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# **Unitec Annual Report**

experience REAL WORLD LEARNING

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# **Key Results 2004**

- Modest growth in domestic effective full-time students (EFTS) offset much of the decline in international EFTS experienced throughout the New Zealand tertiary sector, creating an end of year result slightly ahead of our target at 10,271 EFTS.
- Annual accounts consolidated loss of \$1.5 million, but with infrastructural investments made during the year putting us in a good position to achieve sustainable positive financial outcomes in future years.
- Major structural changes introduced to ensure that Unitec can deliver the undertakings set out in the Charter and Profile as a dual-sector institution.
  - Matrix structure consisting of three Divisions and 17 Schools
  - Focus on the core business of teaching and learning, informed by research and practice
  - New administrative structure focuses on a shared services model.
- University application resumed in June 2004 with the lodging of a formal request for NZQA to reactivate the processing of our 1999 submission for university designation.
- Major progress on the development of our second campus at
   Waitakere, with an investment of \$30 million. The new library and
   teaching block, now well underway, are due for completion in 2006.
- Research capability strengthened through the establishment of a Research and Advanced Practice Committee.
- Internationalisation has focused on the development of new links and collaborative ventures, including joint programme delivery and offshore delivery of Unitec programmes.
- Real world education focus differentiates us from other tertiary education providers, and provides work-ready graduates with professional and vocational skills that are highly sought after in New Zealand and throughout the world.
- Our dual-sector university education commitment represents a major and distinctive contribution to the implementation of the Tertiary Education Strategy set out by the Government.

United inspires people to discover and apply their intellectual and creative potential and contribute responsibly to their societies and cultures.

# **Distinctive Character**

As an integrated dual-sector institution, with both national and international frames of reference, Unitec is committed to offering programmes from certificates to doctorates, across a wide range of professional and vocational areas, and thus to providing:

- access for learners from all educational backgrounds and age groups;
- opportunities for learners to progress from one level of qualification to another while remaining within a single organisational culture; and
- parity of esteem for students and programmes in vocational education and higher education.

This balanced and continuing commitment to postgraduate and degree-level study on the one hand, and to vocational education and training on the other, distinguishes Unitec from other universities and institutes of technology in New Zealand.

Unitec fosters an institutional culture in which innovation and enterprise are expected and rewarded, and is committed to providing graduates with the knowledge and skills to face the challenges of the future and to live in a multi-cultural world.

Unitec recognises and celebrates the diverse backgrounds of its students and is committed to providing them with a socially, culturally and spiritually responsive environment. In particular, Unitec seeks to provide excellent academic and pastoral support for, and to interact with, students in whatever ways best suit their learning needs.

Unitec has a distinctive guiding principle based on educating people for work, in work and through work.

- Educating people for work is manifest in the vocational and professional outcomes for all Unitec programmes and the active and responsive interactions that take place with key industry, professional and community groups to shape the curricula.
- Educating people in work is reflected in the special focus that
   Unitec has on adult learners who are already in the workforce and
   who seek to change or enhance their careers.
- Educating people through work is demonstrated by a commitment to offering students at all levels access to credit-bearing, work-based educational opportunities.

Unitec has an educational philosophy based upon the nexus between excellence of teaching, relevance of research and currency of practice.

Unitec focuses upon applied research that serves educational, social and economic goals, regionally, nationally and internationally.

Unitec is committed to sustainable development, and seeks to apply the principles of sustainability in its teaching and research, and in developing an eco-campus environment that enhances the learning experience.



# Year in Review

For the year ended 31 December 2004

MALIA JOHNSTON | Performing and Screen Arts You are trained by professionals who really encourage you to follow your creative pathways and search for your individuality within the industry.

# **Chairman's Report**

The annual report of Unitec New Zealand for 2004 represents our first chance to set out the progress we have made towards meeting the commitments set out in our Charter and Profile, and records our contributions to the economic, social and cultural development of New Zealand.

As a council, we have sought to ensure that our clear commitment to dual-sector education has been reflected both in our decisions as to Unitec's strategic direction and in our routine governance of the institution over the past year. The alignment of academic and administrative structures to support the dual-sector model has been a tremendous achievement. We are now much better placed to bring the Charter to life and, as required in our mission statement, to inspire people to discover and apply their intellectual and creative potential, and contribute responsibly to their societies and cultures.

After more than five years of delay, our application for university assessment under the Education Act, lodged in August 1999, has been reactivated. We are, of course, disappointed that we had to resort to legal pressure to achieve that outcome. For over 10 years we have pursued a consistent strategy of moving towards university status. Our Statement of Strategic Purpose reinforced our intention: ...to become an enduring dual-sector university.

In pursuing that goal, Council has sought to strengthen our points of difference, capitalise on growth opportunities and improve our financial viability. A great deal of progress has been made in 2004 in implementing strategies that ensure we can deliver those outcomes.

Once again, Unitec has achieved over 10,000 EFTS and maintained a strong domestic as well as international focus, despite the adversities experienced in the latter market. Such results offer sound testament to the success of our direction. The focus on real world learning produces graduates who are not only work ready, but also have a broader set of vocational and professional capabilities in areas much in demand by our business, industry and community stakeholders.

The year has not been without difficulties. We have again had to face the cost pressures associated with running an institution that provides a wide range of specialised professional qualifications which address evolving stakeholder needs in an environment where our status continues to be anomalous. The shifting demand for programmes created major challenges for management in adjusting fixed expenditures to compensate for reduced revenue. In order to achieve longer-term goals, we have had to accept an operating deficit in 2004. However, we are confident that the investments made during the past year, including those in the new management structures and resources, will ensure that we return to an operating surplus in 2005 and subsequent years.

Sound financial and organisational management practices are vital to safeguard the public investment in Unitec. With this in mind, Council has approved the establishment of a Risk and Audit Committee to oversee risk management, monitor compliance and supervise internal and external audits.

It was with deep sadness that we mourned the loss of Alan Wood, Deputy Chair of Council and Chair of the Finance Committee, on 21 October 2004. Alan had served Council faithfully for 28 years in a variety of roles, but most significantly as Chair of the Finance Committee. His commitment to Council, staff and students has played a major role in the success that Unitec enjoys today. Alan's service was characterised by an extremely high level of personal integrity, unstinting commitment and dedication. His expert guidance of the financial affairs of the institution will be sorely missed. Our most sincere condolences are extended to his widow, Beth.

On behalf of the Council, I would like to once again thank Dr John Webster, our President and Chief Executive, for his dedication and leadership. This astute management, combined with the support of a capable and committed management team, has assisted Council in governing the institution. We are particularly grateful for his unrelenting commitment to the vision of Unitec as a dual-sector university.

I would also like to pass on thanks to my Council colleagues for their involvement over the last year. Each Council member brings to the table an extensive range of experiences and specialist knowledge that greatly contributes to the governance of the institution.

Thanks also go to the many people who have supported us throughout the year, and in particular to those who joined with us in our ultimately successful bid to remove the retrospective provisions from the Education (Establishment of Universities) Amendment Bill. These provisions were introduced with the express intention of again stopping us from receiving fair and equitable treatment in the matter of university designation.

We have achieved a great deal in 2004, and are confident that 2005 will see this purpose become a reality and many of our long held plans come to fruition.

Alan Dickinson Chairmain of Council

# **Chief Executive's Report**

#### 2004 in review

This has been a challenging year for Unitec. We have re-branded ourselves as Unitec New Zealand, restructured the institution to strengthen our commitment to continuing development as a dual-sector university, encountered significant changes in both our domestic and our international markets, begun development of a major second campus in partnership with a local authority, and succeeded in having our long-delayed application for designation as a university reactivated. These achievements have, of course, come at a considerable cost. In addition, we were unable fully to compensate for unexpected movements in demand towards less profitable programmes, resulting in part from our continued anomalous status as a polytechnic, by reducing fixed expenditures as quickly as might ideally have been wished. Our annual accounts thus show that we returned a consolidated loss slightly in excess of \$1.5 million dollars. The underlying issues have been addressed, however, and our operating accounts will return to surplus in 2005.

The year has seen major structural changes at Unitec, as we aligned the organisation to ensure that we can deliver on the undertakings given in our Charter and Strategic Plan. We have put in place a matrix structure consisting of three Divisions and 17 Schools. The new structure, which is discussed later on in this report, has facilitated our programme development, enhanced quality assurance and helped us to address the strategic relevance of the programmes offered through the Schools. We have been able to focus closely on our core business of teaching and learning, informed by research and practice, and directed towards professional and vocational ends. We have also placed an increasing emphasis on improving student success and retention.

To complement the new academic structure, we completed a major review of administrative services and support functions. The outcome of this review was a new administrative structure, implemented from July 2004 and based firmly on a shared service model. The benefits of this structure are already starting to become evident as we move into 2005.

During the year, we also made considerable progress on developing our Waitakere Campus. This major project will extend for almost a decade and address long-standing regional needs for access to multifaceted tertiary education. It will encourage business, industry and community development and lead to the progressive revitalisation of the Waitakere City centre. The initial stage of the project includes a unique shared-use community and academic library.

Finally, as a major step towards achieving our long-term vision, we have, after five years of sustained pressure, succeeded in having our application for assessment as a university reactivated. The application was originally lodged in August 1999, but the New Zealand Qualifications Authority (NZQA), with direction from the Associate Minister of Education (Tertiary Education), suspended processing in May 2000. We look forward to having this matter resolved fairly and equitably in 2005.

In 2004, we offered a comprehensive range of programmes extending from trade certificates to the Doctor of Philosophy and Doctor in Computing. We continue to deliver innovative programmes that

cater for the specific needs of those who are commencing their career, seeking a career change, or engaging in continuing professional development within their chosen career. Our leadership in vocational and professional education, and close links with business and industry ensure that our portfolio of qualifications remains relevant and accessible. Our special focus on real world education distinguishes us from other tertiary education providers, and provides work-ready graduates with professional and vocational skills that are highly sought after in New Zealand and throughout the world.

We remain dedicated to dual-sector university education, and believe that this commitment represents a major and distinctive contribution on our part to implementing the Tertiary Education Strategy (TES) set out by the Government. By international standards, we already operate as a highly effective dual-sector university, and have a significant level of de facto recognition internationally. Surely, official recognition of our true standing and the importance of maintaining and expanding the opportunities we provide for students to progress seamlessly between the various levels of education, cannot be denied for much longer.

#### **Enrolments and funding**

During 2004, we experienced continuing modest growth in domestic student numbers although, like many other tertiary providers, we suffered a sharp drop in international student numbers. This has been caused by a range of external factors, including heavy investment by other countries in their domestic higher education systems, adverse exchange rates and changes in immigration policy. Our total student load, as measured by Equivalent Full-time Students (EFTS) consequently dropped slightly by 1.6% from 10,437 EFTS in 2003 to 10,271 EFTS in 2004.

We had largely predicted this reduction, with our budgeted outcome having been only 10,118 EFTS, and we expect that more normal growth trends will resume in the future. Despite the flattening in total demand, more than 50,000 students enrolled in Unitec's 146 programmes of study, with over 15,000 of them being enrolled in formal programmes. These high total enrolments reflect the fact that we had the national contract to administer and moderate Site Safe training. Relevant training and assessment services under this scheme were delivered to some 32,000 students, and made a major contribution to reducing death and injury on New Zealand's construction sites. However, the programme accounted for only 400 EFTS.

Our funding situation has continued to be extremely tight. The capacity to charge tuition fees is subject to stringent government controls, although we would, in any case, have tried to maintain fees at levels that are affordable to our students. Increasingly, the combination of controlled tuition fees and student component funding is not sufficient to meet the costs of provision, particularly in sectors that require specialised teaching and learning resources. These areas often involve occupations and industries where there are considerable skill shortages in the labour market and where increasing the supply of graduates would be greatly applauded.

### University designation

In June 2004, we lodged a formal request to have the NZQA resume processing of our application for university designation, which had originally been submitted in August 1999. After five years of little or no progress, an expert panel appointed by the NZQA finally assessed the merits of our application in March 2005.

While awaiting the outcome of this test with confidence, we faced the threat of retrospective legislation that could have set aside the assessment, whether or not the expert panel decided that we demonstrated the characteristics of a university as defined in the Education Act. However, as this report was being written, we learned that the Select Committee on Education and Science had recommended that the retrospective provisions be removed from the Education (Establishment of Universities) Amendment Bill and that the characteristics of a university should remain as currently defined.

That outcome was, of course, very pleasing. We firmly believe that our students, our graduates and the communities we serve would benefit significantly if Unitec were designated as a university with particular responsibility for delivering vocational and professional education and training ranging from certificates to doctoral studies. Designation would materially help us to address regional, national and international needs. Submissions to the Select Committee indicated that many other stakeholders share our vision and our confidence that designation as a university would:

- recognise the benefits a teaching-led, research-informed dual-sector university can bring to students
- acknowledge the unique contribution seamless education makes to achieving national goals
- enhance access to university education to people for whom it has traditionally been denied
- = secure the integrated delivery of professional and vocational education in the region
- contribute to the social and economic development of the region and the country
- confirm the value and standing of the work of students and staff members
- = remove barriers to the export of dual-sector educational services.

Such recognition would greatly assist us to address the priorities established under the TES and contribute to both regional and national development. Unitec could be expected to take a wider national role and become an important node in the international network of dual-sector universities and universities of technology. In any case, Unitec would remain firmly committed to:

- teaching that promotes critical thinking and intellectual independence
- applied research that informs teaching by seeking real solutions to real problems
- qualifications that are relevant and current and assist graduates towards self-deployment
- flexible pathways for personal and professional development by students and graduates
- partnerships with industry, the professions, the community and governments
- = continued leadership in vocational and further education
- = international standards of excellence in all our activities.

We are strongly committed to being an institution that operates primarily at the university level but, at the same time, maintains a substantial and enduring commitment to vocational education and training. This dual-sector model offers particular opportunities for learners, and especially adult learners, that cannot be delivered through traditional universities or polytechnics. These opportunities arise from the establishment of seamless pathways between higher education and vocational education and training, and the extensive mutually beneficial teaching and research interaction between sectors. Recent figures suggest that up to 50% of Unitec students make use of such pathways.

Since our application was lodged in 1999, we have made significant progress against the established university benchmarks, both quantitatively and qualitatively. We are confident that we meet the criteria as outlined in the Education Act for university status. We hope that this matter can be resolved in a fair and timely manner, and that we can return to our normal situation of working closely with the Government, without the disputes and distractions of the past few years.

# The university plan – academic and administrative restructure

Building on the major reorganisation we began in 2003, we completed and implemented a substantial reorganisation of administration and management throughout the institution. In previous years, rapid and sustained growth at Unitec had been supported by a strong faculty structure. While the model worked well during this growth phase, we had to adapt to survive and prosper in a system characterised by increased levels of government intervention. We have, therefore, built new structures and mechanisms to enable us to maximise our capacity to deliver the services needed by students and comply with the needs of a large and diverse community of stakeholders. We also sought to reflect the business imperatives for Unitec to:

- = develop as a dual-sector university
- = build on our strengths and disseminate best practice
- = increase the level of choice and flexibility available to students

- reduce administrative and academic overhead costs
- = become more strategic in our key academic investments
- = address parity of esteem for our graduates.

This new academic structure, reflecting our dual-sector commitment, took effect from 1 January 2004, and is based around three Divisions, each responsible for designing, developing and arranging for the delivery of a particular category of academic programmes and services. The Divisions cover:

- Postgraduate Studies, responsible for postgraduate education and research
- Undergraduate Studies, responsible for education at bachelor degree level
- Vocational Education and Training, responsible for education at polytechnic level

The Divisions interact through a matrix structure with 17 discipline-based Schools, each being responsible for delivering teaching and research services across a cognate range of disciplines and industry sectors. The Schools were subject to significant consolidation in 2004, with some further consolidation being anticipated in 2005.

The Schools currently cover:

- = Accounting, Law and Finance
- Applied Technology
- = Architecture and Landscape Architecture
- = Communication
- = Computing and Information Technology
- = Built Environment
- Design
- = Education
- = English and Applied Linguistics
- = Foundation Studies
- = Health and Community Studies
- = Languages
- = Management and Entrepreneurship
- = Natural Sciences
- Performing and Screen Arts
- Puukenga
- = Sport

A new administrative and support services structure was developed following extensive discussion and consultation, to ensure that services could be delivered in a manner that reflected and enhanced the new structure. The major driver of administrative review was to deliver effective student support and school administrative support. The new structure was implemented from 1 July 2004.

The emphasis was to build high performing administration teams, based within Schools, which remain close to the students and the programmes that are provided. Each team is led by and managed through a School Administration Manager who reports to the relevant Head of School. Centrally managed teams provide close support in areas such as student administration, human resources, finance, marketing, IT and facilities management, and operate on a shared services model. Further units were established to: deal with staff

training, mentoring and development; implement appropriate policies and procedures; offer specialised legal advice; handle audit and risk assessment; and provide planning services.

Our focus on corporate management was sharpened by the establishment of a new position of Deputy President, Corporate Services, who is responsible for planning and leading Unitec's administrative, technical, physical and financial development. In October 2004, we welcomed Richard Handley to this position. Richard has had extensive experience at senior level in a number of large corporate organisations.

Another significant development was the establishment, within the Corporate Services portfolio, of the position of Director of Student Affairs, with responsibilities extending across all aspects of student life on campus. These include delivering all non-academic student support services and managing the key administrative services that had previously been devolved to Faculties.

Unitec has committed to organisational development by investing in Employee Services and People Capability units, which are focused on developing managerial capability and performance at all levels within the organisation. We are developing a cohesive infrastructure to capture and provide ready access to organisational information, while creating more comprehensive policies and re-engineering business processes to support the effective and efficient delivery of academic and administrative services.

#### Teaching and learning initiatives

As a dedicated dual-sector institution, we occupy a unique place in the spectrum of tertiary institutions in New Zealand. Academic staff members have a firm commitment to teaching that is informed by research and practice. Early in 2004, we launched an initiative entitled Conversations in Teaching and Learning to encourage staff members to reflect upon their teaching practice and link practice and pedagogy to our mission and our Charter commitments.

The culmination of these conversations was an extremely successful two-day teaching and learning symposium in November. This included four keynote addresses by speakers from Australia, the US and Unitec, as well as 31 presentations by Unitec staff members. Workshop sessions set principles to underpin our teaching and learning. These principles will be further developed and employed to guide and evaluate curriculum development, staff development, teaching awards and other teaching and learning activities at Unitec.

