



Reaching Our Potential Together

2010 ANNUAL REPORT

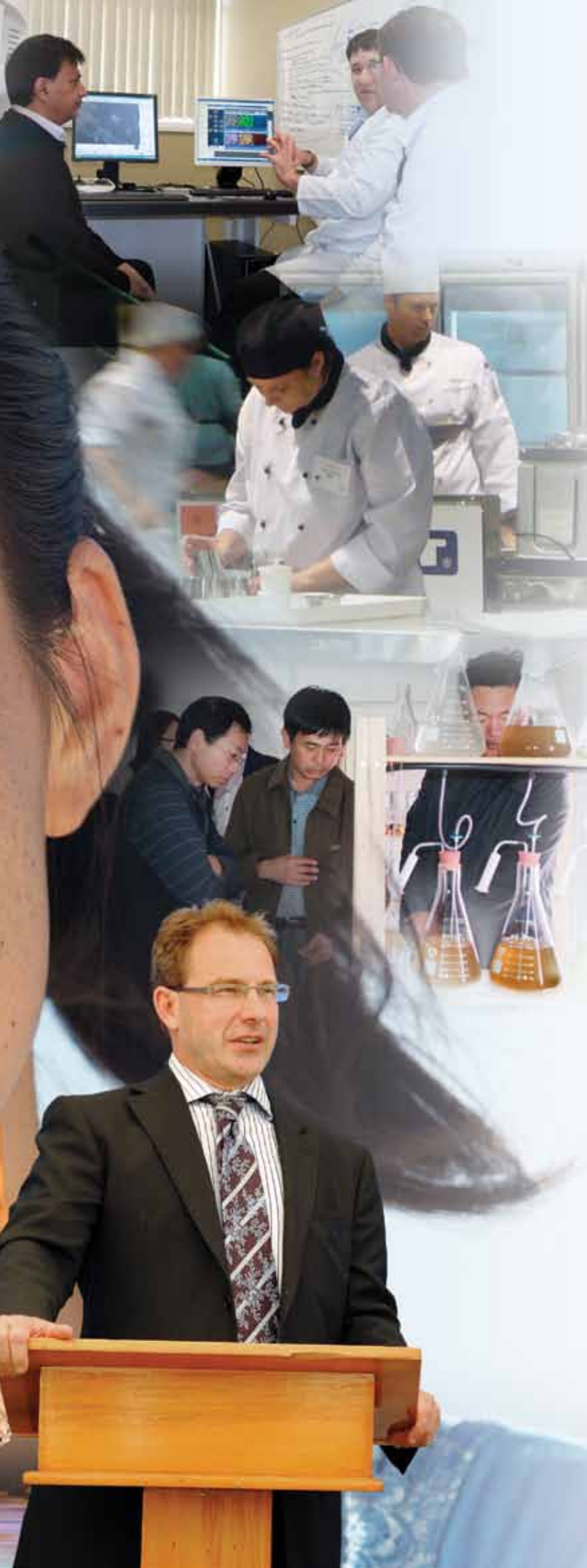




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What We Do & What We Care About

We Believe Our Vision

KIA EKE PANUKU *Reaching our potential together*

Eke Panuku – reaching our potential together – embodies all of the relationships Bay of Plenty Polytechnic embraces; our partnerships with industry and other tertiary providers, our involvement with community groups, our interaction with iwi and hapu, and of course, our partnership with our students and staff.



We Do Our Priorities

At Bay of Plenty Polytechnic we are dedicated to providing a dynamic learning experience where learners will discover their strengths and potential through an active and stimulating environment.

We offer a comprehensive range of quality programmes that are progressively being developed with industry input and students in mind, and, through our unique relationships with other tertiary organisations, we provide the pathways necessary for life-long learning.

We assist our diverse learners and staff through personalised support systems, modern facilities and our commitment to continued excellence, maximising learning opportunities for all who wish to participate.

We are committed to Te Waka Hourua - the twin hulled waka - taking people on their learning journey together to the same place. We firmly believe in equality for all, we provide resources and initiatives to support all learners to reach their fullest potential and we recognise iwi, hapu and whānau educational aspirations. We strive to extend the philosophy of Te Waka Hourua to the whole institution, to enhance the mana of all our learners.

Home to a diverse community of staff and students, Bay of Plenty Polytechnic creates unique learning opportunities and a vibrant atmosphere.

We Are Our People

Our School of Applied Science is a passionate, curious and devoted team, working with students and the community to create healthy outcomes for people and our own natural environment. They pride themselves on focusing their research in areas that support our region's needs, working collaboratively with industry, community and local government partners.

Our School of Applied Technology team are not just excellent teachers, they are also highly skilled and experienced architects, builders, electricians, engineers, mechanics, welders, law enforcement and road transport professionals. The School's staff are industry experts dedicated to understanding, learning and providing what industry needs. Delivery of this expertise is enhanced by our purpose-built state of the art facilities.

We are teachers, learners, helpers, coaches, researchers, environmentalists, innovators and champions – all working cohesively to reach our fullest potential.

Our School of Business Studies brings together a group of people with a rich array of specialty expertise, experiences and perspectives. The School encompasses professionals teaching subjects as diverse as hospitality, strategic planning, business administration and software project management, through to flight attending, tourism and event management. They are motivated, innovative and have a passion to help others succeed.

Our School of Design and Humanities is hallmarked by creativity, ingenuity and passion. Covering design, art, music, education, broadcasting, health and beauty, the School is student-focussed and works closely with local industry and the community, ensuring the best student outcomes.

Throughout both the Bongard and Windermere campuses, there's also an amazing group of people at the heart of the Polytechnic, dedicated to helping the organisation reach its potential. They support students and staff in developing their skills, both personal and professional; they help people to stay active, healthy and safe at work and at home; and they use their human resources, financial, marketing, research and technology expertise to enable and advance our key vision, reaching our potential together.

We are teachers, learners, helpers, coaches, researchers, environmentalists, innovators and champions – all working cohesively to reach our fullest potential.

Bay of Plenty Polytechnic is a place where the potential of our learners is fostered and nurtured; a place where learners will build lifelong relationships with fellow students, passionate teaching staff and vital industry connections; and a place where learners will flourish on their journey of personal and professional discovery.



2010 at a Glance

9,443



STUDENTS ENROLLED

126

FORMAL PROGRAMMES

88 Full programmes
(40+ CREDITS)

38 Short awards
(1-39 CREDITS)

10 art, graphic design and fashion exhibitions by students and staff



45%

enrolled in Level 1-3 programmes

26%

enrolled in Level 4-5 programmes

29%

enrolled in Level 6+ programmes

3,374

TOTAL EFTS

773 total EFTS

School of Applied Science

743 total EFTS

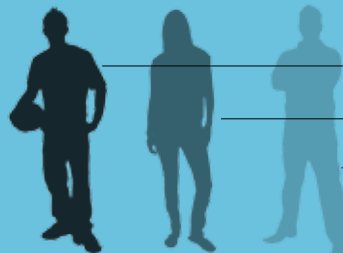
School of Applied Technology

990 total EFTS

School of Business Studies

868 total EFTS

School of Design & Humanities



26% Māori

2% Pacific Islander

1% International

\$28,084,844
government funding

\$11,057,265
student tuition fees

\$4,036,317
other income

\$94,019,423
total assets

\$38,505,843
total expenses

\$4,898,452
surplus



1,253 photos submitted to the Secondary Schools 48-Hour Photo Competition.



GRADUATION CEREMONIES

3,418 awards, certificates & diplomas issued

2,050 full programme certificates & diplomas issued

1,368 short awards issued

30% under 20 years old

15% 20-24 years old

10% 25-30 years old

14% 31-40 years old

17% 41-50 years old

14% 51+ years old

29 students and staff

battled each other in the dry Weet-Bix eating competition

35 seconds

was the winning time



85%

overall student satisfaction

91% student satisfaction: School of Applied Science

86% student satisfaction: School of Applied Technology

83% student satisfaction: School of Business Studies

84% student satisfaction: School of Design & Humanities

STUDENT GENDER

Male

Female

52%

48%



81%

of students are from the Western Bay of Plenty

6%

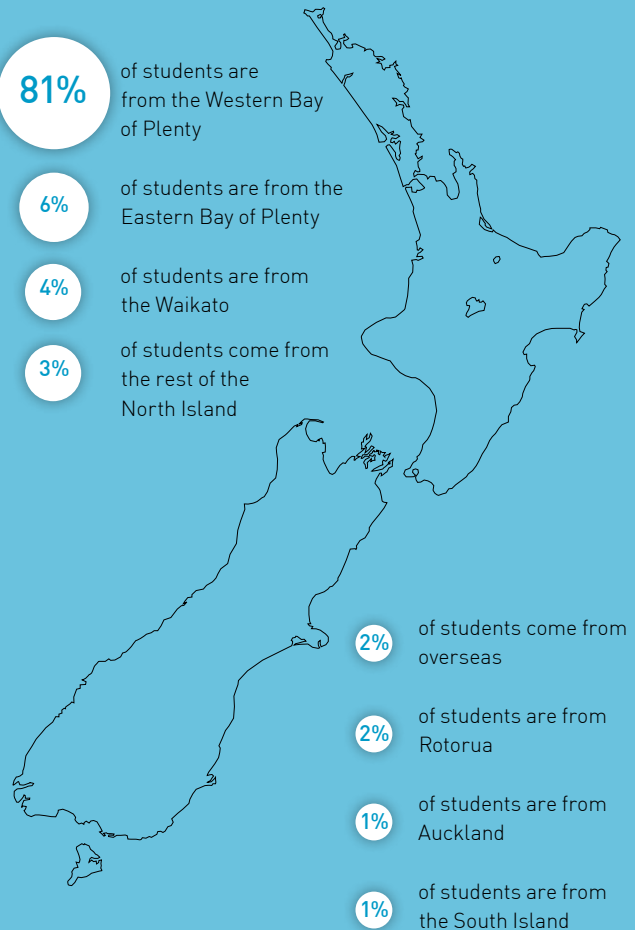
of students are from the Eastern Bay of Plenty

4%

of students are from the Waikato

3%

of students come from the rest of the North Island



Chairperson's Report

My first task in this report must be to thank the out-going Chairperson and Council whose term of office came to an end on 30 April 2010. Our sincere thanks to all of them for their many years of service.



On 1 May, our new Council took over and found we had inherited a well run, well-regarded and successful Polytechnic that scored highly on educational and financial performance, and importantly, on participation of young Māori learners. This is a legacy that management and the retiring Council should rightly be proud of.

In essence, those policies aim to deliver more vocational training out of the taxpayer's dollar

With new Councils being introduced throughout the Polytechnic sector, the Tertiary Education Commission arranged a conference to brief us all on the Government's policies for the Polytechnic sector. In essence, those policies aim to deliver more vocational training out of the taxpayer's dollar, by being focused on improving retention of students on courses,

improving the numbers of students completing courses, increasing the number of young Māori in tertiary courses and improving research outcomes.

These priorities are reinforced by a clear set of key performance indicators, financial incentives and penalties to support delivery of appropriate outcomes. It was also made clear that there were going to be significant changes to funding, particularly from 2012 onwards, and that funding would cease for certain types of programmes, especially short courses (i.e. those less than 6 months). This was effectively the framework that the new Council began to operate within.

Year to 31 December 2010

The information contained in this 2010 Annual Report shows that the Polytechnic has continued to perform strongly, albeit with some areas requiring more attention.

Educational performance

Our report on performance indicators on pages 26 – 37 shows the detail of how we have performed over the year.

It is particularly pleasing to note the achievements of our Māori students. At a recent conference, it was made clear to me how successful our programmes for Māori are. We are regarded as the most successful within the Polytechnic sector, in terms of participation, retention and completion. However, while our participation rates are around 30%, compared to a Māori population comprising 17% of the population, the projected growth in Māori within the region means that we need to ensure that progression through tertiary education is the norm, not the exception.

This reduction is reflective of a change in the mix of provision of courses provided, leading to a decrease in the number of part-time students, as total EFTS (Equivalent Full-Time Students) increased from 3,245 in 2009 to 3,374 in 2010.

It is notable that our retention rate decreased from 98% to 91%. Rather than being a reflection of a failure in performance, this is attributable to a decrease in the number of short courses, which has had a disproportionate effect on the retention rate.

It is particularly pleasing to note that successful programme completions increased from 70% in 2009 to 75% in 2010. This is a reflection of the success of the effort put in to supporting students and helping them to achieve their goals.

Given the constraints of a tighter funding regime, we congratulate management and staff on maintaining, if not enhancing, the Polytechnic's strong reputation for educational performance in 2010.

Financial performance

Total income was slightly down on 2009 and expenditure up by some 9% though a surplus of \$4.5m (2009: \$9.6m) was achieved. This comfortably exceeds the minimum requirement of a 3% surplus set by the Tertiary Education Commission. The increase in expenditure and the decrease in surplus, as against 2009, reflect income received in 2009 that was expensed in 2010. In the circumstances, this is a strong result for the Polytechnic.

While accumulated reserves total \$81m, it has to be recognised that this is represented by property and other operating assets rather than cash reserves. While it is comforting to think of these reserves as a cushion against future hard times, they are tied up in assets and therefore not easily converted into cash in the event of hard times in the future.

Council focus

The new Council has been focused on three main areas during our term of office in 2010:

1. Strengthening relationships with Tangata Whenua and the principles of Te Waka Hourua – the twin hulled waka. As a Council we recognise the importance of improving opportunities for young Māori, and to this end, we have endorsed the Te Waka Hourua principle as the core of the Polytechnic's philosophy; we have earmarked one of our Council places for a representative appointed by our Māori representative committee Kaunihera Māori and we have held a hui with the Council and Kaunihera Māori, to inform our strategic directions and planning. We look forward to continuing to work together with Tangata Whenua to strengthen the reach of our programmes and outcomes for Māori learners.
2. Clarifying the strategic directions of the Polytechnic and delivering a strategic plan based on those directions. In essence, this means delivering on the Tertiary Education Strategy and accordingly our strategic plan recognises this.

3. Developing the region's Tertiary Education Partnership with the University of Waikato and our newly introduced partner Te Whare Wananga o Awanuiarangi. In particular, we have been involved in discussions regarding the establishment of a tertiary partnership campus. At the time of reporting, these discussions are on going and the exact shape, location and indeed format, are still being formed.

The new initiatives and developments introduced during 2010 have been documented elsewhere in this report and represent the legacy of the outgoing Council, of which they can be very proud.

The Future

As a Council, we have encouraged and contributed to the development of a strategic plan that will deliver on the Government's and other priorities.

A major challenge for the Polytechnic in 2011 is how it can encourage those who could benefit from courses of study to resist the lure of quick money available in any of the sites of major reconstruction e.g. Queensland, Christchurch or even Japan. We also need to address the issue of high schools encouraging students into university courses, regardless of their skills or the potential for future employment, instead of recognising the benefits of skills-based vocational training matched to employer needs. We believe that recruitment into the Polytechnic in the current economic and social climate may well suffer to the detriment of the young people of this region.

In an ever changing environment, which probably few have experienced the way we now experience it, it becomes harder to plan for the future. However, we have to do the best we can and we are confident that the Polytechnic will continue to do its part in helping the region prosper.



Ian Turner
Chairperson of Council

Chief Executive's Report

Te Waka Hourua – the twin hulled waka represents the importance of working together in partnership, accommodating differences, in order to achieve common goals and direction.

A Chief Executive's annual report invariably reflects on the achievements of the year past and in this regard this report will be brief and not repeat aspects that are detailed elsewhere within the document. It will comment briefly on some key issues that have the potential to greatly influence the future performance of the institution and the provision of vocational education and training for New Zealand.



The performance of Bay of Plenty Polytechnic in 2010 was very sound, with Quality Reinvestment Funding (QRF) received in 2009 having a significant effect on developing institutional and staff capability for the future. Many of the QRF projects recognised the need to be responsive to students' increasing desire for blended delivery options with appropriate learning support. It is vital that as educators we challenge previous ways of doing things – including delivery, assessment and learning support – that is how we can release further innovation and creative thinking, focused on improving access to provision, successful completion and relevant outcomes of employment or further training.

In April 2010, Bay of Plenty Polytechnic was the first ITP to successfully go through self assessment and then external evaluation and review. The change to a self assessment quality philosophy was challenging, however it was also liberating and enfranchising of all staff, academic and non-academic, in supporting successful student experiences and outcomes.

Te Waka Hourua is a philosophy developed under the guidance of the institution's Māori Education Director to enable the institution to better address the disparity of outcomes for Māori learners. (Bay of Plenty Polytechnic's

Māori student enrolments for 2010 were 26% compared with the sub-region demographics of 17%). The twin hulled waka represents the importance of working together in partnership, accommodating differences, in order to achieve common goals and direction. The importance and success of the Te Waka Hourua approach, rightly now establishes its relevance and applicability to all activities and relationships across the institution.

It is important to recognise the age of many regional polytechnics and associated infrastructure, often over 20 years old and no longer meeting the new regulatory compliance requirements. In the past two years, the institution has seen major re-roofing projects of two buildings, one on Windermere Campus and the other the Bongard Centre in the central business district. The dis-establishment of capital funding support by the Tertiary Education Commission places huge burdens on regional polytechnics to be able to ensure campuses meet current compliance requirements whilst still being able to invest in continued capability and capacity development of the organisation and its staff, for the future learner. The construction and opening in 2010 of the new engineering block was an example of the need to replace a predominantly 25 year old set of trades workshops that were

no longer providing good teaching/learning environments and were far removed from the working environment the students would encounter in the workforce.

All tertiary education organisations have to ensure alignment to the national Tertiary Education Strategy (TES) and the key change trends that are contained within. However, there does appear to be a significant danger of 'credential creep' starting to take place through the increasing push (often with extra funding) for degrees. Not all companies require or can even meet the salary aspirations of degree graduates. It is important such a drive is not at the expense of the certificate and diploma programmes that produce very well skilled employees and technicians, nor at the expense of the second chance learner and more mature student. The key focus must be on increasing participation in tertiary education through

train our people, so that the country can take the opportunities to establish and maintain our global competitiveness. This again comes back to encouraging and enabling participation, often at foundation level, and then ensuring pathways during lifelong learning to higher levels.

During 2010, significant changes occurred in both the governance and quality assurance aspects of the ITP sector. One can question why more equitable treatment across the TEI sector, born out of parity of esteem, cannot be more evident on these occasions from our agencies.

The performance of Bay of Plenty Polytechnic is the result of the commitment and hard work of staff. At a time when the tertiary sector is ever more challenging, recognition and thanks is unreservedly expressed to our staff.

The key focus must be on increasing participation in tertiary education through continued removal of barriers, particularly for first generation, second chance and mature learners.

continued removal of barriers, particularly for first generation, second chance and mature learners. To have students meeting the TES aspiration of studying at higher levels, students must be entering tertiary in sufficient numbers at foundation and lower levels. Once engaged in tertiary, the next focus is supporting the student to succeed in their programme with the personal development that accompanies that successful experience. Seamless programme pathways, built on fair credit recognition, will then ensure the opportunity for these students during their lifetime, to move into and succeed in under-graduate and even post-graduate degree study.

At a time when New Zealand faces huge challenges arising from the Christchurch recovery, we must ensure previously removed barriers to participation and success in tertiary study do not start to reappear as a consequence of the influence of other priorities. Our nation's future is hugely influenced by our ability to skill and

The governance changes that occurred in the ITP sector during 2010 have been implemented and the institution is confident in a strong governance-management axis with agreed strategic intent and direction. It would be remiss not to recognise Council members who departed from Council in April 2010 and the role they all played over the past years that saw Bay of Plenty Polytechnic establish itself as one of the best performing regional polytechnics in New Zealand.



Dr. Alan Hampton
Chief Executive

Bay of Plenty Polytechnic in 2010

Eighteen year old New Zealand Diploma in Business student Alex Dive captained the NZ Junior Surf Team at the ISA World competition in Piha, placed third at the Export Gold Super 16 NZ Open Men's competition, won the Volcom Open Men's competition in Australia and placed third in the ASP Australasian Junior Pro Series Under 21 event.

Bay of Plenty Polytechnic has built a keen reputation over the years as a learning centre that leads by example, providing innovative and leading-edge technologies in industries as diverse as engineering, marine biology and fashion.

This reputation has been further enhanced in 2010 with our staff and students winning accolades and top awards around the country for sporting, design, hospitality, business and education achievements. We were heavily involved in supporting local sporting talent through various sponsorships and partnerships, and applauded industry award winners through partnering the regional export and business awards.

Community continued to play a large part in our everyday lives through student and staff interaction in the arts, building homes for charity and undergoing a number of research initiatives to support environmental sustainability within the region.

Bay of Plenty Polytechnic continues to be at the heart of the Bay, whether it is in providing award-winning education, partnering industry initiatives or supporting local community.

Less than two years after completing her studies, fashion graduate Liz Turner showed her label Riddle Me This as part of the New Generation Show at Air New Zealand Fashion Week. The designer was part of a select number of upcoming talents approached to show their labels at the auspicious event.



Taking the Stage

Team Bay of Plenty Polytechnic High Performance Academy Sports Scholarship students have been making waves in the global sporting world.

