



2016

ANNUAL REPORT

Year ended 31 December 2016

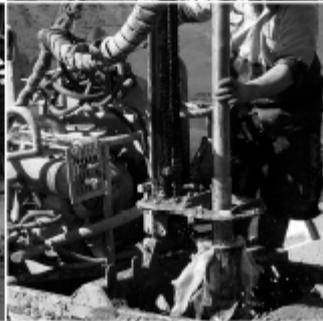


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WHAT WE DO

MITO is an industry training organisation. We collaborate with our industries to develop qualifications and training programmes with clear and measurable standards that lift the performance of our industries' workforces. We support our learners to achieve their qualifications and, in turn, help grow their careers.

OUR INDUSTRIES



AUTOMOTIVE



GAS



COLLISION REPAIR & REFINISHING



INDUSTRIAL TEXTILE FABRICATION



COMMERCIAL ROAD TRANSPORT



DRILLING, MINING & QUARRYING



PASSENGER SERVICES



RESOURCE RECOVERY



STEVEDORING & PORTS



WAREHOUSING & LOGISTICS

OUR STRATEGIC APPROACH

WHY

Our vision is 'enriching lives and inspiring futures'.

WHAT

Our mission is 'enhancing workplace productivity, innovation and industry sustainability'.

HOW

We do this through designing qualifications and training programmes that meet the needs of industry.

WHO

We do this with current and future employees, employers and workplaces in the industries we serve.

OUR VALUES



RESPECT

We trust and support each other and work for the good of our learners, employers and stakeholders.



INTEGRITY

We do what we say we will and do what is right, not merely what is expected.



INGENUITY

We are clever and resourceful.



COMMUNITY

We work together and get things done.



IGNITION

Together we enrich lives and inspire futures.



FOREWORD

The 2016 financial year was a successful and busy one for MITO.

MITO's recognition as a high performing industry training organisation was further endorsed with the award of two 'Highly Confident' ratings following NZQA's External Evaluation Review. These quality assurance ratings validate NZQA's utmost confidence in our performance as an ITO. NZQA concluded that there is clear and comprehensive evidence that MITO is meeting the needs of employers, industry, trainees and government through quality and effective processes that contribute to training and outcomes important to industry. In addition, effective and authentic self-assessment is well embedded in the practices, processes and activities of MITO.

This review followed an exhaustive compliance audit by the Tertiary Education Commission which commended MITO on our exemplary recordkeeping and strong organisational culture which values individual trainee and apprentice achievement. There were no key findings and no recommendations. Our end of year educational performance results provided further testament to our dedicated focus on our learners with the highest results in a number of years, with 96% credit completion and 90% programme completion. Our employers and learners endorsed their high levels of satisfaction with MITO, with 89% of employers and 86% of our learners satisfied with the overall level of service we provide. Furthermore, 93% of our employers and 87% of our learners would recommend a MITO training programme.

Our stakeholder engagement has been enhanced with greater emphasis on social media, significant visibility through the highly successful Got a Trade? Got it Made! national campaign, access to eLearning on mobile phones and tablets, new categories for our scholarship programme, the release of new programmes, collaboration on an automotive workforce development strategy, participation in industry conferences, career expos and mayoral graduations, hosting Māori and Pasifika Trades Training hui, the introduction of an assessor portal – along with the launch of a new website that features a job board for employers and seamless navigation through the site.



During 2016, we welcomed Andrew Clearwater and Brendan Duffy as Board Directors – and took the opportunity to extend our genuine appreciation to outgoing Board Director Bruce Taylor, who made a significant contribution to MITO during his three-year term. Our success is truly reflective of the commitment of the MITO Board and team members who are dedicated to making a difference to the lives of our learners and their employers. We are very proud to have such a talented and enthusiastic team.

While we celebrate our achievements, we never lose sight of the ambitions and aspirations of our learners, employers, training partners, industry representatives and other stakeholders. Our mission is to enhance workplace productivity, innovation and industry sustainability through education and training.

