



THE UNIVERSITY OF  
**WAIKATO**  
*Te Whare Wānanga o Waikato*



**2019**

**ANNUAL REPORT**





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## From the Chancellor

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### *E tena koutou katoa, nga mihi nui*

This is my first written contribution as Chancellor of the University of Waikato, having been elected to office by the Council at its meeting in August 2019. I had had very little association with the University before this time, and the two items concerning that can be stated briefly.

As a working Ombudsman, in the early 2000s, I was an outside consultant for some four years, to a University of Waikato Law School project called *Te Matahauriki* which examined New Zealand constitutional history from a Maori viewpoint. It was led by the late Judge Mick Brown and Professor Alex Frame, with both of whom I had been at Law School in Auckland in previous years. I enjoyed working regularly with a number of fellow consultants on the appraisal of graduate students' work, as progress was made towards achieving a compendium work called *Te Matapunenga*.

Secondly, whilst serving as Governor-General, a decade later, I was invited to deliver a lecture about the role played by the Governor-General in the New Zealand electoral cycle. This was at the request of the

erstwhile Dean, Professor Brad Morse, and an article was subsequently published in the 2011 University of Waikato Law Review.

I had maintained a long-term general connection with my alma mater, the University of Auckland, as a Visiting Fellow at the Law School and as Co-Patron of the Alumni Society, and thus had some developed idea of what was involved in the life of a contemporary New Zealand University.

The approach from the Vice-Chancellor, Professor Neil Quigley, to express an interest in election as Chancellor of the University of Waikato needed cessation of those University of Auckland connections, as engaging and enjoyable as they had proved to be for some time.



After some little consideration, I was pleased to do this for a number of reasons. First, the modern-day University of Waikato had recently completed its first half century and now has in front of it a renewed challenge, serving a fast-growing community and seeking to satisfy its needs. Secondly, the University has in recent years advanced its position with regard to international rankings in a creditable fashion. Thirdly, the University has a distinctive way of including the Maori dimension, with nearly a quarter of the student population being Maori and many Pacific and other nations providing students also. Fourthly, its advancement of science and business and law as well as Maori Studies made it an attractive proposition. I mention respectfully, as I ought, the legendary quality of leadership that my predecessor Jim Bolger brought to the Chancellor role for a dozen years.

I then needed to make the acquaintance of Council members, in addition to the Vice-Chancellor, in a process that led to the August meeting and my election which was unanimous. I have spent the first 25 or so weeks, at the time of writing this piece, conducting three meetings of Council, acquainting myself with people in senior management as well as Council, and in study of the attributes of the particular kind of leadership that is called for in a Chancellor, including presiding at the December graduations of several hundred people at the Claudelands Events Centre in Hamilton and on the University marae.

A long professional life has seen me having to make contributions to the leadership of organisations large and small – being chair of the Commonwealth Foundation in London at one end, and patron of Friends of Fiji Health at the other. A University by any comparison is a huge enterprise, involving more than 10,000 people with funding provided by Government, businesses, individuals and students.

I am still actively engaged on a learning curve that has governance, strategy and risk as its three hallmarks and I am in a phase of absorbing good quality information and assistance that has been generously applied in my direction. In later written reports, I look forward to describing more of my experiences with these things.

There are some concrete items of which I can speak that demonstrate the good heart of things functioning under the leadership of the Council and the Vice-Chancellor and his staff. They include the central portal of the Pā at Hamilton which will be the hub of activity for people on campus in a way that has been missing until the present. It is already being said that the graduations at the end of 2021 may well take place there. A similar

thing can be said about the campus development in Tauranga where the support of local government and business has meant the functioning of faculties there working in concert with counterparts in Hamilton. Next in line is the Council itself which has a mixture of people appointed by the Minister of Education and those elected by Council. We have welcomed recently as new Members of Council, Associate Professor Eva Collins, Executive Director of the New Zealand Institute for Business Research, as a newly elected staff member and likewise, Paki Rawiri as a new member of Council following his nomination by Kingi Tūheitia.