Now in their second year, the scholarships provide much needed financial, academic and mentoring support for athletes trying to juggle sporting and academic commitments.

Open to any student studying at the Polytechnic, the scholarships have become a drawcard for sports stars from around the country.

Highlights for some of our 2010 recipients included >>



Diploma in Sport and Recreation student Lisa Claassen, placed third with the New Zealand Senior Women's Volleyball team in the Oceania Volleyball Championship held in Noumea, New Caledonia. She was also named Championship Most Valuable Player for her exceptional performance as part of the Tauranga Women's Team in the National Club Championships.



Diploma in Marine Studies student Hamish McGregor, made his debut with the Blacksticks in his first international game against Japan and is training hard as part of the 2011 development squad.



Photo: Bay of Plenty Golf

National Certificate in Electrical Engineering student Bradley Kendall, won the New Zealand Strokeplay championships and was invited to swing his clubs at the US\$1.5 million Asia-Pacific Panasonic Open at Rokko Kokusai Golf Club in Kobe as well as the Asian amateur championship at the Kasumigaseki Country Club, north of Tokyo.



Hospitality student Jacinda Massey picked up two bronze medals at the Auckland Regional Culinary Fare, adding to the silver and two bronze medals she won at the Waikato Culinary Fare. Chefs Andrew Papa, Sophie Rudolph, Hayley Neal, Kat Rimaha, Tam Rea and Olivia Lusby were also awarded bronzes at the Waikato Fare.



In addition to winning a range of local competitions, second year Diploma in Sport and Recreation student Sam O'Dea played in the U21 Beach Volleyball World Championships in Turkey.



Awhina Savage, studying a Diploma in Sport and Recreation, was called into the Open Women's World Cup squad for New Zealand touch rugby and is set to co-captain the national under-21s women's team in 2011.



Continuing the Polytechnic's success at the annual Westfield Style Pasifika Fashion Awards, Diploma in Design (Fashion) student Sarah Friis won the getfunked Hutt Evening Wear section.



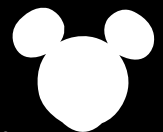
Diploma in Business student Carmen Bradstreet, was honoured with the Cystic Fibrosis Achievement Award for Education for her top level academic achievements all while dealing with the often debilitating disease.



Photo: www.faces.co.nz

Three Polytechnic hairdressing students, Sage McGregor, Hillary Pound and Ngareta Copeland, were thrilled to be awarded first place in the Avant Garde section at the 2010 Regional Hair Design Awards

Fourteen lucky travel and tourism students were selected for internships at Disney World after a visit from Disney executives. Bay of Plenty Polytechnic was the only New Zealand polytechnic visited on their scouting trip.



Enhancing The student experience together



Kelly Pender, Certificate in Fitness Programme Co-ordinator, was one of only ten award winners of a national Tertiary Teaching Excellence Award, making 2010 the second year in a row that the Polytechnic has received one of the prestigious awards.

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Established in 2001, the Tertiary Teaching Excellence Awards aim to recognise and encourage excellence in tertiary teaching while also providing an opportunity for teachers to further their careers and share their good practice with others.

A key focus of the awards is to identify and reward teaching practices that are student-focused and committed to promoting effective learning.

"The Polytechnic has been such a huge influence on my life - both as a student and as a staff member," said Kelly. "I've received nothing but encouragement, support and opportunity along the way. My whānau environment means everything to me and I consider

myself extremely lucky to have learned from incredible staff and students over the years."

Polytechnic Chief Executive, Dr. Alan Hampton, joined Kelly and his wife Becky and at the Wellington-based award ceremony.

"Kelly's success as a recipient of the celebrated award is wonderful recognition for a passionate and creative teacher," said Dr. Hampton. "Kelly believes in the importance of the students' mana and developing the individual for future life options beyond just the immediate qualification. The whole institution shares in Kelly's recognition and indeed the award indicates the high calibre of teaching that exists in the polytechnic sector."



Seventy distinguished guests attended the Whatitoka (unveiling) at the Polytechnic's whare, Pomare. The Whare Wananga (house of learning) is named after an ancestor who lived in proximity of the Windermere Campus and is used extensively to welcome new students and visitors. The carvings, by master carver James Tapiata, capture the people and history of the land and epitomise both our dedication to learning and the local community ■

A new external evaluation and review process developed by the New Zealand Qualifications Authority was introduced in 2010 and Bay of Plenty Polytechnic was the first of the Institutes of Technology and Polytechnics (ITPs) to participate. Staff across the Polytechnic have worked together closely throughout the self-evaluation process reflecting our commitment to quality, especially in areas of programme review and student support ■



Promoting the arts in the Bay keeps many of our staff and students busy, who are frequently found out and about showcasing their talents. Regular music showcases by Diploma in Music Production and Performance students at The Colosseum Bar and exhibitions from the Diploma in Art students at the Void gallery at the Windermere Campus and at the Laundromat Art Project Space in town, make for a fun night out for students and the public alike. Tickets to the annual Infuse Fashion and Graphic Design shows (held at Baycourt) were once again a sell-out ■



The Māori King, Kingi Tuheitia and other dignitaries came together for the unveiling and naming of the Windermere Campus's new partnership building in February. Manifesting the partnership between the University of Waikato and Bay of Plenty Polytechnic, the building is dedicated to the memory of Dr. Maharaja Winiata and provides space for both Polytechnic and University staff working together to develop programme offerings in the Bay for the Bay ■



Making a Difference

Building for community

A fresh idea for Bay of Plenty Polytechnic carpentry students has seen them building more than just homes during 2010, they've built futures.



Brian Dillon, Group Leader Carpentry, says the opportunity for the students to build something tangible has had a great response from students and industry alike.

"Students have really bought into the whole idea of building a home and are excited to think that someone is going to be living in the houses they have built," said Brian.

Thirty-two Certificate in Carpentry students got the chance to learn how to build a house by building a house! From laying the foundations, to installing door handles, the students are now well equipped to begin their carpentry careers.

Each of the Polytechnic's three one-year carpentry programme classes built a house as part of their studies, with two of the homes being auctioned off in support of local children's charity, Homes of Hope. Homes of Hope funding and marketing manager Dorothy Forbes, said the organisation was very grateful to receive some of the funds raised through the auction as it desperately needed the money.

Polytechnic electrotechnology and architecture students were also involved in the project and sponsors, particularly Placemakers, donated and provided discounts on tools and materials.

Both houses featured three bedrooms, including a master bedroom with en suite, bathroom, and open plan kitchen/lounge and dining area. One was auctioned with a completed interior, including kitchen appliances, bathroom fittings, carpet and vinyl, curtains and blinds; the other was sold as a lined shell, built to lock-up stage.

Through our strategic partnership with the Bay of Plenty Rugby Union, the Polytechnic has been able to support emerging rugby talent, raising the profile and presentation of secondary school rugby in the Bay of Plenty. The annual Bay of Plenty Polytechnic Secondary Schools competition, brought together 73 teams in six divisions within the Bay, Rotorua and Taupo regions ■



Diploma in Art Programme Coordinator and renowned local artist Laurie Steer, donated a collection of his artworks entitled *Greatest Hits II* to the Laundromat Art Project Space (LAPS) Charitable Trust. The works were sold via silent auction with the reserve price starting at an unheard of \$1 a piece. LAPS is a non-profit art gallery space in Tauranga's CBD that provides a creative hub celebrating the promotion of contemporary, innovative and experimental art with a special emphasis on emerging artists ■



Nineteen carpentry students and three staff travelled to Christchurch in November to help out with the city's rebuilding following the devastating earthquake. The Polytechnic team spent a busy week working in partnership with Willow Bank Wildlife Reserve rebuilding parts of the nocturnal kiwi house, built a milking byre, some period-style fencing and a rook aviary. The group were hosted by Nga Hau E Wha Marae and were subsidised by sister institution Canterbury Polytechnic Institute of Technology (CPIT) ■



Nineteen secondary school teams from Mercury Bay to Whakatane competed in the Bay of Plenty Polytechnic Secondary Schools Surf Life Saving Competition at Mount Maunganui beach in March. The teams showcased their surf life saving talents in a fiercely contested competition, narrowly won by Mount Maunganui College. In a region where surf life saving is so important

to maintain safety and fun at our beaches, the Polytechnic is proud to sponsor surf life saving in the Bay of Plenty ■

The annual Bay of Plenty Export Awards recognises local companies for their advances and contributions to export in the Bay region. Bay of Plenty Polytechnic was pleased to sponsor the Export Achievers Award, won by Scott Coutler, Sales and Marketing Manager at Comvita, for the company's excellent achievements on the international market ■



Bay of Plenty Polytechnic has a long association partnering the annual Westpac Business Awards. 2010 was no exception when we sponsored the Community Organisation category, that recognises management excellence in organisations outside the private sector, including 'not for profits', schools and local government. The Award went to the very deserving and hard working, Papamoa Surf Life Saving Club ■

In order to help offer fresh opportunities for young netballers in the region, Bay of Plenty Polytechnic was the official sponsor of the Baywide Secondary Schools Netball Championships. Won by Rotorua Girls' High School, the championships offer an opportunity for the Polytechnic to be involved at grass roots level, ensuring the Bay continues to produce netball champions of the future ■

**Laurie Steer
GREATEST HITS II**
2 - 24 DECEMBER 2010

Photograph of artwork, ©Laurie Steer 2010

Leading Edge Technology

Key to regional economic prosperity



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The titanium industry is an emerging export industry for New Zealand and is estimated to be worth over a billion dollars.

The Titanium Industry Development Association (TiDA) was started in the Bay of Plenty, based on world leading titanium powders produced by Titanox and established by Ian Macrae of Page Macrae. TiDA has been working closely with Bay of Plenty Polytechnic to develop an advanced powder metallurgy research centre, that will undertake research, component testing, prototyping and specialist metallurgy training.

Housed within the Polytechnic's technology facilities at Windermere Campus, the new Applied Powder Metallurgy Centre was officially opened by the Minister of Research, Science and Technology, Dr. Wayne Mapp in July. The Centre is made up of several different state-of-the-art laboratories that will help companies develop and test revolutionary new titanium products. It contains the latest technology available to conduct materials research, design and prototype new products and prepare small-scale commercial production runs.

The collaborative nature of this venture sees TiDA and the Polytechnic working with four universities, Crown research institutes and commercial research companies to both value-add and develop uniquely engineered products.



Responsiveness to industry changes are an important part of Bay of Plenty Polytechnic's programme offerings.

We work closely with industry to ensure what we are offering meets local and national demand. Industry indicated a need for higher qualifications in the engineering and technology area, which led to the development of our New Zealand Diploma in Engineering (Mechanical) Level 6 and New Zealand Diploma in Engineering (Electrotechnology) Level 6 programmes ■

Further responding to industry needs, Bay of Plenty Polytechnic opened a purpose-built engineering and welding facility in March, the largest tertiary training building of its kind in the country. Highlighting the importance of industry training in the region, the new facility features room for 28 lathing machines, 28 individual welding booths, a huge fabrication area, testing labs and break out rooms ■

Bay of Plenty Polytechnic has brought its vision for technology enhanced learning to the foreground in 2010, researching and developing a strategy for the establishment of a virtual learning centre and an increase in online learning tools. We are committed to better engaging and meeting the needs of diverse learners both off and on campus ■

KAREN, the crown-owned Kiwi Advanced Research and Education Network, provides super-fast, unrestricted broadband service and directly connects its members to each other and to a huge network of users worldwide. Access to KAREN for Bay of Plenty Polytechnic means a dramatic reduction in our research time, better communication, increased research and teaching productivity, as well as providing significant cost savings and access to latest technologies ■



Working With Our Environment

Polytechnic and DOC working to preserve a marine wonderland

Thirty-five kilometres north of Mount Maunganui lies a small island that has seen more than its fair share of ups and downs over the last 200 years. Tuhua, or Mayor Island to many, is a dormant volcano and is privately owned and administered by the Tuhua Trust Board and is the ancestral home to Te Whanau A Tauwhao ki Tuhua.

Bay of Plenty Polytechnic has been working in partnership with the Department of Conservation (DOC) since 1993 helping with essential surveying work, carried out in the marine reserve and on the island. Daniel Sharp, Marine Studies Tutor at Bay of Plenty Polytechnic, says the annual survey is considered to be the biggest data collection of its kind in the Southern Hemisphere.

"It's no small undertaking," says Daniel. "The survey involves at least twenty year two Diploma in Marine Studies students, Polytechnic staff and DOC workers

as well as four boats, 50 sets of dive gear (including tanks), three portable compressors, portable generators and 1300 litres of fuel."

The survey usually means the group will undertake up to five dives per day, running intensive sub-tidal scuba surveys, primarily surveying fish and crayfish size and numbers inside and outside the reserve area. They also perform habitat analysis around the island, for example, taking note of the different seaweed species growing on specific sites every year, which can establish trends over time,

or be the first indicator of a potential bio-security threat.

Bay of Plenty Polytechnic staff and students are dedicated to working with DOC to preserve this beautiful marine reserve, which by no means is as easy as it sounds. There are unexpected weather changes, with surges and swells coming through the dive area and even the odd cyclone; there's the cold (both in the water and out of it), and even the 'conversations' they sometimes encounter from anglers illegally fishing within the reserve area.



Minister of Fisheries and Aquaculture, Phil Heatley, officially opened Bay of Plenty Polytechnic's new Ahumoana a Toi Aquaculture Centre. Oriental Oceans, the second largest aquaculture corporation in China, is working with Bay of Plenty Polytechnic and the Cawthron Institute to research and pilot the production of sea cucumbers and provide key expertise and advice. Over 7,000ha of the East Coast has been approved for possible aquaculture development and will be a huge influence on the coastal Bay of Plenty and New Zealand over the next 5 to 10 years with projections of a \$1 billion industry ■



In 2010, Bay of Plenty Polytechnic has significantly developed its Environmental Policy.

The new policy outlines our commitment to the importance of incorporating Te Waka Hourua and Māori environmental rights and values, exceeding environmental standards set by local, regional and central government, achieving a carbon neutral status, enhancing the amenity values and natural character of the campuses, encouraging the use of environmentally responsible transportation modes, reducing waste by avoidance, recycling, reduction and reuse or efficiently using finite resources, and demonstrating leadership in promotion of environmental awareness. An environmental committee is being established to act as champions of the policy and review the Polytechnic's actions ■

Dr. Andrew Morgan's research at the Ahumoana a Toi Aquaculture Centre is centred on understanding the wider implications of climate events and the interaction of these with coastal development for sustainability in the Bay of Plenty region. Centre students and staff work on field projects relating to marine invertebrates with commercial, cultural, recreational and intrinsic ecosystem value to the Bay of Plenty region ■



One of Fashion and Design Group Leader, Debra Laraman's key interests is in sustainable fashion and she continually researches and challenges sustainable design, re-fabrication and perceptions of conventional production techniques. In her teaching, Debra stresses the importance of organic and reused fabric, as well as ethical manufacturing. Debra's passion for hand-craft inspired fashion pieces has seen her scoop the Wool Award at the Hokonui Fashion Design Awards in 2010 ■

Governance & Accountability

For the year ended 31 December 2010

Role of the Council

Bay of Plenty Polytechnic Council has overall responsibility for the strategic direction and management of the Polytechnic's activities. This responsibility includes areas of stewardship such as:

- » formulating our strategic direction
- » managing principal risks facing Bay of Plenty Polytechnic
- » ensuring compliance with appropriate regulations and legislative requirements
- » ensuring the integrity of management control systems
- » safeguarding public interest
- » ensuring effective succession of elected members
- » reporting to students and the community.

Bay of Plenty Polytechnic Council has appointed the Chief Executive, Dr. Alan Hampton, to be in charge of institutional operations and has delegated certain powers of management to him as provided

under Section 196 of the Education Act 1989. The Chief Executive has in turn appointed directors and other senior managers to provide leadership and management for the organisation.

Governance Philosophy

The Council has been established under the Education (Polytechnics) Amendment Bill 70-3. Bay of Plenty Polytechnic Council believes its membership ensures it is able to represent the best interests of students in the Tauranga and Western Bay of Plenty community. Council and management acknowledge their complementary roles and responsibilities in ensuring the efficient and sustainable performance of the institution and are signatories of the Statement of Responsibility contained in this report.

The Council has eight members; four Ministry appointed council members and four community representatives.



Ian Turner *(Chair)*

Ian Turner is Managing Director of New Zealand Educational Tours Ltd, a Tauranga based company. A qualified Chartered Accountant, Ian has a strong interest in helping organisations operate more effectively. He is a past president of Tauranga Chamber of Commerce and brings 25 years of board experience, 15 of which he spent as Chair. Ian is eager to use his skills and experience to help enhance the benefits of vocational education in the region.



Paul Bowker

Local property developer and hotelier Paul Bowker is Vice President of the Tauranga Chamber of Commerce and a Trustee of Tourism Bay of Plenty. Paul is a committed advocate of personal lifelong learning and believes learning and education is vital to the development and betterment of our community. He says that the Polytechnic plays an intrinsic role in this regard as well as in the economic development of our region. Paul sees the ability to facilitate and support this endeavour as both a pleasure and a privilege.



Aroha Luttenberger

Te Aroha Luttenberger, of Ngai te Rangi, Ngati Ranginui, Ngati Pukenga, Ngati Maniapoto descent, was manager of the Māori education organisation Te Matahauariki o Tauranga Moana and brings vast experience to her role. Aroha is passionate about Māori education, in which she has been involved in various capacities for the past 30 years, from early childhood through to tertiary level. She believes that all students should be given equal opportunity achieve their educational aspirations.



Fleur Sweeney

Appointed as a community representative and former Council member representing the Council of Trade Unions, Fleur has a wealth of experience from 17 years on the Polytechnic Council and is passionate about continuing to promote the interests of Tauranga Moana and its communities through provision of quality vocational education. Fleur has worked for the last 25 years in local government in Tauranga and the Western Bay and is very familiar with community aspirations in their many forms.



Dr. Neil Barns *(Deputy Chair)*

Dr. Neil Barns is a Tertiary Education and Management Consultant with vast higher education experience as the former Chief Executive of Christchurch Polytechnic Institute of Technology. He is Deputy Chair of the Waiariki Institute of Technology and a board member of Education New Zealand. Neil has worked in secondary and tertiary education for 28 years and has seen education transform people's lives. He says that it is critical that people in the Bay have access to high quality, relevant and affordable education at all levels and believes Bay of Plenty Polytechnic has a vital role to play in the social and economic development of the Bay.



Paul Logan

'Need a Nerd' Managing Director Paul Logan, has spent 20 years in the motor industry and has seen the benefits of good vocational training with many apprentices achieving solid careers with fabulous futures. He has a keen interest in accessibility to tertiary education for people in the wider Bay area and the availability of quality learning at all tertiary levels. Paul sees the Polytechnic partnership with the University of Waikato and Awanuiarangi as vital to quality sustainable tertiary education in the area and key to enhancing our position regionally, nationally and internationally.



Rahera Ohia

Rahera Ohia was raised in Waitao (Welcome Bay) under the shadow of Kopukairoa. She is currently the Chief Executive and Lead Negotiator for Te Au Maro o Ngati Pukenga, which is the entity responsible for Treaty settlement negotiations for Ngati Pukenga. She was also a public servant for some 18 years, based mostly in Wellington.



Paula Thompson

Bay of Plenty Regional Councillor Paula Thompson operates her own management facilitation business. As former Chair of Bay Trust and trustee of several education and creative organisations, she brings a wealth of experience. Paula is passionate about the region's sustainable development, which includes economic development and is underpinned by quality learning/research opportunity and provision. She says that the Polytechnic has positioned itself well to continue to be part of the provision of excellent tertiary education and research and will be a pillar of the region's continued growth and unique development.

Thanks

Bay of Plenty Polytechnic would like to acknowledge and thank our previous council members for their dedication to the Polytechnic and ongoing hard work.

- Andrea Marsh,**
Chair and Federated Farmers Representative
- Barry Ward,**
Deputy Chair Co-opted Member
- Paul Bowker,**
Tauranga Regional Chamber of Commerce
- Dean Ellery,**
Allied Staff Representative
- Dr. Alan Hampton,**
Chief Executive
- John Howard,**
Employers Representative
- Brian Kelly,**
Ministerial Appointee
- Te Aroha Luttenburger,**
Māori Council Representative
- Buddy Mikaere,**
Ministerial Appointee
- Fern Nielsen,**
National Council of Women
- Shirley Porter,**
Academic Staff Representative
- Fleur Sweeney,**
New Zealand Council of Trade Unions
- Ellen Taylor,**
Ministerial Appointee
- Lucy Steel,**
Ministerial Appointee



KUKU WAWATAI
Director, Māori & Community Development

Council Committees

The Council has established three committees to monitor and assist in the effective fulfilment of Council's specific responsibilities.

Each committee consists of representatives from Council and senior management. The committees meet in accordance with the agreed schedule of meetings, with additional meetings held as required. There are three permanent committees of Council; other committees and working parties are formed to carry out specific delegated tasks as and when required.

Academic Board

This committee, meeting monthly, is required by statute and is responsible for ensuring the academic quality of programmes offered by Bay of Plenty Polytechnic. All curricula are reviewed and approved by the Academic Board and, where appropriate, referred to an external accreditation body prior to being offered to students.