Together we are truly living our vision of enriching lives and inspiring futures. A very big thank you to you all!



David O'Kane
CHAIRMAN



Janet Lane
CHIEF EXECUTIVE





ENGAGING INDUSTRY

In June, the Board hosted our fourth annual Industry Summit titled 'Investing Today in Tomorrow's Talent'. Representatives from our industry associations and corporate employers contributed their perspectives on workforce development. One of the highlights of the day was keynote speaker Nigel Latta sharing his insights into what motivates people when at work. This coincided with his TV programme 'The Hard Stuff - Degrees of Success' which compared university degrees to trade qualifications and featured MITO's 23-year-old Got a Trade Hero Julius Bloem, General Manager, Possum Bourne Motorsport. Our Industry Summit continues to be well supported and received with 98% of attendees satisfied with the event.

INSPIRING YOUTH

We continued to focus our lens on the youth market and collaborated with seven other industry training organisations in the second Got a Trade? Got it Made! campaign. This national campaign, targeted at secondary school students and their influencers, raises awareness of careers in over 130 trades and services industries through a major advertising campaign and activities during August's Got a Trade Week. MITO employers were involved in Big Bus Tours and SpeedMeet, and ten young future business leaders training with MITO attended the Future Business Leaders Forum and were nominated for the Future Business Leaders Awards.



SPEEDMEET

Over **300** speedmeets took place and over **140** matches with many progressing to employment



BIG BUS TOURS

750 secondary school students visited **50** workplaces across four locations



'I GOT THIS' MARKETING CAMPAIGN

was seen by **1.7m** people on TV, radio, in newspapers and online

DEVELOPING PROGRAMMES

With the major work towards the targeted review of qualifications completed, 2016 proved a busy and innovative year as we turned our attention to programme development.

Our primary focus for 2016 was the development of new Collision Repair and Automotive Refinishing programmes for an early 2017 release. This development was MITO's first major step towards programmes of study with significant eLearning content. We developed our own learning management system to allow learner access to online resources, e-study guides and theory assessment using computers, tablets or smart phones.

We also developed the Senior Driver programme for experienced truck drivers who have a senior driver role in a transport organisation and may be involved in the training of other drivers.

Learning and assessment resources for all our programmes were updated to reflect the Health and Safety at Work Act 2015.



86%
of our learners



89%
of our employers



are satisfied with the overall level of service from MITO.



87%
of our learners



93%
of our employers



would recommend a MITO training programme to others in their industry.



96%
credit completion



90%
programme completion

SUPPORTING EDUCATIONAL EXCELLENCE

Through our 2016 scholarship programme we supported 44 people in furthering their careers in their respective industries via apprenticeships and business management qualifications. Scholarships, totalling \$50,000, were awarded across six categories:

- Kick Start
- Kick Start Māori and Pasifika
- Business Skills
- Business Skills Māori and Pasifika
- Graduate
- Clyde Cunningham QSM Memorial

CELEBRATING SUCCESS

Throughout 2016 we supported and celebrated high achievers within our industries.

CRA APPRENTICE OF THE YEAR – GOLDEN GUN

Kerryn Horn, Harvey Collision Repairs, Hamilton

CRA APPRENTICE OF THE YEAR – GOLDEN HAMMER

Jordan Davies, formerly of Imperial Panelbeaters, Whangarei

OPPANZ APPRENTICE OF THE YEAR - TIER ONE

Jasmine Dheda, Custom Technologies Ltd, Taupō

IAG TOP APPRENTICE OF THE YEAR – REFINISHING

William Patten, Waitemata Panelbeaters, Auckland

IAG TOP APPRENTICE OF THE YEAR – COLLISION REPAIR

Ethan Joy, McCoard Panel & Paint, Cambridge

EASTLAND WOOD COUNCIL DISTRIBUTION EXCELLENCE AWARD

Rob Lewis, C3, Tauranga

POST-CYCLONE WINSTON REBUILD

Samson Tuituu, Māori and Pasifika Trades Training trainee, Auckland, who helped build two new homes in Fiji as part of the post-Cyclone Winston rebuild