#### The Library

During 2004, the Library placed more emphasis on the ability of its collection to provide substantial support for research, to assist our drive for university status and improve our Performance Based Research Fund (PBRF) rating. To support this, Unitec has joined the National Library of Australia Kinetica interloan scheme, as well as arranging with the National Library of New Zealand to provide access to university-level collections.

Other highlights included the implementation of a new Library Information Management system, providing full catalogue services to users together with 24-hour access to on-line resources for students both on and off campus. We now have 14,000 on-line journals, and have introduced books on-line with eBrary, Books 24 x 7 and Net Library that have made 15,000 additional academic books available to users. The Library has also taken a lead role in negotiating database consortia for the polytechnic sector. As part of the commitment to Te Noho Kotahitanga, a specialised Maori collection, Te Kohinga Maori, has been established and is proving very popular.

#### Academic development

The Academic Development Unit (ADU) is responsible for curriculum design and review, academic staff development and maintenance of the quality management system. In 2004 ADU was expanded to service the needs of the three Divisions and their associated Boards of Studies. In addition, it oversees systems for moderating assessment, programme review and the self-monitoring of all Unitec degrees.

Throughout the year, emphasis has been placed on the development of academic staff and academic policy, with new policies being developed for offering Unitec courses and programmes overseas, setting NCEA equivalencies for programme entry and establishing English language entry requirements.

#### Real World Learning

Experiential or practice-based learning is a key component of the Unitec Charter and brand. This has been incorporated into the academic structure with the appointment of an Associate Dean in the Undergraduate Division to advance our work in this area and to lead developments in this type of learning across Unitec. During 2004, a register of all practice-based learning within Unitec was compiled and this indicates that the brand is well supported by practice in our programmes.

Unitec has been accepted as a partner institution of the World Association for Co-operative Education (WACE), an international organisation devoted to promoting Work Integrated Learning (WIL) programmes worldwide. The organisation brings together specialists in economic development from more than 40 countries, along with academic and corporate leaders, to examine the impact of WIL on global workforce development. Unitec is the only partner institution based in New Zealand and is making a substantial contribution to the development of the academic community in the Asia-Pacific region. We were the principal sponsors of the Asia-Pacific Co-operative Education conference held in Auckland. To facilitate continuing developments in this area, several key enterprise-enterprise relationships are being developed between Unitec and major employers in the Auckland region to enhance work placement opportunities for students.

#### Programme portfolio development

Unitec undertook a range of programme developments during the year as we moved progressively to refine our dual-sector portfolio of qualifications. We continue to push boundaries through innovation, meeting emerging needs in the market for technologically up to date education that can be directly applied in a broad range of industry and community based settings. Our portfolio was as follows:

Doctorates	2	Graduate diplomas	9
Masters degrees	14	Diplomas	18
PG diplomas and certificates	7	Certificates	44
Bachelors degrees	21	Bachelor degree majors	43

Only success in ensuring that our qualifications are extremely relevant in the work place has enabled us to survive in a climate where we are disadvantaged by not being able to assert university standing for our degrees and postgraduate awards. Our professional postgraduate programmes stand as a clear testament to our success, with a significant proportion of our graduates having been employed in highly related areas during their study.

Several new programmes began in 2004. These included the Master of Professional Accountancy, the only professional postgraduate accountancy degree in New Zealand, the Master of Business and the Postgraduate Diploma in Business, with specialisations in technology management, business transformation or international business, and the Postgraduate Diploma in Professional Accountancy. The Bachelor of Applied Technology, the only degree available in New Zealand designed specifically for students holding trade qualifications at the point of entry, was also offered for the first time in 2004. Other programmes approved by the NZQA in 2004 included the Master of Social Practice, developed primarily to provide ongoing professional development opportunities for advanced social practitioners within a trans-disciplinary framework.

#### Campus development

Campus development has continued to be a priority as we keep pace with the increases in enrolments that have been experienced over the past five years. During this period, we have invested almost \$50 million in world-class facilities for our students. Last year was no exception, as we carried forward our marae development and began construction of our largest project to date, the Teaching and Learning Complex at our Waitakere campus.

We were particularly delighted to receive a donation of \$1.2 million towards our marae from the ASB Bank Community Trust. The marae, taking shape under the direction of our Tangata Whakairo, Lyonel Grant, will create a heart and spiritual centre to the campus. The donation has meant that we should be able to complete the project by March 2006.

Our Natural Sciences building won the New Zealand Institute of Architects Resene Local Award for Architecture 2004. The jury commented that the building, designed by Mitchell and Stout Architects, was strong, positive and had clearly defined forms. The building, constructed in concrete, stained plywood and glass, is arranged around a natural green courtyard. Judges commented that

the building was a real gem, warm and inviting with a real sense of place and community for staff and students.

In March, we opened our new fale in a ceremony attended by our own Prime Minister and by the Prime Minister of Samoa. This grand occasion included a Maori welcome and a kava ceremony. The fale, designed and constructed using traditional methods, provides a magnificent new dimension to the campus.

### Waitakere Campus

As part of our focus on access, equity and regional development, we are now making a \$30 million investment to serve communities in Waitakere and other parts of West Auckland. Many students in this area belong to Maori, Pasifika, recent migrant or other groups that have been under-represented in tertiary education. We expect significant growth, based on addressing this long-standing disadvantage and meeting urgent business, industry and community needs. Our student statistics show that around a quarter of our current students enrolled in formal programmes live in Waitakere City.

Our presence in Waitakere continues to grow as we offer additional programmes of study through our campus. In 2004, the campus was responsible for a student load of 358 EFTS in certificate, diploma and degree programmes covering the following areas:

- = Business administration and computing (certificate)
- = Electrotechnology (certificate)
- New start (foundation programme)
- = English for new residents (certificate and diploma)
- Community skills (certificate)
- Not-for-profit management (graduate diploma)
- Mental health (national certificate)
- = Nursing (degree selected year 2 and 3 papers).

Unitec is collaborating with Enterprise Waitakere, the Waitakere Education Sector Trust and the Adult and Community Education network, to identify the key educational resources and needs in the city and determine how we can best contribute to mobilising the resources available and meeting community needs. Particular attention has been paid to supporting the many small and medium businesses that currently comprise the most important growth sector in Waitakere.

A new library and teaching block, developed in a joint venture with Waitakere City Council and located adjacent to our existing leased premises in the Henderson central business district, is due for completion in 2006. It is our intention that the Bachelor of Nursing and Bachelor of Social Practice programmes will be taught entirely at these premises from 2006 onwards, primarily to meet the needs of local agencies. This migration began with nursing this year and has so far proved successful.

The project includes teaching facilities purpose-built to meet the learning needs of students enrolled at Waitakere, and a joint academic and community library. Combining tertiary study with the provision of community library services is an interesting outcome of the partnership approach. By integrating these functions, we intend to make the education we provide more accessible to many people in Waitakere who have not previously had the opportunity to participate in post-school education and training.

Finally, Unitec and Massey High School have signed a Memorandum of Understanding to investigate the possibility of establishing a Senior College, with the working title of Westgate Collegiate. The new entity would offer students access to an appropriate blend of secondary and tertiary programmes.

#### Internationalisation

Unitec continues to be a significant player in the New Zealand export education market. In 2004, our international student load was 2,526 EFTS, a decrease of seven percent over the 2003 figure. This was a good performance given our continuing lack of official university status, the reduction in students coming to New Zealand after the 2003 SARS outbreak, and the sharp rise in the New Zealand dollar. Students from over 85 countries enrolled in programmes that extended from short courses through to certificates, diplomas, degrees and postgraduate qualifications.

United strongly supports the internationalisation of education, which we see as being vital in the context of the global economy and as making positive contributions to our development, social environment and operating efficiencies.

While the financial impact of exporting education is obvious, internationalisation requires far more than just recruiting international students. During the year, we focused on developing international links, enhancing our curriculum, expanding our portfolio of offshore programmes, recruiting international students, delivering research and consultancy services, and fostering staff and student exchanges.

New links and collaborative ventures, typically designed to deliver joint programmes or arrange for the offshore delivery of Unitec programmes, were established with several overseas universities. For example, we reached agreement with China's Nanchang University on the design and delivery of architecture programmes that will allow students to qualify for degrees from both institutions. Similar agreements are in the late stages of negotiation with three other Chinese universities specialising in architecture and construction. Our Diploma in Sport and Fitness Education is being delivered through the National University of Samoa. This is expected to be the first of several programmes to be delivered through joint ventures in both Auckland and Samoa. We have also developed a double degree with Tec de Monterrey in Mexico involving the Bachelor of International Communication. We have made effective credit transfer arrangements with several international universities, enabling their students to progress seamlessly to study at Unitec based on preliminary work in their home institutions.

There has been a significant increase in student and staff exchanges with countries such as Korea, American Samoa, Western Samoa, Mexico, Japan and Sweden. There are already opportunities for students from our School of Languages to study abroad with the assistance of a scholarship system, with Japan and Germany being the most popular destinations.

While most international activity has occurred at university level, we are attracting increasing numbers of international students to vocational education and training programmes, and have built relationships with relevant international bodies and institutions. These have been particularly effective when the overseas institutions share our dual-sector mission. For example, our long-standing accord with RMIT University in Melbourne has facilitated substantial collaboration at Vocation, Educational and Training level.

#### Graduates 2004

A record 837 people graduated from Unitec in the graduation ceremony in April 2004. To accommodate everyone, this meant shifting the ceremony from its usual venue on the Mt Albert campus to the Auckland Town Hall. Among those graduating were 17 people who officially became the first New Zealand-trained osteopaths when they received their masters degrees. And a record number of Maori graduands participated in a kahurangi (or celebration of excellence) on the evening before their graduation. Certificate and diploma ceremonies were also held during graduation week, with each occasion being designed to reflect the special character and culture of the students concerned and their qualifications. A Spring Graduation also took place in the Auckland Town Hall in September and, on that occasion, a further 224 students received their testamurs.

This year's annual survey of graduates confirmed that our programmes of study are strongly linked to labour market needs. Only eight percent of respondents who were working full-time were working in an area unrelated to their Unitec qualification. Over 84% were working in areas that were highly or moderately related to their Unitec qualification and a further eight percent were working in slightly related areas. Of the graduates who worked while studying, over half were employed in an area related to their study at Unitec. This confirms that our programmes are developing the professional and technical capabilities of the existing workforce as well as producing work-ready graduates.

#### Research

Research remains a major strategic priority as we continue to promote a culture in which all academic staff members are active in research and scholarship associated with their discipline. The driving objective has been to create a culture of enquiry and enthusiasm for discovery that builds excellence in teaching and student learning. The PBRF evaluation demonstrated a modest but encouraging performance, with a quality score of 0.71. This placed us in the same band as the lowest placed university (AUT at 0.77) and well ahead of colleges of education and polytechnics. Twentytwo staff members achieved a B ranking, and one achieved an A ranking.

Of course, the PBRF measures a particular kind of research output with specific relevance to the mission of the traditional research-led university. It significantly understates our overall contribution through research and advanced practice to business, industry and community development in New Zealand.

In 2004, Unitec established a Research and Advanced Practice Committee to foster excellence in research and advanced practice, facilitate inter-disciplinary and strategic activities and build a culture of participation in and application of research. During the year, the committee administered over \$1 million for research and advanced practice projects. This funding will increase progressively over the next few years. Three key centres, in Information Technology, Innovation and Entrepreneurship, and Property and Construction Innovation, are already providing leadership for their respective sectors.

The successful Research Fellowship scheme continues to provide a key mechanism for us to build applied research capacity. The applied nature of our research, linked to teaching and industry, focuses on solving real and practical problems of relevance to society and the knowledge economy. While this focus does not provide a perfect fit with the application of the new funding regime, we are confident it meets the underlying goals of the innovation strategy being pursued by the Government.

One example of the research activities that we undertake, but which are not properly reflected in the PBRF system, is an important project in which the Unitec Centre for Information Technology Research is currently engaged in the Peruvian Andes. This project involves installing computers in remote regions, connected to the Internet via satellite, with the aim of enhancing the life and work of isolated communities by providing them with access to social, medical, agricultural and commercial information. This work has led to very positive discussions with the International Potato Centre, which shares our interests in the use of educational programmes and educational technology to support community development. Joint research projects are planned for 2005.

#### Conclusion

On behalf of Unitec, I would like to thank the Unitec Council, under the leadership of our chairman, Alan Dickinson, for superb governance throughout the year. We have faced several critical decisions that will impact upon our developmental directions for years to come. The dedication, skill and expertise of Council members provide a considerable resource as we move to implement our strategic plan and fulfil obligations set out in our Charter and Profile. Together, with a very capable and committed team of senior managers and staff, we will continue to realise our vision to be an enduring dual-sector university, meeting the increasing demand for postgraduate, undergraduate and vocational education, and professional development benchmarked to international standards.

Dr J. A. Webster President Chief Executive

# **School Reports**

# School of Accountancy, Law and Finance

The School of Accountancy, Law and Finance aims to be the leading professional accountancy educator in New Zealand. HEAD OF SCHOOL Bruce Bennett MCom *Auck*.

The School has close relationships with, and is highly regarded by, the accountancy profession. Unitec is accredited to offer Institute of Chartered Accountants of New Zealand (ICANZ) recognised programmes. Senior members of the School are active in various roles with ICANZ, including membership of the Financial Reporting Standards Board, Admissions Board and Professional Practices Board.

The School's research culture has grown markedly. With the introduction of performance-based research funding, all academic staff research output from 1997–2002 was evaluated. One staff member received a B rating and three staff received C ratings. Our ratings compare well with those of similar university departments. The School has an active research workshop series involving internal and external academics. Professor Mike Bradbury is an academic supervisor for PhDs both here and in Australia and collaborates with other authors on numerous research projects.

The School supports the Auckland Regional Accounting conference. The aim of the conference is to foster and promote accounting research in the Auckland region, and is sponsored by all five Auckland tertiary institutions. School staff are actively involved in contributing to the conferences, as authors of papers or discussants.

The School is developing a network of relations with secondary school teachers by offering them technical update sessions each year.

### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Postgraduate	6.50	1.00	-	7.50
Undergraduate	364.24	615.38	0.20	979.82
Vocational	2.75	-	8.42	11.17
Total	373.49	616.38	8.62	998.49

# ■ Applied Technology Institute

The Applied Technology Institute is a leader in trade and technical education, developing the capabilities and innovative thinking of its students through practical research and programmes that prepare graduates for the global economy.

ACTING HEAD OF SCHOOL Graeme Trewartha B.Comm, Dip Ed, MEd Melb, MEC UNE

Unitec's Applied Technology Institute offers New Zealand's first trades degree programme, the Bachelor of Applied Technology, for experienced tradespeople and technicians wanting to take the next step in their careers or students looking for a pathway to higher

level study. We provide a wide range of certificates and diplomas in: automotive engineering, automotive electronics, carpentry, building, electrical engineering, electronics, interior decor, joinery, marine (ship, yacht and boatbuilding) and marine engineering systems, plumbing, gasfitting and drainlaying.

The aim is to provide students with opportunities to develop technical critical thinking and problem-solving skills that will enhance employment opportunities and encourage research and innovation in the work place.

In the modern trades, graduates need more than just a technical understanding of their discipline. They also need to have the vocational skills and experience to be able to apply their knowledge in a first class economy. Our industry-recognised qualifications, taught in the departments of building technology, electrotechnology and transport technology, are informed by research and developed in consultation with industry associations to ensure graduates are employable, work-ready and productive from day one.

The School has a strong applied research culture, which encourages staff to undertake practical research that benefits the industries we serve. As a result, research funding has come from a variety of sources.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	82.70	17.85	-	100.55
Vocational	1495.93	121.16	128.71	1745.79
Total	1578.63	139.01	128.71	1846.34

# School of Architecture and Landscape Architecture

The focus of the School of Architecture and Landscape
Architecture is to operate as an innovative, effective and wellrespected education provider to society, to the professions of
architecture and landscape architecture and to the academic
community.

HEAD OF SCHOOL Tony van Raat BArch Auck

The School of Architecture and Landscape Architecture (ScALA) has some 470 students, along with 43 tenured and nine allied staff. Academic staff are assisted in the delivery of programmes by a significant but variable number of part-time staff. The School's six programmes provide qualifications in architecture and landscape architecture.

Programmes offered include two masters degrees (Master of Architecture (by design) and Master of Landscape Architecture (by design) and two bachelors degrees (Bachelor of Architecture and Bachelor of Landscape Architecture), as well as certificate

(Certificate in Home Garden Design) and diploma (Diploma in Landscape Design) programmes. This range of programmes provides possibilities for students to 'staircase' their qualifications from lower to higher levels, as well as for the programmes themselves to include opportunities for cross-disciplinary teaching and joint projects.

The majority of the School's teaching load is degree level, with students required to carry out significant amounts of self-directed research at an advanced academic level. In the case of the Masters degrees, this advanced independent study is self-evident as both programmes require students to execute, in consultation with their supervisors, a design and exegesis based on a prior body of work and subsequent research.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Postgraduate	6.25	-	-	6.25
Undergraduate	331.63	17.60	-	349.23
Vocational	76.92	10.53	1.16	88.60
Total	414.79	28.13	1.16	444.08

#### School of Built Environment

The School of Built Environment will be recognised locally and internationally for improving the management of the built environment

HEAD OF SCHOOL Roger Birchmore MPM UTS, BTech (Hons)

L'boro, CEng UK, MCIBSE

The School was established in January 2004, evolving from the School of Construction and School of Engineering.

It is the country's largest deliverer of diploma programmes in the areas of architectural technology, construction management, quantity surveying, land surveying and civil engineering. Diploma programmes offer graduates a number of paths to gain advanced entry into the degree programmes and eventually into masters programmes, providing a seamless path of continuing education.

The School also offers undergraduate programmes in construction, with a major in construction economics and the country's only major in construction management. Degrees in engineering technology and environmental engineering complete a suite of programmes that focus on the management of the built environment.

The School has one of Unitec's three Key Centres, focusing in property and construction innovation. This centre, led by Professor Russell Kenley, has been running since 2001 and has conducted collaborative research both internally and externally. Recent work with the Building Research Association of New Zealand (BRANZ) developing an Urban Sustainability Information Resource, and the School of

Architecture and Landscape Architecture (ScALA) developing Best Practice in Medium Density Housing Design, complements a strong sustainability theme that runs through much of the School's research activity.