Kaunihera Māori

Kaunihera Māori, meeting four times per year, operates within the terms of reference established by Bay of Plenty Polytechnic Council. The purpose of the committee is to provide a meaningful mechanism for Māori participation in governance and decision making, in relation to the Polytechnic's responsiveness to the Treaty of Waitangi. In particular, attention is given to strategies to enhance Māori participation and success, the development and delivery of Mātauranga Māori and a contribution to the development of all new programme initiatives in the organisation.

Audit and Risk Committee

The Audit and Risk Committee operates within the terms of reference specified by Bay of Plenty Polytechnic Council. The Committee assists the Council in carrying out its responsibilities under the Education Act 1989, the Public Finance Act 1989 and the Financial Reporting Act 1993 with respect to management accounting practices, policies and controls relative to the Polytechnic's financial position. The Committee also reviews and makes appropriate inquiry into internal control systems and mechanisms, as well as direct involvement in key strategic decisions that affect the financial position of the Polytechnic and its delegated responsibility to oversee the Annual Report process. The Audit and Risk Committee meets bi-monthly, and holds special meetings as required.

Communication / Reporting

Council holds monthly meetings to examine institutional performance and strategic direction, to monitor and report on management activities and to ensure that the affairs of Bay of Plenty Polytechnic are being conducted in accordance with legislative mandate and Council objectives. The Council also encourages staff to adhere to the institution's Professional Code of Conduct.

Governance & Accountability

For the year ended 31 December 2010

Division of Responsibility between Council and Management

Key to the efficient operation of Bay of Plenty Polytechnic is the clear division between the role of Council and that of management. Bay of Plenty Polytechnic Council concentrates on setting policy and strategy and then reviews progress against these. Management is concerned with implementing Council policy and strategy.

While many of the Council's functions have been delegated, the overall responsibility for maintaining effective systems of internal control ultimately resides with Council. Internal control includes the policies, systems and procedures established to provide measurable assurance that the specific objectives of the Council will be achieved. Both Council and management have acknowledged their responsibility by signing the Statement of Responsibility contained in this report.

Internal Audit

Bay of Plenty Polytechnic Council has delegated responsibility for the internal audit function to the Audit and Risk Committee. The Audit and Risk Committee is responsible for ensuring policies and procedures are established, that external disclosure is appropriate, internal and external reporting procedures are effective and that the organisation's systems and activities are monitored.



MEG JONES
Non-Academic Staff Representative

ANGEL LAGERWAARD
Non-Academic Staff Representative

Staff and Student Voice

As a consequence of the recent governance changes, the staff and student representatives on Council have been removed. We consider it essential however, that a conduit exists for staff and student issues and opinion of a Governance nature to be heard by Council. Therefore, a Student Forum and a Staff Forum has been established meeting four times per year. The Student Forum is made up of four student representatives, one elected from each school, one representative each from Council, the Executive and Facilities. The Staff Forum consists of two academic and two non-academic staff representatives, elected by all Polytechnic staff, one representative from Council and one from the executive team.

Risk Management

Council is ultimately responsible for the management of risks to Bay of Plenty Polytechnic and, with the Chief Executive, has developed a comprehensive risk management plan. The plan incorporates assessment of risk to the institution's operation and long-term viability and appropriate actions to monitor and mitigate that risk.

Legislative Compliance

Council acknowledges its responsibility to ensure the Polytechnic complies with all legislation and has delegated responsibility to the Chief Executive for the development and maintenance of a compliance register and awareness amongst staff of legislative requirements that are particularly relevant to them or their positions.

Ethics

Council has consistently adopted a code of conduct for staff, and compliance is evidenced through such means as trends in complaints and disciplinary actions, internal audit reports and student / staff evaluations.



Remembering Mr. Bill Bongard

Sadly, Bill Bongard, the inaugural chairman of Bay of Plenty Polytechnic, passed away in late March 2010. Mr. Bongard oversaw the first seeds of tertiary education in the Bay when, in 1972, the then Labour Government agreed to purchase land at Poike

Road where the Polytechnic's Windermere Campus stands today. Mr. Bongard said he wouldn't swap the years he spent working with the Tauranga community to lay foundations for today's Polytechnic for anything.

Bay of Plenty Polytechnic has much to thank Mr. Bongard for. Our spacious green campus at Windermere and the Bongard Centre on Cameron Road are both legacies to his passion, drive and vision that provided the foundation for many of the resources and opportunities that Bay of Plenty Polytechnic students enjoy today.

A native Titoki tree was planted in Mr. Bongard's honour. Known for its strength and the healing qualities of its red berries, the Titoki symbolises the enduring legacy of Bill Bongard and his commitment to invigorating our people, stimulating their intellectual and spiritual imagination and sustaining the wellbeing of our families.

Statement of Responsibility

For the year ended 31 December 2010

In the financial year ended 31 December 2010, the Council and management of Bay of Plenty Polytechnic were responsible for:

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

In the opinion of Council and management of Bay of Plenty Polytechnic the financial statements for the financial year reflect fairly the financial position and operations of Bay of Plenty Polytechnic.

Signed: 8 April 2011



Ian Turner
Council Chairperson



Dr. Alan Hampton
Chief Executive

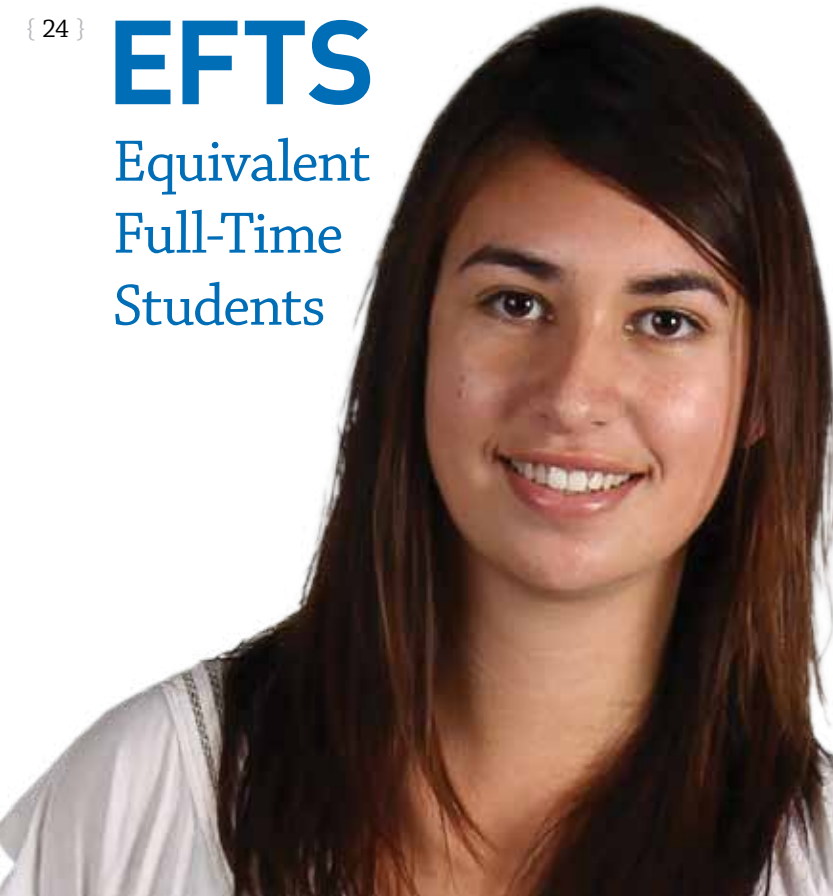


Paul Wollaston
Finance Director



EFTS

Equivalent Full-Time Students



School of Applied Science

School of Applied Technology

2010 2009 2008

Equivalent Full-time Enrolments:

Government Funded EFTS	689	642	649
International EFTS	6	10	13
Other EFTS	78	49	72
Number of Students	2,037	1,712	1,964
Level 1-3	56%	60%	67%
Level 4-5	13%	12%	12%
Level 6+	31%	28%	21%

2010 2009 2008

Equivalent Full-time Enrolments:

Government Funded EFTS	658	577	588
International EFTS	12	11	18
Other EFTS	72	183	203
Number of Students	2,198	2,553	2,292
Level 1-3	61%	57%	54%
Level 4-5	22%	33%	40%
Level 6+	17%	10%	6%



	Māori	Pacific Is.	International	Female	Disabled
2010	39%	2%	0%	38%	6%
2009	41%	3%	2%	32%	6%
2008	38%	2%	2%	32%	4%

	Māori	Pacific Is.	International	Female	Disabled
2010	21%	3%	1%	7%	5%
2009	21%	2%	1%	9%	6%
2008	38%	2%	2%	10%	7%



School of Business

School of Design & Humanities

2010 2009 2008

Equivalent Full-time Enrolments:

Government Funded EFTS	931	969	748
International EFTS	47	56	28
Other EFTS	13	6	5
Number of Students	3,345	4,360	4,245
Level 1-3	35%	45%	51%
Level 4-5	20%	20%	16%
Level 6+	45%	35%	33%

2010 2009 2008

Equivalent Full-time Enrolments:

Government Funded EFTS	782	684	581
International EFTS	6	1	6
Other EFTS	80	57	42
Number of Students	1,917	1,634	1,404
Level 1-3	34%	36%	47%
Level 4-5	47%	49%	39%
Level 6+	20%	15%	14%



	Pacific Is.	International	Female	Disabled
2010				
17%	1%	2%	65%	8%
2009				
14%	1%	2%	63%	6%
2008				
13%	1%	1%	67%	7%



	Pacific Is.	International	Female	Disabled
2010				
35%	2%	0%	78%	9%
2009				
37%	1%	0%	77%	8%
2008				
36%	1%	1%	76%	8%

Key Performance Indicators

For Bay of Plenty Polytechnic Investment Plan 2008-2010

In the Investment Plan 2008-2010 negotiated with the Tertiary Education Commission (TEC), the Polytechnic established a number of objectives to be achieved in 2010. These are reported on in detail in the following pages.





Bay of Plenty Polytechnic's Investment Plan reflects our commitment to ensuring that people within the region have access to relevant, comprehensive, quality tertiary education and training opportunities and pathways, in the most sustainable, cost effective and quality manner. The Plan establishes key performance indicators that are used for monitoring progress and achievement.

Strategic Directions Objective – Teaching, Learning and Research

Advancing Trade Qualifications

Ensuring we meet both local and national industry demands is key to Bay of Plenty Polytechnic's programme development and we work closely with industry to ensure that what we are offering is current and leading-edge.

"Local industry indicated a need for two new higher qualifications, which led to the development of the New Zealand Diploma in Engineering (Mechanical) Level 6 and New Zealand Diploma in Engineering (Electrical) Level 6 programmes," said Malcolm Hardy, Head of School Applied Technology. The two programmes, starting in February 2011, are aimed at both school-leavers and people in the workforce and are recognised internationally and by the Institute of Professional Engineers New Zealand.

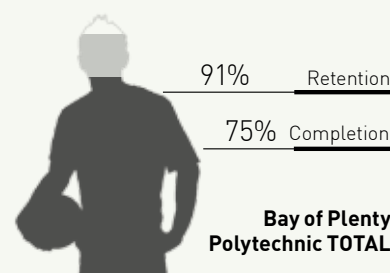
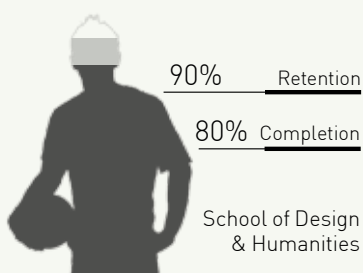
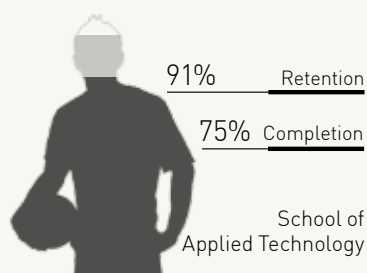
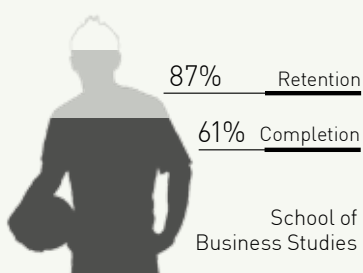
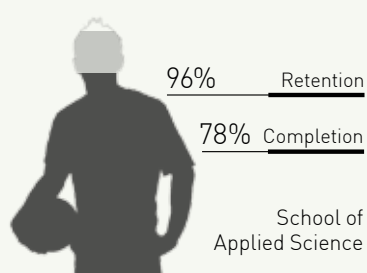


The building and construction industry has undergone major changes in the past few years. Changes to the building code and new licensing requirements have created a need for a more highly skilled workforce with further knowledge and more advanced qualifications. "The industry needs people with management skills, leadership skills and the pricing skills that accompany quantity surveying," said Malcolm. Bay of Plenty Polytechnic has developed a range of programmes designed to meet this need: the National Certificate in Construction (Supervisor) Level 5, the National Diploma in Construction Management Level 6 and the National Diploma in Quantity Surveying Level 6.

"Industry came up with these new qualifications around three years ago," said Jonathan (John) Shaw, 2009 graduate of the National Certificate in Construction (Supervisor) Level 5 and student on the National Diploma in Construction Management Level 6. "While I've worked in construction for many years I only held a trade certificate qualification. My employer, McMillian & Lockwood, and I agreed that the time was right for me to upskill and get some management skills under my belt."

In 2010, one student graduated with the National Certificate in Electrical Engineering Level 5, three with the National Diploma in Construction Management Level 6, nine with the National Diploma in Quantity Surveying Level 6 and 24 with the National Certificate in Construction (Supervisor) Level 5.

Bay of Plenty Polytechnic Full-Time Student Retention and Completion



1. Increase the proportion of EFTS for students enrolled in advanced trade, technical or professional qualifications.
TARGET 33%

ACHIEVEMENT 36%, an increase of 4% on 2009 and 3% above target across all funding sources.

2. Increase completion rates for advanced trade, technical and professional qualifications
TARGET 76%

ACHIEVEMENT 79% an 8% increase on 2009 and 3% above target.

- Providing an increased profile and emphasis on programme completions within the Poutiriako tertiary training qualification at Bay of Plenty Polytechnic
- Continued review and improvement of data collection for student programme completions
- A significant 'closing of the gap' for Māori programme completions against peers and the establishment of Māori learner completion at the highest level to date.

3. Increase completion rates in all programmes
TARGET 80%

NOT ACHIEVED. 75%, which was still a 6% increase from the previous year. Future plans include monitoring student engagement and developing interventions to help students succeed.

Retention and Completion

Highlights in 2010 included:

- Making solid progress on programme completion outcomes for 2010 compared to 2009
- 2010 represents the best programme completion rates for full-time students since the current measure was implemented in 2007
- Continuation of comprehensive support services through Kahurangi Student Support Services, whānau and marae networks

Heart Scare Prompts Major Life Change

Source: courtesy of Bay of Plenty Times

Open heart surgery at only age 39 prompted Gary Paton to take a step into the unknown and learn to read. Gary was identified as having dyslexia as a pre-teen while at intermediate school, but "fell through the system" and until recently has been virtually illiterate, only able to make out basic words. Having worked as a labourer since being kicked out of secondary school, Gary finally knew he wanted more out of life and decided to make some serious changes. "The first day I came to tech, I just about kept driving," Gary said. "I used to get that nervous feeling. There are things I'd wanted to do, but never done. Not being able to read and write for so long and being hassled by kids at school, it's something that's just ingrained in your head."

But carpentry tutor Greg Langford said Gary had nothing to fear. "Gary is unbelievably driven... And he's never been ashamed, which has blown me away. He's the first one to put his hand up and say, 'This is where I'm at, help me.'"

2010 was Gary's final year studying the National Certificate in Carpentry Level 4 programme, a year which has also seen further foundation learning initiatives embedded into the Polytechnic's Level 2-4 programmes. Through continuing professional development for subject expert tutors and with the support of foundation learning advisers, literacy and numeracy is now woven into the curriculum, helping all students to succeed in their programmes.

Gary is an inspiration to many and living proof that you can overcome adversity if you just put your mind to it.

- 4** Increase participation in foundation learning programmes that focus on lifting literacy, language and numeracy skills by:
- (i) Increasing the number of people with foundation learning needs participating in quality education focused on lifting literacy, language and numeracy skills by at least 10% per annum
TARGET 80%
ACHIEVEMENT. 95%, this is approximately the same number as 2009 but 18% above target. This covers students in Te Timitanga (Certificate in Tertiary Studies), Certificate in Elementary Carpentry Skills and Certificate in Trades Technology. There are other Level 2 and 3 programmes that involve raising literacy, language and numeracy skills but these are specific foundation programmes.
- (ii) Staff teaching on Level 2 and 3 programmes will undertake professional development to support effective teaching practice for lifting the literacy, language and numeracy skills of students in these programmes.
TARGET. Any new teaching staff on Level 2 and 3 programmes will undertake relevant professional development
ACHIEVEMENT. 12 staff undertook Ako Tuapapa training programme in literacy, numeracy and language as professional development in 2010.

- 5** Increase the proportion of funded students under 25 enrolled in qualifications at Level 4 and above.

(i) SAC funding source
TARGET 70%
NOT ACHIEVED. 54% Growth of enrolments of under 25 year olds in SAC (Student Achievement Component) funded programmes Level 4 and above has not been at the level anticipated. This is even less than the 60% achieved in 2009 and could be attributed to more secondary school students staying on at school for another year.

(ii) ITO and other funding sources
TARGET 25%
ACHIEVEMENT. 63%; however, this is less than in 2009 when it was 84%. This is largely due to lower enrolments in ITO funded programmes and slightly fewer International students than in 2009.

- 6** Increase % of programmes with flexible learning options to meet industry identified need.¹
TARGET 70%
NOT ACHIEVED.
55% - Target of 70% was ambitious and has not been achieved, mainly due to people and physical resourcing limitations. QRP (Quality Reinvestment Programme) funds have been allocated to this work and much is still progressing in 2011.

Curiosity – Showcasing Research, Creativity and Change

Bay of Plenty Polytechnic's Taiorangahau Pacific Coast Applied Research Centre hosted a one day Research Expo entitled 'Curiosity: Showcasing research, creativity and change' highlighting staff research projects in September.

Keynote speaker Professor Linda Tuhiwai Smith, Pro Vice Chancellor Māori at the University of Waikato, started the day off, followed by a series of diverse presentations ranging from celebrated Māori artist James Ormsby (Graphic Design & Art Tutor) sharing findings from his collaborative art project, SEEK, through to Paul Winwood's research on determinants of strongman performance.

Manager of the Taiorangahau Pacific Coast Applied Research Centre, Dr. Heather Hamerton, was very excited about the inaugural event, "we had an excellent programme and guests were exposed to some interesting and thought-provoking research."

¹ Flexible Learning refers to courses that have delivery options available other than just face-to-face traditional classroom delivery. This may include blended delivery using a mixture of face-to-face and online material, block courses, blend of on-job and classroom delivery, and fully online delivery.

Culinary Alchemy – a Different Kind of PD

Professional development for chefs and hospitality tutors often involves working in different kitchens and gaining work experience with some exceptional international chefs. Hospitality tutor Lee Pearce, travelled to Berkshire in England for a month of professional development with Chef Heston Blumenthal, at his award-winning The Fat Duck restaurant. Blumenthal and The Fat Duck are known world-wide for their unusual dishes, created following the principles of molecular gastronomy.

“It was an amazing experience; I have never worked with so many passionate people in one small place. The staff are exceptional, they push themselves beyond the norm. Those responsible expect excellence and give a lot to ensure this happens; they challenge, then support” said Lee.

Lee has come away with a wealth of new experiences and knowledge. “I’m excited about pushing the boundaries and happy to take anything on,” he said. “I learned so much about how tastes, products and perception work together, the importance of consistency and presentation, organisational structure and work spaces, and have brought that back into my teaching.”

7 Develop staff capability and productivity to support the increase in the number of higher level programmes and associated enrolments by:

- (i) Increasing staff applied research outputs in PBRF (Performance Based Research Fund) categories by 25% per annum for next 3 years; and
TARGET 92
NOT ACHIEVED. 52, this is virtually the same as 2009. Some research projects are not yet completed. Some staff still find it difficult to commit time to research. The original target of 25% growth per year was far too unrealistic. KPIs have been refocused to be more realistic and achievable in the new Strategic Plan for 2011 onwards.

- (ii) Increasing the number of academic staff undertaking short term industry placement to achieve advanced practice in their respective disciplines.
TARGET 20 placements
NOT ACHIEVED. 14, the target has not been achieved mainly due to staff teaching commitments.

Embracing New Quality Assurance Framework

The New Zealand Qualifications Authority developed a new external evaluation and review process in 2010, that was implemented by ITP Quality for monitoring of performance in the Institutes of Technology and Polytechnics (ITPs). Bay of Plenty Polytechnic was delighted to be the first of the ITPs to take part in the new evaluation and review process.

The new Quality Assurance Framework uses the theory and practice of evaluation in order to focus on the quality of educational outcomes. The framework sees a shift from quality control, meeting input standards, to quality enhancement and striving for excellence. This approach emphasises the aspects of an education experience that generates better outcomes.

