

# 2015 ANNUAL REPORT

BUILDING PEOPLE

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HE AHA TE MEA NUI O TE AO?  
HE TANGATA! HE TANGATA! HE TANGATA!



WHAT IS THE MOST IMPORTANT THING IN THE WORLD?  
IT IS PEOPLE! IT IS PEOPLE! IT IS PEOPLE!

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**BCITO ASSISTED 14,081 PEOPLE  
WITH THEIR CAREER IN BUILDING  
& CONSTRUCTION IN 2015.**



BCITO IS A TEAM OF  
210 PASSIONATE PEOPLE

Appointed by government, BCITO develops qualifications and arranges training for a wide range of sectors within the construction industry. We are the largest provider of construction trade apprenticeships in New Zealand.

We work together cohesively every day to help people within the construction industry be the best they can be.

We help grow our industry by introducing employers and career seekers.

Supporting the construction industry to have the skilled workforce it needs to meet demand, central to our success is the collaborative, positive working relationships we have with the industries we represent.

Consistently, we are one of the highest performing industry training organisations in New Zealand.

With our National Office based in Wellington and 18 offices around the country, our nationwide presence makes quality industry training available and accessible to everyone in New Zealand’s construction sector.

We are BCITO, and we’re building people.

APPRENTICE NUMBERS BY INDUSTRY 2015

Architectural Aluminium Joinery	166	1.8%
Brick & Blocklaying	193	2.1%
Carpentry	6,825	73.1%
Concrete	198	2.1%
Construction Management	61	0.7%
Floor & Wall Tiling	64	0.7%
Flooring	385	4.1%
Frame & Truss	45	0.5%
Glass & Glazing	201	2.2%
Interior Systems	98	1.0%
Kitchen & Bathroom Design	47	0.5%
Masonry/Stonemasonry	34	0.4%
Painting & Decorating	623	6.7%
Exterior Plastering	116	1.2%
Timber Joinery	284	3.0%

9,340  
LEARNERS ACROSS 15 SECTORS



OUR VALUES

  
**MAKING A DIFFERENCE**  
Changing lives, growing futures.

  
**INTEGRITY**  
Doing the right thing even when no one is watching.

  
**DEDICATION**  
Committed to people, industry, excellence.

  
**PROFESSIONAL**  
Living the high standards that we set.

  
**INNOVATION**  
Leaders in our field by thinking outside the square.

WORKING TOGETHER, BUILDING PEOPLE.

BOARD CHAIR

The 2015 financial year was a successful one for BCITO. The organisation delivered strong income, and a number of positive strategic steps were made. These included the development of BCITO’s Digital Engagement Strategy, which aims to enhance customer satisfaction and operational efficiency and a review of a range of Board policies.

Our Chief Executive’s Report highlights the milestones that were achieved in relation to BCITO’s strategic initiatives aimed at improving and expanding our services and lifting operational efficiency. Positive momentum within the organisation has been building since BCITO first adopted its current strategy. This resulted in a small surplus in 2015.

For both the 12 month period and the 24 month period ended 31 December 2015, BCITO has outperformed most ITOs and is ranked amongst the top performers over both time horizons. We continue to successfully foster relationships with key Government agencies including TEC (our key funding provider), NZQA and the Ministry of Education.

Board renewal

In 2015, we welcomed Kieren Mallon to the Board. Kieren has a proven track record in the construction industry throughout New Zealand and is also actively involved in the advocacy side of the industry. He is a previous Branch President for the Auckland Registered Master Builders Association; has sat on the Auckland Board as a director since 2004, and is currently Vice President for the Auckland Association. Kieren has also sat on advisory groups for Auckland City Council, Site Safe and ACC. He is a current member of NZIOD.

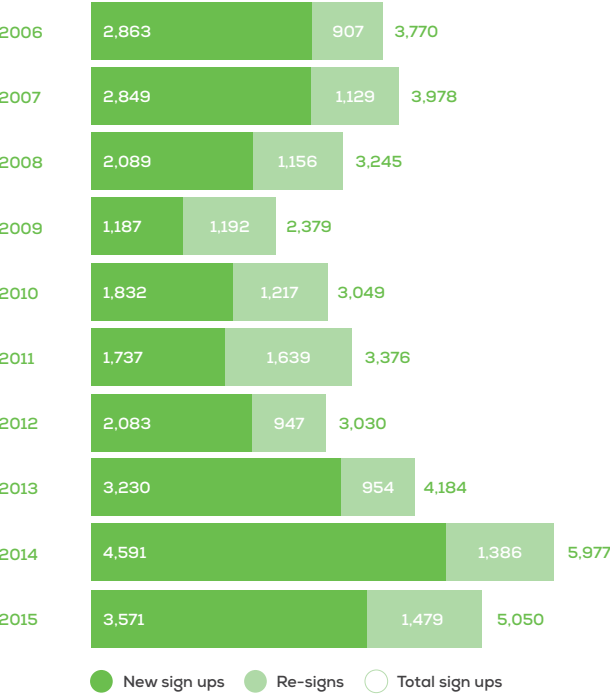
It has been a privilege to serve as BCITO Chairman for the past 7.5 years. However, under the provisions of BCITO Rule 5.1, I stood down as Chairman on 31 December 2015. Subsequently, the Board has elected former Deputy Chairman Mike King as the new Chairman, and I hold the honour of being elected to the Deputy Chairman role. I am confident that the current Board has an appropriate mix of skills and expertise to ensure continued excellent governance of BCITO.

Economy

We experienced strong market conditions in New Zealand driven by a buoyant Auckland residential housing market and government-funded social housing in Canterbury. There was a strong lift in non-residential and infrastructure construction activity towards the end of the year, which is predicted to continue for the next 2-3 years. As other parts of the New Zealand economy also lift, one of our primary challenges is attracting potential new talent to take up a career in the construction industry.

On behalf of the BCITO Board, I would like to thank our apprentices, stakeholders, employers, tertiary partner providers and suppliers for their continued support during the past 12 months. I also congratulate the BCITO team on their successes in 2015. This is well-deserved and reflects team determination and discipline over the last few years. I am looking forward to the year ahead. BCITO’s Board remains confident that the right actions and initiatives are being taken to deliver skilled people, relevant qualifications and sustained service excellence for our industry over the coming years.

SIGN UPS AND RE-SIGNS



CHAIR AND BOARD MEMBERS (L - R)

KEVIN SCEATS (CHAIR),  
RON ANGEL, DAVID FABISH,  
GRANT FLORENCE, ROB  
GAIMSTER, MIKE KING,  
KIEREN MALLON.





CHIEF EXECUTIVE

BCITO continues as a strong and high-performing ITO. The 2015 year was demanding as we set ourselves the challenge of a year of stabilisation and ensuring we delivered the highest quality service to the largest number of apprentices we have had since 2008. Our numbers of completing apprentices continued to climb, and we achieved our goal of a high number of new sign-ups. We also met our financial targets and remain the highest performing ITO according to Government’s Educational Performance Indicators.