Their complement includes senior figures in education, the legal profession and from at least three aspects of business and community, relevant to the needs and aspirations of the Waikato Bay of Plenty region. When the staff and student aspects are added, the total result is very pleasing and the challenge I have as Chancellor will be to ensure the satisfying contribution of all of those involved.

I end my contribution to the 2019 Annual Report with a well-known whakatauki or proverb that says “*Mā whero, mā pango, ka oti ai te mahi*”. Translated, this means, “With red and black the work will be complete”

The saying refers to co-operation, where if everyone does their part, the work will be complete. The colours refer to the traditional *kowhaiwhai* patterns on the inside of meeting houses.

I see my central task already as endeavouring always to ensure and galvanise that cooperation.



**Rt Hon Sir Anand Satyanand GNZM QSO**  
**Chancellor**



## Vice-Chancellor's Overview

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*Ngā mātāwaka o te motu, tēna koutou katoa.*

*Rarau mai ki te whare wānanga o Waikato, ki te ahurewa o tūmanako, o wawata, o moemoeā.*

*Pike mai, kake mai, whakatau mai rā.*

This year, the University of Waikato has seen considerable investment in new services, facilities and programmes designed to ensure we keep pace with the expectations of prospective tertiary students in our challenging and highly competitive tertiary environment.

Student numbers in 2019 increased by 5% over 2018, with good growth in international EFTS offsetting a small reduction in domestic EFTS. Total EFTS in 2019 were 10,617, made up of 2,339 international including offshore EFTS (an increase of 24.8% over 2018) and 8,264 domestic EFTS (a decrease of 2.3% from 2018).

The strong growth in international EFTS can be attributed to high demand for the University's postgraduate programmes, in particular its 180-point masters programmes, and the expected increase in student numbers at the University's joint institute at Zhejiang University City College, now entering its third year of operation. Domestic

performance reflects the decline in school-leavers nationally and in our key catchment regions, together with the strength of the job market in New Zealand.

The opening of the Tauranga campus has significantly increased the University's profile in the Bay of Plenty and there is a strong programme of community and employer engagement in the Bay to support this further. We have seen good growth in student numbers and this is expected to continue as new offerings in 2019 further establish the University of Waikato as the University of the Bay of Plenty.

Through the Tauranga campus development and now The Pā, the University has undertaken pioneering work around the cultural narrative and distinctiveness of key physical infrastructure. Our partnerships with Māori communities, the leadership of Māori staff and the vibrancy of the Māori student community are all distinctive features of the University and have become drivers for bringing culture, history and heritage into our built spaces in a deliberate and authentic way.

Planning on The Pā project has continued in 2019, with milestones including:

- The relocation of approximately 100 staff members from buildings within the footprint of The Pā.
- The development of a cultural narrative framework by the University's Tikanga Advisory Group.
- A ceremony, combining the traditions of breaking the ground and embedding the whatu mauri was attended by Prime Minister, Rt Hon Jacinda Ardern and Te Puhī Ariki, Ngāwai hono i te pō Paki.
- Completion of detailed design plans and beginning of demolition works.

In 2019 the University implemented the new divisional leadership structure, with Pro Vice-Chancellor (PVC) appointments including Professor Allison Kirkman, PVC Arts, Law, Psychology and Social Sciences, Professor Don Klinger, PVC Education, Professor Geoff Holmes, PVC Health, Engineering, Computing and Science, and an appointment as PVC Management being advertised.

Following the tragic events in Christchurch this year, the University community united in its expression of grief, its sympathy for the families directly affected by the mosque attacks, and its solidarity with the Muslim communities of Aotearoa. I was proud to see the response from students and staff, and the strong aspirations to be a society free from racial and religious intolerance. The University has taken this opportunity to engage further with our Muslim communities, in particular looking at how we can best support their aspirations for participation in tertiary education.

The last year has seen two key advancements in health, with the launch of a Bachelor of Health and our announcement of a partnership with the Waikato DHB to launch a Bachelor of Nursing. New Zealand's health system is under increasing pressure to provide health services to high-needs communities, and these developments increase our ability to meet these growing community health needs.

We continue to drive forward our research agenda, with a focus on building stakeholder relationships to collaborate on strong research proposals. These efforts

have produced another successful year for research revenue. The University has delivered more than \$34 million worth of world leading research and attracted new research investment worth more than \$53 million, securing a strong pipeline of research over the coming years.