“We welcome the move away from the historical audit style approach,” said Academic Director, Dr. Terry Fulljames. “It was definitely time for the sector to take a more ‘outcomes based’ approach to educational performance. Our staff have been very receptive of the new evaluation framework and have worked hard in 2010 to implement a culture of self assessment.”

“Overall we are very pleased with the results of this external evaluation. In summary, ITP Quality New Zealand said they were ‘highly confident’ of the educational performance of Bay of Plenty Polytechnic.”

We also welcome ITP Quality New Zealand’s suggestions for improvement. “A number of programmes received an ‘excellent’ rating for education performance,” said Dr. Fulljames. “We’re keen to take the educational practices from these

programmes to inform and develop other programme areas to this highest level of educational performance too.”

- 8** Develop institutional capability to ensure achievement of its distinctive role by:
 - (i) At least 85% of academic staff have a professional development plan and undertake at least ten days professional development by 2010.
TARGET 85%
NOT ACHIEVED. 27%, 28 academic staff completed more than 10 days. In total 475 days PD leave taken by academic staff from a total of 1,740.
 - (ii) At least 50% of allied staff annually complete at least five days professional development by 2010.
TARGET 60%
NOT ACHIEVED. 26%, 40 allied staff completed over 5 days. In total 447 days PD taken by allied staff from a total of 1,720.
 - (iii) Maintaining quality assured status and implementing new self review and evaluation requirements by 2009
TARGET. 2009 - New self review and evaluation system implemented.
ACHIEVED.
Quality assured status maintained.
Self evaluation implemented using:
 - a deeper analysis of annual programme reviews. The improvement plan will be discussed at February 2011 Academic Board.
 - Four evaluative conversations completed
 - Business Unit Self evaluations completed and follow up reported to November Management Forum. External Evaluation and Review took place April 2010 with an outcome of Highly Confident in Educational Performance and Confident in Capability for Self Assessment.

Strategic Directions Objective – Dual Heritage Waka Hourua

- 9.** Tangata Whenua, pan Māori partnerships
- (i) Iwi Rongo Atea (IRA)
TARGET. IRA progressed as in 2009
ACHIEVEMENT. Formal engagement in Tech Pa innovation between Te Whare Wānanga o Awanuiārangi, Ngati Awa iwi and Bay of Plenty Polytechnic.
- (ii) Marae-hapu co-teaming provision
TARGET. None for 2010 as achieved in 2009
ACHIEVED.
- (iii) Pasifika extension
TARGET. Improve by 5% of 2009 benchmark
ACHIEVEMENT. Pasifika research concluded in April 2010 and submitted to Kaunihera Māori.
- 10.** Te Ao Māori in curriculum products and delivery processes.
- (i) Priority identification of programmes
TARGET. None specific for 2010. (Establishment Te Waka Hourua achieved in 2008)
ACHIEVEMENT. All new programmes submitted to Te Waka Hourua for scrutiny and examination of inclusion of Te Ao Māori.
- (ii) Tuapapa programmes (Foundation programmes)
TARGET. None specific for 2010. Comparable learning outcomes with non-Māori achieved in 2008
ACHIEVED.
- (iii) Advisory group representation
TARGET. Each school has Maori advisory committee
ACHIEVEMENT. Advisory committee not progressed.
- 11.** Te Ao Māori revitalisation duty
- (i) Te Reo
TARGET. 40 Te Reo EFTS
ACHIEVEMENT. 80.6 EFTS completed in 2010
Youth Guarantee Programmes offered at two Māori or Marae based sites. 37 EFTS.
Ngā Okawa a Tangaroa (145 EFTS) delivered on marae.
- (ii) Mātauranga and Tikanga
TARGET. 2 new programmes targeted in 2009
NOT ACHIEVED. No new programmes delivered in 2009 or 2010 due to TEC EFTS restraining cap and strength of Ngā Okawa (Certificate in Customary Fishing Level 3).



Māori Students

There has been a concerted effort to ensure Māori learners achieve outcomes comparable to non Māori and this has been achieved institutionally over the 2007 and 2008 years, while 2009 saw a minor setback where qualification completions for Māori dropped below 70%. No time was lost in 2010 to reposition the waka ensuring Māori completion rates will trend towards zero disparity. 2010 bore good results for Māori learners both in terms of achieving the best result to date and closing the disparity margin to two percentage points.

Māori students contributed to 30% of the institution's EFTS, almost double the demographic proportion of Māori within the Western Bay of Plenty region.

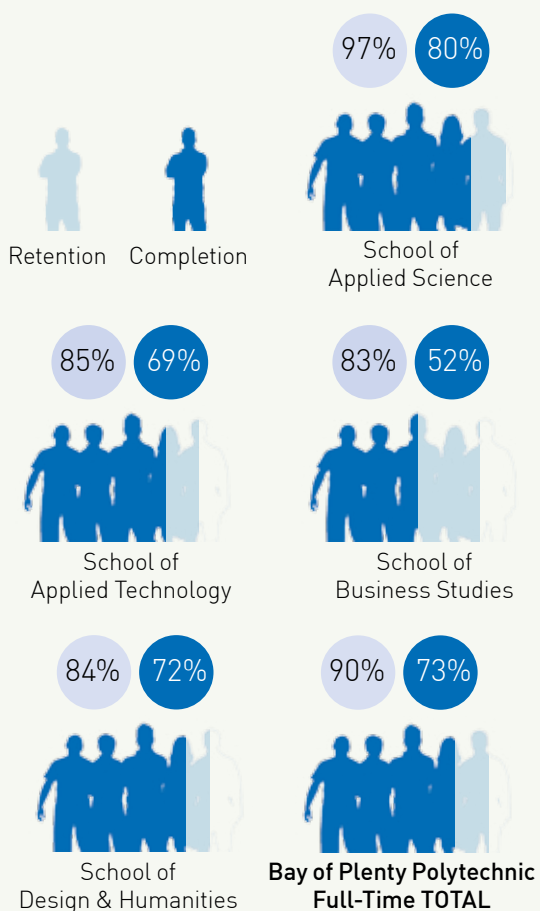
Māori learners continue to contribute and complete qualifications with outstanding effect within four of the largest programmes in the organisation:

- Ngā Okawa a Tangaroa
- New Zealand Diploma in Business
- Certificate in Healthcare Assistance
- Youth Guarantee Programmes at Te Puke (20 students) and Tamapahore Marae (20 students).

A significant number of Māori students at Bay of Plenty Polytechnic are first generation tertiary learners and don't have ready access at home or within whānau, to the experience of tertiary study. Staff have been appointed to ensure that foundation learning and student learning support is provided within a Māori contextual setting to overcome such learning challenges.

Māori learners are supported through Te Putea Whakatipu scholarships for the maritime and marine departments within the School of Applied Science. Bay of Plenty Polytechnic also acknowledges a significant number of Māori Trusts and landholding which contribute to both the financial and learning support needs of Māori learners.

Bay of Plenty Polytechnic Full-Time Māori Student Retention and Completion



12. Māori Student retention and success

- (i) Participation rate
TARGET 30%
ACHIEVEMENT 30%
- (ii) Retention rate
TARGET 85%
ACHIEVEMENT 90%
- (iii) Completion rate
TARGET 70%
ACHIEVEMENT 73%
- (iv) Interventions
TARGET. Dedicated staff resourcing targeted and assigned to the critical learning zones for Māori.
School/Centres – Māori student improvement strategies adopted and monitored.
ACHIEVEMENT. Appointed dedicated new position of Māori learner support tutor within Kahurangi.
Continue to sustain key Māori resource appointments within Foundation Learning, Teaching and Learning Centre (Pikiarero), Kahurangi and at Group Leader levels within the Schools.

Cultural Diversity Embraced

Bay of Plenty Polytechnic is committed to providing resources and initiatives to enable Māori learners to achieve better outcomes and to ensure Māori learners are free to learn and live the fullness of life as Māori.

One of the mechanisms we utilise to ensure our capability and capacity to respond to Māori learning needs, is the bicultural training all new staff are required to participate in. Bicultural training is offered quarterly to all staff and provides an overview of the Polytechnic’s responsiveness to the Treaty of Waitangi and biculturalism. Concepts for Māori language pronunciation and Tikanga Māori are introduced and the session concludes with a tour and korero of sites of Māori significance in Tauranga Moana.

“For me, Bicultural Training Day was very inspiring,” said Wendy Ballard, Applied Science Library Liaison. “Meeting other new staff while raising my appreciation for the richness of Tikanga Māori in our work environment and our local area was fantastic.”

In 2010, we adopted a waiata that originated here in Tauranga Moana, E Hika Tu Ake, which tells the story of Mauao. Local personality Tracey Ngatoko put a tune to this ancient traditional karakia (or chant), which is attributed to the patupaiarehe (fairies). Weekly waiata practice is offered to both students and staff at lunchtimes. We are actively promoting and encouraging a culturally safe working environment that supports and validates the cultural beliefs, aspirations and practices of all our employees.

13. Institutional capability

- (i) Taioarangahau (Research and Advanced Practice)
TARGET. To complete at least 2 projects
ACHIEVEMENT.
1. Worked with Taioarangahau to complete HEHA (Healthy Eating Healthy Activities) evaluation.
2. Organiser with other TEO’s (Tertiary Education Organisations) to run Toi Taurua Conference at Waiariki.
- (ii) Staff induction and development - % of new staff inducted through Te Waka Hourua training
TARGET 90%
ACHIEVEMENT. Bicultural staff training for all new staff as part of all staff inductions. 90 – 95% estimated.
- (iii) Core training
TARGET. Ongoing - In depth programme development to meet Te Waka Hourua objectives completed.
ACHIEVEMENT. Integrated Te Waka Hourua into the staff development programme Poutiriako.

Strategic Directions Objective – Relationships

Wananga joins Bay of Plenty Polytechnic and University of Waikato partnership

Te Whare Wananga o Awanuiarangi has joined Bay of Plenty Polytechnic's tertiary partnership with the University of Waikato. In 2008, the Polytechnic and the University formalised their unique relationship by signing a partnership agreement to meet the growing needs of the region. The agreement allows students to staircase seamlessly between the institutions and delivers research and education solutions that will ultimately help address skill shortages in the region.

In 2010, the agreement was widened to include Whakatane-based tertiary provider Te Whare Wananga o Awanuiarangi and is the result of the region's Tertiary Action Plan, which suggested widening the partnership to better meet the needs of Māori and the Eastern Bay of Plenty region.

Awanuiarangi CEO, Distinguished Professor Graham Smith, said the wananga was excited about joining the partnership, as it means the organisation can contribute even more to the region by working with the Polytechnic and the University. "The potential for providing programmes for all of our communities including non-Māori will be facilitated through this memorandum. It is important that collective resources will be used for the benefit of the total community notwithstanding the special challenges faced by the Eastern Bay of Plenty."

Polytechnic Chief Executive Dr. Alan Hampton says the partnership is unique in New Zealand and the inclusion of Awanuiarangi in the partnership is important because it will enable students

and communities of Bay of Plenty to benefit from the complementary expertise and strengths of the three institutions.

"We must ensure the potential represented in this agreement is realised in practice and that we do make a real difference for our shared communities."

14. Complete development and implement the inter-institutional agreement with the University of Waikato through:

(i) Increase enrolments at degree level and higher jointly with the University to meet regional need
 TARGET. 720 EFTS
 NOT ACHIEVED. 588 EFTS - (472 UoW and 116 BoPP).

-due to delay in establishment of Bachelor Computer Science. There has been progressively increasing number of EFTS delivered at degree level. Regional Tertiary Needs report completed March 2010. Regional Tertiary Action Plan developed June 2010.

(ii) Develop and implement business plan for capital development, shared campus, shared services, joint marketing initiatives
 TARGET. Next stage of shared capital development and academic plan implemented.
 ACHIEVEMENT. Te Whare Wananga o Awanuiarangi joined the partnership, August 2010.

Investigation and comparative assessment report on potential tertiary campus sites in CBD, commissioned by Waikato University from BECA Eng Consultants, September 2010. Joint Academic Committee and Joint Operations Committee operative

throughout the year for Windermere and Bongard campuses. Jointly funded (50% TEC, 25% UoW and BoPP) Maharaia building completed March 2010 - shared occupancy. Shared IT, Student Support and Library services operations throughout 2010. Agreed Partnership Marketing Protocols operating.

15. Participation in collaborative projects to develop capability and rationalise provision through:

(i) Tertiary Education Alliance projects
 TARGET. Involvement in at least a further 4 new projects
 NOT ACHIEVED. Tertiary Education Alliance was dissolved in 2009. BoPP subsequently became a member of Tertiary Accord of New Zealand (TANZ) during 2009. Projects include Student Management Information System (SMIS) collaboration, Shared Services and Systems and International support.

(ii) Specific projects with Waiariki and Wintec
 TARGET. Achievement of a network of provision in the agreed regions.
 ACHIEVEMENT.

Wintec
 Offering of Bachelor of Midwifery at Windermere. Commercial Road Transport and Preparation for Law Enforcement programmes delivered at Wintec's Avalon Campus

Waiariki
 Delivery of Bachelor of Nursing at Windermere. Series of meetings at CEO level seeking to develop future enhanced relationships.



The Hon. Gerry Brownlee, Minister of Economic Development, observed the partnership between Bay of Plenty Polytechnic and the manufacturing industry through the Titanium Industry Development Association (TiDA) while visiting TiDA's new facilities at the Polytechnic. He also took a sneak peak at the Ahumoana a Toi Aquaculture Centre launched in alignment with the regional aquaculture strategy to meet the growing needs for aquaculture training and research.

Polytechnic and University Enthusiastic about New Tertiary Plan

Defining regional priority needs for education and research development is key to a new collaboration that sees Bay of Plenty Polytechnic and the University of Waikato working closely with Priority One, SmartGrowth and the Tauranga City, Western Bay and Environment Bay of Plenty Councils.

In 2010, the Tertiary Needs Analysis was completed, resulting in a regional Tertiary Action Plan, developed by Priority One and approved by SmartGrowth. Polytechnic Chief Executive Dr. Alan Hampton said the two institutions were enthusiastic about the significant level of community support. "Delivering the prioritised outcomes set out within the Tertiary Action Plan is now the task of the Partnership."

"We know together we are ideally positioned to provide opportunities for young and mature people to study for polytechnic or university qualifications without leaving the region. By working with local business and civic leaders we can ensure to offer the training, education, and research that will enhance regional industries," Dr. Hampton said.

University Vice-Chancellor Professor Roy Crawford said both organisations were delighted to accept the challenge and that work is proceeding. He went on to say "We know that enhanced tertiary provision in the Bay of Plenty has the potential to make a significant economic contribution to this region; tertiary education is a key economic driver."

"As well as teaching, it is important for the Bay that we develop research and commercialisation through a collaborative approach, which will also contribute to regional prosperity."

16

- (i) Develop regional statement identifying tertiary education needs and priorities with industry and other stakeholders, including other regional providers, under the Regional Facilitation role. TARGET. New Regional statement approved by stakeholders by mid 2010 for 2011-13. ACHIEVED. Regional Tertiary Needs report from APR Consultants completed March 2010 and resulting Regional Tertiary Action Plan developed June 2010 and endorsed by institution Councils and SmartGrowth (October 2010).
- (ii) Continue involvement with WBOP Smart Economy Implementation Group to achieve its tertiary education objectives, as part of the Region's Economic Development Strategy. TARGET. Achievement of agreed objectives monitored at 4 monthly intervals. ACHIEVEMENT. 4 meetings in 2010 February, May, August and November.



Strategic Directions Objective – Business and Financial Management

- 17.** Profitability – Achieve an operating surplus as % of total revenue (Covenant range 3-5%)
TARGET 3.5%
ACHIEVEMENT. 11.3%
Significant contributions to the strong performance were additional funds from Youth Guarantee (40 EFTS), a further additional 122 EFTS added to the Investment Plan allocation, as well as revenue received from the BoPP/UoW partnership.
- 18.** Gearing – Total debt as a % of total capital assets
(Covenant Range 5-10%)
TARGET 7.0%
ACHIEVEMENT. 0%
- 19.** Interest coverage – Achieve an operating surplus plus gross interest to gross interest
(Covenant range > 3.5 times)
TARGET 2.5
ACHIEVEMENT. 87 times

Strategic Directions Objective – Campus Environment

New Zealand's Largest Purpose-Built Engineering and Welding Teaching Facility Opens Doors

Bay of Plenty Polytechnic officially opened its new purpose-built engineering and welding facility at its Windermere Campus in 2010. Malcolm Hardy, Head of School for Applied Technology, said "This is the biggest tertiary training building of its kind in the country, including room for 28 lathing machines, 28 individual welding booths, a huge fabrication area, testing labs and break out rooms."

In addition to training facilities, the technology centre also houses the Titanium Industry Development Association's (TiDA) metallurgy research centre. The collaborative nature of this venture will see TiDA and the Polytechnic working with four universities, Crown research institutes and commercial research companies to both value-add and develop uniquely engineered products.



2010 also saw the refurbishment of the Polytechnic's automotive workshops. The old engineering block was transformed into five separate and stand-alone workshops, each specifically equipped to cater for one of the five courses of stage one of the new National Certificate in Motor Industry (Automotive Electrical and Mechanical Engineering) Level 3.

The purpose-designed and equipped teaching spaces have many benefits for both students and staff. Sean Squires, Group Leader Automotive, says: "Students are more focussed on their tasks, no longer having the distractions associated with open plan layouts and multiple classes running simultaneously in the same area; they identify with the particular workshop they are in for each of their courses and take more ownership and pride in their work area. The tutors have witnessed an improvement in student progress as a result of these changes."



Minister Opens New Aquaculture Facility

In October 2010, Bay of Plenty Polytechnic welcomed the Minister of Fisheries and Aquaculture, Phil Heatley, to officially open the Ahuhoana a Toi Aquaculture Centre. The Polytechnic has aligned the expansion of our aquaculture facilities with the regional aquaculture strategy, to meet a growing demand in aquaculture training both regionally and nationally. Aquaculture is about to enter an exciting growth period in New Zealand. A key goal of the New Zealand Aquaculture Strategy is to build a sustainable billion dollar industry by 2025.

"The centre is an education and research facility, but we also see it as a resource for industry," said Dr. Alan Hampton, Polytechnic Chief Executive. The facility features laboratories, breeding and rearing tanks, and teaching resources relevant to current industry standards, producing industry-ready students. A key research project launched recently is the hatchery production of echinoderms (particularly sea cucumber). The research facilities allow the Polytechnic to be able to quickly respond to the aquaculture industry's changing demands.

- 20** Progressively implement campus development plan TARGET. Multi-purpose arena completed. **NOT ACHIEVED.** Financial constraints and particularly removal of any avenue for TEC Capital funding support for TEI's means investigating alternative sources of funding and sponsorship for multi-purpose arena. Capital developments for both Windermere and Bongard campuses focussed on major re-roofing projects for H Block Windermere completed 2010 and Bongard Centre completed 2010/2011. Review of Campus Development Plan as partnership exercise scheduled for 2011.

Research

Bay of Plenty Polytechnic Staff Research Outputs 2010

Peer Esteem

Editorial Board Membership

INTERNATIONAL JOURNAL

Hamerton, H.R. *Journal of Community and Applied Social Psychology*. Published by Wiley InterScience.

NEW ZEALAND JOURNAL

Fraser, C. *Journal of Applied Research (SITJAR)*, Southland Institute of Technology

Honeyfield, J. *Nursing Praxis in New Zealand*. Published by the New Zealand College of Nurses.

Wallingford, N. *Bulletin of Applied Computing and Information Technology*. Published by the New Zealand National Advisory Committee for Computing Qualifications.

Research Related Awards/Prizes/Fellowships

NATIONAL AWARDS

Laraman, D. (2010). Winner of SIT Wool Section at Hokonui Fashion Design Awards, Gore, July, 2010.

Laraman, D. (2010). Winner, Bridal section, Westfield Style Pasifika, Vector Arena, Auckland, September, 2010.

Invited Keynote Conference Address

INTERNATIONAL CONFERENCE

Honeyfield, J. (2010). The Preparation of the Midwifery Educator. Keynote speaker at the *International Midwifery Education and Practice Forum*, Beijing China. 9-10 April.

Organizing Conference/Curating Exhibition

INTERNATIONAL

Hamerton, H. (2010). Member of organizing committee for Women in Psychology Conference *Keeping our balance in a changing environment: Women, politics and wellbeing in the 21st century*, Nelson, New Zealand 3-5 December.

BAY OF PLENTY

Hamerton, H., Abernethy, A., Fraser, C., Muncaster, S., Steer, L. & Wallingford, N. (2010). Organising committee for Bay of Plenty Polytechnic Research Expo *Curiosity: Showcasing research, creativity and change*. Bay of Plenty Polytechnic, Tauranga, 3 September.

Contribution to research environment

GENERATION OF EXTERNALLY FUNDED RESEARCH

Honeyfield, J. (2010). *Portfolio Pointers – a resource to support portfolio to submit for National Tertiary Teaching Excellence awards*.

(Collaborative project with University of Waikato). Funding from Ako Aotearoa National Centre for Tertiary Teaching Excellence: \$10,000.