At the same time, we continued to work on a number of key initiatives which will take us into a changing future. The biggest of these is our Digital Engagement Strategy. In 2015, we continued the research and analysis phase and closed out the year by initiating implementation of the big plan. You will begin to see and engage with the reality of this in 2016, and it will increasingly become core to how we do business together.

Easily forgotten are the strides we have made in rolling out the new. While grappling with new Government demands and NZQA rules and processes, 2015 saw an increasing bright light on the horizon thanks to the determined efforts of industry working groups, National Advisory Group members and BCITO people. The work has already been developed for a new digital environment but even in “old style” format they are stunning new tools for workplaces.

The 2014 mergers integrated smoothly along with the creation of the new BCITO Stakeholder Engagement Group, which hit the ground running. In particular, our Industry Advocates have immediately created a new environment for a more effective, rich relationship with industry.

Our Skills Summit at the end of October revealed the large piece of work we completed with the launch of BCITO’s Strategic Workforce Development Framework which will see individual plans for each trade being published in 2016.

As this is my last annual report before I retire, it is very satisfying to leave when BCITO is at the top of its game and succeeding on every performance measure. I look back at the last ten years with a good deal of satisfaction but also a sense of privilege in the opportunity I’ve had to work in an industry that I love. To all of our apprentices, employers, verifiers, trainers, industry working groups and National Advisory Group members and everyone out there who has supported BCITO in so many ways over the past ten years – thank you for helping us to build people within our industry to be the best construction people they can be.

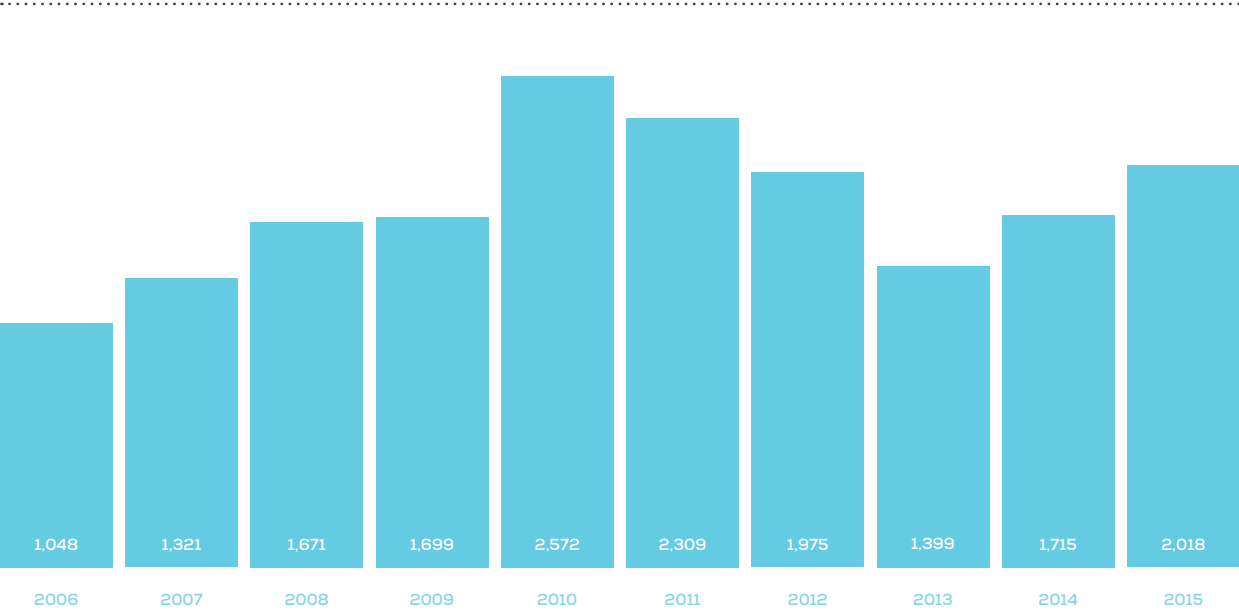
Thank you to the people who have served on BCITO’s Board during that time. In particular “thank you” to the Board who made the decision to hire me in 2005 and had the confidence to give me the broad scope, trust and confidence to reshape and manage the organisation based on my personal management approach. BCITO is fortunate to always have a high quality, committed Board. I thank them all, past and present, for their commitment and stewardship.

My final thanks go to our BCITO people. Throughout my management career, I have always aspired to lead people who are better than me, to try and create the environment where people can do their jobs well and then get out of their way so they can achieve great things. I try to set and model high standards and have high expectations in return. Leading and serving the BCITO team for the past ten years has been one of the greatest privileges of my working life. Thank you all for your commitment and support.

Aku mihi nui ki a koe

EXECUTIVE LEADERSHIP TEAM (L - R)  
RUMA KARAITIANA (CE), ANDREW KEAR,  
GLENN DUNCAN, GREG DURKIN, BRUCE HORSLEY.

APPRENTICES WHO COMPLETED THEIR QUALIFICATION



APPRENTICES ETHNICITY 2015



A SUCCESSFUL  
YEAR

2015 was a busy and productive year for industry and everyone at BCITO.

Our major accomplishment was having the most number of people working towards their qualifications at any one time that we have experienced in the history of BCITO. We rose to the challenge, grew and equipped our people. The result was that we continued to provide the same high level of service with this extra activity, and now we're fully capable to manage this going forward for an even greater volume.

BCITO'S MAJOR ACHIEVEMENTS OF 2015

Proactively managed targeted and sustainable growth

- Put in place an Infometrics Ltd demographic analysis tool for 'live' interpretation of growth and economic trends.
- Developed Area Sales Plans that reflect BCITO's Marketing Plan and focus on targeted opportunities.
- Increased traffic from Facebook to BCITO.org.nz by more than 100%

Reviewed and refined our service delivery models to enhance customer satisfaction and educational excellence

- BCITO's Digital Engagement Strategy was approved as a programme of work and a Programme Manager was appointed.
- Implemented differentiated offerings to each industry sector.
- Met NZQA requirements – 100%
- Completed work with industry to review qualifications in six industry sectors.
- Began review of BCITO's school presence.

Represented our stakeholders through industry leadership for skills

- Increased our engagement with Industry Associations through the BCITO Industry Advocates.
- Enhanced our relationship with National and Regional Advisory Groups.

Maximised our people and our culture as our strengths

- Achieved an employee engagement score of 89%
- Successfully recruited or transferred 60 people in the organisation.
- Refreshed our organisation values with all BCITO people having an active role.
- Introduced an employee recognition programme across the organisation.
- Created the position of Risk Manager with a particular focus on Health & Safety.

LOOKING AHEAD

While we celebrate the many achievements of 2015, we are looking forward to new challenges that may present to us during 2016.

Some smaller projects within our Digital Engagement Project will be released in 2016 and these will go a long way to enhancing our service and delivery methods and will greatly influence our customer-facing interactions.

Our strategic priorities for 2016 remain the same as in 2015, and this ensures that we continue with the same approach to everything we do. We're travelling swiftly and clearly along our path to lead the construction industry to create the best-skilled people for tomorrow.