Expertise in sustainable energy initiatives has been established and led by Jonathan Leaver and involves Adjunct Professor Paul Kruger (Stanford University, USA) and a Research Fellow, John Blakeley. Dr Achela Fernando, a new staff member, is also contributing to this research team. The present research focus is in the development of a computer model for quantifying the sustainable energy options that accompany the use of a wide range of fuel types.

This work is complemented by activity in waste minimisation, coastal engineering, ground water engineering and concrete structures.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	273.64	58.93	-	332.57
Vocational	236.53	24.33	2.55	263.41
Total	510.17	83.25	2.55	595.97

#### School of Communication

The School of Communication will be recognised nationally and globally as a vibrant centre of learning, teaching and research in the field of international communication.

HEAD OF SCHOOL Jacqueline Harrison BA Auck, MA (Hons) Vic., DPhil Waik

Unitec's School of Communication offers New Zealand's only undergraduate and postgraduate qualifications in the field of international communication.

Through the School's comprehensive range of programmes, students with interests in business information and communication management, digital and multimedia communication, intercultural and global communication, or public relations and media communication obtain both the high level of theoretical analysis and real world application needed for successful careers as professional communicators.

The School has a strong research culture, which has developed markedly in the past five years. Being involved in ongoing research is now standard practice for our staff, and this is also reflected in the quality of student research being undertaken by our postgraduate and undergraduate students. In 2004, staff from the School produced two book chapters, seven refereed papers published in academic journals and four papers published in refereed conference proceedings. They also presented at 17 conferences including 12 outside New Zealand. There are currently three staff members registered as doctoral

candidates at universities in New Zealand and Australia. Three staff members are involved in collaborative research with staff from four different Unitec schools or sections, as well as with researchers in other academic institutions nationally and internationally.

International networks and ties have been strengthened with the signing of a double degree agreement with the Tec de Monterrey of Mexico. Other exchange agreements include one with Groningen University in the Netherlands, which was signed in November 2004. Further exchange agreements with universities in the United States and the United Kingdom are under discussion. Two staff members hold or have held adjunct or visiting professorships with universities in Japan and Australia

Staff members are also active outside Unitec, with many belonging to a range of different communication-related organisations and societies, both in New Zealand and overseas. They are active in editing or reviewing submissions for refereed journals in communication, both nationally and internationally, and some hold high offices in international professional associations, including the Association for Business Communication and the Australia and New Zealand Communication Association. A staff member recently assumed the position of President of the New Zealand Communication Association.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Postgraduate	15.13	14.13	-	29.25
Undergraduate	113.02	109.84	0.45	223.31
Vocational	26.18	4.55	4.18	34.90
Total	154.32	128.51	4.63	287.46

# School of Computing and Information Technology

The School of Computing and Information Technology will be recognised nationally and internationally as a leading provider of highly qualified, industry capable, information technology professionals.

HEAD OF SCHOOL Alison Young Cert in Business Studies ATI, (Post)
GDip Computer Based Learning Waik, Hon. PhD,
NUSCH

The School of Computing and Information Technology offers a variety of courses in the field of information technology and computing. Students may enter the various pathways at a level that suits their experience and existing qualifications.

Our short courses, which are of an introductory nature, include ICDL

(International Computer Driving Licence), E for Free and MCSE, and provide progression to the Certificate in Business Administration or Certificate in Information Technology. Pathways are provided to the Bachelor of Computing Systems and upwards to the Master of Computing and the recently introduced Doctor of Computing. The doctorate qualification is of an 'applied' nature and is the only such programme in New Zealand. In addition, there are pathways to both the Graduate Diploma in Computing and Postgraduate Diploma in Computing.

We believe that strong links to the IT industry are necessary to keep up to date with trends and ensure our students are 'industry ready' and educated in the products and fields in common use today. To this end, we have appointed an advisory board consisting of leading members of the IT community. In addition to Unitec staff, representatives of the following companies are part of this board: Ace Training, ASB Bank, Auckland University, Datacom Systems, Drake Personnel, Lloyd Executive, Microsoft New Zealand, NS Consultants, Provenco Group, Waitakere City Council and 3 Tier.com.

This board meets regularly with our lecturers to discuss products and issues relevant to the IT industry and to advise the School on the curriculum, courses and new technologies required for the School to produce sought-after information technology professionals.

We also prepare our students for work by requiring our final year students in the Bachelor of Computing Systems programme to undertake a capstone industry-based project as part of the graduation requirements. Students are able to gain first-hand experience working in a commercial environment through these projects.

The School has succeeded in establishing a research culture among its lecturers, and in 2004 there were 140 research outputs produced. A substantial number of these were peer-reviewed papers presented at international computing and information technology conferences.

Support for applied IT research is also provided by the School through its Centre for IT Research (CITRUS), one of Unitec's Research and Development Centres. CITRUS has been successful in obtaining external funding for several projects, including \$500,000 for a poverty alleviation project involving the use of ICT in Peru.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Postgraduate	27.45	24.38	-	51.83
Undergraduate	265.75	266.98	-	532.73
Vocational	137.07	37.36	0.54	174.97
Total	430.27	328.71	0.54	759.52

### School of Design

The School of Design will be recognised nationally and internationally as a creative, collaborative, innovative and multi-disciplined centre for design learning and research. The School produces graduates that challenge design thinking within a context of social and environmental responsibility.

HEAD OF SCHOOL Roger Bateman MA RCA London, BA
(Hons) Ravensbourne College of Design and
Communication

In a world where well-trained conceptual thinkers and problem solvers are in high demand, the need for a New Zealand based design school, which is driven by both conceptual and project orientated assignments, is paramount.

The School of Design is one of the largest design schools in New Zealand, with almost 700 full time students and 70 staff. It offers postgraduate, undergraduate, certificate and diploma qualifications within a vibrant, challenging and exciting study environment. The range of courses offered by the School attracts a wide variety of students from around the world.

The School orientates its students towards aesthetic, social and cultural innovation. Graduates are trained with close attention to the trade and to the discipline of technical working, and are pushed to acquire high levels of technical command. The School offers a well-equipped resource within which students can explore, experiment and challenge conventional thinking.

The design professions and, therefore, design education are constantly evolving and as a result of this the School of Design anticipates and welcomes change. The School equips its graduates with the power to move from being responsive to being pro-active and responsible. Many of our courses allow for cross-disciplinary work, allowing students to engage in the simultaneous learning and practice of integrated design.

Career opportunities for our graduates include graphic designers, media designers, product designers, jewelers, interior architects, stylists, painters, sculptors, photographers, set designers, art and design theorists, museum and gallery curators, exhibition designers and design business leaders.

The School has a strong research culture and over the years, staff and students have contributed to a wide array of research outputs. Staff have scored strongly on PBRF ratings systems and the School has proved excellent at encouraging a broad spectrum of research activity.

The School's international academic and professional networks have strengthened, with the Bachelor Product Design attracting its first students from Tec de Monterrey of Mexico. Other international networking and exchange relations include those with Central Missouri State University, St Louis USA, Aalborg University Denmark and Hochschule für Künste, Bremen Germany. The Bachelor of Design is currently strengthening networks and articulation

agreements with the following Chinese universities: School of Arts and Design, Nanchang University, Shenyang Architectural and Civil Engineering University, and Shandong Institute of Architecture and Engineering.

Many of the School's staff are regarded as experts in their fields and most are active outside of Unitec as practitioners in their chosen areas. Our research outputs show that articles written by staff are widely published both in New Zealand and abroad. One of our senior members of stafff is New Zealand's leading authority on design history and a notable critic of the contemporary scene. Staff hold an enviable track record of solo and group show exhibiting. Key design practitioners include furniture designers, product designers, media designers, object designers, painters and architects/interior designers. The craft aspects of the School are greatly strengthened by the presence of two of New Zealand's leading contemporary jewelers.

#### EFTS by Division and Funding Source

	Govt Funded	International	Total
Postgraduate	27.62	-	27.62
Undergraduate	543.34	57.70	601.04
Vocational	49.75	16.00	65.75
Total	620.71	73.70	694.41

#### School of Education

The School of Education is dedicated to learning and research that promotes critical enquiry and supports effective teaching and managing in all education sectors.

HEAD OF SCHOOL Professor Carol Cardno BA Punjab, MEdAdmin

Massey, PhD Auck, DipTchg TTC NZ, TTC Punjab,

AFNZIM, FNZEAS, FCCEAM

The School of Education was established in 1997, evolving from the Education Management Centre, which had existed since 1990. As a professional school it offers a range of pre-service teacher education programmes and a number of advanced qualifications for educators in all sectors. In addition, the School has an entrepreneurial wing, Unitec in Schools, that offers consultancy and technology enriched professional development opportunities to teachers in primary and secondary schools. The School also hosts the New Zealand Action Research and Review Centre.

Collectively, the School's programmes and activities advance the knowledge and skills of education professionals. Staff are actively engaged in research that underpins teaching and advances knowledge in the discipline, including the sub fields of teacher education, educational management, higher education and education technology.

The School typifies Unitec's commitment to dual-sector tertiary education, having programmes at both degree and sub-degree levels. All programmes are level 6 or above, ranging from certificate to doctoral level. Unitec's distinctive guiding principle, based on

educating people for work, in work and through work, is reflected in the programmes, which attract both new people to the profession and practitioners wanting to advance their knowledge and skills in their chosen careers.

The School of Education has grown exponentially in the last seven years and currently has 330 EFTS and 40 staff.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Postgraduate	51.50	0.75	-	52.25
Undergraduate	224.22	15.29	-	239.51
Vocational	10.97	1.12	26.61	38.69
Total	286.69	17.16	26.61	330.45

### School of English and Applied Linguistics

The School of English and Applied Linguistics is the first choice for English language learning in central to west Auckland, and provides a lead nationally for language teacher education.

HEAD OF SCHOOL Lois Bellingham BA Cant, DipSLT Massey, MEd (Hons) Massey

The School delivers New Zealand's only level 7 qualifications in English as an additional language (EAL) – the Bachelor of Arts (EAL) and the Graduate Certificate in English as an Additional Language. These programmes prepare immigrants and international students for postgraduate study and professional employment. Accurate and fluent spoken and written English and relevant cultural and linguistic knowledge are important for migrants and international students to both participate in our communities and progress their careers.

The School houses two related disciplines – language teacher education, from entry level to ongoing professional development, and English as an additional language, from beginner to near native proficiency. The School supports research in pre-degree and undergraduate degree areas equally. There is steady growth in refereed research outputs, and two staff received PBRF rankings in 2004. Several staff members have published textbooks, contributed chapters to edited volumes and have a profile both with publishers and the media.

The School of English and Applied Linguistics achieved 874 EFTS in 2004 and employed 55 full-time equivalent staff. Courses are available at both the Mt Albert and Waitakere campuses serving central and west Auckland communities. The School is proactive in advocacy for refugees and immigrants with English as an additional language. The International English Language Testing System (IELTS) unit successfully tested 3,669 candidates in 2004 for immigration, travel abroad, professional registration and university entry purposes. IELTS Online, a preparation course, is available internationally.

In the nexus of teaching and research, staff have contributed both nationwide and internationally through consultancy, publishing, conference presentations, projects training colleagues, and our own reflection and action research in classrooms. Pip Neville-Barton led a team researching the relationship between English language and mathematics learning. This investigation into the secondary and tertiary teaching of maths found that EAL students suffer a disadvantage of about 10-15 percent due to language difficulties. Findings also indicate that mathematics students do not realise the extent of their difficulties. The study, funded by the Ministry of Education's Teaching and Learning Research Initiative (TLRI) and administered through the New Zealand Council for Educational Research follows two smaller research studies that Pip Neville-Barton and Bill Barton (University of Auckland) undertook with undergraduate mathematics students.

The School had two community contracts funded by TEC from the Adult Literacy Learning Pool. Family literacy assistance to the Ethiopian community involved the development and delivery of a course to train Ethiopian parents in playing an active role in encouraging their children's literacy, as well as training bilingual tutors to teach this course in the future. The second contract, Training in Literacy Education for Community Providers, aimed at capacity building for community providers offering literacy education from the Samoan, Tongan, Somali and Ethiopian communities. The project comprised a series of workshops and discussions around lesson planning, curriculum design, different forms of assessment, use of individual learning plans, portfolios, learning goals and sharing resources.

Professional development for language teachers was the focus of a project funded by the Export Education Levy. Developed by two members of the School's Language Teacher Education team, the project provided professional development opportunities for community ESOL tutors, particularly those working in smaller population areas.

The School hosted two symposiums, which focused on language teaching and education. The Auckland Language Teachers' symposium provided professional development and networking opportunities for local language teachers. The CALL (Computer Assisted Language Learning) symposium, co-hosted with the School of Languages, provided an opportunity for language educators to exchange ideas on the integration of learning technologies into the language curriculum and to learn about emerging trends and issues.

# EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	42.32	30.85	14.33	87.50
Vocational	642.98	99.81	44.01	786.80
Total	685.30	130.66	58.34	874.30

#### School of Foundation Studies

The School of Foundation Studies will be recognised and valued, both within Unitec and nationally, as a leader in the provision of tertiary bridging programmes based on equity, excellent programme delivery, pastoral care and research.

HEAD OF SCHOOL Rae Trewartha BA Auck, MA San Francisco State DipTchg, ACE

The School of Foundation Studies has three programmes: two for special needs students – Certificate in Employment Skills and Certificate in Employment and Community Skills – and the general admission Certificate in Foundation Studies: Whitinga. These programmes enable students to either gain admission qualifications for certificate, diploma and degree programmes or to enter employment. Students who successfully complete the programmes gain a recognised qualification and the skills and strategies required for further tertiary study or the workplace.

The School of Foundation Studies' programmes place a strong emphasis on ensuring equity of access to tertiary study. Many students entering the programmes have had negative early experiences within the formal education system and thus have little confidence in their academic ability, or they have been away from study for some time. The programme kaupapa is to an engaged pedagogy that recognises the holistic needs of each student. Therefore, the academic integrity of the programmes is set alongside a strong commitment to pastoral care.

Learning is a life-long process that involves total wellbeing and, to promote this process, we provide a positive, whanau-based environment. The nature of the programmes is student centred, which requires the students to take increasing responsibility for their own learning, the objective being to develop self-motivated and self-reliant graduates.

Students come into Foundation Studies programmes with different expectations, abilities, learning needs, life experiences and cultures. Bridging education is based on a philosophy that places the learner at the centre of practice. It depends on an "educational process that begins with the determination of where learners are, what they want to achieve, and how to help them realise their greatest potential as they work toward their goals". All programme content and the teaching methodologies and practices used reflect differences in individual learning styles and are based on sound educational research, while still allowing room for innovation.

Foundation Studies programmes play a vital institutional role in enabling Unitec to meet its obligations to the Tertiary Education Commission's (TEC) strategies aimed at improving foundation skills. The School is also committed to putting into practice the principles of the Treaty of Waitangi and of Te Noho Kotahitanga, with an aim of increasing success and retention rates for Maori. The programmes rely on partnerships with Puukenga (School of Maori Education) for advice and guidance to ensure accessibility for Maori. A course especially tailored to meet the needs of Pasifika students (offered

through the Certificate in Foundation Studies: Whitinga programme) and the guidance received from Pacific Island advisory groups also advanced Unitec's commitment to increasing tertiary participation rates for Pasifika students.

The School's programmes are committed to enhancing the bridging education research base, both nationally and internationally, and staff actively research initiatives in the bridging education field in order to inform practice.

# EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Vocational	161.34	13.63		186.04
Total	161.34	13.63		186.04

### School of Health and Community Studies

The School of Health and Community Studies engages in innovative health and community related education and opportunities underpinned by research-informed teaching and practice.

HEAD OF SCHOOL Dr Carol Horgan BS, PhD

The School of Health and Community Studies offers entry level, undergraduate and postgraduate education in the disciplines of community development, community skills, counselling, not-for-profit management, social work, medical radiation technology, nursing and osteopathy. Our graduates are practitioners who are dedicated to the resolution of New Zealand's health, social and community issues.

The School offers unique programmes of study, including the only osteopathy qualification in New Zealand, the Master of Osteopathy, and the country's only undergraduate not-for-profit management qualification (offered in seven main centres across the country). The School also offers New Zealand's only post-registration qualifications in medical radiation technology – Postgraduate Certificate in Health Science, Postgraduate Diploma in Health Science and Master of Health Science. The point of difference we hold in our nursing curriculum is our focus on information technology in education and telehealth. Our Master of Health Science (Nursing) prepares graduate nurses for careers in nursing leadership, management and research. The community and social practice programmes include a unique major in community development and are underpinned by a strong focus on social justice.

The School has an emerging research culture, which is strongly focused on underpinning practice and teaching. Six staff members received PBRF ratings. A number of staff are involved in multidisciplinary research with collaborators from other schools at Unitec, and from other institutions, both national and international. International networks the School enjoys include staff and student exchanges with overseas institutions as well as research collaboration

with individuals from Australia, the UK, the USA, Russia and Lithuania. The Graduate Diploma in Not-For-Profit Management programme is also delivered in the Pacific Islands.

The School of Health and Community Studies' diversity lends an opportunity for trans-disciplinary engagement among staff and students. Synergies exist between the nursing and social practice programmes, allowing students to become familiar with foci other than their own. Students from different programmes attend courses in common, while at postgraduate level staff can discuss research findings in a multi-disciplinary environment.

### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Postgraduate	57.00	2.75	0.50	60.25
Undergraduate	642.98	78.15	1.00	722.13
Vocational	128.52	12.24	2.59	143.35
Total	828.50	93.14	4.09	925.72

# School of Languages

The School of Languages will be recognised as a leading centre of excellence, delivering quality language programmes and services in New Zealand and overseas.

HEAD OF SCHOOL Nick Shackleford MEd (Hons.), MA (Applied Lings), BA, PGCE, RSA, Cert.TEFL

The School of Languages specialises in the teaching of languages and culture in an international context. It delivers innovative and exciting programmes that enable students to reach high levels of proficiency in a range of international languages. The School's programmes provide students with the knowledge and the skills to communicate effectively in their chosen language in a wide range of everyday situations, both in New Zealand and internationally.