Katu, M., Cohen, S. & Eagle-Ashmore, P. (2010).

How does professional development support the embedding of literacy, language and numeracy? What are the impacts on tutors practice and learner outcomes in tertiary vocational programmes. (Collaborative project with University of Waikato funded by the Department of Labour: \$10,000).

Research Outputs

Book/Monograph (Authored)

NEW ZEALAND PUBLISHER

Honeyfield, J., Fraser, C., Shaw, L., van Toor, H., Fitchett, L., Reid, P., McMillan, A., Fester, V. & Robertson-Welsh, D. (2010).

Signposts: A professional development resource for new teaching staff in the tertiary sector (2nd ed.). Ako Aotearoa: Wellington, New Zealand. Available from <http://ako.aotearoa.ac.nz/>.

Fraser, C., Manalo, E., & Marshall, J. (2010). Many and varied roles: An inter-institutional project to evidence the impact of Learning Advisors on student achievement (2nd ed.). Ako Aotearoa: Wellington, New Zealand. Available from <http://ako.aotearoa.ac.nz/>.

Chapters in Books

INTERNATIONAL PUBLICATION

Fraser, C., & Ayo, L. (2010). The role of inter-faculty relationships in special project collaborations: a distinctly New Zealand experience. In M. Davies, M. Devlin, & M. Tight (Eds.). *Interdisciplinary Higher Education: Principles and Practicalities*. Melbourne, Australia: Emerald.

Paper in Journal/Periodical

JOURNAL (NON REFEREED)

Beange, J. (2010). Aotearoa New Zealand and good governance in the Pacific. *Just Change*, 17 (March-May), 19. http://www.globalfocus.org.nz/uploaded/documents/Just_Change_17.pdf

Honeyfield, J., Fraser, C., Shaw, L., Reid, P., McMillan, A., Fester, V., Robertson-Welsh, D., van Toor, H. & Fitchett, L. (2010). Signposts: a Professional Development resource for new teaching staff in the tertiary sector. *HERDSA News*, November.

Creative Outputs

NATIONAL CURATED GROUP EXHIBITION AT MAJOR VENUE

Newrick, T. (2010). *Lost playgrounds*. Exhibition at Britomart, Auckland.

Newrick, T. (2010). *Untitled (a conversation with the body)* City Gallery, Wellington.

Ormsby, J. (2010). *Seek*. Exhibition at Expressions Art Centre, Upper Hutt.

Steer, L. (2010). *No time like the present*. Exhibition at the Centre of Contemporary Art, Christchurch.

NATIONAL CURATED SOLO EXHIBITION

Armstrong, E. (2010). *Presence of Absence*. Masters Exhibition at Laundromat Art Space, Tauranga.

Steer, L. (2010). *Greatest hits II*. Exhibition at Laundromat Art Space, Tauranga.

DESIGN OUTPUT

Dinsdale, D. (2010). Finalist in World of Wearable Arts. Garment on display at the WOW museum, Nelson for 6 months.

OTHER CREATIVE WORKS

Gregor, K. (2010). Underwater video footage for World Education documentary, Center for Digital Education, Korean Educational Broadcasting System.

Gregor, K. (2010). Underwater video footage for Bay of Plenty Polytechnic International promotional video.

Conference Presentations

PUBLISHED REFEREED INTERNATIONAL CONFERENCE PROCEEDINGS

Bather, A. & Tucker, R. (2010). Legitimacy Theory and a Compliance Analysis of Tesco's 2008 Business Review. Paper presented at the *World Business Institute's 13th International Business Research Conference*, Melbourne, 22–24 November.

Fulljames, T.J. and Hausman, J.P. (2010). From audit to evaluation – So where will it take us? Paper presented at the *Tertiary Education Management Conference*, Melbourne, 3 – 6 October 2010. Full paper available on <http://pandora.nla.gov.au/pan/10533/20101115-0951/www.temc.org.au/temc-refereed-papers.html>

Gregor, K. (2010). Collaborating Kiwis: Combining Education with Conservation and Research in New Zealand. Paper presented at the National Marine Educators Conference *From the mountains to the sea*, Gatlinberg, Tennessee, 19–23 July.

Honeyfield, J., Fraser, C., Shaw, L., Reid, P., McMillan, A., Fester, V., Robertson-Welsh, D., van Toor, H. & Fitchett, L. (2010). Signposts: a Professional Development resource for new teaching staff in the tertiary sector. Poster presented at the *HERDSA Conference: Reshaping Higher Education*, Melbourne, 7–9 July.

PUBLISHED REFEREED NEW ZEALAND CONFERENCE PROCEEDINGS

Cooper, B & Maxwell, S. (2010). Increasing the relevancy of academic skills for students in the creative arts. In V. Van der Ham, L. Sevillano, & L. George (Eds.). *Shifting sands, firm foundations*. Refereed Proceedings of the 2009 ATLAANZ conference, Massey University, Albany, 18–20 November, pp. 9–17.



Fraser, C. & Marshall, J. (2010). Many and varied roles: An inter-institutional project to evidence the impact of Learning Advisors on student achievement. In V. Van der Ham, L. Sevillano, & L. George (Eds.). *Shifting sands, firm foundations*. Refereed Proceedings of the 2009 ATLAANZ conference, Massey University, Albany, 18-20 November, pp. 31-44.

Fulljames, T.J. and Hausman, J.P. (2010). From Audit to Evaluation – So where will it take us? Paper presented at the *Association for Tertiary Education Management Aotearoa Regional Conference* at AUT University, 8-9 July.

Phillips, K. (2010). Selecting the best students for IT Programmes: what determines “best”? Paper presented at 1st annual conference of *Computing and Information Technology Research and Education New Zealand (CITRENZ2010)* incorporating the 23rd Annual Conference of the National Advisory Committee on Computing Qualifications, Dunedin, New Zealand, 6-9 July. Proceedings edited by Samuel Mann and Michael Verhaart.

Porter, S. (2010). Teaching maths to business students. In V. Van der Ham, L. Sevillano, & L. George (Eds.). *Shifting sands, firm foundations*. Refereed Proceedings of the 2009 ATLAANZ conference, Massey University, Albany, 18-20 November, pp. 115-127.

UNPUBLISHED CONFERENCE PRESENTATION

Fraser, C. & Ayo, L. (2010). *Own and other: Bi-cultural strategies to produce global citizens*. Poster presented at the *TARC International Conference on Learning and Teaching*, 18-19 October, Kuala Lumpur.

Hamerton, H. (2010). Chair of Institute of Community Psychology Aotearoa Symposium at the New Zealand Psychological Society Conference *Psychology for a sustainable future: Ā hinengaro mā tōkana ā mua*. Rotorua, 17-20 July.

Hamerton, H. (2010). Growing and supporting youth participation and resilience. Paper presented at the New Zealand Psychological Society Conference *Psychology for a sustainable future: Ā hinengaro mā tōkana ā mua*. Rotorua, 17-20 July.

Hamerton, H., Heke, J., Honey, S., Honeyfield, J. & Morris, M. (2010). Linking research to teaching and learning. Panel discussion presented at Bay of Plenty Polytechnic Research Expo *Curiosity: Showcasing research, creativity and change*. Bay of Plenty Polytechnic, Tauranga, 3 September.

Morris, M. & Huteau, J. (2010). Sea lettuce and sewage: Events and indicators. Paper presented at Bay of Plenty Polytechnic Research Expo *Curiosity: Showcasing research, creativity and change*. Bay of Plenty Polytechnic, Tauranga, 3 September.

Ormsby, J. (2010). The SEEK Project: A relevant research methodology for visual art. Paper presented at Bay of Plenty Polytechnic Research Expo *Curiosity: Showcasing research, creativity and change*. Bay of Plenty Polytechnic, Tauranga, 3 September.

Riini, D., McPherson, B., Mercer, C., Morrison, L. & Hamerton, H. (2010). Wahine Māori promoting health and wellbeing within their whānau. Paper presented at the Women in Psychology Conference *Keeping our balance in a changing environment: Women, politics and wellbeing in the 21st century*. Nelson, 3-5 December.

Simpson, P. & Fraser, C. (2010). Offshore/onshore: the factors influencing international students' study choices and how their experiences meet, or differ from, their expectations. Poster presented at the *TARC International Conference on Learning and Teaching*, 18-19 October, Kuala Lumpur.

Steele, L. (2010). From content expert to classroom teacher. Paper presented at the *2010 Hawaii International Conference on Education* in Honolulu Hawaii on 7 January.

Steele, L. (2010). From content expert to classroom teacher. Paper presented at Bay of Plenty Polytechnic Research Expo *Curiosity: Showcasing research, creativity and change*. Bay of Plenty Polytechnic, Tauranga, 3 September.



Winwood, P. (2010). Determinants of strongman performance. Paper presented at Bay of Plenty Polytechnic Research Expo *Curiosity: Showcasing research, creativity and change*. Bay of Plenty Polytechnic, Tauranga, 3 September.

Young, K., Gregor, K., Overton, J. & Rapson, D. (2010). Monitoring Bay of Plenty marine reserves: Is protection effective? Paper presented at the New Zealand Marine Science Society Conference *Marine Environments: Past, Present and Future*, Wellington, 2010.

Reports to External Bodies

DOCTORATE

Wilson, A. (2010). E-learning Use and Relevance in Vocational Institutes in New Zealand unpublished doctoral thesis, Curtin University, Perth, Australia.

Miscellaneous Scholarly Activity

Gregor, K. (2010). Voice over for the Summerhill A1 Youth Academy promotional video.

BRIEF REVIEW/ARTICLE

Morgan, A. 2010. Polytechnic leads the way with new facility. *New Zealand Aquaculture Magazine*. Jan/Feb. Pg12-13.

Morgan, A. 2010. Polytechnic completes fitting out. *New Zealand Aquaculture Magazine*. July/Aug. Pg11.

Morgan, A. 2010. Billion dollar industry moves a step closer. *New Zealand Aquaculture Magazine*. Sept/Oct. Pg6-7.

Morgan, A. 2010. Back to the future. *New Zealand Aquaculture Magazine*. Nov/Dec. Pg 12-13.

Seminars/Workshops

INTERNATIONAL

Bather, A. & Tucker, R. (2010). *Legitimacy Theory and a Compliance Analysis of Tesco's 2008 Business Review*. Seminar presented to the Business Faculty at Bentley University, Boston, U.S.A., 1 December.

NEW ZEALAND

Gregor, K. & Young, K. (2010). The effectiveness of Tuhua Marine Reserve and marine reserves in general. Public seminar as part of *Sea Week and the Sustainable Backyards Programme* for the Tauranga Environment Centre.

Gregor, K. & Young, K. (2010). Marine Biosecurity at the Bay of Plenty Polytechnic. Session presented at the *Tauranga Moana Marine Biosecurity Workshop*, Hungahungatoroa Marae, Mount Maunganui.

Hamerton, H., McPherson, B. Mercer, C., Morrison, L. & Riini, D. (2010). *Evaluation of Project REPLACE*. Presentation to Ngā Mataapuna Oranga, August.

Hamerton, H., McPherson, B. Mercer, C., Morrison, L. & Riini, D. (2010). *What the funder required, what the contractors provided*. Presentation to Waikato/Bay of Plenty Branch of Anzea, 3 November.

Honeyfield, J. (2010). Facilitated *Hei Tauira workshop* to disseminate research to support teaching and learning for success for Māori in tertiary settings at Bay of Plenty Polytechnic, 20 August (Researchers were Janinka Greenwood and Lynne-Harato Te Aika)

Honeyfield, J. (2010). Facilitated Western Bay of Plenty Adult and Community Educators Professional Development Workshop: Celebrating Diversity, 10 September.

INTERNATIONAL CONSULTANCIES

Fulljames, T.J. (2010). Member of International Review Panel for Oman Academic Accreditation Authority reviewing a University College 14 –16 March.

NEW ZEALAND CONSULTANCIES

Fulljames, T.J. Member of New Zealand Qualifications Authority pool of External Evaluators reviewing a tertiary institution 16-17 June.

Hamerton, H.R. Member of New Zealand Qualifications Authority pool of External Evaluators reviewing a tertiary institution, 20-21 April.

Morgan, A. 1 week with Whakatohea, Whakatu, Eastern SeaFarms, Cawthron and Oriental Ocean Science and technical team at Opotiki and Nelson to develop hatchery and pond venture for sea cucumbers.



Equal Opportunities

FOR THE YEAR ENDED 31 DECEMBER 2010

Bay of Plenty Polytechnic is committed to the principle of equal employment opportunities and equal opportunity in education for all.

Equal Employment Opportunities

The need to give practical effect to its responsibilities as an employer and an educational provider is not taken lightly at Bay of Plenty Polytechnic. We do not accept unfair discrimination on the grounds of gender, ethnicity, disability, marital status, sexual orientation, age, religion, harassment or on any other grounds.

2010 EEO initiatives included:

Health & Wellbeing of Employees

Health and wellbeing of our employees was a key focus for Bay of Polytechnic during 2010. Wellness initiatives included the Employee Assistance Programme, Health Checks for employees, Wellness Week and free access to the Aquatic Centre for employees during lunch time breaks. In addition, a conscious decision was made by the Chief Executive in 2010 to close the Polytechnic for an additional week over the Christmas holiday period to ensure that all employees were given a sufficient rest period.

We also maintained our Tertiary Status for the ACC "Workplace Safety Management Practice" (WSMP) audit in 2010. The WSMP audit provides clear evidence of our commitment to wellbeing and safety for all across the Polytechnic.

Flexible Work Arrangements

In line with the new Flexible Working legislation, Bay of Plenty Polytechnic considered a number of applications for flexible working arrangements during 2010. We recognise that there are benefits in supporting flexible working practices, implementing family friendly initiatives and assisting employees to achieve work-life balance.

Parental Leave

All permanent employees are entitled to parental leave provisions over and above statutory minimum requirements, providing additional support for family commitments.

Biculturalism

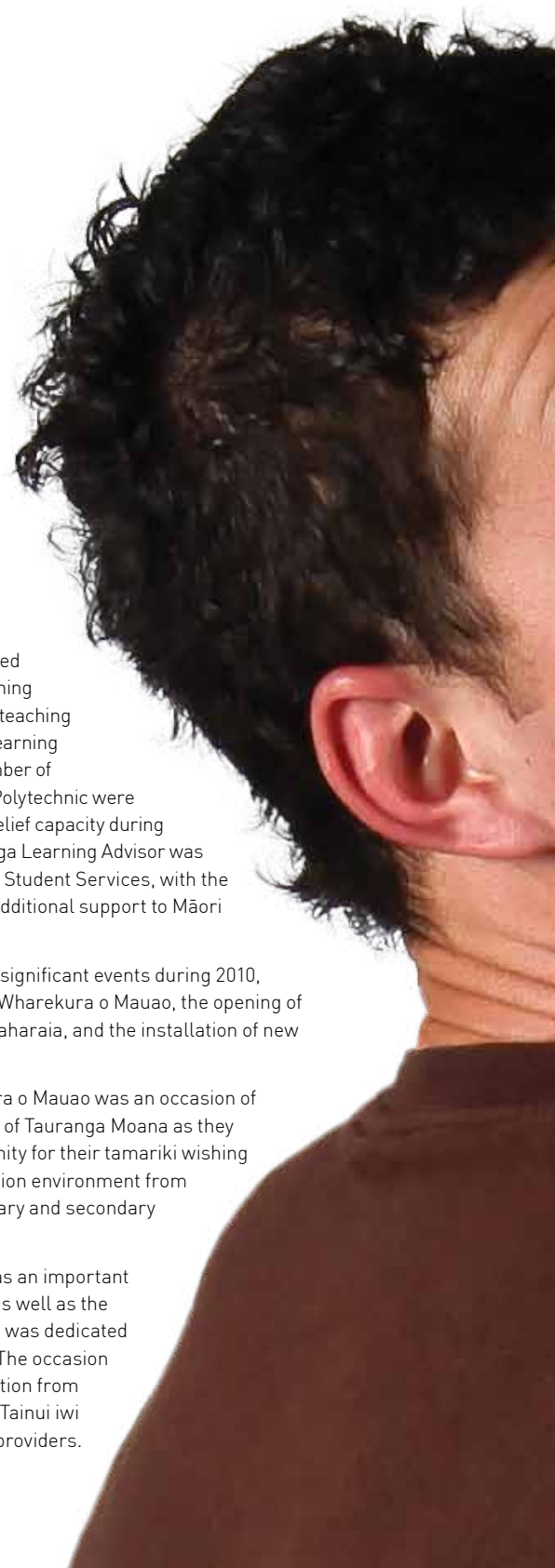
The Powhiri is the beginning of the learning journey for our students and employees.

Key strategies dedicated to improve learning outcomes for Māori during 2010 included bicultural days, specific training for employees on bicultural teaching practices and Foundation Learning initiatives. In addition, a number of leadership positions at the Polytechnic were covered by Māori staff in a relief capacity during 2010. A dedicated Matauranga Learning Advisor was also recruited by Kahurangi Student Services, with the responsibility of providing additional support to Māori students.

We celebrated a number of significant events during 2010, including the opening of Te Wharekura o Mauao, the opening of the partnership building, Maharaia, and the installation of new carvings on Pomare.

The opening of Te Wharekura o Mauao was an occasion of great pride for iwi and hapu of Tauranga Moana as they finally realised the opportunity for their tamariki wishing to study in a Te Reo immersion environment from Kohanga Reo through primary and secondary education and learning.

The opening of Maharaia was an important event for Tauranga Moana as well as the partnership, as the building was dedicated by the Māori King Tuheitia. The occasion saw very strong representation from the Kiingitanga movement, Tainui iwi and other regional tertiary providers.



Systems & Processes

The Polytechnic's revised intranet 'The Hub' was launched in 2010. The intranet is an important communication tool and ensures that all our employees have access to vital information and events taking place on campus.

Staff Gender		Staff Ethnicity	
Total Number of Staff	639	Pakeha /European	50%
Number of Male Staff	263	New Zealander	18%
Number of Female Staff	376	Māori	12%
Females in Senior Roles	21	Indian	1%
Māori Females in Senior Roles	6	Other European	2%
Female Academic Staff	163	Other Asian & Oceania	3%
Female Allied Staff	221	Other	3%
		Unknown	11%



Equal Education Opportunities

Bay of Plenty Polytechnic strives to provide equitable educational access, appropriate support services and barrier free facilities for all students. The Equal Education Opportunities policy set objectives that measure performance in the area of content and delivery of programmes, policies and procedures, provision of support services, staff training, provision of a hardship fund and student scholarships.

We encourage the greatest possible participation by our community, giving particular emphasis to eliminating barriers that cause under representation in areas such as gender for non-traditional courses, people with disabilities and Māori and Pacific Island students.

2010 Activities Included:

- Seven days per week student learning and computing support as well as accessible health and counselling services
- On-going professional development for staff, focusing on meeting the needs of diverse student groups
- Daycare and Te Kōhanga Reo facilities
- Provision of scholarships and a hardship loan facility
- Provision of comprehensive academic learning support service
- Provision of flexible learning platforms to increase access to learning
 - Ongoing focused international student support
 - Provision of focused literacy and numeracy support
 - Planning for wifi provision on campus in 2011.

Youth Guarantee Programme

The first Youth Guarantee Programme was successfully introduced by Bay of Plenty Polytechnic in 2010 and due to the outstanding success will continue in 2011. The initiative is aimed at engaging young people who may otherwise be left behind by the education system and improving their educational outcomes by giving them the opportunity to participate in fully funded vocational courses.

International Student Support

When students begin studying in New Zealand some culture shock may be experienced as they relocate and immerse themselves in a new environment. We have a dedicated International Student Support team available to assist our overseas students with academic and pastoral support. The team assist with applications, consultation on academic records and qualification equivalence, interviews and enrolments, as well as providing assistance with accommodation and transport.

Student Gender	
Male	52%
Female	48%

Student Ethnicity	
Māori	26%
Pacific Islander	2%
International	1%

Independent Auditor's Report

To the readers of Bay of Plenty Polytechnic's financial statements and statement of service performance for the year ended 31 December 2010

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

The Auditor-General is the auditor of Bay of Plenty Polytechnic (the Polytechnic). The Auditor-General has appointed me, Clarence Susan, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the Polytechnic on her behalf.

We have audited:

- the financial statements of the Polytechnic on pages 47 to 85, that comprise the statement of financial position as at 31 December 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Polytechnic on pages 26 to 37.

Opinion

In our opinion:

- the financial statements of the Polytechnic on pages 47 to 85:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect the Polytechnic's:
 - financial position as at 31 December 2010; and
 - financial performance and cash flows for the year ended on that date; and
- the statement of service performance of the Polytechnic on pages 26 to 37:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the Polytechnic's service performance achievements measured against the performance targets adopted for the year ended on that date.

Our audit was completed on 8 April 2011. This is the date at which our opinion is expressed.

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

Basis of opinion

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

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

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

to the Polytechnic's preparation of the financial statements and statement of service performance that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Polytechnic's internal control.

An audit also involves evaluating:

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

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Council

The Council is responsible for preparing financial statements and a statement of service performance that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect the Polytechnic's financial position, financial performance and cash flows; and
- fairly reflect its service performance achievements.