NOTHING IS PERMANENT EXCEPT CHANGE

It is time for a changing of the guard with the imminent appointment of a new Chief Executive at BCITO. Our Chair, Kevin Sceats says, "the Board cannot find the words to express its thanks for the enormous contribution Ruma has made towards the achievements of BCITO, and his contribution to learning and development across the construction industry. We would like to wish Ruma a long and happy retirement and we sincerely thank you for giving your all to BCITO for the last ten years."

O tatou katoa he mahi nui ki te whakawhetai ki a koe mo  
We all have a great deal to thank you for.

4,809

PEOPLE COMPLETED WORK PROFILES THROUGH  
BCITO.ORG.NZ TO START AN APPRENTICESHIP

EMPLOYEE ENGAGEMENT SATISFACTION RATING



OUR DIGITAL ENGAGEMENT  
STRATEGY WILL MAKE US  
EASIER TO DO BUSINESS  
WITH AND IMPROVE THE  
EDUCATIONAL EXPERIENCE  
OF OUR APPRENTICES.

MIKE BELL  
PROGRAMME MANAGER  
DIGITAL ENGAGEMENT STRATEGY  
BCITO



# success



HOW DID WE  
ACHIEVE SUCCESS?

Determination

We achieved success in 2015 by being consistent, determined and thorough. We consulted our industry stakeholders and gained their input into each initiative we undertook. This careful consultative approach has resulted in well-received enhancements we've made to qualifications and programmes.

Celebration

We joined with our industry in celebrating excellence in many trades and supported them with our attendance at industry-wide events and stakeholder meetings. Providing various scholarships and grants is another way we supported our industries, employers and apprentices.

In 2015 we hosted our biggest ever practical day for career seekers on a national basis. Over 800 secondary school students and their teachers visited worksites and factories to experience a day-in-the-life of an apprentice.

Visibility

The BCITO brand, refreshed in 2014, is now strong and well-recognised as a mark of quality. It is widely used across vehicles, clothing, online and in print. Our presence at events has been taken to a new level with the major addition of an extensive suite of branded expo display equipment in 2015.

Making connections

Our dedicated team of 148 Training Advisors were on the road visiting our apprentices on-site every day at building sites, workshops and factories across every part of New Zealand. Industry widely respects them as competent assessors. They are knowledgeable about our trades and skilled in how to mentor and facilitate learning. Our Skills Brokers are actively visiting schools, attending careers events to promote our trades as viable career options, and helping career seekers find opportunities within our industry.

Strengthening relationships

We interacted with our stakeholders on many levels and in every environment. BCITO Industry Advocates attended 14 National Advisory Group meetings throughout the year and forged closer relationships with key industry leaders and influencers.

Sustainability

The BCITO Strategic Workforce Development Framework document was launched in October 2015. This will assist the construction industry to develop strategies that support the sustainable development of a better-skilled workforce. During 2016, we will roll-out industry-specific plans for each sector under our coverage.

NO. OF BCITO PEOPLE



BCITO PEOPLE SAY



I EXPLORE INFORMATION FROM  
EMPLOYERS, APPRENTICES,  
INDUSTRY AND GOVERNMENT  
TO IDENTIFY INNOVATIVE WAYS TO  
ENHANCE THE WAY WE DO BUSINESS.

MARK WILLIAMS  
INSIGHT & INNOVATION MANAGER  
STAKEHOLDER ENGAGEMENT GROUP  
BCITO



OUT AND ABOUT

Engaging our audiences to promote the benefits of training is central to what we do at BCITO. Having a presence wherever possible to support the initiatives of the varied sectors within our industry ensures that we can make a difference.

In 2015 we attended, supported, facilitated, sponsored and initiated around 130 separate national and regional events. Across the board, we engaged with around 8,500 people at these events.

ROADSHOWS

- Resene Roadshow – 16 locations
- Future Proof Building (FPB) Roadshow – 16 locations
- BSM Roadshow – 34 locations

CAREERS EXPOS AND CONFERENCES

- More than 60 regional careers expos in schools and community hubs
- BCITO Big Construction Tour – 14 locations
- CATE (Careers Advisors and Transition Educators) Conference – Palmerston North
- Got a Trade Week functions

INDUSTRY CONFERENCES

- AWCI NZ Conference – Rotorua
- BCITO Skills Summit – Wellington
- Certified Builders Conference – Christchurch
- GANZ/WANZ Conference – Auckland
- Master Joiners Conference – Wellington
- Master Painters New Zealand Conference – Wellington
- Registered Master Builders Conference – Hamilton

TRADESHOWS

- BuildNZ DesignX – Auckland

### NUMBERS OF STUDENTS ENROLLED IN BCITO'S GATEWAY PROGRAMME FOR SCHOOLS

2011	2012	2013	2014	2015
419	483	466	538	519

### PARTICIPATION AND CREDIT COMPLETION RATES

Apprentices enrolled in qualifications at Level 4 and above

Participation	Target	Actual	Credit completion	Target	Actual
Non Māori & non Pacific	81%	79%	All apprentices	75%	102%
Māori	14%	16%	Non Māori & non Pacific	75%	105%
Pacific	5%	6%	Māori	75%	89%
Under 25	55%	59%	Pacific	75%	88%
			Under 25	75%	84%



KNOWING THE PEOPLE  
IN OUR INDUSTRY

We got to know people by undertaking research on a regular basis. We asked our employers and apprentices to tell us what they thought and to let us know a bit more about themselves and how they did things, so we could find the best way to reach more people like them using the most appropriate channels.

IT TAKES LITTLE TO NO TIME  
AT ALL TO TRAIN SOMEONE  
TO ACTUALLY BE REALLY,  
REALLY VALUABLE.

RUSSELL CLARK  
DIRECTOR  
LICENSED RENOVATIONS



APPRENTICES

- 95% of completed apprentices are still working in the trade they trained in.
- 81% of apprentices see themselves training their own apprentice one day.
- 88% of completed apprentices agree "being a BCITO-qualified apprentice makes me feel quite proud".
- 78% of completed apprentices read trade publications/magazines.
- 78% of people who left the industry before completing believe their training will still help them in their future career.
- 70% of completed apprentices say "there's nothing BCITO could have done better" throughout their training.
- 81% of apprentices read BC News, our printed half-yearly newsletter.

EMPLOYERS

- 74% of employers read BC News.
- 57% of employers are likely to take on extra apprentices in the next six months.
- 4.5/5 employers rate BCITO Training Advisors very highly at 4.5 out of 5 for both their professionalism and the support they provide.
- 35% of employers are interested in upskilling their qualified apprentices with supervisor or construction management qualifications.
- 4/5 employers rate BCITO an average of 4 out of 5 for being easy to deal with.

We also regularly survey our apprentices and employers to see if we're meeting their needs, and they're happy with our service.