2017 WORLDSKILLS INTERNATIONAL COMPETITORS SELECTED

Cargen Cairns (autobody repair), Alex Banks (automotive refinishing) and Logan Candy (automotive technology)

SAFEST CAR AWARD AT THE AA NEW ZEALAND CAR OF THE YEAR AWARDS

Mercedes-Benz GLC

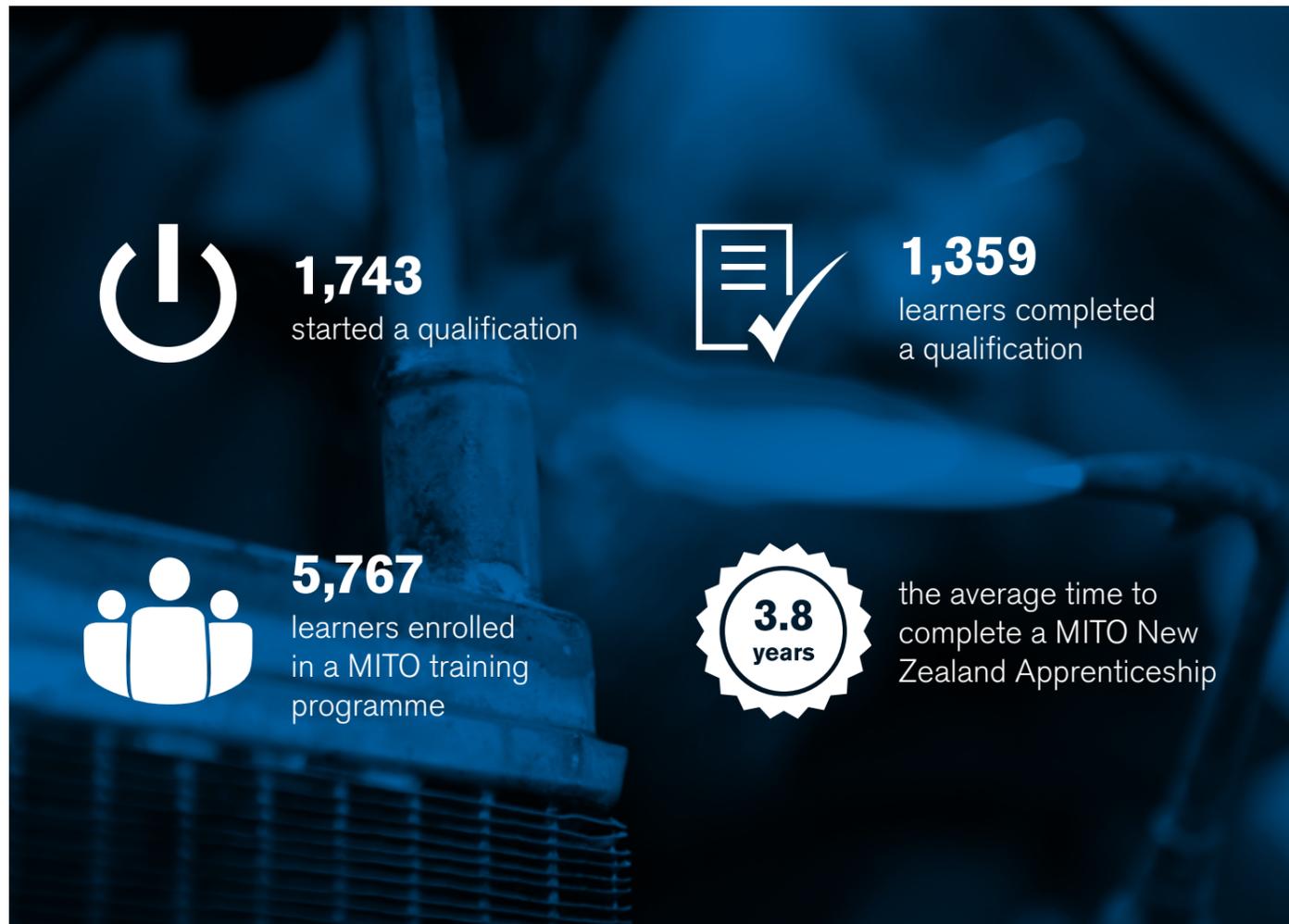