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

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

Responsibilities of the Auditor

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

Independence

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

Other than the audit, we have no relationship with or interests in the Polytechnic.



Clarence Susan
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

Financial Reports

Matters Relating to the Electronic Presentation of the Audited Financial Statements, Performance Information

The audit report on page 44 relates to the financial statements and performance information of Bay of Plenty Polytechnic for the year ended 31 December 2010 included on Bay of Plenty Polytechnic's website. Bay of Plenty Polytechnic's Council is responsible for the maintenance and integrity of Bay of Plenty Polytechnic's website. We have not been engaged to report on the integrity of Bay of Plenty Polytechnic's website. We accept no responsibility for any changes that may have occurred to the financial statements and performance information since they were initially presented on the website.

The audit report refers only to the financial statements and performance information named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and performance information. 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 performance information as well as the related audit report dated 8 April 2011 to confirm the information included in the audited financial statements and performance information presented on this website.

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

Five Year Performance Summary

FOR THE YEAR ENDED 31 DECEMBER 2010

<-----NZIFRS-----> <-----NZ GAAP----->

	2010 \$'000	2009 \$'000	2008 \$'000	2007 \$'000	2006 \$'000	2006 \$'000	2005 \$'000
Revenue							
Government Funding	28,084	30,906	22,942	23,258	19,919	19,922	20,138
Student Tuition Fees	11,058	9,349	7,292	7,004	6,200	6,198	6,453
Other Income	4,321	3,830	3,295	3,209	3,290	3,289	2,687
Total	43,463	44,085	33,529	33,471	29,409	29,409	29,278

Expenses

Personnel	24,578	22,833	19,625	21,259	18,064	17,444	17,432
Other Expenses	10,212	9,474	9,014	8,667	8,238	8,876	7,899
Crown Asset Depreciation	590	590	590	590	590	518	518
Non-Crown Asset Depreciation	3,185	2,590	2,423	2,256	2,162	2,313	2,221
Total	38,565	35,487	31,652	32,772	29,054	29,151	28,070

Surplus (\$000's) \$4,898 \$8,598 \$1,877 \$699 \$355 \$258 \$1,208

Ratio Analysis

Surplus as a % of Total Revenue	11.27%	19.50%	5.60%	2.09%	1.21%	0.88%	4.13%
Return on Fixed Assets	6.83%	13.25%	3.21%	1.20%	0.61%	0.63%	3.01%
Return on Equity	6.04%	11.32%	2.85%	1.10%	0.57%	0.65%	3.07%
Times Interest Covered (:1)	86.2	75.1	8.7	1.8	0.0	-0.4	4.0
Operating Revenue/Fixed Assets (:1)	0.53	0.58	0.51	0.52	0.46	0.72	0.73
Current Monetary Assets (\$000's)	\$4,434	\$7,154	\$5,272	\$5,221	\$4,919	\$5,307	\$4,919
Current Monetary Assets/Operating Cash Outflows	12%	23%	19%	18%	20%	21%	20%
Quick Ratio (:1)	\$1.09	\$1.11	\$1.19	\$1.17	\$1.24	\$1.48	\$1.99
Net Cash Flows from Operations (\$000's)	\$7,042	\$13,530	\$4,269	\$3,308	\$3,956	\$4,136	\$4,547
Operating Cash Inflows/ Operating Cash Outflows (%)	120%	144%	115%	112%	115%	116%	119%
Net Operating Cash Flows less Net Capex (\$000's)	-\$2,129	\$1,804	-\$205	\$93	\$213	\$711	\$1,582
Capital Expenditure/ Depreciation (:1)	\$2.43	\$3.69	\$1.48	\$1.13	\$1.36	\$1.21	\$1.08
Net Operating Costs per EFTS (\$'s)	\$11,430	\$10,931	\$10,722	\$10,568	\$9,866	\$9,898	\$8,498
Personnel Costs per EFTS (\$'s)	\$7,285	\$6,652	\$6,648	\$6,856	\$6,134	\$5,923	\$5,278
Capital Expenditure per EFTS (\$'s)	\$2,718	\$3,612	\$1,516	\$1,037	\$1,271	\$1,163	\$898
Fixed Assets per EFTS (\$'s)	\$24,093	\$23,336	\$22,354	\$20,802	\$21,763	\$13,876	\$12,167

Key Student and Staff Performance Indicators	2010	2009	2008	2007	2006	2006	2005
Achieved MoE EFTS	3,060	2,872	2,565	2,756	2,601	2,601	3,022
Funded MoE EFTS	2,969	2,675	2,619	2,756	2,601	2,601	3,022
International EFTS	71	78	63	56	67	67	68
Other EFTS	243	296	324	289	277	277	213
Total	3,374	3,426	2,952	3,101	2,945	2,945	3,321
Total Student Numbers	9,443	10,253	9,869	13,707	12,600	12,600	31,311
MoE funds per Funded EFTS (\$'s)	\$8,141	\$7,661	\$7,558	\$7,306	\$6,832	\$6,833	\$6,126
Fees per total EFTS (\$'s)	\$3,277	\$2,880	\$2,470	\$2,259	\$2,105	\$2,105	\$1,954
Education Revenue per Total EFTS (\$'s)	\$11,601	\$12,399	\$10,242	\$9,759	\$8,869	\$8,869	\$8,051
Student Satisfaction (overall)	85%	84%	87%	85%	87%	87%	98%
Student Completion *	75%	69%	72%	71%	90%	90%	86%
Māori Student Completion	73%	75%	71%	71%	87%	87%	80%
Staff Turnover	8.59%	10.7%	10.4%	8.9%	8.0%	8.0%	10.5%
Total Academic Staff (FTE)	183	178	167	165	159	162	153
Total Non Academic Staff (FTE)	192	188	174	173	174	168	171
Academic Staff FTE/Non Academic Staff FTE (:1)	0.95	0.95	0.96	0.95	0.96	0.96	0.89

* Completion rate calculations have changed formula from 2007 onwards based on commencing number of students instead of retained number of students. The accompanying notes form part of these financial statements.

Statement of Financial Position

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 Actual \$'000	% Ass	2010 Budget \$'000	% Ass	2009 Actual \$'000	% Ass
Assets							
Current Assets							
Cash and Cash Equivalents	5	4,434	4.7%	4,665	5.4%	7,154	8.0%
Trade and Other Receivables	6	7,887	8.4%	4,100	4.7%	6,590	7.3%
Prepayments	7	336	0.4%	580	0.7%	208	0.2%
Total Current Assets		12,657	13.5%	9,345	10.8%	13,952	15.5%
Non-Current Assets							
Other Financial Assets	8	73	0.1%	100	0.1%	137	0.2%
Property	9	71,699	76.3%	63,665	73.5%	64,895	72.2%
Plant and Equipment	9	8,986	9.6%	12,974	15.0%	10,609	11.8%
Assets Held for Sale	10	-	0.0%	-	0.0%	-	0.0%
Intangible Assets	11	604	0.6%	500	0.6%	258	0.3%
Total Non-Current Assets		81,363	86.5%	77,239	89.2%	75,899	84.5%
Total Assets		94,020	100.0%	86,584	100.0%	89,851	100.0%
Liabilities							
Current Liabilities							
Trade and Other Payables	12	3,511	3.7%	2,570	3.0%	4,620	5.1%
Interest-bearing Loans and Borrowings	13	35	0.0%	647	0.7%	973	1.1%
Provisions	14	1,309	1.4%	1,030	1.2%	1,247	1.4%
Revenues in Advance	15	8,024	8.5%	3,900	4.5%	6,938	7.7%
Total Current Liabilities		12,879	13.7%	8,147	9.4%	13,778	15.3%
Non-Current Liabilities							
Interest-bearing Loans and borrowings	13	22	0.0%	2,712	3.1%	57	0.1%
Provisions	14	90	0.1%	0	0.0%	90	0.1%
Total Non-Current Liabilities		112	0.1%	2,712	3.1%	147	0.2%
Total Liabilities		12,991	13.8%	10,859	12.5%	13,925	15.5%
Net Assets		81,029	86.2%	75,725	87.5%	75,926	84.5%
Equity							
General Equity	1a	55,677	59.2%	51,660	59.7%	50,779	56.5%
Revaluation Reserve	1c	23,910	25.4%	23,145	26.7%	24,227	27.0%
Other Reserves	1e	1,387	1.5%	865	1.0%	865	1.0%
Council Created Reserves	1d	55	0.1%	55	0.1%	55	0.1%
Total Equity		81,029	86.2%	75,725	87.5%	75,926	84.5%

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2010

Income	Notes	2010 Actual \$'000	% Rev	2010 Budget \$'000	% Rev	2009 Actual \$'000	% Rev
Government Funding							
- EFTS	3a	24,912	57.3%	23,339	57.5%	22,006	49.9%
- ITO's	3a	562	1.3%	577	1.4%	734	1.7%
- Other	3a	2,610	6.0%	2,405	5.9%	8,166	18.5%
	3a	28,084	64.6%	26,321	64.8%	30,906	70.1%
Student Tuition Fees							
- Domestic	3b	10,103	23.2%	9,723	24.0%	8,346	18.9%
- International	3b	955	2.2%	1,431	3.5%	1,003	2.3%
	3b	11,058	25.4%	11,154	27.5%	9,349	21.2%
Other Income							
- Trading	3c	1,443	3.3%	978	2.4%	1,292	2.9%
- Accommodation	3c	571	1.3%	287	0.7%	295	0.7%
- Dividend	3c	33	0.1%	-	0.0%	36	0.1%
- Other	3c	1,989	4.6%	1,626	4.0%	1,918	4.4%
	3c	4,036	9.3%	2,891	7.1%	3,541	8.0%
Finance income							
- Interest	3d	285	0.7%	230	0.6%	289	0.7%
Total Income		43,463	100.0%	40,596	100.0%	44,085	100.0%
Expenses							
			% Exp		% Exp		% Exp
Employee benefit expenses	4a	24,578	63.8%	23,737	62.9%	22,833	64.6%
Consumables	4b	3,871	10.1%	4,155	11.0%	3,643	10.3%
Other expenses	4c	6,282	16.3%	6,261	16.6%	5,715	16.2%
Depreciation	9	3,639	9.5%	3,610	9.6%	3,075	8.7%
Amortisation	11	136	0.4%	-	0.0%	105	0.3%
Total Operating Expenses		38,506	100.0%	37,763	100.0%	35,371	100.0%
Surplus from continuing operations before finance costs		4,957		2,833		8,714	
Finance costs							
	3d	59		178		116	
Surplus		4,898		2,655		8,598	
Other comprehensive income							
Gains on Property Revaluations		-		-		1,082	
Property impairments		(317)					
TOTAL COMPREHENSIVE INCOME		4,581		2,655		9,680	

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2010

	General Equity Reserve \$'000	Asset Revaluation \$'000	Council Reserves \$'000	Other Reserves \$'000	Total \$'000	Budget \$'000
At 1 January 2009	42,181	23,145	55	385	65,766	68,246
Total Comprehensive Income	8,598	1,082			9,680	2,324
Capital Contribution from Crown				480	480	2,500
At 31 December 2009	50,779	24,227	55	865	75,926	73,070
Total Comprehensive Income	4,898	(317)			4,581	2,655
Capital Contribution from Crown				522	522	-
At 31 December 2010	55,677	23,910	55	1,387	81,029	75,725



Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Cash Flows from Operating Activities				
Cash was Provided from:				
Government Funding		27,854	25,241	30,936
Tuition Fees		10,481	10,202	9,516
Other Services Provided		4,542	5,281	3,803
		42,877	40,724	44,255
Cash was Disbursed to:				
Payments to Employees		24,520	23,731	22,549
Payments to Suppliers		11,261	11,072	8,064
Interest Paid		54	178	112
		35,835	34,981	30,725
Net Cash Flows from Operating	5	7,042	5,743	13,530
Cash Flows from Investing Activities				
Cash was Provided from:				
Sales of Assets		15	0	98
Interest Received		299	230	301
Dividends Received		33	0	36
		347	230	435
Cash was Applied to:				
Purchase of Assets		9,171	7,900	11,726
Purchase of Intangible Assets		482	0	149
		9,653	7,900	11,875
Net Cash Flows from Investing		(9,306)	(7,670)	(11,440)

	Notes	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Cash Flows from Financing Activities				
Cash was Provided from:				
TEC Capital Grant		522	0	480
Bank loan / QRP funding			3,000	
		522	3,000	480
Cash was Applied to:				
EECA Loan		78	80	88
BNZ Loan Facility		900	700	600
		978	780	688
Net Cash Flows from Financing		(456)	2,220	(208)
Net increase/(decrease) in cash and cash equivalents		(2,720)	293	1,882
Cash and cash equivalents at beginning of period		7,154	4,372	5,272
Cash and cash equivalents at end of period	5	4,434	4,665	7,154
Represented by:				
Cash		11	2	2
Westpac		1,240	1,661	1,625
BNZ		3	2	2
National Bank		1,070	1,000	2,070
Kiwibank		1,000	1,000	1,000
ASB Bank		1,110	1,000	2,455
	5	4,434	4,665	7,154

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010



1 Reporting entity

Bay of Plenty Polytechnic is a Tertiary Education Institute (TEI) domiciled in New Zealand and is governed by the Crown Entities Act 2004 and the Education Act 1989 as a public tertiary institution. It provides full-time and part-time tertiary education in New Zealand.

The financial statements of Bay of Plenty Polytechnic for the year ended 31 December 2010 were authorised for issue in accordance with a resolution of the councillors on 22 March 2011.

2 Summary of significant accounting policies

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

2a Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and the requirements of the Crown Entities Act 2004 and the Education Act 1989.

Bay of Plenty Polytechnic is a public benefit entity for the purpose of complying with generally accepted accounting practice in New Zealand.

The financial statements have been prepared on a historical basis, except for investment properties, assets classified as held for sale and land and buildings, that have been measured at fair value. The financial statements are presented in New Zealand dollars, being the functional currency of the Bay of Plenty Polytechnic. All values are rounded to the nearest thousand dollars (\$'000).

2b Statement of compliance

The financial statements comply with Applicable Financial Reporting Standards, which include New Zealand Equivalents to International Financial Reporting Standards (NZIFRS), and other applicable financial reporting standards, as appropriate for public benefit entities.

2c Revenue

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

Government grants

EFTS based Government Grants are recognised upon entitlement as indicated on the three year investment plan. Other government grants are recognised when eligibility to receive the grant has been established.

Student tuition fees

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

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

Research income

Funding received for research that will provide reciprocal benefits to the research funding provider is recognised as revenue on a percentage completion basis. The percentage of completion is measured by reference to the research expenditure incurred as a proportion to total expenditure expected to be incurred. Funding received that provides no reciprocal benefit to the research funding provider is recognised as revenue when the funding is received.

Donations, bequests and pledges

Donations and bequests are recognised as income when the right to receive the fund or asset has been established. Pledges are not recognised as assets or revenue until the pledged item is received.

Sale of materials

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

Interest and dividends

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

2d **Borrowing costs**

The Institute has elected to defer the adoption of the revised NZ IAS 23 Borrowing Costs (Revised 2007) in accordance with the transitional provisions of NZ IAS 23 that are applicable to public benefit entities.

Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

2e **Equity**

Equity is the community's interest in Bay of Plenty Polytechnic and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council makes of its accumulated surpluses.

The components of equity are:

- General Equity
- Council Created Reserves
- Asset Revaluation Reserve
- Other Reserves

2f **Reserves**

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Bay of Plenty Polytechnic Council.

Council Created Reserves are established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Asset Revaluation Reserve is based on revaluation of Plant, Property & Equipment as outlined in note 2m.

The other reserves includes an ITP Projects Reserve, which is a short term fund administered by the Tertiary Education Commission providing capital contribution towards upgrades of the Student Management System, the Financial Management / Human Resources Information System, and the Capital Asset Management System.

2g **Cash and Cash Equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at bank and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consists of cash and cash equivalents as defined above, net of outstanding bank overdrafts.



2h Student Fees and Other Receivables

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

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

2i Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. The value of stocks of material on hand at balance date in the teaching, administration and service departments is not included in the financial statements, nor have such stocks been ascertained. It is considered that such stocks are not of material value and all purchases of class materials have been charged against income earned in the year.

2j Other Financial Assets

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

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

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

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

Financial assets are classified into the following categories for the purposes of the measurement:

- fair value through surplus or deficit;
- loans and receivables; and
- fair value through other comprehensive income.

Classification of the financial asset depends on the purpose for which the instruments were acquired.

Impairment of financial assets

At each balance date individual assets and groups of assets are assessed for objective evidence of impairment. Any impairment losses are recognised in surplus or deficit.

Impairment of loans and receivables (including cash and cash equivalents and trade and other receivables)

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

Impairment of financial assets at fair value through other comprehensive income

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy,

and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive income, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit. If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

2k Taxation

The Polytechnic is not subject to income tax and therefore no taxation has been provided for.

2l Other Taxes

Bay of Plenty Polytechnic accounts for GST on an invoice basis.

Figures in the financial statements have been stated on a GST exclusive basis with the exception of:

- Accounts payable and accounts receivable, which are stated GST inclusive.
- Where GST is not recoverable, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to, the Inland Revenue Department, are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

2m Property, Plant and Equipment

Measurement base

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

- Bay of Plenty Polytechnic Land and Buildings are measured at fair value less subsequent accumulated depreciation and subsequent accumulated impairment losses.
- Crown Land and Buildings are measured at fair value less subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets in Crown title were included for the first time in Bay of Plenty Polytechnic's financial statements in 1995. Although legal title has not been transferred, the Polytechnic has assumed most of the normal risks and rewards of ownership. Disposal of assets in Crown title is restricted in accordance with section 192 of the Education Act 1989.
- Plant and Equipment, Motor Vehicles and Computer Hardware are stated at cost less accumulated depreciation and any accumulated impairment in value.
- The library collection is for current use and does not include heritage or special collections. It is stated at cost less accumulated depreciation and any accumulated impairment in value.

Depreciation

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

Class of Asset	Rate
Buildings	1.0% - 4.0%
Crown buildings	1.0% - 10.0%
Infrastructure	2.0% - 10.0%
Library books	10.0%
Plant & teaching equipment	5.0% - 20.0%
Office equipment	10.0%
Furniture & fittings	6.5% - 10.0%
Vehicles	20%
Computer hardware	20.0% - 33.0%

Impairment

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

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

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

Revaluations

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

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

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

Any net revaluation surplus is credited to the asset revaluation reserve included in the Equity section of the statement of financial position unless it reverses a net revaluation decrease of the same asset previously recognised in the statement of comprehensive income.

Any net revaluation decrease as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Assets acquired after revaluation are initially held at cost, being the fair value at the date of acquisition, less accumulated depreciation and any impairment until their subsequent revaluation.

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

Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance date.

Held for sale

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

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Bay of Plenty Polytechnic and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

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

2n Investment Properties

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

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

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

Only properties held to earn profitable rentals or for capital appreciation are classed as investment properties. The properties owned by this Institute do not fall under this specification.

2o Intangible Assets

Computer software

Computer software is separately acquired and capitalised at its cost as at the date of acquisition. After initial recognition, separately acquired intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. The standard amortisation period for computer software is three to five years and the straight line method of amortisation is used.

Course development costs

Course development costs relate to development of educational courses. Any costs incurred internally are recognised as an expense in the statement of comprehensive income in the year in which it is incurred. Where courses are purchased from external parties, they are recognised at cost less subsequent amortisation and any impairment based on the discounted future cash flows expected to be generated by the asset. The standard amortisation period for course development costs is three years and the straight line method of amortisation from the commencement of the course is used.

The amortisation period and amortisation method for the above two classes of intangible assets having a finite life is reviewed at each financial year-end. If the expected useful life or expected pattern of consumption is different from the previous assessment, changes are made accordingly. The carrying value of each class of intangible asset is reviewed for indicators of impairment annually. Intangible assets are tested for impairment where an indicator of impairment exists.

Research costs

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

2p Provisions

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

2q Trade and Other Payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

2r Employee Entitlements

Provision is made in respect of Bay of Plenty Polytechnic's liability for annual leave, long-service leave and sick leave. Salaries, annual leave and other entitlements that are expected to be settled within twelve months of reporting date are measured at nominal values on actual entitlement basis at current rate of pay.

Entitlements, which are payable beyond twelve months, such as long-service leave and sick leave, have been calculated on an actuarial basis. The calculations are based on:

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

A discount rate of 5.5% and an inflation factor of 2.7% were used. The discount rate is based on the weighted average cost of capital for Bay of Plenty Polytechnic. The inflation factor is based on the expected long-term increase in remuneration for employees.

2s Interest Bearing Loans and Borrowings

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

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

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised and as well through the amortisation process.

2t Leases

Where Bay of Plenty Polytechnic is lessee

Finance leases, which effectively transfer to Bay of Plenty Polytechnic substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the present value of the minimum lease payments. The leased assets are depreciated over the period Bay of Plenty Polytechnic is expected to benefit from their use.

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

Finance charges are included in the statement of comprehensive income as finance costs.