The University of Waikato rose in the 2019 QS World University Rankings for the sixth consecutive year, to position #266, climbing eight places higher than last year and 135 places since 2014. We were recognised for the quality, international standing and impact of our academics and their research, placing us 72nd in the world for citations per academic staff member.

These increases further reinforce the strategic direction of the University, the growth of our reputation nationally and internationally, and acknowledge the hard work and outstanding research of our academics.

In August 2019, the University Council elected Rt Hon Sir Anand Satyanand GNZM QSO as Chancellor of the University of Waikato. Sir Anand is a former lawyer, judge and ombudsman, and most well-known to New Zealanders for serving as the 19th Governor-General of New Zealand from 2006 to 2011. We are privileged to have the opportunity to have another outstanding New Zealander as our Chancellor and the University will benefit enormously from Sir Anand's wisdom and experience.

I was pleased to accept the Council's offer of reappointment as Vice-Chancellor for a further five years. Reflecting on my first five years, there are many areas where we have made substantial progress, but there are also many opportunities to build on the foundations we have laid to take the University of Waikato to a much higher level. I am ambitious for the future of this University, to promote even greater recognition of its research excellence and to make it the preferred destination for students from across the country.

I acknowledge members of Council for their support and guidance. I extend my appreciation to all University staff for their commitment to the University of Waikato.



**Professor Neil Quigley**  
*Vice-Chancellor*

# 2019 at a glance



**3,769**  
QUALIFICATIONS  
COMPLETED

**8,264**

EQUIVALENT FULL-TIME  
DOMESTIC  
STUDENTS

↓ 2.3%

**282**

STUDENTS USING THE  
REGIONAL BUS  
SERVICE

WITH AVERAGE # OF  
DAILY USERS BEING **76**



**2,339**

EQUIVALENT FULL-TIME  
INTERNATIONAL  
STUDENTS

↑ 30.6%



**2,493**

STUDENTS UNDERTOOK  
IN-WORK PLACEMENT

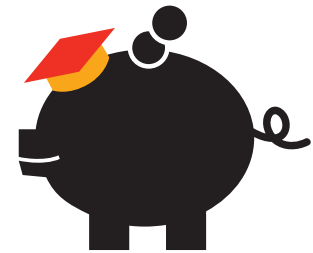




**\$72M**  
REVENUE FROM  
RESEARCH AND  
DEVELOPMENT

**266=**  
IN THE QS WORLD  
UNIVERSITY  
RANKINGS  
↑ 8 PLACES

**2,405**  
MĀORI STUDENTS  
18.6% OF  
STUDENT BODY



**\$15M**  
INVESTED IN  
SCHOLARSHIPS



**7**  
SUBJECT AREAS  
IN THE WORLD'S  
TOP 300

**900**  
STUDENTS  
USING THE NEW  
TAURANGA CAMPUS

# The University of Waikato

## University Role

Consistent with its statutory role as a New Zealand university under Section 162 of the Education Act 1989, the University of Waikato develops graduates with intellectual independence and delivers research and teaching that are interdependent. It meets international standards of teaching and research, is a repository of knowledge and expertise, and acknowledges its role as critic and conscience of society.

The University of Waikato is committed to meaningful partnerships under the Treaty of Waitangi, and to providing leadership in research, scholarship and education relevant to the needs and aspirations of iwi and Māori communities.

Standards of entrance to the University are determined and monitored by an inter-university body established under the Education Act 1989: Universities New Zealand, which also determines and monitors standards for the quality and accreditation of the University's qualifications. Like all other New Zealand universities, the University of Waikato is subject to regular and rigorous academic audit by the Academic Quality Agency for New Zealand Universities (AQA). These external audits support and enhance the institution's own ongoing programmes of self-review and quality assurance.