BOARD OF DIRECTORS

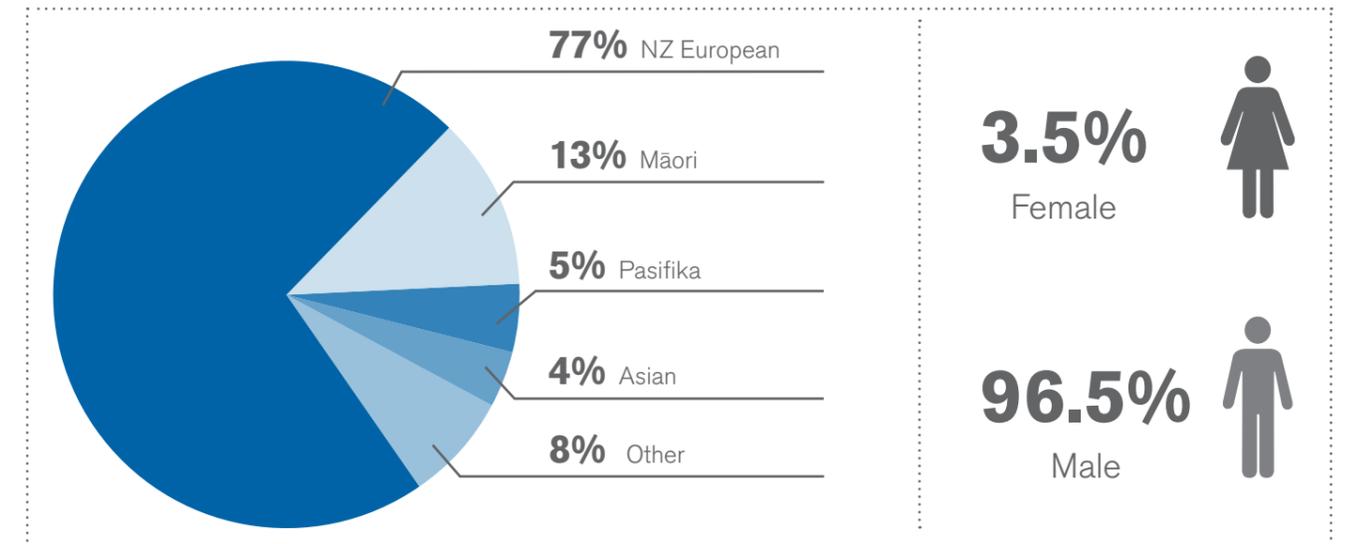


Back row from left: Lyndon Leabourn, Ken Shirley, Chris Rigby, Chris Baker, Brendan Duffy.
Front row from left: Janet Lane (Chief Executive), David O'Kane (Chairman), David Storey (Deputy Chairman).
Absent: Andrew Clearwater.