NET PROMOTER SCORES IN 2015



BCITO TRAINEE NUMBERS BY REGION

	2011	2012	2013	2014	2015
North Auckland	1,057	929	1,058	1,384	1,035
Central West Auckland*					932
South Auckland	480	575	851	1,153	1,124
Midlands	831	707	835	1,143	1,386
Central	1,013	855	1,012	1,293	1,526
Canterbury Tasman	502	793	1,215	1,571	1,794
Southern	1,014	937	1,133	1,248	1,543
Specialist Trades**				1,955	
Grand Total	4,897	4,796	6,104	9,747	9,340

\*A new region established in 2015, \*\*Specialist Trades now reported within each region.

CHAMPIONS

Throughout 2015 we celebrated our champion apprentices with people from all our industry sectors. We attended industry conferences where our high achievers were chosen and presented with the accolades they deserve for all their hard work and achievements. BCITO's commitment to championing success is rewarded ten-fold when we can step back and applaud the accomplishments of the people we support along their journey to becoming qualified professionals.



BCITO FLOORING APPRENTICE OF THE YEAR

Richard Blomfield, Van Dyk Installations, Putaruru  
Benjamin Meister, James Henry Joinery & Flooring, Upper Hutt  
Stafford Moody, Fagans' NZ Ltd, Whitianga  
Nathan Weston, Hayes Carpet Laying, Hawkes Bay  
Paul Williams, The Flooring Centre, Christchurch



MASTER JOINERS APPRENTICE AWARDS

Michael Good, Peter Howley Joinery, Invercargill  
Ashley Hollamby, Lee Brothers Joinery, Rotorua  
David Irvine, Barrett's Joinery Ltd, Timaru



NZ PAINTING & DECORATING APPRENTICE OF THE YEAR

Imche Cole, Brown & Syme Holdings, Christchurch  
Mailefihi Pasakala, J R Webb, Auckland  
Hona Spratt, Braddock Decorators, Wellington



GLASS & GLAZING AND WINDOW ASSOCIATION AWARDS

Anthony Bergman, Metro Performance Glass, Christchurch  
Ashley Hooker, Frankton Aluminium Ltd



KITCHEN & BATHROOM DESIGN

Gillian Flynn, Kitchen Inspirations, Pukekohe



REGISTERED MASTER BUILDERS CARTERS APPRENTICE OF THE YEAR

Matt Booth, Excel Builders, Palmerston North  
Shaun Campbell, Inhaus Developments, Nelson  
Bryce Pemberton, Fletcher Construction, Wellington



CHASE  
PERFECTION AND  
GET EXCELLENCE

GILLIAN FLYNN  
KITCHEN INSPIRATIONS



WE'RE  
EVERYWHERE

Our stakeholders are as varied and diverse as the industry itself; so the ways in which we connect with them need to be just as diverse. We use email, websites, videos, social media, face-to-face and traditional print media to share industry news, celebrate success and promote our industry to potential career seekers, employers and apprentices.

E-news

In 2015 we introduced industry-specific bi-monthly email news for employers and key stakeholders, bringing relevant stories to each industry sector we cover. Open rates for these campaigns consistently track at around 40%.

Websites

BCITO.org.nz was re-launched in February 2015. This medium has become cornerstone to attracting new people into trades, as well as centralising engagement with our stakeholders. Both “sessions” and “users” are up more than 80% on 2014. Users are also finding what they are looking for faster.

Social

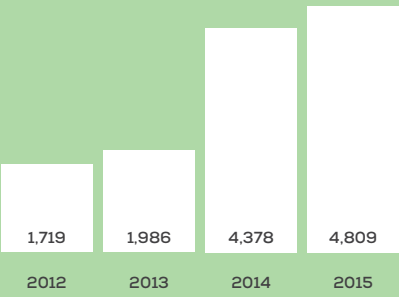
Social media continues to be a highlight channel for BCITO. Whether business as usual or during special campaigns, this channel consistently delivers the most cost-effective web registrations above any other channel. BCITO Facebook has over 11,000 likes. BCITO’s YouTube channel has had more than 82,000 video views.

“It’s Not” recruitment campaign

In 2015 BCITO’s recruitment drive “It’s Not” aimed to show young people and their influencers that a career in a trade is a viable option compared to attending university. It was a tongue-in-cheek campaign underpinned by some real truths and challenged misconceptions around construction trades. Adverts were placed in digital, outdoor and print channels. We pushed a few boundaries but in a fun way, and attracted the attention we wanted. This campaign was directly responsible for 81 people completing work profiles at BCITO.org.nz.

WEBSITE TOTALS – ALL WEBSITES

Work profiles/registrations



↑ 56% TWITTER FOLLOWERS

↑ 33% FACEBOOK LIKES

↑ 92% MONTHLY WEB REFERRALS SOCIAL CHANNELS TO BCITO.ORG.NZ

↑ 64% INCREASE IN YOU TUBE SUBSCRIBERS

586 WEB REGISTRATIONS OF BCITO’S LOOKING FOR WORK FORM – GENERATED DIRECTLY FROM SOCIAL MEDIA CHANNELS



BCITO'S "IT'S NOT" CAMPAIGN ALONE GENERATED 20,000 FACEBOOK CLICKS



**WORK HARD,  
PLAY HARD.  
LIVE FOR TODAY  
BUT REMEMBER  
TIME IS PRECIOUS -  
WASTE IT WISELY.**

**RHYS PEMBERTON**  
EUROGLASS AUCKLAND

**MILLENNIALS  
ARE HERE TO STAY AND WE NEED THEM**

Millennials, or 'Gen Y', are our largest career seeker audience. In order to reach and influence them, we're clued-up about how they operate and think. We make sure our messages are spread widely across the channels they use so that we're highly visible in their spaces.

Our goal with this group is to attract aspiring, motivated people into BCITO trades by continuing to reposition the construction industry as an aspirational choice.

402,000

MILLENNIALS IN  
NEW ZEALAND

+

606,000

THEIR INFLUENCERS

=

1,000,000+

A TOTAL AUDIENCE OF  
1 MILLION KIWIS (25%  
OF THE POPULATION)  
INTERESTED IN OPTIONS  
OF WHAT TO DO NEXT  
AFTER SECONDARY  
EDUCATION

**186,000**

MILLENNIALS ARE ACTIVELY CONSIDERING THEIR OPTIONS



- SUCCESS IS IMPORTANT TO THEM
- THEY LOVE CHALLENGES
- THEY ARE ATTRACTED TO NEW IDEAS
- THEY SET GOALS AND GO AFTER THEM
- PLANNING THEIR FUTURE IS OF THE  
UTMOST IMPORTANCE

**BCITO LEARNERS BY AGE - ALL TRADES**





# FIRSTS

**BIGGEST EVER**  
**BUILD-ABILITY CHALLENGE**

Our Build-Ability Challenge spearheads our relationship with schools and opens a pipeline from school to trades.

After reintroducing the Build-Ability Challenge in 2014 with 8 schools competing, we opened the gates wide, and 24 schools from all over the country competed in the 2015 challenge. This is the most participating schools we've had in the Challenge in any given year since its inception in 2004.