## University of Waikato Council



### **Left to right**

*Dr Joan Forret (Appointed by the Minister responsible for Part 13 of the Education Act 1989), Kyla Campbell Kamariera (2019 WSU Student President), Ngareta Timutimu (Appointed after consultation with Te Rōpū Manukura), Associate Professor Eva Collins (from 6 August 2019) (Elected by the staff of the University), Pro-Chancellor Susan Hassall (Appointed directly by the Council), Simon Graafhuis (Appointed by the Minister responsible for Part 13 of the Education Act 1989), Chancellor Rt Hon Sir Anand Satyanand (from 6 August 2019) (Appointed directly by the Council), Paki Rawiri (from 1 October 2019) (Appointed after consultation with Te Arikiniui), Vice-Chancellor Professor Neil Quigley (Ex-officio), Scott Bartlett (Appointed directly by the Council).*

### **Absent from Photo**

*Margaret Devlin (Appointed by the Minister responsible for Part 13 of the Education Act 1989), Graeme Milne (Appointed by the Minister responsible for Part 13 of the Education Act 1989), Nathan Rāhui (Appointed following an election by the students)*

## Secretary to Council

- Brandon McGibbon

## Committees of Council

- Academic Board
- Audit and Risk Committee
- Capital Development Committee
- Honours Committee
- People and Culture Committee
- Student Discipline Appeals Committee
- Te Rōpū Manukura

## Executive Leadership Team of the University of Waikato

As at 31 December 2019



**Vice-Chancellor**  
Professor Neil Quigley



**Senior Deputy Vice-Chancellor**  
**Pro Vice-Chancellor Management (Acting)**  
Professor Alister Jones



**Deputy Vice-Chancellor Academic**  
Professor Robyn Longhurst



**Deputy Vice-Chancellor Māori**  
Dr Sarah-Jane Tiakiwai



**Deputy Vice-Chancellor Research**  
Professor Bruce Clarkson



**Chief Operating Officer**  
Jim Mercer



**Chief Information Officer**  
Eion Hall



**Chief Financial Officer (Acting)**  
Wayne Morgan



**Director, International**  
Sharon Calvert



**Director, Office of the Vice-Chancellor**  
Duanna Fowler



**Director, Organisational Development and Wellness**  
Nikki Thomas



**Director, Regional Engagement**  
Joseph Macfarlane



**Director, Student Services**  
Mike Calvert



**Pro Vice-Chancellor Arts, Law, Psychology and Social Sciences (Acting)**  
Professor Allison Kirkman



**Pro Vice-Chancellor Education**  
Don Klinger



**Pro Vice-Chancellor Health, Engineering, Computing and Sciences**  
Professor Geoff Holmes





## Progress against the University Strategy 2017-2021

The University of Waikato continues to deliver strong performance across its operations. In 2019 staff delivered quality teaching and undertook world-changing research, making valuable contributions to national and international challenges and debates in many areas.

2019 was the third year of the University's Strategy 2017-2021. The Strategy frames the delivery of the University's Mission and Vision by focussing activities around six strategic goals:

1. An organisational culture focussed on high performance.
2. Teaching and research programmes distinguished by academic excellence and relevance.
3. A comprehensive programme of community engagement.
4. Improved operational efficiency and facilities.
5. A distinctive University of Waikato student experience.
6. Investment in growth.

While the University has undertaken a significant programme of work in 2019 that will contribute to the delivery of its Strategy over time, particular standouts under each goal are set out below:

### 1. An organisational culture focussed on high performance

The University has created an Organisational Development and Wellness Strategy, which provides core activities that assist in the delivery of the University's goal of 'an organisational culture focussed on high performance'. This strategy ensures all staff are committed and engaged in making the University of Waikato a positive and safe place. During 2019, the University also embarked on an institutional brand and values project that will underpin the development of a new Strategy during 2020.

## **2. Teaching and research programmes distinguished by academic excellence and relevance**

For the sixth year running, the University of Waikato has climbed up the QS World University Rankings and now sits at 266 out of 1,000 institutions worldwide, which demonstrates our academic and research programmes are being recognised for their standards of excellence. The measure of ‘citations per faculty member’ is the indicator in the QS World University Rankings for which the University of Waikato is strongest, and we climbed to 72nd in the world from 92nd last year. Additionally, the University’s Professor Albert Bifet was awarded the largest ever single research contract of \$13m from the MBIE Strategic Science Investment Fund. This is just one of many major research programmes funded through the Marsden Fund, various MBIE funds and more.