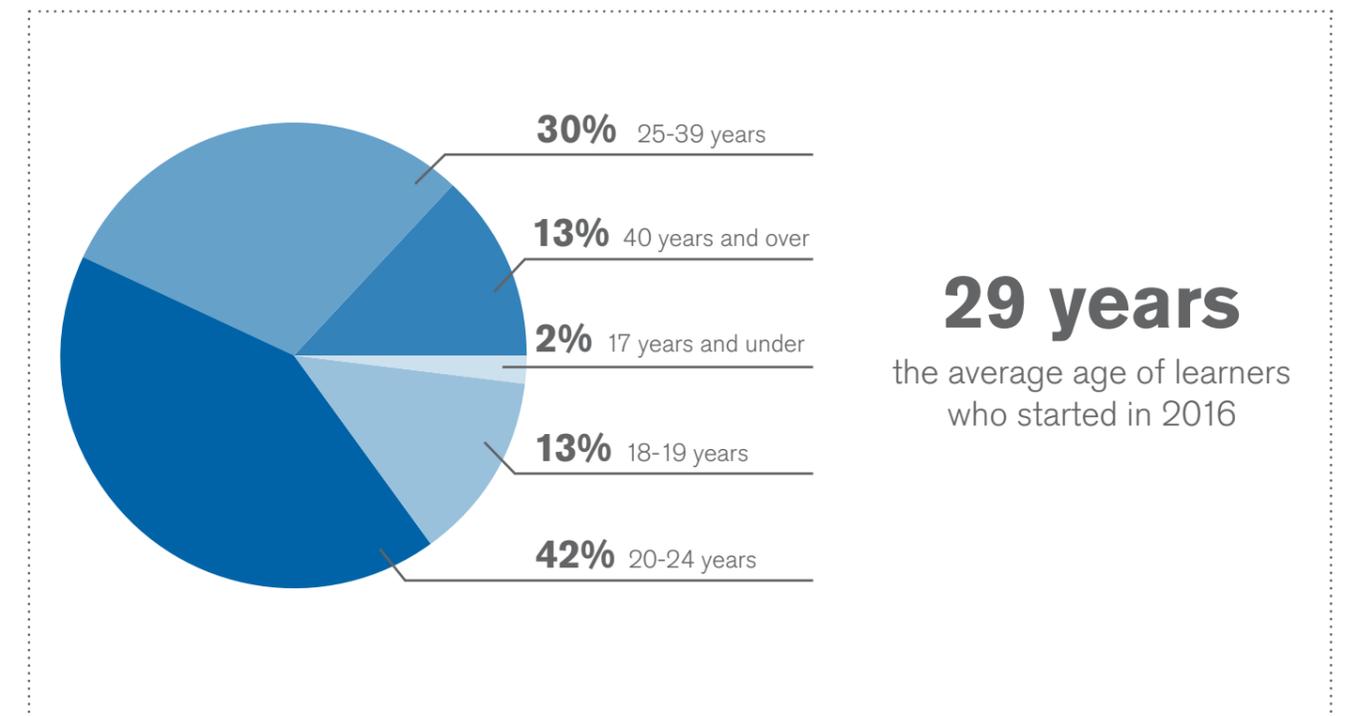
THE YEAR IN REVIEW



OUR LEARNERS



AVERAGE AGE ON SIGN UP



OUR MEMBERS

FULL MEMBERS

Aggregate and Quarry Association of New Zealand
Association of Australasian Diesel Specialists Inc
Bus and Coach Association New Zealand Inc
E tū
Motor Industry Association of New Zealand Inc
Motor Trade Association Inc
NZ Collision Repair Association Inc

NZ Drillers Federation Inc
NZ Log Transport Safety Council
Outdoor Fabric Products Association of New Zealand
Road Transport Forum New Zealand Inc
Straterra Inc
The Institute of Quarrying New Zealand Inc
Vehicle Service Federation Inc

INDIVIDUAL MEMBERS

Cathy Parker
Mark Davies
Mark Morgan
Pamela Oughton
Peter Hancock
Robert Ramshaw
Tom Callinan

ASSOCIATE MEMBERS

Auto Super Shoppes Limited
Ara Institute of Canterbury
C B Norwood Distributors Limited
CablePrice (NZ) Ltd
Cummins New Zealand Ltd
Diesel Mechanical Ltd
Eastern Institute of Technology
Ebbett Group
Fairview Motors Limited
Giltrap AgriZone Ltd
Gisborne Development Inc
Higgins Group Holdings Limited
IAG New Zealand Inc
Imported Motor Vehicle Association
Institute of Automotive Mechanical Engineers
Lyntec Holdings Limited
Mitsubishi Motors New Zealand Limited
Moyes Motor Group Limited
Nelson Technical Institute Limited
New Zealand Federation of Motoring Clubs Inc
NorthTec

