating from within region, outside of core region	Baseline to be established		Due to data constraint issues, this indicator was not implemented.
<i>Stakeholder satisfaction</i>			
Graduate satisfaction	78.0%	79.1%	Achieved.
ITO satisfaction	baseline to be established	90.0%	First year of measurement for this indicator.
Employer and industry satisfaction	baseline to be established	80.3%	First year of measurement for this indicator.
Advisory committee satisfaction	baseline to be established	63.6%	First year of measurement for this indicator applied to the newly established Employer Partnership Groups.
<i>People</i>			
Per cent of staff above TTH (or workload) target	baseline to be established		Development of this indicator was delayed to allow for alignment with the sector benchmarking project. This indicator will be further developed during 2009.
Total staff expenditure as % of total expenditure	48.9%	49.4%	Movements of expenditure from contracted delivery payments to some increased staff costs reflecting growth in taught student numbers resulted in a higher proportion of staff related expenditure.
<i>Finance</i>			
International fees revenue (\$M)	4.00	6.65	Achieved. Outcome reflects higher than budgeted volumes of international students.
Domestic fees revenue (\$M)	12.00	12.35	Achieved. Outcome reflects the increase in fee paying student volumes.
ITO revenue (\$M)	3.70	3.87	Achieved. Outcomes reflects an increased number of block courses undertaken.

KPI	2008 Target	2008 Actual	Comments
Commercial and other revenue (\$M)	4.88	4.81	Lower than expected demand for some services.
Debt/Equity	0.12	0.11	Primarily driven by increase in equity associated with the December 2008 asset revaluations.
Operating cash inflow/operating cash outflow (ratio)	1.16	1.09	Higher accounts receivable than planned.
Working capital ratio	0.49	0.65	Improved year end performance and lower debt and liabilities than planned have contributed to a better than planned result.
Public equity to total assets (ratio)	0.85	0.90	Driven by higher equity as a result of asset revaluations.
Domestic tuition fees (TEC):EFTS (\$ per EFTS)	2,501	2,427	Slightly lower mix of provision compared to plan was offset by increased volume in fee paying students.
International tuition fees:EFTS (\$ per EFTS)	13,072	13,402	Achieved. Outcomes reflects a slightly higher price mix with international students than planned.
ITO revenue:EFTS (\$ per EFTS)	3,791	3,165	The revenue stream is primarily based on block courses rather than number of students and therefore revenue per EFTS will fluctuate. Increased ITO revenue streams occurred in 2008 which raised total revenue, but lowered revenue:EFTS compared to plan.
Commercial and Other EFTS related revenue as percentage of total revenue	7.4%	7.4%	Achieved.
International fees revenue as a percentage of total revenue	6.1%	9.3%	Achieved. Outcomes reflect higher international student numbers.
PBRF research revenue (\$)	\$ 479,000	\$ 489,705	Achieved.
Value of external research contracts gained (\$)	\$ 225,000	\$ 194,061	Fewer external contracts were agreed than planned.
<i>Systems and processes</i>			
Per cent of QRP revenue received	100%	100%	Achieved.
Facility utilisation	60%+	49%	Overall utilisation increased by 5% to 49% in 2008. It is expected to reach the 60% target, set for the 2008-2010 Investment Plan period in 2009 as the building redevelopment programme continues.
<i>Research</i>			
Absolute number of research outputs	400	420	Achieved.
Quality weighted score of research outputs	1,320	1,200	Although total number of outputs was reached, the total quality weighted score of all research was lower than planned as some large, heavily weighted outputs were not completed.
Per cent of total research funded in collaboration with industry to facilitate technology transfer	5%	11%	Achieved. This was the first year of operation of the technology transfer fund and a higher rate of uptake than expected was achieved.
<i>Process performance</i>			
Conversion rate - offer of place: accepted (domestic)	baseline to be established	98%	This measures the conversion of enrolments from offers of place made to students, to accepted enrolments by those students. In 2008, 98% of those students offered a place at Wintec accepted those offers.

Equal Opportunities

Wintec continues to maintain a strong focus on the review and continuous improvement of our Equal Employment Opportunities (EEO) and Equal Education Opportunities (EEoO) activities and performance.

Equal Employment Opportunities

The focus for 2008 was to further integrate and promote EEO into Wintec culture. This has been progressed through a range of initiatives including:

- Informing Wintec employees of EEO objectives, activities and resources
- A focus on improving our recruitment application forms by providing bilingual translations
- Cultural events and support for Māori and Pasifika staff and students at Wintec
- Formal Māori Welcome, Pōwhiri
- Orientation, Graduation, Matariki, Māori Language Week, Māori King's Coronation, National Kapa Haka Event, Waitangi Celebrations, Kawhia Kai Fest, International Week Celebrations, and Whānau Day.