The School's offers a language degree with four majors and a conjoint degree with Business. The degrees are unique in Auckland as they focus on the development of high levels of language proficiency within a theoretical framework of communicative competence, contrasting with other degree programmes elsewhere, which lay emphasis on literary studies.

Graduates with proficiency in an international language, together with skills in another discipline, are well equipped to gain work in the international workforce. A distinctive feature of the Bachelor of Arts programme is the requirement for students to integrate another area of study with their international language major. Students are also able to combine their international language major with the study of a major in a business discipline and graduate with a conjoint degree.

For international students studying English, the School's programmes provide an opportunity to develop their fluency and accuracy to a point where they are able to pursue their individual academic and

vocational goals and an essential pathway to other Unitec programmes and to other tertiary institutions. The School works closely with Unitec's business schools to provide credit-bearing courses into business diplomas and degrees and delivers a Professional Skills Development programme with students of business to enhance their language and academic study capabilities. The School further contributes to Unitec's international profile by working with partner institutions overseas to deliver short-term English language programmes for groups of students at Unitec.

The School has a very well developed network of university relationships in Japan, China, Germany, Mexico and Chile. It provides financial support for students taking up places at universities in those countries and in its English language programme for exchange students who come to New Zealand. A staff exchange is also being discussed with a university in Chile.

The School actively encourages and supports a range of research activities and conference participation, and there are several emerging researchers in the English language programme. Staff collaborate widely with overseas scholars, particularly in China, Japan and Chile. This collaboration has resulted in several joint research projects and greatly enhances the development of the School's research culture.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	52.25	61.79	-	114.04
Vocational	23.92	414.42	0.71	439.06
Total	76.17	476.21	0.71	553.10

### School of Management and Entrepreneurship

The School of Management and Entrepreneurship's vision is to be recognised throughout the South Pacific because it successfully incorporates an entrepreneurial spirit into its wide range of business activities. Our journey is towards becoming the most locally relevant and internationally competitive educational partnership in the South Pacific.

HEAD OF SCHOOL Prof Pieter Nel BCom (Hon), UED Natal, MCom (Training Management) D Com (Employment Relations) UNISA, DPLR CHRP, MIPM

The School of Management and Entrepreneurship is a leading school of entrepreneurship and enterprise education in New Zealand. The School's focus is to enable business students to develop their entrepreneurial skills, give them opportunities to develop new ventures and instil in them the motivation to be self employed. We also reinforce Unitec's "enterprise" core value by infusing the spirit of enterprise into other schools and programmes.

The Master of Business Innovation and Entrepreneurship (MBIE) is the first qualification of its kind in New Zealand and follows best practice methods used by similar programmes in North America.

The first student graduated in September 2004. Our new Master of Business degree, which emphasises a cross-disciplinary focus on management, was introduced in 2004. The School is home to the Master of Project Management, synchronising it with other postgraduate specialist discipline strengths in Unitec as well as those already operating in the School. All of these achievements were only possible through the appointment of highly qualified staff (including two professors and one associate professor) to spearhead these initiatives and to achieve the School's objectives, particularly as far as the focus on postgraduate studies and research is concerned.

The School's strong research culture continues to grow. In 2004, our academic staff co-authored three books and produced 26 book chapters, 13 refereed journal articles and 39 refereed conference proceedings. Four were involved in conference presentations and 24 in other presentations. Eight SME authors (together with three colleagues from the School of Communication) collaborated in producing an entire issue of the International Journal of Entrepreneurship and Small Business, a peer-reviewed journal published by Inderscience in Geneva. The School has completed several contract research studies for industry clients and actively encourages research, and conference presentations and attendance to keep staff up-to-date with both local and international trends in business.

The School is not only guided by its academic charter, but also by the need to consolidate and strengthen its industry links, which are central to Unitec's dual-sector focus. To achieve this, Unitec's New Zealand Centre for Innovation and Entrepreneurship (NZCIE) operates within the School and reaches into the community. The School is the New Zealand partner of the renowned Global Entrepreneurship Monitor (the "GEM Report"), in association with 41 other distinguished entrepreneurship faculties worldwide, which provides explicit proof of the School's leading position in this field in New Zealand. The School's Business Development Unit (BDU) plays a prominent role catering for industry education within Unitec. All of these activities enable the School, its staff and students to become more entrepreneurial and accelerate the development of entrepreneurship initiatives for which the School has become known.

International networks and ties continue to grow. We maintain collaborative relations with London Business School, European Business School and Babson College (USA). Numerous other relationships are being developed, particularly in the USA, Germany and the United Kingdom.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Postgraduate	33.88	3.38	-	37.25
Undergraduate	170.54	270.50	-	441.04
Vocational	234.73	46.98	32.15	313.86
Total	439.15	320.85	32.15	792.16

#### School of Natural Sciences

The School of Natural Sciences aims to have a leadership role, nationally and globally, in animal health and welfare, horticulture and floristry, and resource management in its training and education of graduates and in research that is applied and tailored to the needs of the industries and organisations it serves.

ACTING HEAD OF SCHOOL Professor Graham Smith PhD Cant, MSc Eng Natal,

The School of Natural Sciences was formed in 2004 through an amalgamation of the Schools of Animal Health and Welfare and the horticulture, floristry and resource management aspects of the former School of Landscape and Plant Science (where Landscape Architecture joined the School of Architecture). This new school has three focal points: animal health and welfare, horticulture and floristry and resource management.

These three areas share a strong interest in environmental sustainability, environmental management and ecology. There is a growing awareness of these practices and this forms an important component across a range of societal activities.

Ecology and biodiversity research facilities include GIS, tissue culture, a herbarium, a certified organic production site and greenhouse facilities. The School has a strong record of research output – with refereed articles in New Zealand and international journals – which impacts positively on the content of undergraduate courses.

The Bachelor of Resource Management degree is the first New Zealand environmental management programme that integrates knowledge across the natural science disciplines, with humanistic aspects of community values, perspectives and participation. The programme integrates theory and practice, demonstrated on site through innovative projects undertaken by School staff. Academic staff are national leaders in sustainable practice and policy development. Research interests include environmental risk management, restoration ecology and integrated resource management.

Horticulture focuses on protected (glasshouse) cropping, low input organic systems, conservation and areas of plant systematics. Horticultural research areas include greenhouse vegetables and flower crops, rare plant propagation and plant breeding. Research in the systematics of the lichen genus Ramalina and the iris genus Libertia is internationally recognised, as is work on tree fern systematics and biogeography

A floral design group teaches subject areas to level 5 and florists are attracted internationally to classes held in the School. Research projects include development of new cut flower products for export, post harvest handling of flowers and foliages and longevity trials of flowers. Staff collaboration with nursery and grower associations is extensive.

Animal health and welfare covers a broad spectrum of certificate and degree programmes dealing with domestic and wild animals in both natural and captive environments. Both teaching and research extend into related industries to give an applied bias to the programmes. Depending on the programme, students are given significant contact time, serving under specialist veterinary clinicians at a veterinary clinic or a specialist veterinary referral hospital, both of which are on the Unitec campus. Some courses in the captive wild animal programmes are delivered at major zoo facilities within New Zealand, so add a strong applied component of study.

The School includes two professors, an adjunct professor and an associate professor, with five staff members being ranked on the PBRF system. Most of the School's research identifies with issues directly applicable to the New Zealand environment. Collaborative research programmes exist with three other universities in this country and one overseas.

### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	e 88.25	14.60	-	102.85
Vocational	251.86	26.82	1.71	280.39
Total	340.11	41.42	1.71	383.24

# School of Performing and Screen Arts

The School of Performing and Screen Arts' mission is to equip students to reach their full potential by providing excellent teaching and integration within the performance and screen arts industries.

HEAD OF SCHOOL Christina Hong PhD Old, MA Dist Texas, BA (Hons), Dip Ed, Dip Tchg Massey.

Associate Professor

The School of Performing and Screen Arts offers a programme environment unique in New Zealand, which enables students to collaborate on cross disciplinary projects in each year of study as they pursue their discipline major in one of the following:

- = acting for screen and theatre,
- = contemporary dance,
- = directing and writing for screen and theatre,
- screen arts (cinematography, sound production and design, editing, production management/first assistant directing), and
- = performance technology (wardrobe, scenery, lighting/sound).

The School is acknowledged as a major education provider of graduates into the performing arts, screen arts and performance technology industries. A strong philosophy of learning through practice enables the School to equip students with a sound knowledge of theory, the realities of live performance and screen practice

coupled with the development of skills and dispositions to build sustainable careers.

The School has a policy of recruiting leading industry professionals into its teaching programme, to work alongside a core academic team of tertiary arts educators who are highly regarded in their respective industries as both experienced practitioners and tertiary educators.

There is a strong focus on the pursuit of advanced practice and the School is actively working to enhance and contribute to the development of a strong and vibrant research culture across the performing and screen arts in Aotearoa New Zealand. To this end, the establishment of a Centre for Creative Industries Research (working title) is under development in conjunction with the School of Architecture, School of Landscape Architecture and School of Design.

The School has recently entered a period of internationalisation and programme expansion. Our international networks and ties have been strengthened with the signing of memoranda of understanding with the National University of Samoa and Beijing Broadcasting University. Faculty-level discussions are underway with other tertiary institutions in Australia, Asia and North America, while joint venture plans with other agencies are also showing great promise. Of particular note is our joint venture with UNESCO and the establishment of a Pacific Region Secretariat for Arts Education and a website based at the School.

The School has achieved a strong profile as a leading-edge tertiary provider in the performing and screen arts industries. We pride ourselves on having established a vibrant learning environment with a strong community of arts-passionate educators and industry practitioners who work with expertise, commitment and vision to provide a supportive, 'high-end' programme for our students. As a result, our graduates are in high demand and are proving themselves in the industry as well prepared and successful young professionals.

The current funding for the Bachelor of Performing and Screen Arts means that Unitec is not in a position to recover its costs for this programme. A number of factors contribute to the expense of running this programme, including the particularly high costs for resourcing film and television majors with equipment that meets modern industry standards. We continue to wait for a resolution of the TEC's long-standing review of funding categories, as a more appropriate level of funding would assist us considerably.

### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	238.98	20.00	0.75	259.73
Vocational	-	-	1.44	1.44
Total	238.98	20.00	2.19	261.17

# Puukenga, School of Maori Education

"He Puukenga wai, He Puukenga Tangata" Ma te Maatauranga, Ka tu Tangata Ae!

HEAD OF SCHOOL Tui Ah Loo GDip in Business (Maori Development)

Puukenga is the Maori word for repository of knowledge. Puukenga, Unitec's School of Maori Education teaches a range of courses in Maori language and cultural heritage. Te reo courses range from beginner to advanced levels. All classes are free. Students can also learn the creative art of traditional and contemporary Maori flax weaving from some of the most skilled weavers in Aotearoa New Zealand.

Puukenga's teachers are well known in the Maori community. They are dedicated to helping students deepen their knowledge of Maori language and culture, and focus on the provision of support and encouragement to help learners succeed. The School offers an exciting and inspiring learning environment; kapa haka performances, powhiri and hui take place here, and work is well underway on the building of the Unitec marae. The marae, conceived and carved by Lyonel Grant, is unique in its design and looks set to become a national taonga.

The values and guiding principles of Puukenga and its programmes are based on Kaupapa Maori, which belong to all Maori and are related to feeling, being and living as Maori – in other words, the philosophy and practice of being Maori.

### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	3.68	1.30	-	4.98
Vocational	95.09	0.74	8.58	104.41
Total	98.76	2.04	8.58	109.38

### School of Sport

The School of Sport aims to provide quality leadership in sport development, which is responsive to the needs of the industry and community.

HEAD OF SCHOOL | Nicki Turner BSc Cant, DipTchg Chch, MNZOM

The School of Sport, established in 2000, currently consists of two divisions – one focusing on the academic and the other on a commercial division incorporating the Sports Centre. The Sports Centre includes a stadium and exercise/fitness gymnasium and caters for students in the academic programmes, other Unitec students and staff, the sport industry and the local Auckland community.

Sport programmes commenced in 1996 with the establishment of the Certificate in Sport, while the Diploma in Sport Science and Management was introduced the following year. This latter programme had a significant sport science base and included a small number of management courses.

At the end of 1997, the Bachelor of Sport (Coaching) gained accreditation from NZQA, and the first student intake to the new degree was in 1998. During 1998, the Bachelor of Sport (Management) was also approved and the first intake of students to this occurred in 1999. In the same year, the Certificate in Athlete Development was introduced, targeting pre-elite young athletes for a specialised development year of study focusing on their chosen sport. This qualification was renamed the Diploma in Athlete Development for 2004.

The School works closely with the sport industry and schools. Each year, there are a number of workshops in active school environments, leadership courses for school prefects and sports captains, sports academy programmes for senior students and seminars for the wider Auckland school community. School staff undertake consultancy work for SPARC (Sport and Recreation New Zealand) in the area of coach development and research, and with a number of national and regional sport organisations, including Sports Science New Zealand.

Programmes offered by the School have proved increasingly popular and in 2004 the School had 229 EFTS, primarily located in undergraduate programmes.

#### EFTS by Division and Funding Source

	Govt Funded	International	Other	Total
Undergraduate	e 172.15	9.45	6.20	187.80
Vocational	34.48	3.92	2.86	41.25
Total	206.63	13.37	9.06	229.05

# Te Noho Kotahitanga The Partnership

### Kupu Whakatau

Ko te Tiriti o Waitangi te kawenata mo to tatau motu, Aotearoa.

He kawenata whakahirahira, ko te Whare Wananga o Wairaka e tautoko ana i te noho kotahitanga a te Maori me te Pakeha.

Ko te Whare Wananga o Wairaka ka u tonu ki te whakamana i nga kaupapa me ona puawaitanga.

### Rangatiratanga

E whakarite ana te Whare Wananga o Wairaka ki te putake ake o te rangatiratanga o te Maori me nga matauranga Maori.

#### Wakaritenga

E whakarite ana te Whare Wananga o Wairaka ki te mana o tena, o tena, ki te noho kotahi, ki te puaki i tona ake reo, ki te whakamahi i nga rawa mo nga iwi katoa.

### Kaitiakitanga

E whakarite ana te Whare Wananga o Wairaka ki te kaitiakitanga o nga taonga matuaranga.

#### Mahi Kotahitanga

E whakarite ana te Whare Wananga o Wairaka kia tau he ngakau mahaki i roto i nga mahi katoa

#### Ngakau Mahaki

E whakarite ana te Whare Wananga o Wairaka ki te whakanui i nga taonga tuku iho nga ao e rua, a hikoi ki mua

Ko te Maori me te Pakeha e mahi tahi ana mo te Whare Wananga o Wairaka

#### Preamble

The Treaty of Waitangi is the founding document of New Zealand.

Unitec acknowledges the great importance of this living, dynamic document and will continue to respect and promote the equal standing which it confers on Maori and Pakeha.

Unitec will put the following values into practice in pursuing its goals:

### Authority and Responsibility

Unitec accepts the principle that Maori have authority over and responsibility for all teaching and learning relating to the Maori dimensions of knowledge.

#### Legitimacy

Unitec believes that each partner has a legitimate right to be here, to speak freely in either language, and to put its resources to use for the benefit of all.

#### Guardianship

Unitec accepts responsibility as a critical guardian of knowledge.

#### Co-operation

United affirms that a spirit of generosity and co-operation will guide all its actions.

#### Respect

Unitec values each partner's heritage and customs, current needs and future aspirations.

Maori and Pakeha working together within Unitec.

# **Statement of Responsibility**

# Statement of Responsibility for the year ended 31 December 2004.

In the financial year ended 31 December 2004, the Council and management of Unitec Institute of Technology were responsible for:

- The preparation of the financial statements and the judgements used therein; and
- Establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of Unitec Institute of Technology, the financial statements for the financial year fairly reflect the financial position and operations of Unitec Institute of Technology.

A Dickinson

Chairman of Council

Dr J A Webster

President and Chief Executive

07 Burnside

O T Burnside

Vice President, Finance

Date: 29 April 2005

# **Audit Report**



# Audit New Zealand

# To the readers of United Institute of Technology and Group's Financial Statements for the year ended 31 December 2004

The Auditor-General is the auditor of Unitec Institute of Technology and group. The Auditor-General has appointed me, F Caetano, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of Unitec Institute of Technology and group, on his behalf, for the year ended 31 December 2004.

#### **Unqualified** opinion

In our opinion the financial statements of Unitec Institute of Technology and group on pages 26 to 42 and 45 to 61:

- = comply with generally accepted accounting practice in New Zealand; and
- = fairly reflect:
  - = Unitec Institute of Technology and group's financial position as at 31 December 2004;
  - = the results of its operations and cash flows for the year ended on that date; and
  - = the service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 29 April 2005, 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 our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements 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. 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. 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.

We evaluated the overall adequacy of the presentation of information in the financial statements. 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 Unitec Institute of Technology and group as at 31 December 2004. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. The Council's responsibilities arise from the Public Finance Act 1989.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 43(1) of the Public Finance Act 1989.

#### 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.

In addition to the audit we have carried out an assurance assignment for Unitec Institute of Technology on the Performance-Based Research Fund External Research Income, which is compatible with those independence requirements. Other than this assignment, we have no relationship with or interests in Unitec Institute of Technology and group.

F Caetano
Audit New Zealand
On behalf of the Auditor-General

Auckland, New Zealand

# Matters relating to the electronic presentation of the audited financial statements

This audit report relates to the financial statements of Unitec Institute of Technology for the year ended 31 December 2004 included on Unitec Institute of Technology's website. The Council is responsible for the maintenance and integrity of the Unitec Institute of Technology's website. We have not been engaged to report on the integrity of the Unitec Institute of Technology's web site. We have not been engaged to report on the integrity of the Unitec Institute of Technology's web site. We have not been engaged to report on the integrity of the Unitec Institute of Technology's web site. We have not been engaged to report on the integrity of the Unitec Institute of Technology's website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information, which may have been hyperlinked to/from, these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 29 April 2005 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



# **Performance Statements**

For the year ended 31 December 2004

GARY LAWSON | Architecture Excellent teaching and guidance combined with the freedom and encouragement to explore and learn about architecture on my own.