NZ Trucking Association
Regent Training Centre Ltd
Skills Update Training Institute
Southern Institute of Technology
Tai Poutini Polytechnic
Tasman Toyota
Te Arawa Lakes Trust
The Colonial Motor Company Limited
The Gough Group
The New Zealand Automobile Association Incorporated
The Salvation Army New Zealand Trust
Trade and Commerce Centre Limited
Trade Education
Translog Services Ltd
Truck Stops (NZ) Ltd
Unitec Institute of Technology
Waiariki Institute of Technology
Western Institute of Technology at Taranaki
Wharehine Group
Wintec



SUMMARY FINANCIAL STATEMENTS

For the year ended 31 December 2016



SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

For the year ended 31 December 2016

	2016 \$	2015 \$
REVENUE		
Revenue from non-exchange transactions	14,960,194	15,310,321
Revenue from exchange transactions	3,293,710	2,911,717
TOTAL REVENUE	18,253,904	18,222,038
EXPENSES		
Direct training costs	8,863,711	9,271,981
Operational costs	8,317,875	9,330,836
Board	252,206	216,103
TOTAL EXPENSES	17,433,792	18,818,920
NET SURPLUS / (DEFICIT) FOR THE YEAR	820,112	(596,882)
TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR	820,112	(596,882)

SUMMARY STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 December 2016

	RETAINED EARNINGS \$	SOUTH EASTERN UTILITIES LTD BURSARY FUND \$	TOTAL \$
BALANCE AS AT 1 JANUARY 2015	8,440,267	2,477	8,442,744
Total comprehensive revenue and expenses	(596,882)	0	(596,882)
Transfer from Bursary Fund	0	(2,477)	(2,477)
BALANCE AS AT 31 DECEMBER 2015	7,843,385	0	7,843,385
Total comprehensive revenue and expenses	820,112	0	820,112
BALANCE AS AT 31 DECEMBER 2016	8,663,497	0	8,663,497

SUMMARY STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

	2016 \$	2015 \$
Net cash from / (used) in operating activities	1,160,894	(309,522)
Net cash from / (used) in investing activities	321,523	(703,044)
Net increase / (decrease) in cash and cash equivalents	1,482,417	(1,012,566)
Opening cash and cash equivalents	1,834,157	2,846,723
CLOSING CASH AND CASH EQUIVALENTS	3,316,574	1,834,157

SUMMARY STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	2016 \$	2015 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3,316,574	1,834,157
Term deposits	5,250,000	6,500,000
Trade and other receivables from non-exchange transactions	380,483	413,691
Trade and other receivables from exchange transactions	532,470	501,705
Inventory	25,818	26,706
Corporate bonds	0	70,000
TOTAL CURRENT ASSETS	9,505,345	9,346,259
NON-CURRENT ASSETS		
Property, plant and equipment	587,243	755,273
Intangible assets	1,202,129	429,426
TOTAL NON-CURRENT ASSETS	1,789,372	1,184,699
TOTAL ASSETS	11,294,717	10,530,958

	2016 \$	2015 \$
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	2,160,236	2,106,062
Provisions	255,778	287,806
Employee benefits	215,206	293,705
TOTAL CURRENT LIABILITIES	2,631,220	2,687,573
TOTAL NET ASSETS	8,663,497	7,843,385
NET ASSETS		
Retained earnings	8,663,497	7,843,385
TOTAL NET ASSETS	8,663,497	7,843,385

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

The summary financial statements for MITO New Zealand Incorporated (MITO) have been extracted from the audited financial statements authorised for issue by the Board on 7 March 2017. The summary financial statements have been prepared in accordance with PBE FRS-43 Summary Financial Statements. All values are presented in New Zealand dollars and rounded to the nearest dollar. The summary financial statements do not include all the disclosures provided in the full financial statements and cannot provide as complete an understanding as the full financial statements can. A copy of the financial statements can be obtained by emailing info@mito.org.nz.