The teams not only had to design and build a playhouse to be gifted to a local community group, but also had to maintain a video diary and blog about their progress throughout the challenge.

Rotorua Boys' High School was the Supreme winner of Build-Ability in 2015. Their impressive castle-themed playhouse took out nearly all the major prizes, being awarded a \$1,000 voucher for their Technology Department, A GoPro camera for their school and a 'team shout' for the whole team to enjoy.

Tamatea High School in Napier won the Best Decorated Playhouse Award. This award was

kindly sponsored by Dulux, who donated paint products to the value of \$1,000 to the school.

Entries into the competition quadrupled in 2015 compared to 2014, and that's a real demonstration of secondary schools' commitment to the construction industry.

Build-Ability is aimed at challenging students and requires teams to have solid teamwork, skills on the tools and good record keeping on their blogs. The challenge provides the students with the opportunity to take ownership of their project and be heroes for their school.

Each team was mentored by teachers and supported by BCITO Skills Brokers who visited regularly.

As an added incentive, for the upcoming 2016 Challenge, we have incorporated BCATs Unit Standards into the building project, and this will further cement Build-Ability's relevance to the curriculum. 2016's Build-Ability Challenge will be a monster competition with 34 schools registered to participate.

**BUILD-ABILITY 2015 MILESTONES**

1,093

BCITO BUILD-ABILITY  
FACEBOOK 'LIKES' FROM  
MAY - SEPTEMBER 2015.

1,823

LIKES, SHARES OR  
COMMENTS ON THE  
BUILD-ABILITY COMPETITION  
POSTS EACH WEEK.

29,020

PEOPLE VIEWED CONTENT  
ASSOCIATED WITH THE  
COMPETITION EACH WEEK.



**BUILD-ABILITY JUDGES  
WERE BLOWN AWAY BY  
ROTORUA BOYS' HIGH  
SCHOOL'S PLAYHOUSE  
AND THE STORY OF THEIR  
JOURNEY (BLOG).**



BCITO SKILLS SUMMIT & STRATEGIC  
WORKFORCE DEVELOPMENT FRAMEWORK

BCITO's first ever Skills Summit was held in Wellington in October 2015 to discuss the dire shortage of people in New Zealand's construction industry. In attendance at the Summit were more than 100 BCITO National Advisory Group members, Board members and other key stakeholders from associated Federations, Associations and Government bodies.

The key message of the day was simple: we're running out of people. As an industry, we are not geared to deliver on the amount of construction work in the pipeline. Alarming, the situation is set to get much worse as a large part of the industry enters retirement years, while fewer young people are available to take their place.

The major piece of work we delivered to industry at this event was BCITO's Strategic Workforce Development Framework.

The Framework sets out what BCITO's strategic goals are around developing the professional workforce needed for the future. It identifies four priorities for action that can be

used to help industry plan and strategically manage the development of their building and construction workforce. These priorities are:

- Build an accurate picture of the current skills and capabilities of each industry sector's workforce
- Identify future requirements for each workforce and the outcomes they wish to achieve
- Develop strategies to address any gaps between the current status of the workforce and desired outcomes
- Consider and understand the overall impact of business strategies on workforce development.

This initial document is the first step in an ongoing process to help skills-proof our industry. In the next phase, BCITO will engage each sector of our industry with a sector-specific plan for each particular trade. This will happen in 2016.



BCITO PUT THEIR HAND UP,  
PULLED INDUSTRY TOGETHER  
AND DELIVERED A FAIRLY  
CLEAR MESSAGE THAT WE  
NEED TO START TAKING ACTION.  
THIS WAS TIMELY AND NEEDED.

MELANIE MCIVER  
CHIEF EXECUTIVE  
BRICK & BLOCK FEDERATION OF NEW ZEALAND (BBFNZ)

# I'VE GOT A TRADE AND I'VE GOT IT MADE!

**CODY WEBBY**  
RECENTLY QUALIFIED CARPENTER  
LICENSED RENOVATIONS



## GOT A TRADE? GOT IT MADE!

Got a trade? Got it made! is a national campaign to raise awareness of on-the-job training and careers in New Zealand's trades and services.

Initially launched in November 2014, the campaign to date has encompassed a range of activity, from events, exhibitions, workplace tours and school visits, to paid advertising, digital marketing and public relations.

The biggest celebration of New Zealand tradespeople in the history of New Zealand was undertaken under the Got it Made banner in 2015 with the first year of the campaign culminating in the inaugural Got a Trade Week, 21-28 August 2015.

For the first time, we staged a full week of events nationally. More than fifty events were held where secondary school students, their teachers and other influencers, got the opportunity to get up close and personal with the trades.

The 2015 campaign was jointly owned and managed by a consortium of seven industry training organisations including BCITO. Collectively, the group represented more than 120,000 learners and 10,000 employers across 100 industry sectors.

**GOT A  
TRADE?**  
**GOT IT  
MADE!**

Got a Trade? Got it Made! also celebrates the talents and achievements of young people making headway in their chosen vocation.

The campaign speaks to young people, aged 16-24 years, and key influencers, including parents, teachers and careers advisors.

More than 34,000 young New Zealanders, a fifth of the target age group, are not working, studying or training. They are not developing the skills they need to compete in the workforce.

The campaign aims to:

- raise awareness of training and career opportunities in New Zealand's trades and services
- reposition trades and services as 'Plan-A' career paths in the minds of young people, aged 16-24 years, and key influencers, including parents, teachers and careers advisors. Also, Māori and Pasifika, and women in trades
- showcase the range of opportunities to learn on-the-job
- seed conversations celebrating trades and services.

700,000+  
PEOPLE SAW US ON TELEVISION.

600,000+  
PEOPLE HEARD US ON RADIO.

500,000+  
PEOPLE SAW US ONLINE WITH  
THE COMPETITION EACH WEEK.

1,600+  
YOUNG PEOPLE VISITED MORE  
THAN 100 WORKPLACES.



**BCITO'S BIG  
CONSTRUCTION TOUR**

As part of Got a Trade Week, BCITO held its first ever Big Construction Tour on 27 August when more than 800 secondary school students and their mentors/ teachers donned hi-vis vests and joined us to visit some of the country's biggest construction sites and developments. On more than 20 buses, BCITO staff transformed into tour guides and introduced more than 50 employers who gave up their valuable time to host participants.

There's no better way to show career seekers what it's like on a job site and what great people we have working in our industry than to take them out there to the coalface and show them first-hand.

BCITO's Big Construction Tour happened in Whangarei, Central, West and South Auckland, Hamilton, Tauranga, Gisborne, New Plymouth, Hawkes Bay, Palmerston North, Wellington, Nelson, Christchurch, Central Otago and Invercargill. Tauranga teen Connor McClelland came along well prepared in his worn-in work boots. "I'm keen for the building side of things, but it's good to know all about the other trades as well. I'm just getting my experience stacked up for when I leave school, and I've learnt heaps just from today," he told a reporter from the Bay of Plenty Times.