# **Statement of Objectives**

SCORECARD A

Meeting our bus	siness imperatives to achieve our purpose.	BUSINESS RESULTS
	STRATEGIC OUTCOMES	OUTPUT MEASURES
Strengthening our points of	A1.1 Strong brand recognition and respect	Brand equity and recognition factor
difference	A1.2 Government recognition as a university	Legal name change to university
Capitalising on growth opportunities	A2.1 Sustained and balanced domestic student enrolment	Total EFTS by funding source Ministry of Education Other domestic International Total  Total  Total EFTS by Division Postgraduate Undergraduate Vocational education training Total
	A2.2 Proportional international student enrolment growth	<ul><li> Total EFTS by funding source</li><li> International</li><li> Total</li></ul>
	A2.3 Sustained enrolment growth for Unitec Waitakere	Number of EFTS Unitec Waitakere
Improving our financial viability	A3.1 Progressively increased surplus for reinvestment	Surplus (\$000)     Surplus as percentage of total income
Viability	A3.2 Increased net profit from entrepreneurial activity	Revenue as percentage of income

Services provide	d to our students and other key stakeholders	STAKEHOLDERS
	STRATEGIC OUTCOMES	OUTPUT MEASURES
Strengthening our points of difference	B1.1 Portfolio of career-relevant qualifications	<ul> <li>Percentage of students progressing to employment</li> <li>Percentage of students progressing to further study</li> <li>Percentage of students in employment related to qualification</li> </ul>
	B1.2 Flexible access and learning pathways	<ul> <li>Percentage of students re-enrolling in new programmes at Unitec</li> <li>Percentage of enrolments not school leavers</li> </ul>
	B1.3 Leadership to industry, professional and community groups	Stakeholder feedback survey
Capitalising on growth opportunities	B2.1 Increased participation and success for Maori students	Maori statistics     Percentage of Maori first year enrolments     Percentage of Maori pass rates     Percentage of Maori completions
<u> </u>	B2.2 Increased participation and success for Pasifika students	<ul> <li>Pasifika statistics</li> <li>Percentage of Pasifika first year enrolments</li> <li>Percentage of Pasifika pass rates</li> <li>Percentage of Pasifika completions</li> </ul>
	B2.3 Collaborative strategic partnerships	<ul> <li>Memoranda of Understandings by category</li> <li>Private training establishment</li> <li>Industry training organisation</li> <li>Public institutions</li> <li>Other</li> <li>Tertiary education institution</li> <li>Total</li> </ul>
Improving our financial viability	B3.1 Competitive tuition costs and incentives	<ul> <li>Average tuition fee per EFTS</li> <li>Domestic</li> <li>International</li> <li>Total percentage of student scholarships and bursaries</li> </ul>
	B3.2 Investment opportunities for stakeholders	Funding development and fund raising (\$000)



Processes at wh	ich we must excel	INTERNAL PROCESSES
	STRATEGIC OUTCOMES	OUTPUT MEASURES
Strengthening our points of difference	C1.1 Excellence in teaching informed by research and practice	Weighted teaching index
	C1.2 Building applied research capability	Number of research active staff (PBRF)
Capitalising on growth opportunities	C2.1 Relevant innovative academic programme development	Under development
Improving our financial	C3.1 Strategic programme viability analysis	Number of programmes with rating under level 5 (programme viability index)
viability	C3.2 Increased cost effectiveness	Overhead costs as percentage of income

SCORECARD	

What do our staf	f require to achieve our purpose?	ORGANISATIONAL DEVELOPMENT
	STRATEGIC OUTCOMES	OUTPUT MEASURES
Strengthening our points of difference	D1.1 Relevant and comprehensive staff development opportunities	Dollar per FTE spent on professional development
	D1.2 Excellence in attracting and retaining high quality staff	<ul> <li>Staff survey rating</li> <li>Percentage of academic staff with</li> <li>Doctorate</li> <li>Masters degree</li> <li>Bachelors degree</li> </ul>
Capitalising on growth opportunities	D2.1 Incentives for entrepreneurial opportunities	Entrepreneurial incentives index (under development)
Improving our financial	D3.1 Financial management skills for relevant staff	Financial management certification
viability	D3.2 Increased financial accountability	Percentage of Accounting Units within or better than budget

SCORECARD

Exercising enviro	onmental responsibility	ENVIRONMENT
	STRATEGIC OUTCOMES	OUTPUT MEASURES
Strengthening our points of difference	E1.1 Positive annual sustainable campus management audit	Audit rating     Room utilisation     (under development)

### Output Classes.

Each year, United bids for EFTS funding from the Tertiary Education Commission for the delivery of education, training, and accompanying research. The output classes under which United bids are:

- 1. Tertiary Education and Training Undergraduate Courses
- 2. Tertiary Education and Training Postgraduate Courses
- 3. Teacher Education and Training.

In addition to Tertiary Education Commission funding, Unitec also provides programmes that are fully funded by the consumer under output classes:

- 1. Training for Designated Groups
- Tertiary Education and Training Full Cost Recovery. This includes all international students.

These classes of output contribute to the following government outcomes:

- = Excellence in tertiary education, postgraduate study and research
- Attainment of qualifications to enable all to participate successfully in the changing technological and economic environment

- A highly skilled workforce at enterprise and industry level to enhance New Zealand's international competitiveness
- Equality of educational opportunity for all to reach their potential and take their full place in society
- = Success in learning for those with special needs
- Full participation and achievement of Maori in all areas of education
- Improvements in the effectiveness and efficiency of resource use in education.

### Achievement of the Statement of Objectives.

The achievement of the 2004 Statement of Objectives is detailed in the following sections of this annual report:

- The Chief Executive's Report 2004, which provides a broad narrative of Unitec's overall performance in 2004 (pages 5 to 10)
- = 2004 Objectives (pages 26 to 29)
- = 2004 Outputs (pages 30 to 31)
- = 2004 Achievements, which provides a summary statement of service performance (pages 32 to 42).

# **Outputs**

Output Cla	Output Class 1: Tertiary Education and Training – Undergraduate Courses		2004	2003
		Actual	Target	Actual
Quantity	Actual EFTS: target EFTS	0.98	>1	1.05
	Percentage growth in EFTS	1.7%	3.5%	7.5%
	Total EFTS	7,094	7,174	6,932
Quality	Local approvals: submissions			
	Percentage NZQA/NZPPC approvals: evaluations	100%	100%	100%
	Percentage accreditation approvals: applications	100%	100%	100%
	Percentage of programmes (>0.5 EFTS) evaluated	100%	100%	100%
Cost	Total cost (\$m)	71.235	73.765	67.476
	Operating cost: EFTS (\$)	10,042	10,282	9,734

Output Class 2: Tertiary Education and Training – Postgraduate Courses		2004	2004	2003
		Actual	Target	Actual
Quantity	Actual EFTS: target EFTS	0.77	>1	0.8
,	Percentage growth in EFTS	3.1%	33.9%	29%
	Total EFTS	225	292	218
Quality	Percentage course approvals: evaluations	100%	100%	100%
,	Percentage of programmes (>0.5 EFTS) evaluated	100%	100%	100%
Cost	Total cost (\$m)	2.411	3.070	2.166
	Operating cost: EFTS (\$)	10,703	10,512	9,909
Output Cla	occ 2. Toocher Education and Training	2004	2004	2003
Output Cia	ass 3: Teacher Education and Training	Actual	Target	Actual
		Actual	rarget	Actual
Quantity	Actual EFTS: target EFTS	0.72	>1	1.03
	Percentage growth in EFTS	(24.0%)	6.1%	17.1%
	Total EFTS	125	174	164
Quality	Percentage approvals: evaluations	100%	100%	100%
	Percentage of programmes (>0.5 EFTS) evaluated	100%	100%	100%
Cost	Total cost (\$m)	1.295	1.867	1.511
	Operating cost: EFTS (\$)	10,393	10,731	9,220
Output Cla	ass 4: Training for Designated Groups	2004	2004	2003
	133 4. Truiting for Besignated Groups	Actual	Target	Actual
Quantity	Actual EFTS: target EFTS	_*	>1	_*
	Percentage growth in EFTS	4.5%	-*	65.8%
	Total EFTS	203	138*	194
Quality	Percentage course approvals: evaluations	100%	100%	100%
	Percentage of programmes (>0.5 EFTS) evaluated	100%	100%	100%
Cost	Total cost (\$m)	1.655	1.298	1.744
Quantity  Quality  Cost  Quantity  Quantity	Operating cost: EFTS (\$)	8,161	9,404	9,014

Only two designated groups had targets, the remainder were subject to contractual arrangements concluded following the completion of the Statement of Objectives.

Output Cla	ass 5: Tertiary Education and Training - Full Cost Recovery	2004 Actual	2004 Target	2003 Actual
Quantity	Actual EFTS: target EFTS	1.13	>1	1.2
	Percentage growth in EFTS	(10.1%)	(20.1%)	9.0%
	Total EFTS	2,624	2,340	2,929
Quality	Percentage course approvals: evaluations	100%	100%	100%
	Percentage of programmes (>0.5 EFTS) evaluated	100%	100%	100%
Cost	Total costs (\$m)	27.647	22.687	24.979
	Operating cost: EFTS (\$)	10,535	9,695	8,528

# Output Classes 1, 2, 3, 4 and 5: Time and Location

Time: The reporting of performance targets for 2004 relates to activities completed within that year.

Location: Activities in relation to the performance indicators took place predominantly on campus at Unitec Institute of Technology, Carrington Road, Mount Albert, Auckland, with some activities taking place at Unitec's Waitakere campus, Ratanui Street, Henderson, Waitakere City.

# **Achievements 2004**

SCORECARD

**BUSINESS RESULTS** 

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
A1.1 Strong brand recognition and respect	Brand equity and recognition factor	N/A	-	-	-

Strengthening our points of difference

#### Comments

Meeting our business imperatives to achieve our purpose

A measure of brand recognition was proposed to determine whether we were perceived differently from other tertiary institutions in New Zealand and to quantify public perception of our distinctive character as outlined in our Charter and Profile. While some research was undertaken as part of the development and launch of our new brand during 2004, no targets had been set and no clear indicator that truly represents our distinctive nature was available.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
A1.2 Government recognition as a university	Legal name change to university	No	No	Yes	No

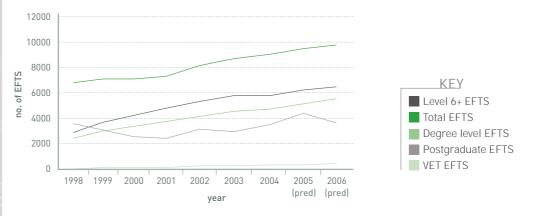
#### Comments

Application reactivation completed, NZQA panel visit undertaken in March 2005. While target not achieved in 2004, we anticipate a positive result from panel assessments in 2005.

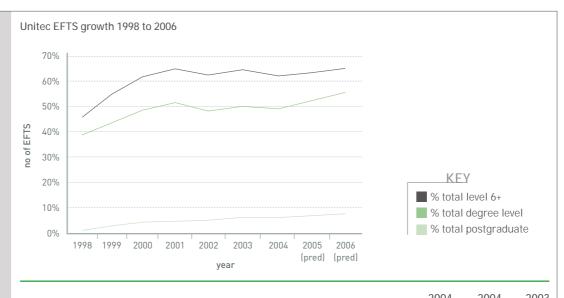
Unitec continues to meet and exceed the NZQA quantitative guidelines for university criteria. In 2004 the institution had 5,588 EFTS at level 6 and above, a total of 62% of total EFTS. EFTS in degrees, including postgraduate, comprised 50% of total EFTS with some 4,455 EFTS studying degree level qualifications. Postgraduate level students accounted for 6.11% of degree level EFTS, or 272 EFTS.

The following graphs show growth trends in university level programmes since Unitec lodged the university application in 1998. Both show that while clearly meeting the criteria for university level programmes, the institution continues to deliver quality programmes within the vocational area and maintains a dual-sector profile very similar to universities of technology in other parts of the world.

#### Unitec EFTS growth 1998 to 2006



Note: Figures exclude community education and international English language programmes



Capitalising on growth opportunities

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
51KATEGIC OUTCOMES	OUT OT WEASONES	Acriieved	Actual	rarget	Actual
A2.1 Sustained and balanced	Total EFTS by funding source				
domestic student	Ministry of Education	No	7,444	7,640	7,314
enrolment	Other domestic	Yes	301	193	394
	<ul> <li>International</li> </ul>	Yes	2,526	2,285	2,729
	• Total	Yes	10,271	10,118	10,437
	Total EFTS by Division				
	<ul> <li>Postgraduate</li> </ul>	No	272	322	-
	<ul> <li>Undergraduate</li> </ul>	No	5,279	5,720	-
	<ul> <li>Vocational education training</li> </ul>	Yes	4,720	4,076	-
	• Total	Yes	10,271	10,118	-

#### Comments

Overall, Unitec exceeded the 2004 target of 10,118 by 153 EFTS or 1.5%, gaining a total of 10,271 EFTS for the year. The mix of EFTS by funding has varied with a drop in international EFTS meaning that the institution had fewer EFTS than the previous year. This drop had been anticipated but the expectation that domestic growth would be higher has not been fully realised.

Government funded EFTS increased by 130 EFTS to a total of 7,444, representing a growth rate of 1.7% during 2004. This was slightly below the target of 7,640 with the variance primarily reflected in a small drop in demand in areas such as computing and business, resulting from the dotcom bubble burst and buoyancy in the employment market. These drops were primarily offset by increased demand for education and training in vocational programmes in areas such as building technology and English language programmes for new migrants. At the postgraduate level, EFTS have continued to increase steadily from 261 in 2003 to 272 in 2004. Despite this, however, the target of 322 was not met due to a smaller than anticipated increase in the numbers studying computing at a postgraduate level.

During the year, an additional target of 200 EFTS was agreed with TAMU. This was not achieved, with the end of year actual falling some 47 EFTS below this figure.

#### Comments

The balance of international EFTS as a proportion of total EFTS met expectations and exceeded the target, although being some 200 EFTS behind the previous year. In 2004 international EFTS comprised 25% of the institution's total EFTS compared to 26% in 2003. Over the year there has been an adjustment in the types of courses international students are studying, and the range of countries that our students are from has expanded to 85, creating a truly diverse student population on our campuses. A small proportion of EFTS were taught off shore during the year, primarily in the Pacific region.

The overall drop in international EFTS has had a significant impact on the institution's financial outcomes for the year.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
A2.3 Sustained enrolment growth for Unitec Waitakere	Number of EFTS United     Waitakere	No	358	370	-

#### Comments

The number of EFTS taught at the Waitakere campus has grown by a considerable 92% over the past year to 358 EFTS, from 186 EFTS in 2003. The introduction of degree level programmes in Health and Community Studies at the campus has contributed to this growth. This has supplemented the certificate and diploma level programmes and community education offered. While the total EFTS only reaches 92% of the target for the year, new developments underway in collaboration with Waitakere City will ensure that many more students will get the opportunity to study closer to home in the future. Our statistics show that 24% of students enrolled in formal programmes at United during 2004 resided in the Waitakere area.

2004

2004

Target

3,468\*

3.46%

2003

4.574

Actual

	STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	Actual
ial	A3.1 Progressively increased surplus for reinvestment	Surplus (\$000)     Surplus as percentage of total income	No No	(1,717) (1.53%)

# Improving our financial viability

### Comments

The end of year financial result has not yielded the budgeted surplus of \$3.468 million, due to lower than expected income and higher than budgeted expenditure. Together, this has produced a loss of \$1.717 million, which equates to a loss of 1.53% on income.

#### Income

Income levels were well short of target due to a temporary change in the composition of our student programme mix in addition to total EFTS being below the student numbers achieved in 2003. Although we met our overall student targets for the year on a divisional basis, the Postgraduate and Undergraduate Divisions were well below target, while the VET Division exceeded target primarily due to strong enrolment patterns in the Site Safe Programme. The mix of students also impacted on revenue performance due to the lower levels of overall funding in the VET Division. A drop in international English language students from the previous year has had a flow on effect on the Schools of Accountancy Law and Finance, Communication, and Computing and Information, as well as Languages.

<sup>\*</sup> These are reforecast budget figures.

Expenditure for the year was 2.4% higher than budget partly because of the failure to reduce labour costs to match the drop in revenue levels. Factors impacting on 2004 expenditure included higher labour costs from the restructuring exercise, the strong NZ dollar's effect on library stocks and unbudgeted legal costs associated with the university application and a change in the basis on which capitalisation takes place with the budget being set under a prior regime.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
A3.2 Increased net profit from entrepreneurial activity	Revenue as percentage of income	Yes	33.3%	25.9%	-

### Comments

Entrepreneurial activity generated a third of Unitec's income in 2004, well above the target of 25.9%. This particularly good result was partly because of an increase in international student fees, which was 10% higher than budget. Revenue from other sources was also generally better than budget, with the exception of trading income.

SCORECARD B

Services provide	d to our students and other k	ey stakeholders		STAKEH	OLDERS	
	STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
Strengthening our points of	B1.1 Portfolio of career-relevant qualifications	Percentage of students     progressing to employment	No	81%	85%	85%
difference		Percentage of students     progressing to further study	Yes	11%	10%	15%
		Percentage of students in employment related to qualification	Yes	92%	85%	87%
			1	I	l	

# Comments

The Graduate Survey measures the progress of Unitec graduates and is sent to graduates who have completed a programme of study of 120 credits or more. The survey looks at the manner in which Unitec graduates have found employment, whether their employment is related to their programme of study, and other important benchmark data such as median salaries and feedback on teaching and learning through the Course Experience Questionnaire (CEQ). This year the proportion of students progressing to employment was 81%, down slightly on the target of 85%. This fall has resulted from a higher than expected proportion of graduates progressing to further study, and a small increase in graduates looking for work.

Of those graduates working full-time it is pleasing to note that 92% had gained employment in a field that was related to their qualification. This is a strong indication that our programmes of study are providing real world opportunities for graduates.

SURES Achieved	Actual	Target	Actual
n new at Unitec f enrolments Yes	16% 85%	17%	-
1	n new at Unitec	n new at Unitec f enrolments  Yes 85%	n new at Unitec f enrolments Yes 85% 80%

There has been a small drop in the proportion of students re-enrolling in new programmes at Unitec, due to the decline in international English students stair-casing into other qualifications such as business and computing. This has meant that the target of 17% re-enrolling has not eventuated this year. However, a sizable number of students have still taken the opportunity to study at the next level.