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

Where Bay of Plenty Polytechnic is lessor

Finance leases, which effectively transfer from Bay of Plenty Polytechnic substantially all the risks and benefits incidental to ownership of the leased item, are recognised as a lease receivable at an amount equal to the net investment in the lease.

Lease payments are apportioned between the finance charges and reduction of the lease asset so as to achieve a constant rate of interest on the remaining balance of the asset. Finance income from this activity is included in the statement of comprehensive income as other income.

Operating leases, where the Bay of Plenty Polytechnic effectively retains substantially all the risks and benefits of ownership of the leased items, are recognised as assets in the statement of financial position according to the nature of the asset.

Lease income from operating leases are recognised as income in equal instalments over the term of the lease. Depreciation of operating lease assets is consistent with the Bay of Plenty Polytechnic's normal depreciation policy for similar assets.

2u Financial Instruments

The Polytechnic includes all financial instrument arrangements in the Statement of Comprehensive Income using the concepts of accrual accounting. These instruments arise as a result of everyday operations and include: cash and bank, accounts receivable, accounts payable, investments and non-current liabilities. Revenues and expenses in relation to all financial instruments are recognised in the Statement of Comprehensive Income.

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

2v Budget Figures

Budget figures used throughout this report are the budget figures approved by Council on 24 November 2009.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

2w Schools of Study Cost of Services

School Cost of Services shown in note 18 shows gross cost of programme delivery plus allocated overhead. Overheads have been allocated directly to output activity where possible. The basis of allocation depends on the nature of the activity or actual student activity measured by the number of equivalent full-time students enrolled. The method of allocation is described in note 17.

2x Accounting Estimates

Changes in the accounting estimates for deferred recognition of student fee income and the provision for doubtful debts have been made in the current period.

In preparing these financial statements, Bay of Plenty Polytechnic has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

2y Changes in Accounting Policies

There have been no changes in accounting policies for the year ended 31 December 2010.

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and are relevant to the Institute, are:

NZ IAS 24 *Related Party Disclosures (Revised 2009)* replaces NZ IAS 24 *Related Party Disclosures (Issued 2004)* and will be applied for the first-time in the Institute's 31 December 2011 financial statements. The revised standard:

- i) Removes the previous disclosure concessions applied by the Institute for arms-length transactions between the Institute and entities controlled or significantly influenced by the Crown. The effect of the revised standard is that more information is required to be disclosed about transactions between the Institute and entities controlled or significantly influenced by the Crown.
- ii) Clarifies that related party transactions include commitments with related parties.

NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 31 December 2013. The Institute has not yet assessed the impact of the new standard and expects it will not be early adopted.

2z Critical Judgements in Applying Accounting Policies

Management has exercised the following critical judgements in applying accounting policies for the year ended 31 December 2010:

Crown owned land and buildings

Property in the legal name of the Crown that is occupied by the Bay of Plenty Polytechnic is recognised as an asset in the statement of financial position. Bay of Plenty Polytechnic considers it has assumed all the normal risks and rewards of ownership of this property despite the legal ownership not being transferred and accordingly it would be misleading to exclude these assets from the financial statements.

Distinction between revenue and capital contributions

Most Crown funding received is operational in nature and is provided by the Crown under the authority of an expense appropriation and is recognised as revenue. Where funding is received from the Crown under the authority of a capital appropriation, Bay of Plenty Polytechnic accounts for the funding as a capital contribution directly in equity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

3a Government Funding

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
EFTS (Equivalent Full Time Students)	24,912	23,339	22,006
ITOs (Industry Training Organisations)	562	577	734
	25,474	23,916	22,740

Other government funding

Childcare Operational Grant	1,076	929	1,056
TOPS/Skill NZ	194	280	359
Supplementary and Special Needs Grants	804	1,014	1,090
Quality Reinvestment Fund	-	102	5,205
Youth Guarantee Additional Payment	180	-	-
ITP Projects Funding	-	-	100
ITP Business Links	356	80	356
	2,610	2,405	8,166
	28,084	26,321	30,906

3b Student Tuition Fees

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Domestic	10,103	9,723	8,346
International	955	1,431	1,003
	11,058	11,154	9,349

3c Other Income

Other income is generated by Bay of Plenty Polytechnic as an outcome of its operating activities but which do not form part of its core operations. Other income is made up of the following significant items:

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Trading Income			
Childcare Centre Fees	371	365	394
Aquatic Centre Fees	247	165	185
Produce Sales	46	41	134
Bay Auto Sales	170	114	142
Catering Contracts	77	64	73
Computer Sales - Staff & Students	79	46	57
Atrium Restaurant Sales	63	35	64
Conference Revenue	56	45	37
Copy Centre Sales	43	12	26
Hairdressing Sales	15	21	27
Dive Gear Lease / Sales	21	10	17
Library Charges	16	11	12
Consultancy	19	1	69
Parking	18	16	19
Fashion Sales	-	-	1
Student Activities	3	6	4
Beautician Sales	26	25	30
Carpentry Sales	173	1	1
	1,443	978	1,292
Accommodation	571	287	295
Dividends	33	-	36
Other Income			
Conjoint Income	557	722	746
Other Income	1,357	736	1,042
Other Grants & Donations	48	153	72
Gain on Sale of Assets	5	-	26
Bad Debts Recovered	22	15	32
	1,989	1,626	1,918
Total Other Income	4,036	2,891	3,541

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

3d Finance Cost / Income

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Bank loans and overdrafts	59	178	116
Total finance costs (on historical cost basis)	59	178	116
Interest earned on bank deposits	285	230	289
Total finance income (on historical cost basis)	285	230	289

4a Employee Benefit Expenses

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Wages and Salaries	24,474	23,647	22,742
Sub Contracting	-	-	-
Employee Welfare Expenses	104	90	91
Post Employment Benefits	-	-	-
Total Employee benefit expenses	24,578	23,737	22,833

4b Consumables

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Consumables	3,871	4,155	3,643
Total Consumables	3,871	4,155	3,643





4c Other Expenses

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Occupancy / Property Costs	2,682	2,305	2,311
Administration Expenses	2,967	3,471	2,850
Audit of financial statements	98	85	80
Trading Expenses	358	355	361
Bad Debts	91	45	86
Doubtful Debts	-	-	-
Loss on Sale of Fixed Assets	23	-	37
Fair Value Adjustment to Asset	63	-	(10)
Total Other Expenses	6,282	6,261	5,715

Notes: Audit of financial statements for 2010 includes \$15k unaccrued fees relating to the audit of the 2009 annual report.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

5 Cash and Cash Equivalents

Bay of Plenty Polytechnic maintains sufficient funds on hand or at call to enable all of its obligations to be met as they fall due.

As at 31 December funds on hand were as follows:	Interest rate %	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Cash on Hand		11	2	2
Westpac Current Account		24	593	157
Westpac Direct Debit Account		20	20	20
BNZ Current Account		3	-	2
Westpac Call	2.90 - 3.60	1,196	50	448
National Bank Call	3.25	70	-	70
ASB Call	3.00	110	-	455
		1,434	665	1,154

Surplus funds are invested in accordance with Council's investment policy.

Terms of deposits range from 30 days to 90 days.

As at 31 December funds invested were as follows:

	Maturity date	Interest rate %			
Westpac Trust Term Deposit	-	-	-	1,000	1,000
National Bank Term Deposit	15/2/2011	4.00	1,000	1,000	2,000
Kiwibank Term Deposit	7/2/2011	4.25	1,000	1,000	1,000
ASB Term Deposit	18/1/2011	4.21	1,000	1,000	2,000
			3,000	4,000	6,000
Total Cash and cash equivalents			4,434	4,665	7,154





	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
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Reconciliation of cash for the purpose of the statement of cash flows

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at 31 December:

Cash at Bank and in Hand	1,434	665	1,154
Short-term Deposits	3,000	4,000	6,000
	4,434	4,665	7,154

Reconciliation from the net Surplus / (Deficit) to the net cash flows from operations

Net surplus / (deficit) for the period	4,898	8,598
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Adjustments for:

Depreciation	3,639	3,075
Amortisation	136	105
Net (gain) / loss on disposal of property, plant and equipment	18	11
Fair value (gain) / loss on investment	63	(57)
Dividend Received	(33)	
Interest Received	(285)	(289)
Interest Received Accrued	(15)	
Interest Paid EECA Loans	7	(8)

Changes in assets and liabilities

(Increase) / decrease in trade and other receivables	(1,297)	(2,109)
(Increase) / decrease in prepayments	(128)	(22)
Increase / (decrease) in trade and other payables	(1,109)	1,496
Increase / (decrease) in provisions	62	171
Increase / (decrease) in revenue received in advance	1,086	2,559

Net cash from operating activities	7,042	-	13,530
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

6 Trade and Other Receivables

Receivables are amounts owing to Bay of Plenty Polytechnic arising from normal operating activities less provision for any debts which the Polytechnic considers may not be collectable as at 31 December. Accruals represent income that has been earned but not invoiced by 31 December.

Bay of Plenty Polytechnic continued to make available to staff the facility to borrow funds on a short term basis to assist in the purchase of computer hardware and software.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Accrued Income	174	250	493
Staff Computer Purchase Loans	7	5	3
Receivables	7,735	3,875	6,123
less Provision for Doubtful Debts	(29)	(30)	(29)
Total Trade and Other Receivables	7,887	4,100	6,590

Student Fees are non-interest bearing and generally should be paid on enrolment and no later than at graduation.

Fair Value

Student Fees and Other Receivables are non-interest bearing and receipt is normally within 30 days; therefore, the carrying value of student fees and other receivables approximates their fair value.

Staff Loans are subject to interest over the period of the loan (up to two years).

Impairment

The status of receivables as at 31 December are detailed below:

	2010			2009		
	Gross	Impairment	Net	Gross	Impairment	Net
Not Past Due	7,690	(1)	7,689	6,515		6,515
Past Due 1-60 days	151	(3)	148	42		42
Past due 60-120 days	28	(8)	20	10	(2)	8
Past due > 120 days	47	(17)	30	52	(27)	25
	7,916	(29)	7,887	6,619	(29)	6,590

The provision for doubtful debts has been calculated based on an analysis of bad debts for previous periods and a review of all debts due at year end.

7 Prepayments

Prepayments represent expenditure prepaid during current financial year that relates to activities for the following financial year.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Prepayments	336	580	208

8 Other Financial Assets

Fair value through equity assets consist of investments in ordinary shares and therefore have no fixed maturity date or coupon rate. These have been valued at the prevailing market rate as at Balance Date.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Shares in Zespri Group Ltd	3	15	14
Shares in Horizon Energy Ltd	3	5	3
Shares in Polytechnics International New Zealand Limited (PINZ)	67	80	120
Total Other Financial Assets	73	100	137

Fair Value Hierarchy Disclosures

For those instruments recognised at fair value on the Statement of Financial Position, fair values are determined according to the following hierarchy:

- Quoted market price - financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable outputs - financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive and financial instruments valued using models where all significant inputs are observable.
- Valuation technique with significant non-observable inputs - financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value on the Statement of Financial Position:

		2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Shares	Quoted market price	6	20	17
	Observable inputs	-	-	-
	Significant non-observable inputs	67	80	120
		73	100	137

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

9 Property, Plant and Equipment

	Crown Title	Polytechnic	Plant and equipment	Motor vehicles	Computer hardware	Work in progress	Total
	Property	Property					
Year ended 31 December 2010	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net of accumulated depreciation, at 1 January	33,172	31,723	5,201	486	1,189	3,733	75,504
Revaluation at 31 December 2010			-	-	-	-	-
Transfer from work in progress	-	3,426				(3,426)	-
Additions	-	5,474	2,293	161	869	246	9,043
Disposals		(15)	(130)	-	(52)		(197)
Classified as held for sale							-
Depreciation on disposals		-	111	-	52		163
Fair value adjustment		(190)					(190)
Depreciation charge for the year	(661)	(1,230)	(923)	(219)	(606)	-	(3,639)
Net of accumulated depreciation, at 31 December	32,511	39,188	6,554	428	1,451	553	80,685
At 1 January 2010							
Cost or fair value	33,172	31,723	13,960	1,422	5,888	3,733	89,898
Accumulated depreciation	-	-	8,759	936	4,699	-	14,394
	33,172	31,723	5,201	486	1,189	3,733	75,504
At 31 December 2010							
Cost or fair value	33,172	40,418	16,126	1,583	6,704	553	98,556
Accumulated depreciation	661	1,230	9,572	1,155	5,253	-	17,871
	32,511	39,188	6,554	428	1,451	553	80,685

	Crown Title Property \$'000	Polytechnic Title Property \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Computer hardware \$'000	Work in progress \$'000	Total \$'000
Year ended 31 December 2009							
Net of accumulated depreciation, at 1 January	34,095	24,336	4,286	525	1,057	1,426	65,725
Revaluations per 1 January 2009	(333)	1,415	-	-	-	-	1,082
Transfer from work in progress	-	1,547	92	-	102	(1,741)	-
Additions	-	5,401	1,577	202	605	4,048	11,833
Disposals	-	(8)	(192)	(178)	(364)	-	(742)
Classified as held for sale	-	-	-	-	-	-	-
Depreciation on disposals	-	1	171	155	354	-	681
Depreciation charge for the year	(590)	(969)	(733)	(218)	(565)	-	(3,075)
Net of accumulated depreciation, at 31 December	33,172	31,723	5,201	486	1,189	3,733	75,504
At 1 January 2009							
Cost or fair value	35,867	26,642	12,483	1,398	5,545	1,426	83,361
Accumulated depreciation	1,772	2,306	8,197	873	4,488	-	17,636
	34,095	24,336	4,286	525	1,057	1,426	65,725
At 31 December 2009							
Cost or fair value	33,172	31,723	13,960	1,422	5,888	3,733	89,898
Accumulated depreciation	-	-	8,759	936	4,699	-	14,394
	33,172	31,723	5,201	486	1,189	3,733	75,504

Revaluations

An independent valuation was obtained to determine the fair value of land and buildings. Fair value represents the highest and best use, except when it is exceeded by both replacement cost, value and use. Highest and best use is inferred by assuming profit maximising behaviour by the owner.

This revaluation was done by Roger Hills FNZIV FPINZ, independent registered valuer, of the firm Hills Haden Ltd.

The effective date of the revaluation was 31 December 2009.

Bay of Plenty Polytechnic has assumed all normal risk and rewards of ownership regarding Land and Buildings in Crown Title, although legal title has not been transferred. There are no restrictions on the use of Crown Land and Buildings.

Included in Plant & Equipment at 31 December 2010 is an amount of \$552,629 (2009: \$3,732,629) relating to expenditures regarding Work in Progress.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

10 Assets Held for Sale

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Year ended 31 December 2010			
Opening Balance as at 1 January (fair value)	-		50
Additions	-		-
Disposals	-		(60)
Net gain / (loss) on disposal	-		10
Closing Balance as at 31 December (fair value)	-	-	-

11 Intangible Assets

At the moment software is the only intangible asset of Bay of Plenty Polytechnic. These intangible assets have been assessed as having finite lives and are amortised using the straight line method over a period of 5 years.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Year ended 31 December 2010			
Net of accumulated depreciation, at 1 January	258		213
Additions	482		150
Disposals	-		-
Amortisation charge for the year	(136)		(105)
Net of accumulated amortisation, at 31 December	604	-	258
At 1 January 2010			
Cost or fair value	1,276		1,126
Accumulated amortisation and impairment	1,018		913
	258	-	213
At 31 December 2010			
Cost or fair value	1,758		1,276
Accumulated amortisation and impairment	1,154		1,018
	604	-	258

12 Trade and Other Payables

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Trade payables	2,498	2,000	2,739
Other payables	1,013	570	1,878
Interest payables	-	-	3
	3,511	2,570	4,620

Trade payables are non-interest bearing and are normally settled on a 7-day term or on the 20th of the following month.

Other payables are non-interest bearing and largely consist of accruals and suspense accounts, which are expected to be cleared within the following financial year.

Interest payable is normally settled quarterly throughout the financial year.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

13 Interest-Bearing Loans and Borrowings

	maturity	interest rate %	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Current					
BNZ bank loans - secured			-	600	600
BNZ bank loans - renewable			-	-	300
EECA loans - unsecured			35	47	73

35 647 973

Non-current

BNZ bank loan I - secured			-	900	-
BNZ bank loan II - secured			-	900	-
BNZ bank loan III - secured			-	900	-
EECA loan I - unsecured			-	-	-
EECA loan II - unsecured	15/2/2012		22	12	57

22 2,712 57

\$ 9,600,000 BNZ multi option facility

This facility was repaid in full during 2010.

EECA loan

Bay of Plenty Polytechnic has had two loans funded by EECA to facilitate expenditure on power utilisation tools that are expected to generate savings in normal power consumption. The loans are interest free and repayable in quarterly instalments over 5 years. The balance owing has been recalculated at 8% interest to represent a fair value.

EECA loan I was repaid in full during 2010.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Opening Book Value of EECA Loans	130		210
Repayments During Year	(78)		(88)
Fair Value Interest Expensed	8		14
Amortisation of Loan Admin Fee offset to Interest Expense	(3)		(6)
Closing Book Value of EECA Loan	57	-	130

14 Provisions

Employees are entitled to annual leave pay and long service leave pay.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Employee Annual Leave Entitlements			
At 1 January	1,230	1,013	1,032
Additions during the year	2,518	-	1,680
Utilised during the year	(2,455)	-	(1,482)
	1,293	1,013	1,230
Employee Sick Leave Entitlements			
At 1 January	17	17	17
Movement for the year	(1)	-	-
	16	17	17
Total Current Provisions	1,309	1,030	1,247

These provisions are expected to be settled within 12 months of the balance date and therefore classified as current liabilities. Entitlements related to annual leave are measured at the current rate of pay.

Entitlements related to sick leave have been calculated at present value of future cash flows determined on actuarial basis.

Employee Long Service Leave Entitlements

At 1 January	90	-	117
Movement for the year	-	-	(27)
Total Non-Current Provisions	90	-	90

Entitlements related to long service leave have been calculated at present value of future cash flows determined on actuarial basis and is considered as non-current.

This provision is affected by number of assumptions including expected length of service, attrition rate and salary increase.

15 Revenues in Advance

Enrolments commenced in November of this year for next year's programmes.

Next year's fees income received prior to 31 December of this year has been transferred into next year.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Student Fees Invoiced relating to future year's income	6,736	3,800	5,887
Deferral of unspent grant	50	-	101
International Students	208	100	144
Prepaid Rent from other Institutes	1,025	-	800
Other	5	-	6
Total Revenue received in advance	8,024	3,900	6,938

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

16 Councillors' Remuneration

Cabinet Office Circular CO (01) 8 "Fees Framework for Members of Statutory and Other Bodies Appointed by the Crown" requires the disclosure of the fees and other benefits paid to each member or former member of the Council.

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Total remuneration paid to members of Bay of Plenty Polytechnic Council in fulfilling its governance role.	108	66	64

There were ten Council meetings, four Audit and Risk Committee meetings, eleven Council workshops and a number of working group meetings by Bay of Plenty Polytechnic during 2010.

The Education (Polytechnics) Amendment Act 2009 imposed a requirement that all members of the Council vacated office on 1 May 2010 and be replaced by four appointees of the Minister of Education, and four council nominated appointees.

Councillor	Finish Date	Start Date	2010 Meeting Fees Paid \$	Attendance Council Meetings	Attendance Other Meetings	2009 Meeting Fees Paid \$
Neil Barnes		May-10	12,000	6	6	-
Paul Bowker			10,848	9	7	3,360
Dean Ellery	Apr-10		1,024	3	3	2,880
John Gibson			-			3,971
John Howard	Apr-10		1,088	3	2	2,880
Brian Kelly	Apr-10		512	2		2,624
Paul Logan		May-10	9,600	7	4	-
Aroha Luttenberger			10,624	9	3	2,816
Andrea Marsh	Apr-10		8,450	3	6	25,350
Britson Mikarere	Apr-10		256	1		2,156
Fern Nielsen	Apr-10		1,088	3	2	2,304
Rahera Ohia		May-10	9,600	5	3	-
Shirley Porter	Apr-10		768	3		2,624
Lucy Steel	Apr-10		512	2		1,280
Fleur Sweeney			10,624	9	8	3,392
Ellen Taylor	Apr-10		256	1		3,776
Paula Thompson		May-10	9,600	7	8	-
Ian Turner		May-10	19,200	7	6	-
Barry Ward	Apr-10		1,600	2	4	4,480
			107,650			63,893

17 Basis of Overhead Allocation

Bay of Plenty Polytechnic's policy is to allocate all overheads to Schools. The following describes the overhead activity, the basis for allocation and the amount allocated to Schools. This is the full cost of overhead activities and excludes income generated by the activity, which is disclosed separately in the financial statements.

The overhead allocation process takes place in three steps:

First, depreciation is allocated to both teaching and non-teaching activities based on estimated floor space occupied or by units of use.

Second, non-teaching service activities (including allocated depreciation) are allocated to all activities which utilise the services of that activity.

Third, remaining unallocated non-teaching activities (including executive) are allocated to Schools by EFTS generated.