Along the way different student groups across the country all heard the same messages from employers involved in the Tour – if they are reliable, turn up on time, keen to learn and are good workers, then they'll do really well in a trade. It's a great attitude and work ethic that most employers are looking for in an apprentice. The Tour highlighted the physical and mental attributes that are needed to join a hard working industry and many employers offered students a chance to contact them in future to gain work experience. Employers involved got to meet career seekers who they may wish to take on, with some students now in discussions with them about the possibility of an apprenticeship.

BCITO gained great media coverage across the country from this event which helped us to spread the word that a trade apprenticeship is a viable, exciting and respected career choice that also offers a successful lifestyle.

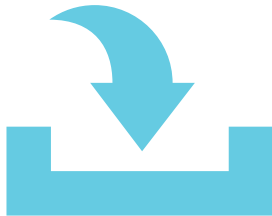
The BCITO Big Construction Tour is set to take off again in 2016 and may become a regular annual event.



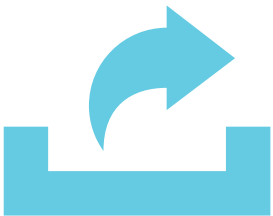
**I'VE LEARNT  
HEAPS JUST  
FROM TODAY**

**CONNOR McCLELLAND**  
MT MAUNGANUI COLLEGE

FINANCIALS  
CLEAR AND SIMPLE



TOTAL OPERATING INCOME  
\$35,823,000

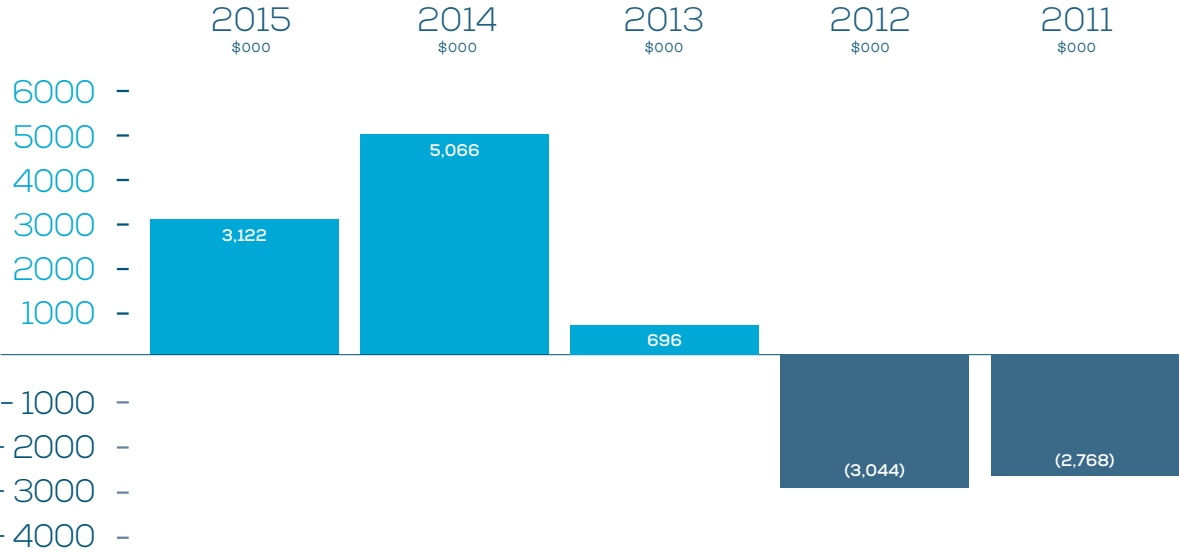


TOTAL EXPENDITURE  
\$32,701,000

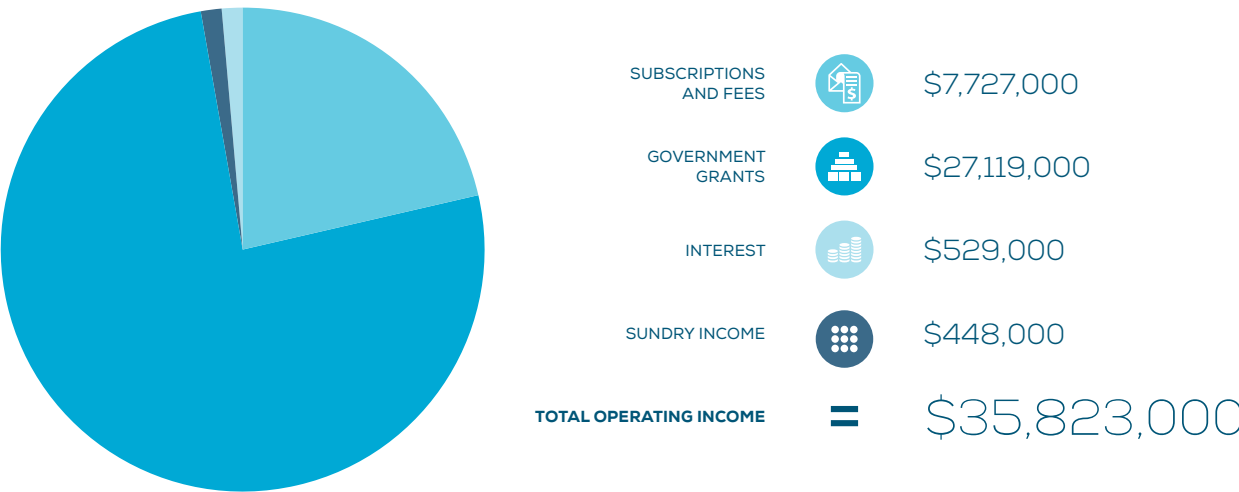


OPERATING SURPLUS  
\$3,122,000

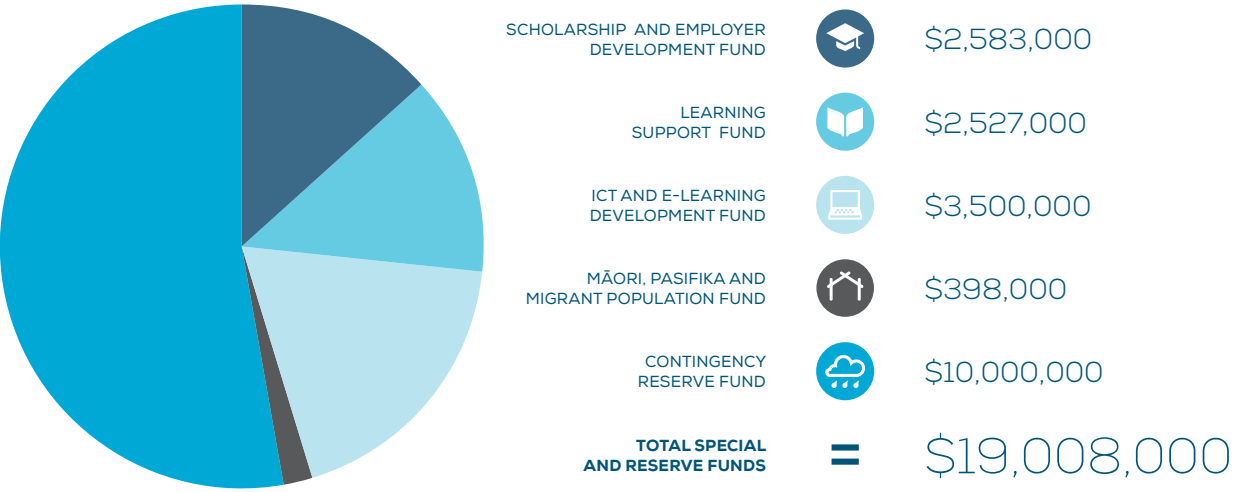
→ OPERATING SURPLUS



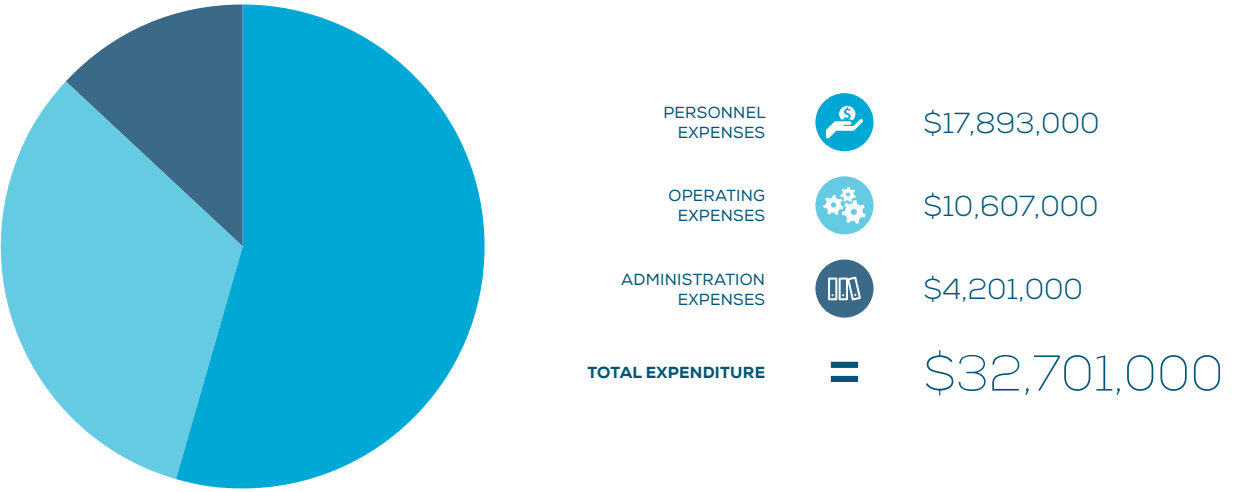
→ MONEY IN



→ HOW WE USED OUR RESERVES




→ MONEY OUT





AUDITOR'S  
LETTER



Grant Thornton

### Report of the Independent Auditor on the Summary Financial Statements

**To the Stakeholders of the Building and Construction Industry Training Organisation (Inc)**

The accompanying summary financial statements, which comprise a summary statement of financial position as at 31 December 2015, a summary statement of comprehensive income, summary statement of changes in equity and summary cash flow statement for the year then ended, and related notes, are derived from the audited financial statements of the Building and Construction Industry Training Organisation for the year ended 31 December 2015. We expressed an unmodified audit opinion on these financial statements in our report dated 31 March 2016.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Building and Construction Industry Training Organisation.

**Board's Responsibility for the Summary Financial Statements**

The Board is responsible for the preparation of a summary of the audited financial statements in accordance with FRS-43: *Summary Financial Statements*.

**Auditor's Responsibility**

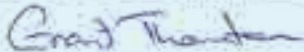
Our responsibility is to express an opinion on the summary financial statements based on our procedures which were conducted in accordance with International Standards on Auditing (New Zealand) (ISA (NZ)) 810, *Engagement to Report on Summary Financial Statements*.