The provision of flexible learning opportunities has been an important component in our successfully catering to a student population with diverse learning needs. We have measured this as the proportion of enrolments we receive from non-school leavers. This year's figure of 85% exceeds our target of 80%. While school leavers are an important part of our student population, we cater for a wide range of learners, from professionals, to those re-entering the world of education, to those with special needs.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
B1.3 Leadership to industry, professional and community groups	Stakeholder feedback survey	No	-	-	-

## Comments

Stakeholder feedback was sought regarding university status, but not in the specific survey form. A stakeholder survey will be developed in 2005.

Capitalising on growth opportunities

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
B2.1 Increased participation and success for Maori students	Maori Statistics     Percentage of Maori first year enrolments     Percentage of Maori pass rates     Percentage of Maori completions	No No No	8.5% 67% 6.3%	9% 71% 7.8%	- - -

## Comments

This is the first year that Unitec has formally measured participation and success of Maori and Pasifika students in a qualitative manner. It represents a move away from the focus on quantity measures of the past toward outcome measures. This measurement, used by all schools within the institution, forms the basis from which improvements in learning outcomes for Maori and Pasifika students at Unitec can be determined. Ambitious 2004 targets were placed on each of these areas and have not been achieved. Unitec continues to allocate considerable resources to supporting Maori students on campus. In addition to generally available student support, Maia provides assistance designed specifically to meet the needs of Maori students.

It is important to note that, whilst our own benchmarks were not achieved, United in fact exceeded the benchmarks proposed by the Government's technical working party in "Introduction of a Performance Element to Tertiary Education Funding". This report suggests that a benchmark of 60% success should be set.

Although qualification completion rates were less than targeted, Kahurangi, an annual ceremony to celebrate the achievement of Maori graduands has a record number of registrations for the 2005 graduation season.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
B2.2 Increased participation and success for Pasifika students	Pasifika statistics Percentage of Pasifika first year enrolments Percentage of Pasifika pass rates Percentage of Pasifika completions	No No No	8.1% 58% 5.9%	9% 64% 7.5%	-

## Comments

Ambitious 2004 targets were placed on each of these areas and have not been achieved. The Senior Executive has approved a comprehensive plan for development in this area. High Pasifika enrolment areas and lower than expected success rates have been identified, so resources are being concentrated there in 2005. One example is the location of a Pasifika adviser in the School of Management and Entrepreneurship to work with students in the school and interact with staff to improve student performance.

The institution's Learning Support Centre, Te Tari Awhina, has dedicated resources with a Pacific Island Learning Development lecturer developing programmes for Pasifika students. This lecturer works closely with Pasifika staff and advisers in Schools and in the Centre for Pacific Development and Support.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
B2.3 Collaborative strategic partnerships	Memoranda of Understandings by category     Private training establishment     Industry training organisation     Public institutions     Other     Tertiary education institution     Total	Yes	9 10 53 17 23 112	95*	-

# Comments

A number of collaborative strategic partnerships have been signed over the last year, bringing the total number to 112, which is well above the target of 95. Included in this are memoranda of understanding with Carey Baptist College and Child, Youth and Family, and an inter-institutional agreement of co-operation to the Osteopathic programmes with Institut Superieur d' Osteopathie, Aix en Provence. We continue to be a major supplier of teaching material in automotive engineering to a large number of tertiary providers and have entered a number of agreements for research this year that have contributed to this result.

Report of the Technical Working Group – Introduction of a Performance Element to Tertiary Education Funding. 15 December 2003. Wellington: Ministry of Education

<sup>\*</sup> Targets for collaborative strategic partnerships were not broken down by type as the emphasis was to maximise the strategic relevance of collaborative efforts rather than focus on a particular sector.

Improving our financial viability

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
B3.1 Competitive tuition costs and incentives	Average tuition fee per EFTS     Domestic	Yes	\$2,975	\$3,792	
	<ul> <li>International</li> </ul>	Yes	\$11,061	\$12,919	-
	Total percentage of student scholarships and bursaries	Yes	0.74%	N/A	-

#### Comments

Average tuition fees for domestic students were slightly less than targeted, primarily because of a number of community education courses in Computing and Te Reo that were offered with no fees. International fees were lower than targeted due to the drop in English language student numbers.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
B3.2 Investment opportunities for stakeholders	Funding development and fund raising (\$000)	No	\$108	\$150	-

## Comments

The target of \$150,000 in fundraising was not achieved. During the year we did, however, receive notification that a funding application for the Marae project had been approved by ASB Bank Community Trust for the sum of \$1.2 million.

SCORECARD

INTER			
	2004	2004	2003
ieved	Actual	Target	Actual

# Strengthening our points of difference

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	Actual	Target	Actual
C1.1 Excellence in teaching informed by research and practice	Weighted teaching index	Yes	3.79	3.79	-

# Comments

Processes at which we must excel

The weighted teaching index has been constructed to measure teaching excellence over time. The index consists of weighted scores from a number of research and evaluation tools used within the institution, including SEQUAL, which measures student satisfaction with their courses and their lecturer's ability to enhance their learning. Added to this is the graduate evaluation of our programmes carried out after completion. This is based on the Australian Course Experience Questionnaire, the standard feedback used in all Australian universities including universities of technology. The index operates on a score out of five and shows the quality of teaching at Unitec, as evaluated by our students and graduates, is of a high standard.

The weighted teaching index will be utilised, along with its makeup components, by the Dean of Teaching and Learning in his conversations with Heads of Schools about improving teaching and learning throughout the institution. The focus of these conversations will be to increase success and retention, improve teaching quality, share best practice, and integrate research and practice.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
C1.2 Building applied research capability	Number of research active staff (PBRF)	N/A	76.7	-	-

#### Comments

This objective did not have a defined target as we were awaiting the PBRF quality evaluation assessment that provides a benchmark for research activity across the sector. Unitec's key programmes of research include entrepreneurial business; construction, built environment and sustainability; information technology in the community; design in business; and education.

Capitalising on growth opportunities

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
C2.1 Relevant innovative academic programme development	Under development	N/A	-	-	-

### Comments

A number of new programmes developed over the last year provide qualifications that are relevant to industry and the professions, and offer innovative solutions to industry and professional education gaps. The Master of Professional Accountancy is unlike traditional degrees in that it is geared towards membership of the Institute of Chartered Accountants rather than academic study. It combines traditional, research-based courses with contemporary professional accountancy issues.

The Master of Social Practice, approved in 2004, has been developed primarily for advanced practitioners who need to be able to make informed, ethical and integrated responses to the complex situations they encounter and to provide on-going professional development opportunities for social practitioners.

Unitec is also working with staff from Carey Baptist College on a proposed 'Master of Applied Theology', which would be co-delivered. United does not currently offer any programmes in applied theology or theology but offers programmes in the discipline of social practice where some commonality has been found.

The Bachelor of Applied Technology, which commenced in 2004, is a generic degree for technologists and tradespeople. The degree has no 'majors' as the emphasis is on capability in applied technology. It is based on holistic and system approaches to learning and practice. Students do, however, take a coherent group of courses in one area of their chosen specialisation.

Work is underway with Site Safe New Zealand to develop the programme 'Certificate in Construction Site Safety'. This will provide a package of relevant courses so that people with a particular interest in construction health and safety issues can consolidate their learning and gain a relevant industry qualification.

The Bachelor of Teaching (Early Childhood Education) is in its final stages of approval and will be the only field-based early childhood education degree in New Zealand. Students will undertake their learning in both the classroom and early childhood education centres.

There have also been some changes made to existing programmes. One innovation has seen some United courses and programmes offered overseas so that students can undertake either part of or their entire Unitec programme in their own country and then complete or further their studies at Unitec in New Zealand. The Diploma in Sport and Fitness Education will be taught at the National University of Samoa, where site accreditation was approved by NZQA in August 2004.

Improving our financial viability

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
C3.1 Strategic programme viability analysis	Number of programmes with rating under level 5 (programme viability index)	N/A	-	-	-

### Comments

The introduction of the matrix structure in 2004 included the establishment of three Divisions responsible for academic programme management, at postgraduate, undergraduate and vocational education training levels. Division Deans have commenced a Programme Viability Review to identify the relevance of all United programmes to the Charter, their strategic value and their profitability. This replaces the programme viability model established in 1997 that was used as a measure in our profile. Deans are preparing a detailed programme viability database that looks at factors such as student demand, retention and success, professional body accreditation, net cost, staff profile and strategic value.

The review process has involved detailed discussions between the relevant Deans and Heads of Schools, and input from Finance and Planning Services. The Deans will report to the Senior Executive on the viability status of each programme and provide recommendations for changes to the institution's portfolio of programmes. This will continue as an annual process and will link with the profile process.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
C3.2 Increased cost effectiveness	Overhead costs as percentage of income	No	34.62%	31.00%	-

## Comments

Targeted overhead costs as a percentage of income were exceeded as a result of expenditure for the year being 2.4% above budget. This partly resulted from a failure to reduce labour costs to match the drop in revenue levels as outlined in A3.1 above. Overhead levels were also affected by the strong NZ dollar impacting on the revaluation of library stocks, and unbudgeted legal costs associated with the university application.

**SCORECARD** 

ORGANISATIONAL DEVELOPMENT 2004 2004 2003 Achieved Actual Target Actual \$1.197 \$1.120 Yes

# Strengthening our points of difference

# STRATEGIC OUTCOMES **OUTPUT MEASURES** D1.1 Relevant and Dollar per FTE spent on comprehensive staff professional development development opportunities

# Comments

What do our staff require to achieve our purpose?

Unitec recognises the importance of supporting staff development. We need to make certain that individuals receive the encouragement needed to succeed in their roles and to contribute both to meeting Unitec's objectives and their own sense of professional achievement, growth and job satisfaction. In the reorganisation of support functions, the People Capability Unit was established to maintain an overview of the support offered across Unitec. It is necessary to ensure that what is offered is relevant to the needs of the organisation as a whole, the types of positions within the Unitec structure and the individuals who work here.

	OLITBUT MEAGUEE		2004	2004	2003
STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	Actual	Target	Actual
D1.2 Excellence in attracting and retaining high quality staff	<ul> <li>Staff survey rating</li> <li>Percentage of academic staff with</li> <li>Doctorate</li> <li>Masters degree</li> <li>Bachelors degree</li> </ul>	N/A Yes Yes No	12% 38% 30%	10% 35% 34%	- - -

# Comments

A staff satisfaction survey was not undertaken in 2004 due to the organisational reviews and restructuring which, it was felt, would have significantly influenced the results of such a survey. A staff satisfaction survey is scheduled for 2005. Academic staff qualifications showed pleasing improvements with the proportion of academic staff with postgraduate qualifications increasing to levels above target. These results have meant that a corresponding reduction in the proportion of staff with bacelor degrees has occurred as people upgrade their qualifications.

Capitalising on growth opportunities

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
D2.1 Incentives for entrepreneurial opportunities	Entrepreneurial incentives index (under development)	N/A	-	-	-

## Comments

Focus has been placed on establishment of the new structure and support infrastructure that will facilitate entrepreneurial activities in the future.

**Improving** our financial viability

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
D3.1 Financial management skills for relevant staff	Financial management certification	N/A	-	-	-

# Comments

Because of the restructuring, financial management certification was not developed. The new structure creates a strong focus on finance, with the appointment of a Deputy President Corporate Services and the strengthening of the Finance team through the addition of management accountants to provide financial services functions and advice to Schools and budget holders. Seminars held during the year provided budget holders with training on financial management and our chart of accounts.

STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual
D3.2 Increased financial accountability	Percentage of Accounting     Units within or better than     budget	No	44%	100%	-

# Comments

The reduced income levels resulting from the change in product mix have meant that a number of Accounting Units did not meet their budgets. Many, however, were within an acceptable range of variance.

Exercising environmental responsibility ENVIRONMENT									
	STRATEGIC OUTCOMES	OUTPUT MEASURES	Achieved	2004 Actual	2004 Target	2003 Actual			
Strengthening our points of difference	E1.1 Positive annual sustainable campus management audit	Audit rating     Room utilisation*	N/A No	N/A 10	- 70	-			
	Comments  Resource constraints meant that a sustainable campus audit was not undertaken in 2004. However, a number of sustainable campus management strategies have been implemented throughout the year, including a waste recycling scheme and development of an asset management plan that utilises principles of sustainability. A working group is also developing a campus environmental policy. The emphasis has been placed on developing sustainable operating practices with measures able to be benchmarked with similar organisations for key resources rather than undertaking a full campus management audit on an annual basis.								
	on overall institutional area and EF	s of a campus-wide space restructu TS, so minor changes do not have a central ownership of space and a p	substantial i	impact. Fur	ther utilis	ation			

<sup>\*</sup> Note: Target for room utilisation was incorrectly set in the 2004 – 2007 interim profile. The target for 2004 should have been 10 not 70.



# **Financial Statements**

For the year ended 31 December 2004

JAMES DELLOW | Accountancy The case studies were an excellent way to learn. We analysed financial statements to find out if a business would work. My studies made me employable.

# **Financial Highlights**

# Financial results for the year

Unitec made an unconsolidated net loss for the year of \$1.714 million, compared with a budgeted surplus of \$3.468 million.

### Income

Income levels were well short of target due to a shortfall in student numbers against target, which, in turn, were below the numbers achieved in 2003. On a divisional basis both Postgraduate and Undergraduate Divisions were well below target, with the VET Division exceeding target mainly due to the Site Safe Programme. This mix of students also impacted on revenue performance due to the lower levels of overall funding in the VET Division. A drop in International English Language students from the previous year impacted greatly on the Schools of Accountancy Law and Finance, Communication, Computing and Information Technology and Languages.

# Expenditure

Expenditure for the year was 2.4% higher than budget partly because of the failure to reduce labour costs to match the drop in revenue levels. Factors impacting on 2004 expenditure included higher labour costs from the restructuring exercise, the strong NZ dollar's effect on library stocks and unbudgeted legal costs associated with the university application and a change in the basis on which capitalisation takes place with the budget being set under a prior regime.

# **Assets**

Investment in teaching equipment, motor vehicles and other assets has been maintained at levels consistent with past years. A major project to provide Teaching and Learning facilities in Waitakere City commenced in the latter part of the year, to meet a scheduled opening in February 2006.

# 2005 budget

An extremely tight budget has been set for 2005, with the major risk factor being EFTS levels. Strong monitoring processes are now in place to ensure that performance across all areas achieves budgeted targets. The budgeting process has been brought forward to enable a quicker response to estimated fluctuations in EFTS levels and changes in product mix. More centralised controls on key performance indicators including labour costs and other major expenditure items have been instigated. A more formalised process for reporting has been put in place for School and cost centre managers.

For the year ended 31 December 2004

# The Reporting entity

Unitec Institute of Technology was established under the Education Act 1976. The group consists of Unitec Institute of Technology and the subsidiaries, New Zealand Institute of Technology Limited, Open Institute of Technology Limited, Unitec Limited, Unitec Recreation Trust, the Unitec Trust and the Unitec Apprenticeship Training Trust. These financial statements have been prepared in accordance with section 41 of the Public Finance Act 1989 and section 203 of the Education Act 1989, which includes the requirement to comply with generally accepted accounting practice.

# Measurement system

The measurement base adopted is that of historical cost, except in the case of land, which has been valued on a "fair value" basis and buildings, which have been valued on the Depreciated Replacement Cost (Optimised) (ODRC) basis. Other Assets are recorded at a cost net of depreciation.

# Basis of preparation of the Financial Statements

The Financial Statements include a Statement of Financial Performance, a Statement of Cash Flows, a Statement of Financial Position, a Statement of Movements in Equity and a Statement of Commitments and Contingencies.

# Accounting policies

The following accounting policies which materially affect the measurement of financial performance and financial position, have been applied:

### 1 Revenue

Revenue is recognised in the Statement of Financial Performance on an entitlement basis.

### 2 Accounts receivable

Accounts receivable are shown at estimated realisable value after due allowance for any amounts not considered recoverable.

# 3 Inventory

- a Materials other than for trading are generally regarded as having been utilised at the time of receipt and are charged to the relevant activity at that time.
- b Inventories held for trading operations have been valued at the lower of cost, (or net realisable value) determined on a first-in first-out basis.

## 4 Investments

All short-term investments, including those in subsidiaries, are stated at the lower of cost or net realisable value.

## 5 Financial instruments

Revenue and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance. All financial instruments are recognised in the Statement of Financial Position. All financial instruments, except for loans, which are recorded at cost, are shown at their fair values.

# 6 Fixed assets

# a Land and buildings

All land and buildings are revalued every three years. All buildings, whether owned by the Ministry of Education or purchased or built out of Unitec reserves since 1991, have been valued using the ODRC (Optimised Depreciated Replacement Cost) methodology by Telfer Young as at 1 January 2003. All land, whether owned by the Ministry of Education or purchased out of Unitec reserves since 1991, has been valued using the fair value basis by Telfer Young as at 1 January 2003. Crown-owned land and buildings are included as part of Unitec's fixed assets. These were first recognised on 1 January 1995 and although legal title has not been transferred, Unitec has assumed all the normal risks and rewards of ownership. Buildings constructed since 1 January 2003 are recorded at cost.

# **b** Library collection

The Library collection is revalued at the end of each year at estimated replacement cost using values supplied by the Librarian, which are considered by Unitec to be appropriate for the collection. An allowance has been made for the expired portion of the estimated economic life of the collection. Increases in the value of the Library collection are credited to the library collection asset revaluation reserve. Decreases in the value of the library collection are debited to the library collection asset revaluation reserve. If the library collection asset revaluation reserve develops a debit balance, this balance is written off to the Statement of Financial Performance.

## c Other assets

All other assets purchased since 1990 have been recorded at cost and depreciated. Prior to 1990, other asset values were established on a fixed asset register either at cost or, where asset values were unknown, at an appropriate estimated value adjusted by depreciation.

### d Additions

Additions between valuations are recorded at cost.