Wintec's focus for 2009 is for different departments and staff to collaborate on agreed objectives to further progress Wintec's EEO vision.

Mainstream Employees

Wintec has continued its participation in the Mainstream Employment programme by working with community agencies to facilitate employment at Wintec for people who have a significant disability. Currently Wintec has mainstream employees in the School of Health and the Information Technology Services unit.

*Ethnicity of Employees – 2008

Ethnicity	Number	Per cent
NZ European/Pakeha	395	63%
Māori	63	10%
Indian	10	2%
Pasifika	9	1%
Chinese	8	1%
Other European	8	1%
Other Asian	3	1%
Other	132	21%

Equal Education Opportunities

Supporting People with Disabilities

Student Learning Services continued to offer a high level of support for students who disclosed a disability and required support in 2008.

In total, 946 students disclosed impairment, all of whom were contacted for follow up. Overall, support was provided to 358 students (63% more than in 2007).

A total of 4291 hours of note-taking support was provided by 25 staff during the year. Over 360 hours of support was provided to 32 students assessed as having a learning difficulty. Nine reader/writers were utilised during the year.

2008 saw a significant increase in the number of disability parking areas provided, and a 22% increase in the number of mobility parking permits issued and managed.

Te Kete Kōnae – Māori and Pasifika Learning and Support Centre

Te Kete Kōnae provides a central place where Māori and Pasifika students can be part of a positive support environment based on whanaungatanga, inclusiveness and sharing. Services include: academic and learning support, pastoral care, cultural support, counselling, marketing and recruitment activities, scholarship information, and information and advice related to their studies at Wintec. Wintec staff also participated in a number of Māori and Pasifika related events.

Learning Support – Student Learning Services (SLS)

Wintec provided specialist learning support services through academic tutoring for 1:1 and small group sessions, peer tutors, reader/writers, and study skills workshops and courses. These services were coordinated and delivered by Student Learning Services. Formerly known as the Tertiary Studies Skills Centre, the unit was reorganised during 2008 as part of a wider restructure to further improve overall service delivery.

More than 1,374 students utilised SLS services in 4,729 learning support sessions. 115 students also attended study skills courses, while a further 84 study skills workshops were offered.



Acknowledgements

Wintec gratefully acknowledges the support of:

The Gallagher Group.

BNZ for their scholarships.

Education Export Innovation Programme (EEIP) in respect of the Peking No 3 Midwifery training programme, which Wintec is implementing in China.

Enterprise New Zealand.

Innovation Waikato as a supportive project partner.

AgResearch, AgriBusiness and AgITO.

Hamilton City Council, for its participation in a range of projects including campus developments, SODA Inc. and a range of other planning and development activities.

The Otorohanga, Waitomo and Thames Coromandel District Councils for their support of our satellite campuses.

Habitat for Humanity for its ongoing association with Wintec with community projects.

The following Crown agencies for their support with a host of regional initiatives and planning and development advice:
Department of Labour, Ministry of

Social Development, New Zealand Trade and Enterprise.

Fairfax Ltd, for partnering with its journalism internship.

Our Tertiary Education Alliance (TEA) partners: Waiariki Institute of Technology, Bay of Plenty Polytechnic, Western Institute of Technology at Taranaki, Tairāwhiti Polytechnic.

Sport Waikato for its support and collaboration especially over the Sport House building project.

Employers and Manufacturers Association and Waikato Chamber of Commerce for their support of our business development and regional engagement initiatives.

Waikato District Health Board for its collaboration and assistance with health services provision.

Tainui and Tainui Group Holdings for their support over campus developments, awards and scholarships, targeted provision initiatives and for providing invaluable advice and support.

Tertiary Advisory Monitoring Unit (TAMU) for its support with our campus developments.

TEC for its support of Wintec's ongoing change management programme and Quality Reinvestment Programme funding.

Motorsport New Zealand for its support of our Motorsport initiatives.

The many sponsors of our various events, scholarships and awards.

The many suppliers of goods and services to Wintec.

TEC regional office for its support of Māori and Pasifika initiatives.

Te Puni Kōkiri for advising on Government policies on Māori and Pasifika development.

The many Pasifika community groups in the region for their support of Pasifika initiatives and Pasifika students in general.

Perry Foundation for scholarships in the motor industry.

Schneider Electric for their support in our electrical programmes.

The many social service agencies and organisations who support our programmes and offer fieldwork practicum and work experience to our students.