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the summary financial statements are free from material misstatement.

Our firm carries out other assignments for the Building and Construction Industry Training Organisation in the area of special consultancy projects. The firm has no other interest in the Building and Construction Industry Training Organisation.

**Opinion**

In our opinion, the summary financial statements derived from the audited financial statements of the Building and Construction Industry Training Organisation for the year ended 31 December 2015 are consistent, in all material respects, with those financial statements in accordance with FRS-43.



Grant Thornton New Zealand Audit Partnership  
Wellington, New Zealand  
31 March 2016

Member of Grant Thornton network

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$000	2014 \$000
OPERATING INCOME		
Subscriptions and Fees	7,727	7,276
Government Grants	27,119	23,994
Interest	529	544
Sundry Income	448	1,095
Total Operating Income	35,823	32,908
EXPENDITURE		
Personnel Expenses	17,893	14,690
Operating Expenses	10,607	9,330
Administration Expenses	4,178	3,801
Other Expenses	23	22
Total Expenditure	32,701	27,843
OPERATING SURPLUS	3,122	5,066
Interest from Special and Reserve Funds	465	272
Expenses from Special and Reserve Funds	(215)	(175)
Special and Reserve Funds	250	97
Surplus for Year	3,372	5,162
Other Comprehensive Income	-	33
TOTAL COMPREHENSIVE INCOME	3,372	5,195

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$000	2014 \$000
RETAINED EARNINGS		
Opening Retained Earnings	-	-
Surplus for the Year	3,372	5,162
Other Comprehensive Income	-	33
Transfer to Special and Reserve Funds	(2,939)	(5,195)
Closing Retained Earnings	433	-
SPECIAL AND RESERVE FUNDS		
Opening Special and Reserve Funds	15,828	10,633
Interest on Special and Reserve Funds	465	272
Special and Reserve Funds Expenditure	(215)	(175)
Transfer from Retained Earnings	2,689	5,098
Transfer - Te Puni Kokiri Cadetships	241	-
Closing Special and Reserve Funds	19,008	15,828
TOTAL MEMBERS' EQUITY	19,441	15,828


STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015

	2015 \$000	2014 \$000
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	1,856	1,037
Term Deposits	20,500	20,500
Trade Debtors and Other Receivables	1,710	1,804
Prepayments	347	288
Resource Production Inventory	244	140
Interest Receivable	280	320
Total Current Assets	24,937	24,089
NON-CURRENT ASSETS		
Property, Plant and Equipment	884	733
Intangible Assets	162	94
Total Non-Current Assets	1,046	827
TOTAL ASSETS	25,983	24,916
LIABILITIES		
CURRENT LIABILITIES		
Trade Creditors and Other Payables	5,296	8,059
Employee Entitlements	1,246	1,029
Total Current Liabilities	6,542	9,088
NET ASSETS	19,441	15,828
MEMBERS' EQUITY		
Retained Earnings	433	-
Special and Reserve Funds	19,008	15,828
TOTAL MEMBERS' EQUITY	19,441	15,828

CHAIRMAN OF BOARD OF DIRECTORS

  
31 MARCH 2016

CHIEF EXECUTIVE

  
31 MARCH 2016

These summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements which are available on request from BCITO.



STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 DECEMBER 2015

	2015 \$000	2014 \$000
Net Cash Flows from Operating Activities	1,730	8,285
Net Cash Flows from Investing Activities	(911)	(10,870)
Net Cash Flows from Financing Activities	-	-
Net increase / (decrease) in cash held	819	(2,585)
Add Cash at start of year	1,037	3,622
Cash Balance at End of Year	1,856	1,037
CASH AND CASH EQUIVALENTS INCLUDE:		
Cash and Bank	1,841	1,022
Short Term Deposits	20,515	20,515
Less Short Term Deposits held for more than 90 Days	(20,500)	(20,500)
TOTAL CASH BALANCE	1,856	1,037

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

REPORTING ENTITY

These financial statements are for the Building and Construction Industry Training Organisation (BCITO) (previously known as the New Zealand Federated Builders and Contractors Industry Association of Employers (Inc)). BCITO is registered as a charitable entity under the Charities Act 2005 on 13 March 2008.

The BCITO is recognised by the New Zealand Qualifications Authority as the standard setting body for the carpentry and associated trades within the building and construction sector. Rather than making a financial return, it operates to promote and facilitate industry training within the building and construction industry and provides nationally recognised training for trainees within the trades of carpentry, interior systems, solid plastering, floor and wall tiling, cement and concrete work, brick and block,

monumental masons and proprietary plaster cladding systems, architectural aluminium joinery, flooring, glass and glazing, timber joinery, kitchen and bathroom design, and painting and decorating.

In addition the BCITO places great emphasis on safety within the industry through a range of nationally recognised health, safety and injury prevention qualifications.

The financial statements of BCITO are for the period ended 31 December 2015.

The financial statements were authorised for issue by the Board on 31 March 2016.

BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for a Tier 1 public benefit entity as defined by the External Reporting Board in its Accounting Standards Framework (XRB-A1).

BCITO is defined as a public benefit entity as its primary objective is to provide services for community or social benefit and the entity has been established with a view to supporting that primary objective rather than for financial return.

The balances in the full financial statements have been audited and an unqualified opinion has been issued.

These summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements which are available on request from BCITO.

(b) Basis of measurement

The Financial Statements have been prepared on a historical cost basis, except for financial assets and liabilities that have been measured at fair value.

Accrual accounting is used to recognise revenue and expenses.

The Financial Statements have been prepared on a going concern basis.

(c) Presentation currency

The Financial Statements are presented in New Zealand dollars (\$), which is BCITO’s functional currency.

All financial information presented has been rounded to the nearest thousand.

(d) Accounting policies

The accounting policies adopted in the financial statements for the year ended 31 December 2015 are consistent with those of the previous financial year, except that the BCITO has adopted new and amended New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations since 1 January 2012. The accounting policies applied in preparation of the financial statements have been disclosed in the full financial statements.

To ensure consistency with the current year certain comparative information has been restated or reclassified as appropriate.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The accounting policies adopted in the financial statements for the year ended 31 December 2015 are consistent with those of the previous financial year.

FINANCIAL REPORTING REQUIREMENTS

The External Reporting Board (XRB) is currently introducing a revised Accounting Standards Framework. The revised Framework is based on a multi-sector, multi-tiered reporting approach.

The revised framework will see the introduction of accounting standards for Public Benefit Entities (PBEs) based on International Public Sector Accounting Standards (IPSAS) that have been modified, as appropriate, for New Zealand circumstances.

Management have an initial assessment on the impact of the standard on the amount of revenue that is currently being recorded by BCITO each reporting period.

BCITO has been assessed initially as Tier 2 PBE IPSAS. The initial assessment highlights the following as a key impacting change:

REVENUE

PBE IPSAS contains significant guidance, with recognition and measurement principles being dependent on whether revenue is classified as “revenue arising from an exchange transaction” or “revenue arising from a non-exchange transaction”.

Where revenue is classified as an exchange transaction, differences between the treatments typically adopted under NZ IFRS (PBE) versus that applied under PBE IPSAS are minimal. However for revenue classified as a non-exchange transaction, depending on the accounting treatment adopted previously under NZ IFRS (PBE), the impact on transition to PBE IPSAS can be significant. This is nowhere more evident in respect to the treatment of income in advance which now requires very specific criteria to be met when deferring income received to the balance sheet. Where these criteria are not met, revenue received is taken to income on receipt.

Management will need to determine which transactions meet the definition of an exchange transaction or non-exchange transaction, and whether current income recognition practices will require revision on adoption of PBE IPSAS.

To date management have not assessed the financial implications of the above proposed changes.

OPERATING LEASE COMMITMENTS  
AS AT 31 DECEMBER 2015

Terms of the accommodation leases are different at each location. Costs shown are GST exclusive.

	2015 \$000	2014 \$000
Not later than one year	655	717
One year and not later than two years	402	618
Two years and not later than five years	380	724
Over five years	-	-
<b>TOTAL ACCOMMODATION LEASE COMMITMENTS</b>	<b>1,437</b>	<b>2,059</b>

Operating leases in respect of leased equipment and motor vehicles for regional training staff are as follows:

	2015 \$000	2014 \$000
Not later than one year	1,428	1,249
One year and not later than two years	664	959
Two years and not later than five years	257	188
<b>TOTAL EQUIPMENT AND VEHICLE LEASE COMMITMENTS</b>	<b>2,349</b>	<b>2,396</b>



**RELATED PARTY TRANSACTIONS**  
FOR THE YEAR ENDED 31 DECEMBER 2015

Related parties arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the group.

**PARENT AND ULTIMATE CONTROLLING PARTY**

The Building and Construction Industry Training Organisation is the ultimate controlling party of the BCITO.

**RELATED PARTIES**

BCITO has a related party relationship with its board members, key management personnel and association members. Other than transactions with key management personnel (disclosed below) there have been no other transactions with related parties in the year (2014: \$Nil).

**KEY MANAGEMENT PERSONNEL**

Key management personnel include members of the Board, executive officers and other key management personnel.

	2015 \$000	2014 \$000
Board Member Fees	71	44
Salaries and other Short-term Employee Benefits	1,004	946

Total remuneration paid to key management personnel is made up of short-term employee benefits and no other post-employment benefits, termination benefits or long-term benefits arrangements have been expensed in the years reported.

**OTHER RELATED PARTY TRANSACTIONS**

Except as stated above there are no other related party transactions.

**SUBSEQUENT EVENTS**

There were no significant events after balance date requiring reporting or adjustment in these financial statements (2014: \$Nil).



**ONCE YOU'RE  
QUALIFIED –  
YOU'RE QUALIFIED  
FOR LIFE!**

**DARREN KEATING**  
GENERAL MANAGER  
NZ WINDOWS WAIKATO



HE AHA TE MEA NUI O TE AO?  
HE TANGATA! HE TANGATA! HE TANGATA!



WHAT IS THE MOST IMPORTANT THING IN THE WORLD?  
IT IS PEOPLE! IT IS PEOPLE! IT IS PEOPLE!