# e Depreciation

Fixed Assets are depreciated on a straight line basis at rates that will write off the cost or value of the asset over its estimated useful life. Land is not depreciated. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings		
Structure	3-75 years	1-33%
Fit out	2-16 years	6-52%
Services	2-31 years	3-50%
Computer equipment		
Network equipment	4-8 years	12.5-25%
Other computer equipment	3-4 years	25-33%
Plant and equipment	10 years	10%
Furniture and fittings	10 years	10%
Motor vehicles	5 years	20%
Office equipment	10 years	10%
Software	3 years	33%
Library collections	10 years	10%

# 7 Capital Work in progress

Capital Work in Progress is valued on the basis of expenditure incurred and Certified Gross Progress Claim Certificates up to balance date. Work in Progress is not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

## 8 Goods and Services Tax

Unitec Institute of Technology is a registered person as defined by the Goods and Services Act 1985. All items in the financial statements are exclusive of GST with the exception of receivables and payables, which are stated GST inclusive. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

## 9 Taxation

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

# 10 Leases

# Finance leases

Leases that effectively transfer to Unitec and the group substantially all of the risks and benefits of ownership of the leased item are classified as finance leases. They are capitalised at the present value of the minimum lease payments. The leased assets and corresponding liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the period Unitec is expected to benefit from their use on a straight line basis.

# **Operating leases**

Leases where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

# 11 Statement of cash flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Unitec invests as part of its day to day cash management.

Operating activities include cash received from all income sources of the group and record the cash payments made for the supply of goods and services. Agency transactions are recognised as receipts and payments in the Statement of Cash Flows given that they flow through Unitec and group's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non current assets.

Financing activities comprise activities that change the equity and debt capital structure of Unitec and group.

# 12 Employee entitlements

Provision is made in respect of Unitec and group's liability for annual leave, long service leave and retirement leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay. Long service and retirement leave have been calculated on an actuarial basis based on the present value of expected future entitlements.

# 13 Development costs

Costs incurred on development of new courses are expensed in the period in which they have been incurred as the level of expenditure is relatively constant from year to year.

# 14 Basis of consolidation

The Unitec Recreation Trust, the Unitec Trust and the Unitec Apprenticeship Training Trust are subsidiaries of Unitec Institute of Technology and therefore the consolidated financial statements include Unitec and its trusts accounted for using the purchase method. All transactions between Unitec and the trusts are eliminated upon consolidation.

Unitec has three non-trading subsidiaries, New Zealand Institute of Technology Limited, Open Institute of Technology Limited and Unitec Limited. None of the subsidiaries are currently trading or has traded in previous years. There are no assets or liabilities within those subsidiaries. Consequently, there has been no consolidation of the results.

The United Recreation Trust has been treated as a separate legal entity from the Council of United Institute of Technology other than for the above financial reporting purposes. Hence the mortgage from the United Recreation Trust to the National Bank is not subject to section 192 of the Education Act 1989.

# 15 Student allowances

Unitec and group have no involvement with the receipt or payment of student allowances other than supplying student information to StudyLink.

# Changes in Accounting Policies

Some leases previously treated as operating leases are now treated as the finance leases. The effect on the Statement of Financial Position is to add \$4.873 million to the loan liability and fixed assets.

The effect on the Statement of Financial Performance is to add \$0.314 million to interest charges and an increase in depreciation of \$2.076 million.

There have been no other changes in accounting policies since the date of the last audited financial statements. The policies have been applied on a basis consistent with prior years.

# **Statement of Financial Performance**

For the year ended 31 December 2004

	Notes	2004 Unitec Actual \$000	2004 Unitec Budget \$000	2003 Unitec Actual \$000	2004 Consolidated Actual \$000	2003 Consolidated Actual \$000
Government operational funding	1	51,242	53,634	49,638	51,242	49,638
Investment income		753	400	566	758	571
Tuition fees		50,705	52,022	51,382	50,705	51,382
Trading income	2	1,163	1,585	1,901	2,185	2,771
Other income	3	8,053	6,800	7,863	8,053	7,863
Total operating revenue		111,916	114,441	111,350	112,943	112,225
Less expenditure						
Cost of services	4	112,297	109,487	104,414	112,297	104,414
Trading expenditure	2	1,333	1,486	2,362	2,209	3,207
Total cost of operations		113,630	110,973	106,776	114,506	107,621
Net surplus/(deficit) for the year	5	(1,714)	3,468	4,574	(1,563)	4,604

The Statement of Accounting Policies and the Notes to the Financial Statements form part of and are to be read in conjunction with this Statement.

As at 31 December 2004

	Notes	2004 Unitec Actual \$000	2004 United Budget \$000	2003 United Actual \$000	2004 Consolidated Actual \$000	2003 Consolidated Actual \$000
Assets						
Current assets						
Cash and bank		395	832	540	562	760
Short-term investments	6	-	2,000	1,000	94	1,050
Accounts receivable	7	16,401	17,853	19,481	16,447	19,487
Inventory		555	313	151	555	151
Prepayments		597	151	313	597	313
Total current assets		17,948	21,149	21,485	18,255	21,761
Non-current assets						
Fixed assets	8	121,569	126,420	117,954	123,453	119,899
Capital work in progress		10,231	10,000	3,842	10,231	3,842
Total non-current assets		131,800	136,420	121,796	133,684	123,741
Total assets		149,748	157,569	143,281	151,939	145,502
Liabilities						
Current liabilities						
Fees in advance		17,791	20,000	22,189	17,791	22,189
Accounts payable	9	11,626	8,157	8,002	11,656	8,071
Current portion of loan	10	6,406	-	<i>-</i> -	6,515	63
Provision for employee entitlements	11	3,280	3,500	3,286	3,293	3,309
Total current liabilities		39,103	31,657	33,477	39,255	33,632
Non-current liabilities						
Loans	10	2,467	13,100	-	3,238	949
Provision for employee entitlements	11	445	/>~ -	460	445	460
Total non-current liabilities		2,912	13,100	460	3,683	1,409
Total liabilities		42,015	44,757	33,937	42,938	35,041
Total net assets		107,733	112,812	109,344	109,001	110,461
Equity						
Public equity	12	107,733	112,812	109,344	109,001	110,461
Total equity		107,733	112,812	109,344	109,001	110,461

The Statement of Accounting Policies and the Notes to the Financial Statements form part of and are to be read in conjunction with this Statement.

A Dickinson

Chairman of Council

Dr J Webster President and Chief Executive O T Burnside Vice President, Finance

07 Burnsida

Date: 29 April 2005

# Statement of Cash Flows For the year ended 31 December 2004

		2004	2004	2003	2004	2003
		Unitec	Unitec	Unitec	Consolidated	Consolidated
	Notes	Actual	Budget	Actual	Actual	Actual
		\$000	\$000	\$000	\$000	\$000
Cash flows from operating activities						
Cash was provided from:						
Government grants		55,219	53,634	49,670	55,219	49,670
Tuition fees		53,794	51,485	52,046	53,794	52,046
Investment income		700	283	568	705	576
Revenue from services provided		5,649	7,012	8,148	6,935	9,235
		115,362	112,414	110,432	116,653	111,527
Cash was applied to:						
Employees and suppliers		105,898	101,858	102,192	106,858	103,087
Interest paid		314	77	-	380	71
Goods & Services Tax net		1,958	1,745	716	2,100	718
		108,170	103,680	102,908	109,338	103,876
Net cash flows from operating activities	13	7,192	8,734	7,524	7,315	7,651
Cash flows from investing activities						
Cash was provided from:						
Sale of assets		42	-	57	42	57
Cash was applied to:						
Purchase of assets		10,466	20,542	8,056	10,466	8,064
Net cash flows from investing activities		(10,424)	(20,542)	(7,999)	(10,424)	(8,007)
Cash flows from financing activities						
Cash was provided from:						
Loan raised		4,000	13,100	-	4,000	-
Cash was applied to:						
Settlement of debt		1,913	-	-	2,045	60
Net cash flows from financing activities		2,087	13,100	-	1,955	(60)
Total net cash flows		(1,145)	1,292	(475)	(1,154)	(416)
Opening balance cash and bank		1,540	1,540	2,015	1,810	2,226
Closing balance cash and bank		395	2,832	1,540	656	1,810
Closing balance cash and bank						
Cash and bank		395	832	540	562	760
Short-term investments		-	2,000	1,000	94	1,050
Closing balance cash and bank		395	2,832	1,540	656	1,810

The Statement of Accounting Policies and the Notes to the Financial Statements form part of and are to be read in conjunction with this statement.

# Statement of Movements in Equity For the year ended 31 December 2004

	2004 Unitec Actual \$000	2004 Unitec Budget \$000	2003 Unitec Actual \$000	2004 Consolidated Actual \$000	2003 Consolidated Actual \$000
Equity at start of the period	109,344	109,344	77,141	110,461	77,960
Net surplus/(Deficit)	(1,714)	3,468	4,574	(1,563)	4,604
Increase/(Decrease) in library collection revaluation reserves	103	-	278	103	278
Increase/(Decrease) in land revaluation reserves	-	-	23,361	-	23,361
Increase/(Decrease) in building revaluation reserves	-	-	3,990	-	4,258
Total recognised revenues and expenses for the period Addition to equity	(1,611) -	3,468	32,203	(1,460)	32,501 -
Equity at end of the period	107,733	112,812	109,344	109,001	110,461

The Statement of Accounting Policies and the Notes to the Financial Statements form part of and are to be read in conjunction with this statement.

# **Notes to the Financial Statements**

# 1 Government operational funding

This includes monies received from Government by way of an Operational Bulk Grant, which is based on equivalent full time students (EFTS) levels, and the funding category levels of these EFTS and specific purpose related grants. An analysis of Government operational funding is as follows:

	2004	2004	2003
	Consolidated/	Consolidated/	Consolidated/
	Unitec	Unitec	Unitec
	Actual	Budget	Actual
	\$000	\$000	\$000
Operational bulk grant	50,864	53,417	48,871
Other government funding	25		25
Disabilities grant	199	217	188
Support for Maori & Pacific			
Island peoples	140	-	148
Strategic change fund	-	-	393
Enterprise scholarship	14	-	13
Total government operational funding	51,242	53,634	49,638

# 2 Trading activities

Trading activities incorporate the activity areas detailed below which reflect the major income generating activities outside of normal teaching operations.

operations.	2004	2004	2003	2004	2003
	Unitec	Unitec	Unitec	Consolidated	
	Actual	Budget	Actual	Actual	Actual
	\$000	\$000	\$000	\$000	\$000
Income					
Business development	243	348	346	243	346
Halls of residence	116	200	455	116	455
Sports centre	733	692	682	733	682
Building training projects	71	345	418	71	418
Trust income	/-	-		1,022	870
Total income	1,163	1,585	1,901	2,185	2,771
Expenditure					
Trading materials	106	312	392	106	391
Class materials	11	18	29	11	29
Salaries and wages	786	787	874	786	874
Depreciation	43	64	70	104	130
Administration*	-	-	503	-	503
General expenses	387	305	494	387	494
Trust expenditure		/-	< > -	815	786
Total expenditure	1,333	1,486	2,362	2,209	3,207
Surplus (deficit) on trading activities	(170)	99	(461)	(24)	(436)

<sup>\*</sup> Administration costs included indirect overhead costs allocated to trading departments. No allocation has been made in 2004.

# 3 Revenue from services provided

	2004	2004	2003
	Consolidated/	Consolidated/	Consolidated/
	Unitec	Unitec	Unitec
	Actual	Budget	Actual
	\$000	\$000	\$(000)
Donations	166	95	75
ETSA skill enhancement	224	183	0
TOPS	451	346	340
Contract education	385	582	382
Copying	685	450	560
STAR	193	146	222
Consultancy and project	1,576	1,806	1,888
Research	495	0	734
Other	3,878	3,192	3,662
Total other income	8,053	6,800	7,863

# 4 Cost of services

	2004 Consolidated/	2004 Consolidated	2003 Consolidated/
	Unitec Actual	Unitec Budget	Unitec Actual
	\$000	\$000	\$000
Personnel	67,859	66,792	63,220
Teaching material	6,124	5,341	7,101
Leases	1,917	4,526	3,975
Depreciation	8,192	5,540	6,215
Overhead costs	21,555	21,018	17,710
Occupancy	6,650	6,270	6,193
Total	112,297	109,487	104,414

# $5 \ \Big| \ \text{Operating revenue and expenses}$ The net surplus/(deficit) from operations is after allowing for:

	2004 Unitec Actual \$000	2003 Unitec Actual \$000	2004 Consolidated Actual \$000	2003 Consolidated Actual \$000
Audit fees - external audit	60	54	65	59
- other services	2	9	2	9
Depreciation:				
Crown buildings	1,131	1,126	1,131	1,126
Institute buildings	2,253	2,156	2,309	2,212
Other plant and equipment	641	747	641	747
Furniture and fittings	147	231	147	231
Computer equipment	1,514	1,582	1,518	1,585
Library collection	473	443	473	443
Leased assets	2,076	-	2,076	-
Councillors' fees	64	72	64	72
Bad debts written off	41	270	45	270
Interest expense	314	-	380	71
Finance charges on finance leases	1,930	-	1,930	-
Gain/(Loss) on disposal of assets	(291)	(130)	(291)	(130)
Donations	166	-	166	-
Change in provision for doubtful debts	(200)	-	(200)	/
Lease charges on operating leases	1,930	4,003	1,930	4,003

# Councillors' fees

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

Council fees and expenses exclude remuneration to staff members who serve on Council.

	2004	2003
	\$	\$
Council member		
A Dickinson (Chair)	19,500	19,883
S Chan	4,335	4,845
D Cooke	2,040	3,060
G Costello	4,335	4,208
M Fletcher	· / · · · · · · · · · · · · · · · · · ·	255
M Glen	1,530	2,040
R Knight	1,785	2,550
J Lawley	4,335	3,953
H Lieshout	· / - /	1,275
R Kahui McConnell	<u> </u>	1,785
K Millar	2,295	2,295
R Reid	7,395	9,563
J Robb	1,785	2,295
G Shuttleworth	3,570	1,785
L Thomson	2,550	2,805
M Tunks	1,530	2,040
P Winter	2,295	2,295
A Wood	3,570	5,100
J Young	1,530	
	64,380	72,032

# 6 Short-term investments

Short-term investments are made up as follows:

•	2004	2003	2004	2003
	Unitec	Unitec	Consolidated	Consolidated
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
BNZ short-term investments Westpac short-term investments Total short-term investments	- - -	1,000 1,000	94 - 94	50 1,000 1,050

# Interest rates

The effective interest rate was 5.92%

# 7 Accounts receivable

	2004	2003	2004	2003
	Unitec	United	Consolidated	Consolidated
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Trade debtors Other amounts receivable	1,078	917	1,124	850
	15,523	18,964	15,523	19,037
Less provision for doubtful debts  Total accounts receivable	(200)	(400)	(200)	(400)
	16,401	19,481	16,447	19,487

# 8 Fixed assets

	Cost	Valuation	2004 Total Cost/ Valuation	Accum Depn	Net Book Value	Cost	Valuation	2003 Total Cost/ /aluation	Accum Depn	Net Book Value
Unitec (Parent)										
Land (Crown)	_	12,356	12,356	_	12,356	_	12,356	12,356	_	12,356
Land (Institute)	89	27,485	27,574	_	27,574	_	27,485	27,485	_	27,485
Buildings (Crown)	172	27,970	28,142	2,134	26,008	_	27,970	27,970	1,126	26,844
Buildings (Institute)	1,278	45,374	46,652	4,414	42,238	_	45,374	45,374	2,378	42,996
Plant and equipment	5,780	-	5,780	3,104	2,676	5,236	-	5,236	2,758	2,478
Plant and equipment leased	966	_	966	301	665	-	_	-	-,	-,
Furniture and fittings	2,655	_	2,655	2,119	536	2,687	_	2,687	2,061	626
Motor vehicles	1,545	_	1,545	1,013	532	1,339	_	1,339	939	400
Computer equipment	12,607	_	12,607	10,160	2,447	10,808	_	10,808	8,647	2,161
Computer equipment leased	5,820	_	5,820	1,775	4,045	_	_	· -	· -	
Office equipment	1,084	_	1,084	819	265	1,075	_	1,075	755	320
Library collection	_	2,227	2,227	-	2,227	-	2,288	2,288	_	2,288
Total	31,996	115,412	147,408	25,839	121,569	21,145	115,473	136,618	18,664	117,954
Consolidated										
Land (Crown)	-	12,356	12,356	_	12,356	_	12,356	12,356	_	12,356
Land (Institute)	89	27,485	27,574	_	27,574	_	27,485	27,485	_	27,485
Buildings (Crown)	172	27,970	28,142	2,134	26,008	_	27,970	27,970	1,126	26,844
Buildings (Institute)	1,278	47,365	48,643	4,527	44,116	\	47,366	47,366	2,435	44,931
Plant and equipment	5,780	-	5,780	3,104	2,676	5,236	\/ -	5,236	2,758	2,478
Plant and equipment leased	966	-	966	301	665	_	<u> -</u>		-	0
Furnitures and fittings	2,657	-	2,657	2,119	538	2,689	-	2,689	2,061	628
Motor vehicles	1,545	_	1,545	1,013	532	1,339	_	1,339	939	400
Computer equipment	12,621	-/	12,621	10,171	2,450	10,821	-	10,821	8,653	2,168
Computer equipment leased	5,820	\ <u>^</u>	5,820	1,775	4,045	-	-	-	-	0
Office equipment	1,085	-	1,085	819	266	1,076	-	1,076	755	321
Library collection	· -/	2,227	2,227		2,227	_	2,288	2,288		2,288
Total	32,013	117,403	149,416	25,963	123,453	21,161	117,465	138,626	18,727	119,899

Land and buildings were valued by Telfer Young, registered valuers, as at 1 January 2003. The valuation basis is fair value for land and ODRC for buildings. (Refer to Accounting Policy 6.)

# 9 Accounts payable

Accounts payable are made up as follows:

		2004 Unitec Actual \$000	2003 Unitec Actual \$000	2004 Consolidated Actual \$000	2003 Consolidated Actual \$000
Trade creditors Accruals Total accounts payable		776 10,850 11,626	387 7,615 8,002	806 10,850 11,656	456 7,615 8,071

The Unitec Recreation Trust has a 20-year mortgage with the National Bank at an interest rate of 5.93%. The maturity date for the mortgage is 1st October 2015. Unitec has entered into an \$18.5 million revolving cash advance facility with the ASB Bank. The interest rate payable is dependent on the Bill Rate at the time of drawdown plus a margin.