MITO's full financial statements have been prepared in accordance with both the requirements of the Incorporated Societies Act 1908 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards (PBE) Reduced Disclosure Regime. MITO is a public benefit not-for-profit entity and is eligible for and elected to apply Tier 2 PBE Standards Reduced Disclosure Regime on the basis that it does not have public accountability and it is not large as defined. An unqualified audit opinion was issued for the full financial statements.

MITO New Zealand Incorporated (MITO) is an incorporated society established under the Incorporated Societies Act 1908, and is domiciled in New Zealand. MITO changed its legal name from NZ Motor Industry Training Organisation (Incorporated) on 18 June 2015. It is recognised under the Industry Training Act 1992 as the Industry Training Organisation for the motor, industrial textile fabrication, transport and logistics and extractives industries. MITO is governed by a board of directors who are appointed in accordance with its Rules.

There were no significant events after the Statement of Financial Position date.



REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

To the Members of MITO New Zealand Incorporated

The accompanying summary financial statements of MITO New Zealand Incorporated ("MITO"), on pages 14 to 17 which comprise the summary statement of financial position as at 31 December 2016, the summary statement of comprehensive revenue and expenses, the summary statement of changes in net assets and the summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of MITO for the year ended 31 December 2016.

The summary financial statements do not contain all the disclosures required for full financial statements under Public Benefit Entity Standards Reduced Disclosure Regime. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of MITO.

Our audit of the financial statements for the year ended 31 December 2016 was completed on 7 March 2017 and our unmodified opinion was issued on that date. We have not undertaken any additional audit procedures in relation to those financial statements from the date of the completion of our audit and those financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

This report is made solely to MITO's Members, as a body. Our work has been undertaken so that we might state those matters we are required to state to them in a report from the auditor and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than MITO's Members, as a body, for this report, or for the opinions we have formed. In addition, we take no responsibility for, nor do we report on, any part of the annual report not specifically mentioned in our report.

Directors' Responsibility for the Summary Financial Statements

The Directors are responsible on behalf of MITO for the preparation of the summary financial statements in accordance with PBE FRS-43: Summary Financial Statements (PBE FRS 43).

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements.

We are independent of MITO. Our firm carries out other services for MITO in the areas of taxation advice and IT security review services. The provision of these other services has not impaired our independence.

Information other than the summary financial statements and auditor's report

The Directors are responsible for the annual report. Our opinion on the summary financial statements does not cover the other information included in the annual report and we do not express any form of assurance conclusion on the other information.

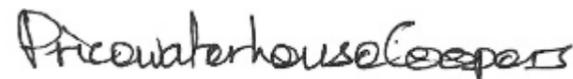
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the summary financial statements or our knowledge obtained in the audit, or otherwise appears to be materially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

Opinion

In our opinion, the summary financial statements on pages 14 to 17 derived from the audited financial statements of MITO for the year ended 31 December 2016 are consistent, in all material respects, with those audited financial statements, in accordance with PBE FRS-43.

Restriction on Use of our Report

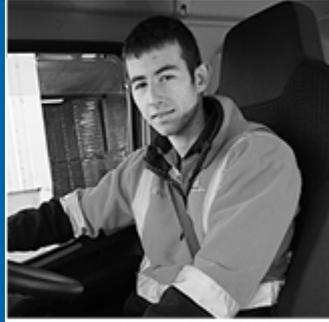
This report has been prepared for inclusion in the annual report. We disclaim any responsibility for reliance on this report or the amounts included in the summary financial statements, for any purpose other than that for which they were prepared.



Chartered Accountants, Wellington

2 May 2017





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**mito**