Overhead Activity	Method of Allocation	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Executive	EFTS	1,990	1,227	1,249
Staff & Student Support	EFTS	1,170	1,347	1,151
Business Development Unit	EFTS	332	331	332
Academic Directorate	EFTS	1,520	1,774	1,290
Māori Education Directorate	EFTS	197	270	239
Information Centre	EFTS	431	443	427
Marketing	EFTS	1,509	1,850	1,637
Building Services	Floor Space	2,983	2,653	2,825
Childcare	EFTS	1,145	1,244	1,168
Cleaning Services	Floor Space	549	501	454
Information System Services	Number of Terminals	1,685	1,512	1,284
Custodial Services	Floor Space	581	458	406
Library	EFTS	827	847	901
Copy Centre	Volume	(75)	(155)	(125)
Financial Services	% Bottom Line	1,200	1,181	1,185
MIS Administration	EFTS	152	185	163
Human Resources	FTE Staff	475	545	514
Net Total Allocated (Excluding Depreciation)		16,671	16,213	15,100



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

18 Cost of Services

The table below summarises the cost of services by School. This information is utilised in determining the total cost of programme delivery expressed as a cost per equivalent full time student (EFTS).

	Business Studies BS\$'000	Applied Technology AT\$'000	Applied Sciences AS\$'000	Design & Humanities DH\$'000	Total \$'000
2010 Actual Expenditure					
Personnel	3,595	4,188	3,404	2,639	13,826
Class materials & teaching costs	494	1,130	848	627	3,099
Travel & accommodation	107	222	306	58	693
Direct administration costs	149	123	140	89	501
Depreciation**	861	1,141	959	814	3,775
Allocated Costs (note 17)	4,921	3,778	3,875	4,097	16,671
Total Cost of Service	10,127	10,582	9,532	8,324	38,565
Net Operating Cost per EFTS	10,219	14,242	12,331	9,590	11,427
2010 Budget Expenditure					
Personnel	3,484	3,786	3,513	2,777	13,560
Class materials & teaching costs	577	880	903	734	3,094
Travel & accommodation	124	264	277	111	776
Direct administration costs	168	187	185	148	688
Depreciation**	816	1,141	933	720	3,610
Allocated Costs (note 17)	4,774	3,976	3,926	3,537	16,213
Total Cost of Service	9,943	10,234	9,737	8,027	37,941
Net Operating Cost per EFTS	10,074	12,465	12,156	10,803	11,319
2009 Actual Expenditure					
Personnel	3,309	3,815	3,171	2,865	13,160
Class materials & teaching costs	612	792	886	637	2,927
Travel & accommodation	113	222	229	61	625
Direct administration costs	169	96	122	108	495
Depreciation**	834	877	678	794	3,183
Allocated Costs (note 17)	4,862	3,611	3,147	3,480	15,100
Total Cost of Service	9,899	9,413	8,233	7,945	35,490
Net Operating Cost per EFTS	9,601	12,209	11,745	10,693	10,933

Depreciation** = includes allocated overhead activity depreciation and permanent diminution of assets





19 Related Party Disclosure

	Ancillary services provided to related parties \$'000	Purchases from to related parties \$'000	Amounts owed by related parties \$'000	Amounts owed to related parties \$'000
Key Management Personnel	0	104	0	0
Council Members	0	32	0	0

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

	2010 Actual \$'000	2009 Actual \$'000
Key Management Personnel compensation	1,014	966

Key Management Personnel compensation includes 4 members of senior executive and 4 Heads of School.

Councillors fees are disclosed separately in Note 16.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

20 Financial Risk Management Objectives and Policies

Bay of Plenty Polytechnic's principal financial instruments comprise bank loans, cash and short term deposits.

The main purpose of these financial instruments is to raise finance for Bay of Plenty Polytechnic's operations.

Bay of Plenty Polytechnic has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

Interest rate risk

Bay of Plenty Polytechnic's exposure to market risk for changes in interest relates primarily to Bay of Plenty Polytechnic's long-term debts. Otherwise Bay of Plenty Polytechnic has no significant exposure to interest rate risk.

Foreign currency risk

Bay of Plenty Polytechnic's exposure to foreign currency risk is minimal.

Commodity price risk

Bay of Plenty Polytechnic's exposure to commodity price risk is minimal.

Credit risk

With the exception of student fees, Bay of Plenty Polytechnic trades only with recognised, creditworthy third parties.

Receivable balances are monitored on an ongoing basis with the result that Bay of Plenty Polytechnic's exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of Bay of Plenty Polytechnic, which comprise cash and cash equivalents, Bay of Plenty Polytechnic's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. By limiting the amount that can be invested in any one institution Bay of Plenty Polytechnic reduces the risk of any loss which could arise.

There are no significant concentrations of credit risk within Bay of Plenty Polytechnic.

Capital management

Bay of Plenty Polytechnic's capital is its equity, which comprise retained earnings and reserves. Equity is represented by net assets. The Education Amendment Act 1990 requires the Council to ensure that systems are established for the co-ordination of, and accountability for, activities within the institution to ensure the responsible use of public resources. The Polytechnic's resources are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Bay of Plenty Polytechnic will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Bay of Plenty Polytechnic aims to maintain flexibility in funding by keeping committed credit lines available.

Bay of Plenty Polytechnic manages its borrowings in accordance with its treasury policies. Bay of Plenty Polytechnic does not operate an overdraft facility.

Contractual maturity analysis of financial liabilities

The table below analyses Bay of Plenty Polytechnic's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying Amount \$'000	Contractual cash flows \$'000	< 1 year \$'000	1 - 2 years \$'000	2-5 years \$'000	> 5 years \$'000
2010						
Trade and Other Payables	3,511	3,511	3,511			
Secured Loans	57	57	35	22	-	
	3,568	3,568	3,546	22	-	-
2009						
Trade and Other Payables	4,482	4,482	4,482			
Secured Loans	1,727	1,727	988	380	359	
	6,209	6,209	5,470	380	359	-

Sensitivity analysis

A sensitivity analysis based on movement of interest rates affecting short-term deposits and fixed interest loans has not been prepared as it is considered immaterial.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

21 Financial Instruments

Fair values

Set out below is a comparison by category of carrying amounts and fair values of all of Bay of Plenty Polytechnic's financial instruments that are carried in the financial statements at other than fair values.

	Carrying amount		Fair Value	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<i>Financial Assets</i>				
<i>Loans and Receivables</i>				
Cash at bank and in hand	1,434	1,154	1,434	1,154
Short-term deposits	3,000	6,000	3,000	6,000
Receivables	7,735	6,123	7,706	6,094
Staff Computer Purchase Loans	7	3	7	3
<i>Fair Value through Equity</i>				
Listed Shares	6	17	6	17
Unlisted Shares	67	120	67	120
<i>Financial Liabilities</i>				
<i>Financial Liabilities at Amortised Cost</i>				
Trade Payables	3,511	4,482	3,511	4,482
Interest-bearing loans and borrowings	57	1,030	57	1,030

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings.

Counterparties with credit ratings (Standard and Poor's)

Cash and Term Deposits		
AA	3,434	6,154
AA-	1,000	1,000
	4,434	7,154





Interest rate risk

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

	<1 year \$'000	>1 - <2 years \$'000	>2 - <3 years \$'000	>3 - <4 years \$'000	>4 - <5 years \$'000	>5 years \$'000	Total \$'000
<i>Year ended 31 December 2010</i>							
Fixed rate Assets							
Deposits	3,000	-	-	-	-	-	3,000
Floating rate Assets							
Cash & Cash Equivalents	1,434	-	-	-	-	-	1,434
<i>Year ended 31 December 2009</i>							
Fixed rate Assets							
Deposits	6,000	-	-	-	-	-	6,000
Floating rate Assets							
Cash & Cash Equivalents	1,154	-	-	-	-	-	1,154
Fixed rate Liabilities							
BNZ Loan VIII	500						500
BNZ Loan IX	100						100
BNZ Loan X	200	100					300

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

22 Commitments and Contingencies

Bay of Plenty Polytechnic has estimated capital expenditure of \$1,082,941 committed at balance date but not provided for (2009 \$2,315,206).

Capital Commitments as at 31 December 2010	2010 \$'000	2009 \$'000
Building & Infrastructure	327	1,540
Plant & Equipment	254	321
Facility Improvements	4	25
Motor Vehicles	-	-
ISS Projects	61	-
Computer Hardware	382	399
Computer Software	55	18
Artwork	-	12

Total Capital Commitments	1,083	2,315
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Operating Lease Commitments as at 31 December 2010	2010 \$'000	2009 \$'000
Within one year	16	16
Within two to five years	-	16

Total Lease Commitments	16	32
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Contractual Commitments as at 31 December 2010	2010 \$'000	2009 \$'000
Within one year	149	180
Within two to five years	141	335

Total Contractual Commitments	290	515
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Contingencies as at 31 December 2010

Contingent assets

There were no contingent assets as at 31 December 2010.

Contingent liabilities

There is a potential restoration liability upon termination of lease of \$75,000 for land leased by the Polytechnic.

Contingencies as at 31 December 2009

Contingent assets

There were no contingent assets as at 31 December 2009.

Contingent liabilities

A building used by Bay Auto (net book value \$150,612) is deemed unusable due to the discovery of a toxic mould. Remedial discussions are still being held with the building architects and builders. It is unclear whether a liability exists. There is a potential restoration liability upon termination of lease of \$75,000 for land leased by the Polytechnic.

There is a workplace accident subject to court proceedings that may lead to a fine for negligence. It is unclear whether a liability exists, or the level of fine that may be issued. The fine maximum is \$250,000.

23 Leasor Commitments

Bay of Plenty Polytechnic has lease agreements in place with external parties for provision of premises and services.

	2010 \$'000	2009 \$'000
Finance Lease Commitments as at 31 December 2010		
Within one year	175	-
Within two to five years	-	-
Total Lease Commitments	175	-

	2010 \$'000	2009 \$'000
Operating Lease Commitments as at 31 December 2010		
Within one year	214	-
Within two to five years	679	-
Greater than five years	275	-
Total Lease Commitments	1,168	-



24 Childcare Centre

Income and Expenditure
for the year ended 31 December 2010

	2010 Actual \$'000	2010 Budget \$'000	2009 Actual \$'000
Income			
Operating Grants - MOE	1,092	940	1,072
Fees - Staff, Students, Public	162	173	173
Family Assistance (WINZ)	209	191	214
	1,463	1,304	1,459
Expenses			
Personnel	1,077	1,148	1,085
Other	68	95	76
	1,145	1,243	1,161
Net Surplus	Note 1 318	61	298

Statistics		2010	2009
MoE Hours funded	Under 2's	29,780	36,205
MoE Hours funded	Over 2's	31,381	26,819
MoE Hours Free ECE		41,164	29,147
MoE Hours Free Subsidised		10,587	11,399

Comments

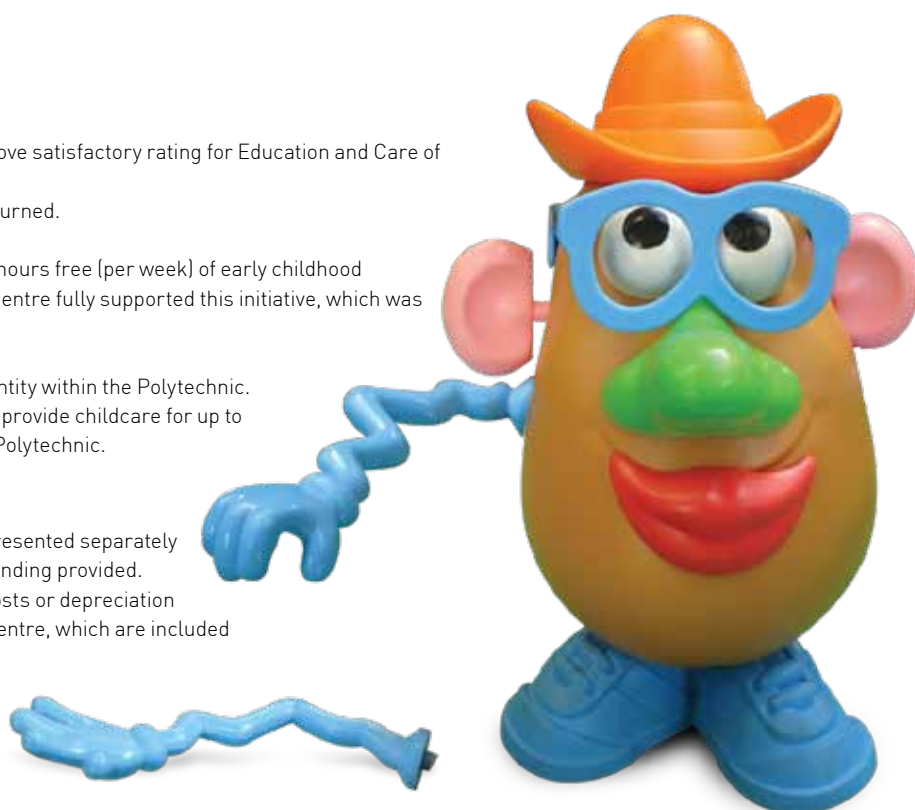
In 2010 the Annual parent survey yielded a 100% above satisfactory rating for Education and Care of client's children.
There were 96 surveys handed out with 26 being returned.

On 1 July 2007 the government introduced up to 20 hours free (per week) of early childhood education, for all children over 3 years of age. The Centre fully supported this initiative, which was accessed by our eligible clientele.

The Childcare Centre is run as a separate trading entity within the Polytechnic. It operates under two licences (30151 and 40042) to provide childcare for up to 100 children primarily for staff and students at the Polytechnic.

Note 1

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

25 Variations to Budget and Previous Year

Significant variations may be noted as:

- 1) Other Government funding - decrease in 2010 due to funding received in 2009 under the Quality Reinvestment Funding detailed in note 3a
- 2) Student Tuition Fees Domestic - increase in 2010 due to a change in the mix of programmes. This includes new full-time programmes introduced in 2010 and part-time or short courses from 2009 no longer offered in 2010.

26 Variation to Approved Budget

Due to more appropriate reclassification identified in the annual report preparation and to disclose that no offsetting of income and expenses took place, there are some variations in the presentation of the budget figures for 2010 that was originally approved by Council. These may be summarised as:

	Annual Report	Approved by Council	Difference
STATEMENT OF COMPREHENSIVE INCOME			
Income			
Other government funding	2,405	2,406	1
Student Tuition Fees	9,723	9,219	(504)
Other Income	2,891	3,393	502
	15,019	15,018	(1)
Expenses			
Employee benefit expenses	23,737	22,507	(1,230)
Other expenses	6,261	7,490	1,229
	29,998	29,997	(1)
STATEMENT OF CASHFLOWS			
Cash Flows from Operating Activities			
Total cash provided	40,724	40,725	1
Total cash disbursed	(34,981)	(34,982)	(1)
	5,743	5,743	0

27 Reclassification of Expenses

In past years wages and salaries related to occupancy costs have been classified as occupancy costs. It is now deemed more appropriate to include these as part of employment benefit costs. The financial statements for 2009, which are presented as comparative information in the 31 December 2010 financial statements notes 4a and 4c have been restated to correct this. The effect of this restatement on those financial statements is summarised below:

Statement of Comprehensive Income	Effect on 2009	Statement of Cashflows	Effect on 2009
Increase in Employee benefit expenses	1,238	Increase in Payments to Employees	1,242
(Decrease) in Other Expenses	(1,238)	(Decrease) in Payments to Suppliers	(1,242)
Net effect	0	Net effect	0

Statement of Resources

FOR THE YEAR ENDED 31 DECEMBER 2010

Crown Properties and Buildings

	Land Area ha	Buildings Area m ²
Main Campus Tauranga		
Windermere	8.165	21,251
Orchard	10.206	228
Oropi Road Land	4.610	n/a
Bongard Centre, Tauranga	0.242	7,859
Edgecumbe (land leased)	n/a	198
Total	23.222	29,536

Polytechnic Owned Properties and Buildings

	Land Area ha	Buildings Area m ²
Windermere		7,953
Orchard		323
Windermere residential properties (17)	1.313	1,895
Total	1.313	10,171

Leased Properties and Buildings

	Land Area ha	Buildings Area m ²	Annual Rental \$
Ririnui Block	1.859	n/a	1,200
Durham Street	0.130	n/a	16,000
Edgecumbe	n/a	included as Crown property	0

Library Resources

Available resources include

	2010		2009	
	Owned for BoPP Students	Held for Other Institution Students	Owned for BoPP Students	Held for Other Institution Students
Volumes	35,586	41,004	33,802	45,189
Magazine titles	257	52	353	418
AV Resources (includes videos, cds, dvds, cd roms & audio cassettes)	3,387	999	2,670	1,048
Posters	274	9	13	262
Access to electronic databases	83		79	
Electronic Books	62,500		35,142	
Electronic Journals	21,541			

In addition, Internet access was provided free of charge in both Libraries.

Looking Ahead

Delicious Future Developments

The vision of the Ahumoana a Toi Aquaculture Centre is to create an aquaculture facility that provides leading innovation in New Zealand and is dovetailed for regional needs. We will provide collective knowledge and access to technology and resources beyond the capability of local stakeholders.

As a proactive partner with local and regional stakeholders, including Eastern SeaFarms, North Island Mussel Processors, Whakatohea Fisheries and Chinese seafood company Oriental Ocean, we will further advance our existing expertise in Marine and Environmental Management to explore and develop aquaculture in a sustainable way.

The proposed joint venture between Chinese Oriental Ocean, the Eastern Bay's Whakatohea Fisheries and the Polytechnic aims to farm sea cucumbers using a pond culture system whereby juvenile cucumbers are placed in shallow onshore ponds filled with seawater using natural tidal flow to release water in and out of the ponds. The sea cucumbers would then grow on the floor of the ponds, much the way they do in the wild.

Our new aquaculture facility will provide enough juveniles to allow a pilot study to be underway in early 2011. Once raised to maturity the sea cucumbers will be further tested in the Asian seafood market to gauge consumer reaction – the New Zealand species is somewhat different to their Asian cousins, but already feedback is positive that the new species will be popular ■



The future certainly looks bright for aquaculture within the region with some 3,800 hectares of ocean area approved for different forms of aquaculture / sea farming.

Looking Ahead

Regional Health Top Priority



Encouraging local community to get the most out of life by adopting a healthy lifestyle through active living is the goal behind Bay of Plenty Polytechnic's vision to create a Sport and Wellness Centre. Focusing on community wellbeing and sports services for all, the development of a Centre is a natural progression in our desire to keep our region fit and healthy.

Uniquely complementing the network of health, fitness and wellness services already in Tauranga, the new Sport and Wellness Centre will provide a true community-based facility offering wellness programmes and high performance sports services. The centre has the full support of both the District Health Board and Sport Bay of Plenty and we look forward to making this vision a reality ■

Fab Labs, initiated by MIT's Centre for Bits and Atoms, provide widespread, shared and low-cost facilities and equipment that let people build things they need using digital and analogue tools. Activities in Fab Labs range from technological empowerment to peer-to-peer project-based technical training to local problem solving to grassroots research. Bay of Plenty Polytechnic is proposing a Fab Lab project revolving around creating a mobile teaching facility with interchangeable equipment that would allow students in the whole Bay to innovate, create, design, learn and train using 3D imaging, prototyping, and profiling technologies ■

2011 will bring changes in the Polytechnic's core ICT infrastructure, bringing it right up to date with campus links and backbones of 10GbE. Investments in wireless technologies throughout the campus coupled with high speed internet will ensure that students' access to key services can be delivered in a fast, flexible and portable manner ■

After working with the local community, staff and our Executive, the Bay of Plenty Polytechnic Council has created new Strategic Directions for 2011 - 2014, placing Te Waka Hourua at the core of all Polytechnic practices. The Strategic Directions document can be found on our website at www.boppoly.ac.nz ■

Supporting our values of nurturing, enabling, empowering and transforming our staff and community, Bay of Plenty Polytechnic is introducing volunteer leave in 2011. All full-time and part-time permanent staff will be able to spend one paid working day per year volunteering in the local community. As an organisation of highly skilled professionals we value the important difference our staff can make in our local community by providing key skills where they are needed most ■



An exciting new course has been added to the Diploma in Marine Studies, a Coral Reef Ecology and Monitoring course as a second year option. A monitoring trip is planned overseas each year with 2011 heading to the top of Papua New Guinea ■

Our Management



CONTACT INFORMATION

Phone (07) 571 0190
Facsimile (07) 544 2386
E-mail info@boppoly.ac.nz
Website www.boppoly.ac.nz
Freephone 0800 BOPPOLY (267 7659)

CAMPUS

Windermere Campus 70 Windermere Drive, Windermere, Tauranga.

Bongard Centre 200 Cameron Road, Tauranga.

Postal Address Private Bag 12001, Tauranga 3143.

Auditor Clarence Susan, Audit New Zealand. On behalf of the Auditor-General Wellington.
Bankers Westpac.
Solicitors SharpTudhope, Tauranga.
Insurer Jardine Lloyd Thompson Ltd.



Bay of Plenty Polytechnic

Private Bag 12001
Tauranga 3143. New Zealand
Phone 07 571 0190 Fax 07 544 2386
Freephone 0800 BOPPOLY (267 7659)
Email info@boppoly.ac.nz
Website www.boppoly.ac.nz