# 11 Provision for employee entitlements

	2004 Unitec Actual \$000	2003 Unitec Actual \$000	2004 Consolidated Actual \$000	2003 Consolidated Actual \$000
Provision for holiday pay	3,123	3,133	3,136	3,156
Provision for retirement leave	318	312	318	312
Provision for long service leave	284	301	284	301
Total employee entitlements	3,725	3,746	3,738	3,769
Made up of:				
Current	3,280	3,286	3,293	3,309
Non-current	445	460	445	460
Total	3,725	3,746	3,738	3,769

# 12 | Public equity

This balance consists of the accumulated surplus and reserves.				
	2004	2003	2004	2003
	Unitec	Unitec	Consolidated	Consolidated
	Actual	Actual	Actual	Actual
	\$000	\$000	\$000	\$000
Accumulated surplus				
Opening balance	68,951	64,377	69,678	65,074
Net surplus/(deficit) for the year	(1,714)	4,574	(1,563)	4,604
Closing balance	67,237	68,951	68,115	69,678
Library revaluation reserve				
Opening balance	1,056	778	1,056	778
Revaluation	103	278	103	278
Closing balance	1,159	1,056	1,159	1,056
Land revaluation reserve				
Opening balance	29,081	5,720	29,081	5,720
Revaluation	-	23,361	-	23,361
Closing balance	29,081	29,081	29,081	29,081
Building revaluation reserve				
Opening balance	10,256	6,266	10,646	6,388
Revaluation	-	3,990	y -	4,258
Closing balance	10,256	10,256	10,646	10,646
Total equity	107,733	109,344	109,001	110,461

# 13 Reconciliation of net surplus from operations with net cash flows from operating activities

	2004 Unitec Actual \$000	2003 Unitec Actual \$000	2004 Consolidated Actual \$000	2003 Consolidated Actual \$000
Net surplus/(deficit) for the year	(1,714)	4,574	(1,563)	4,604
Add non-cash items:				
Depreciation	8,235	6,285	8,295	6,344
Increase/(Decrease) in non-current employee entitlement	(16)	(1)	(16)	(1)
Bad debts written off	41	270	45	270
Add (less) movements in working capital:				
Increase/(Decrease) in fees in advance	(4,397)	(696)	(4,397)	(696)
Decrease/(Increase) in accounts receivable	3,079	(3,378)	3,059	(3,362)
Decrease/(Increase) in prepayments	(284)	1	(284)	1
Increase/(Decrease) in accounts payable	2,567	(196)	2,504	(197)
Decrease/(Increase) in inventory	(404)	319	(404)	319
Increase/(Decrease) in current employee entitlements	(6)	216	(15)	239
Change in provision for doubtful debts	(200)	-	(200)	-
Add/(Less) items classified as investing activities:				
Net loss/(gain) on disposal of assets	291	130	291	130
Net cash flows from operating activities	7,192	7,524	7,315	7,651

# 14 Grants

Details of the Income and Expenditure of Grants (GST exclusive) in relation to the purpose for which they are given are set out below as required by the Public Finance Act 1989. These grants have been incorporated in the respective income and expenditure categories.

2004 Consolidated/Unitec		2003 Consolidated/Unite		
	\$000	\$000	\$000	\$000
Type of grant	Income	Expenditure	Income	Expenditure
Special education	25	25	25	25
Support for Maori and Pacific peoples	140	140	148	148
Teach NZ	7	5	/ > -	-
Total grants	172	170	173	173

# 15 Segmental information

Unitec operates predominantly in one industry (tertiary education) and in one geographical area (Auckland, New Zealand).

# 16 Related party information

# Crown/Government

Unitec is a wholly owned entity of the Crown. The Government influences the role of Unitec as well as being its major source of revenue.

Unitec enters into numerous transactions with government departments and other Crown agencies on an arm's length basis and where those parties are only acting in the course of their normal dealings with the institution. These transactions are not separately disclosed because of the volume of the transactions and because the transactions are conducted on an arm's length basis in the normal course of business.

# Inter-group

All members of the group are considered to be related parties of Unitec. In 2004 Unitec paid the Unitec Recreation Trust rental of \$172,000 (2003, \$172,000) for the use of the Unitec Trust Recreation Centre.

There was nothing owing to Unitec from the Unitec Apprenticeship Training Trust (2003, \$68,000).

# Members of the Council and key management

During the year, Unitec purchased materials from Goodwood Industries Limited, a manufacturing company, of which Mr J Robb, a member of the Unitec Council is a director. These goods were supplied on normal commercial terms at a cost of \$21,201 (2003, \$16,708). There were no other related party transactions.

Mr R Reid and Dr J Webster are Council members and trustees of the Unitec Apprenticeship Training Trust.

Mr A Dickinson is a Council member and trustee of the Unitec Recreation Trust and the Unitec Trust. Mr A Wood was also a Council member and trustee of both trusts up until the time of his death in October 2004. A replacement trustee is yet to be appointed.

# 17 Financial instruments

Unitec has a series of policies providing risk management for interest rates, foreign currency and credit. Unitec is party to financial instrument arrangements as part of its everyday operation. These financial instruments include bank accounts, bank deposits, accounts receivable, accounts payable and term borrowings and are recognised in the Statement of Financial Position.

## Interest rate risk

There are no interest rate options or interest rate swap agreements in place as at 31 December 2004.

# Foreign currency risk

There is no foreign currency risk as at 31 December 2004.

# Concentration of credit risk

Financial instruments that potentially subject Unitec to concentrations of risk consist primarily of cash, short-term investments, accounts receivable and a loan.

Unitec places its cash and short-term investments with high-credit quality financial institutions and sovereign bodies and limits the amount of credit exposure to any one financial institution. Concentrations of credit risk with respect to accounts receivable are limited due to the low level of revenue generated by customers other than the New Zealand Government.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practical to estimate the value:

## Short-term investment

For the purpose of compliance with generally accepted accounting practice, the carrying amounts of all short-term investments are stated at the lower of cost or market value.

## Accounts receivable

The carrying value of all accounts receivable is after making allowance for doubtful debts (\$200,000 for student debtors) (2003:\$400,000).

The estimated fair value of Unitec's financial instruments as at 31 December 2004 is not significantly different from the carrying value.

# 18 Post balance date events

There were no post balance date events that would materially affect Unitec.

# 19 Major budget variations

Explanations for major variations from the Council budget are as follows:

# Statement of Financial Performance

The decrease in government funded EFTS and a change in their composition during the period resulted in decreased Tertiary Education Commission funding and student fees compared to budget. Also incorporated within the financial results 2004 were a number of one off costs associated with restructuring and rebranding the organisation. A further factor affecting the 2004 result was the lower than budgeted level of capitalisation of Minor Capital Works projects.

# 20 Comparative figures

Comparative figures included in the Financial Statements relate to the financial year ended 31 December 2004. Where necessary these figures have been reclassified on a basis consistent with the current year's disclosure.

2,715

# **Statement of Commitments and Contingencies**

# Statement of Commitments as at 31 December 2004

	Actual	Actual 2003 \$(000)
	2004	
	\$(000)	
Capital commitments approved and contracted	29,826	10,120
Non-cancellable operating lease commitments		
Land and buildings		
Not later than one year	536	448
Later than one year and not later than two years	254	283
Later than two years and not later than five years	104	3
Property and equipment		
Not later than one year	300	4,219
Later than one year and not later than two years	9	2,540
Later than two years and not later than five years	2	1,109
	1,205	8,602
Other non-cancellable contracts At balance date Unitec had also entered into non-cancellable contracts for software	e maintenance, communications and other	
contracts of service.		
Details of commitments under these contracts are as follows:		
Not later than one year	625	792
Later than one year and not later than two years	777	600
Later than two years and not later than five years	-	752
	1,402	2,144
Total commitments	32,433	20,866
In addition to the above commitments, Council has authorised the following, althou	gh at balance date these were not contracted	l.
	Actual	Actua
	2004	2003
	\$000	\$000
Capital equipment	2,000	3,056
Minor capital works		1,400
Marae		110
Siteworks and site services	45	68
Building projects	607	1,46
Information technology projects	63	
371 37 37		

# Statement of Contingent Liabilities as at 31 December 2004

- 1 Unitec is defending two personal grievance claims outstanding as at 31 December 2004. There are no unresolved student grievance issues.

  The financial effect of these claims is not considered to be material and has not been accrued as a liability
- 2 The student hostel accommodation at 1510 Great North Road and Building Complex 310 was developed by Townscape Drummond Limited. Unitec has an agreement with Townscape Drummond that guarantees an 85% occupancy rate for 40 weeks each year for a 10-year period. There was a liability of \$90,000 for the 2004 financial year. For the remaining term of the agreement the total sum guaranteed is \$10.304 million. This guarantee expires in 2012. In 2003 Unitec paid a shortfall penalty of \$9,000.
- 3 Land owned by Unitec is subject to claims under the Waitangi Tribunal. The likely outcome of these claims is unknown.



# **Appendices**

For the year ended 31 December 2004

KEN NICOLL | Horticulture An outline of business planning and learning about effective ways of communicating gave me more confidence for working in the field.

# **The Council of United**

Chairman

A Q Dickinson FNZIQS, AAIQS Ministerial appointment

**Deputy Chairman** 

A E Wood MIPENZ Auckland City Council (passed away October 2004)

Secretary

R U Ewert LL.M *Well.*, MBA *Auck.* Registrar, Unitec Institute of Technology

# Members

J A Webster BSc *Eng*, MSc, PhD *Aberd.*, FIE *Aust.*, FIPENZ, FIE *Ireland* President and Chief Executive, United Institute of Technology

S M Chan JP, MTax BCom *Auck.*, FCA, CMA, ANZIM, METI Institute of Chartered Accountants, New Zealand

D Cooke MA, PhD *Essex*, Dip Tchg Academic staff representative, Unitec Institute of Technology

G Costello LLB *Auck.*, CPM & IR Employees' representative

M L A Glen FIPENZ, IPM *UK* Ministerial appointment

J Young Student representative

R Knight LLB Co-opted

J Lawley MSc *Oxon*, BSocSc, Dip Tchg, Dip Guid/Counselling Ministerial appointment

K Millar

Allied staff representative, Unitec Institute of Technology

R T Reid

Co-opted - Waitakere City

G Shuttleworth

Certified Builders Association of New Zealand

 ${\sf E\ Thomson\ Dip HSC,\ Dip Tchg,\ JP}$ 

Co-opted

 ${\sf M}$  S Tunks MEd, Dip ISI City & Guilds  ${\it Lond.}$  , Dip Ed Studies, TTC (HomEc)  ${\it ACE}$  Whanau O Waipareira

P Winter

Ministerial appointment

# **Senior Executive Team of United**

Chief Executive and Deputy Presidents

President and Chief Executive

J A Webster BSc Eng, MSc, PhD Aberd., FIE Aust., FIPENZ, FIE Ireland

**Deputy President Academic** 

A P Codling BSc(Hons), MSc Auck., MEdAdmin NE., EdD NE.

**Deputy President Corporate** 

R Handley BBS Massey, ACA, CMA

Registrar

R U Ewert LL.M Well., MBA Auck

Pae Arahi

H Paniora

**Deans** 

Teaching and Learning

M Barrow MSC, Dip Tchng, EdD Auck.

Postgraduate Studies

J S Rowarth BAgSc (Hons), PhD Massey, CRSNZ, FNZIAS

**Undergraduate School** 

R V Smyth LLB(Hons) Belf., MEd Auck., DipEd, PGCE

Vocational Education and Training

R J Meldrum BA, PGDipArts Otago, Dip Tchng, MEd Auck.

Vice Presidents

Community

Y Hawke Dip ATE Unitec, BEd Well.

Development

J P Boon MBA, MProp Auck., FRICS, ANIQS, MNZIOB, MAACE, MAIPM

International

Prof G M McDonald BBS Massey, MBA W.Aust, PhD Lond.

**Facilities** 

R M Paul BArch(Hons) Auck., ANZIA

Finance

O T Burnside BCom Auck., CA

**Director Institute Relations** 

A Bailey BSc Cant., CertJourn, PRINZ

# **Statistical Profile**

# Students

Unitec is committed to providing its students with the knowledge and skills to face the challenges of the future and to live in a multi-cultural world. The institution recognises and celebrates the diverse backgrounds of its students and is committed to offering them a socially, culturally and spiritually responsive environment. In particular, Unitec endeavours to provide excellent academic and pastoral support for students in ways that best suit their learning needs.

Equal Educational Opportunities	2004	2004	2004	2003
	Total	Total	Percentage	Percentage
All Students	Enrolments	EFTS	EFTS	EFTS
Full-time	9,403	8,042	78%	77%
Part-time	5,700	1,406	14%	13%
Continuing Education*	35,322	823	8%	10%
Total	50,425	10,271	100%	100%
* The Continuing Education enrolment figure excludes 1,163 students	already enrolled in formal pr	rogrammes in 2004	4	
Gender and study load*				
Female full-time	4,342	3,745	47%	46%
Female part-time	2,941	706	50%	51%
Total	7,283	4,451	47%	47%
Male full-time	5,061	4,298	53%	54%
Male part-time	2,759	700	50%	49%
Total	7,820	4,998	53%	53%
* Excludes Continuing Education				
Maori and Pacific Islands enrolments		2004	2004	2003
		Percentage	EFTS	Percentage
Percentage Maori EFTS*		9.4%	730	9%
Percentage Pacific Islands EFTS*		7.1%	549	7%

<sup>\*</sup> Excludes international students.

# Student support

# Students with disabilities

In 2004, Unitec received \$217,000 income from the Special Supplementary Grant (SSG) to assist and create opportunities for students with disabilities. As part of its commitment to reducing and minimising the barriers for students with disabilities, in accordance with section 220 of the Education Act 1990, Unitec used the SSG income as well as its own funds to increase the participation and success of these students in its programmes.

Unitec used the SSG income in 2004 to fund several initiatives, including a full-time Disability Liaison Co-ordinator, a full-time administrator, 26 part-time casual support staff providing one-on-one support, the purchase of special equipment and Braille transcription services.

Special Supplementary Grant	2004	2003
	Actual	Actual
Number of students with disabilities	537	614
Special Supplementary Grant income (\$)	217,000	189,561

In 2004, the number of students with disabilities on campus was lower than the previous year. Students assisted were primarily undertaking full-time study and required a high number of support hours. There were also a number of deaf students with high resource needs. A new study room for students with disabilities was well utilised throughout the year. The success and retention rates for students with disabilities, which exceeded expected benchmarks of 50%, is indicative of the quality of support provided. The shortfall of \$28,460 between the SSG grant and the expenditure required to meet demand was covered by Unitec's own funds.

The Disability Liaison Co-ordinator and the casual support staff provided a total of 10,320 hours of one-on-one support for 145 out of a total of 537 students registered with disabilities who were participating in integrated programmes. The total expenditure for this personal support amounted to \$254,460.

# Disability support

Staff	FTE	TE Areas of Integrated Support		Cost
Disability liaison	2	Notetakers	5,162	
Casual support	26	Sign language interpreters	3,506	
		Tutors	1,105	
		Personal care	547	
Total FTE	28	Total hours	10,320	\$232,723
Royal Foundation for the Blind transcription services				\$9,786
Equipment and software				\$2,951
Total				\$254,460

# Maori and Pasifika peoples

Unitec received an SSG of \$140,000 to improve tertiary education outcomes for Maori and Pasifika peoples by increasing the retention and completion rates of Maori and Pasifika students and encouraging them on to higher education and into subjects where they are under represented.

SSG funds for Maori included funding to enable Unitec to increase the provision of counselling services to Maori students in Maia, our Maori Development Centre. Funds also contributed to the salary of a Maori Academic Advisor to assist in the development of a Maori dimension in Unitec programmes. This enabled us to meet our commitments under Te Noho Kotahitanga, the Partnership, and our obligations under the Treaty of Waitangi. Within the School of Design, a Tohunga-a-Toi (Maori tutor and pastoral care provider) was specifically responsible for Maori student support. SSG funds were also used to establish systems and structures for our Maori Mentoring programme, which will begin in 2005, as well as to contribute to the support of Maori postgraduate students to help ensure the successful completion of their studies.

SSG funds for Pasifika enabled Unitec to provide additional support services for Pasifika students. A Pacific Island Student Support Co-ordinator provided support for those undertaking business programmes, which the majority of our Pasifika students are studying. The co-ordinator worked with Pacific Island students and various staff members to help maximise Pasifika success and retention.

# Students experiencing financial hardship

In 2004, Unitec provided \$12,890 to a total of 91 students experiencing financial hardship, through the Hardship Fund operated by the Student Funding Centre. While the number of students assisted has dropped considerably from the previous year, the average allocation has increased by 42 percent. Government agencies such as StudyLink, the Department of Work and Income, and the Inland Revenue Department have been proactive in financially supporting students. The focus of the Student Funding Centre continues to be responsive to the needs and demands of the student population. There is more emphasis on financial preparation for study and to ensure continued studying while balancing finances. Students are becoming more prepared for having limited finances while studying and aware of the long-term effects of student loan debt. This creates more interest and demand for funding opportunities such as scholarships and awards.

Unitec hardship fund allocation	2004 Actual	2003 Actual
Total allocations (\$)	12,890	15,000
Students assisted	91	195
Average allocation per student (\$)	142	100

# Staff

Unitec is committed to systemic equal employment opportunity principles that aim to ensure equality of opportunity in all aspects of its work, through the use of sound employment practices when appointing, managing and developing staff. In doing so, Unitec complies with the spirit and intention of all relevant employment legislation, including the Human Rights Act 1977, the Race Relations Act 1971, the State Sector Act 1988 and the Parental Leave and Employment Protection Act 1987.

Equal Employment Opportunities statistical profile

	·		2004 FTE		2003 FTE	
Staff totals (FTE)	F/T	P/T	Total	Percentage	Total	Percentage
Academic staff						
All staff	522	146	668	100%	648	100%
Disabled	12	3	15	2%	15	2%
Maori	21	7	28	4%	20	3%
Pacific Island	11	2	13	2%	13	2%
Female	229	98	327	49%	315	49%
Male	293	48	341	51%	333	51%
Allied staff						
All staff	420	100	520	100%	504	100%
Disabled	28	2	30	6%	30	6%
Maori	24	5	29	6%	33	6%
Pacific Island	22	3	25	5%	24	5%
Female	282	76	358	69%	350	69%
Male	138	24	162	31%	154	31%