## **3. A comprehensive programme of community engagement**

The University continued an extensive programme of engagement with iwi and other community groups to complete the concept and design phase for The Pā complex, our new marae and student hub. We are confident the final design meets the needs of both the University and its many communities. The culmination of this design phase was the ground breaking ceremony attended by representatives of the office of King Tuheitia and Prime Minister Jacinda Ardern in October. We look forward to continual consultation with students, staff, iwi and community stakeholders as we enter the construction phase.

In 2018, the University laid the groundwork for creating a work-integrated learning (WIL) framework as part of the Curriculum Enhancement Programme. The development of WIL continued in 2019, which has enhanced engagement with employers in the Waikato and Bay of Plenty, and has created strong links between academic learning and practical applications for students in the workplace (see Section 7).

## **4. Improved operational efficiency and facilities**

The University continued a programme to upgrade and develop new facilities for our students, staff and community during the year. Additionally, the University focused on constructing the new Silverdale Road apartments for student

accommodation which will be available from February 2020. The University also kicked off a refurbishment of the Waikato Management School as well as construction of The Pā.

In 2018, the University implemented a new student management system (SITS). In 2019, advancements were made to this system to improve efficiency and enhance the enrolment and application process overall.

Also in 2018, a new divisional structure was proposed and introduced, with the aim of providing the University with the strategic leadership capability necessary for prosperity in today’s highly competitive and rapidly changing tertiary education environment. During 2019, continuation of the implementation of this structure took place, which involved streamlining several faculties into new divisions, and appointments to new leadership roles.

## **5. A distinctive University of Waikato student experience**

The University continues to focus on developing new programmes and degrees that provide unique opportunities for students to gain qualifications that are relevant to industry and society, while providing them with the skills they need to address domestic and global challenges. Of particular note is the University’s new Bachelor of Health degree programme launched this year. It is unique in New Zealand with a vision to graduate health industry professionals who will enact hauora in practice, and advocate for a broader understanding of what constitutes health and work in multidisciplinary teams to address the health issues that matter to our communities.

## **6. Investment in growth**

The University’s most significant milestone in 2019 was the opening of our new Tauranga campus, which has been received incredibly well from students, staff and the wider community.

The Tauranga CBD campus delivered a 30% increase in domestic student enrolments in just its first year of operation and has received a number of accolades. The University is confident that its investment, alongside the investment of its Bay of Plenty regional partners (TECT, Tauranga City Council and the Bay of Plenty Regional Council) will deliver significant benefits for the region alongside growing tertiary education provision in the Bay of Plenty.



# Institutional Sustainability

## Activities undertaken in 2019 with respect to the delivery of indicators 1, 2 and 5

### MF/SAC-eligible EFTS achievement

The University has a well-established student recruitment programme designed to reach future students throughout the University's key Waikato and Bay of Plenty catchment areas, and around New Zealand.

While the bulk of recruitment activities for 2019 concentrated on the main catchment area for the University, the number of recruitment events and activities increased and the presence and participation of University academia, student ambassadors and alumni, were leveraged through all recruitment initiatives to demonstrate the distinctive opportunities available to University of Waikato students, and to strengthen the University's community and stakeholder connections.

Secondary schools remain a key recruitment focus for the University. Alongside information sessions, drop-in sessions and on-campus events, outreach events and challenges to engage secondary students were also held, increasing brand awareness and giving students a taste of campus life.

In 2019 a significant number of enhancements were made to the student management system which streamlined the enrolment and application process and improved the ease, consistency and level of processing times across all enquiry channels. Faster response

times and overall improvement in the level of service have been facilitated through the introduction of electronic queuing, personalised response options for both email and phone enquiries and call back options. Closer collaboration has also been established with the scholarships and accommodation teams to provide information to students and to support the application processes for both areas.

Activities to proactively support paper selection were initiated and a campaign to encourage returning students to re-enrol early via drop-in or by-appointment sessions created more face-to-face engagement with students than previous years. Plain-language paper selection guides and auto-population of recommended papers in the student management system has also improved the enrolment service for students. An online avenue was also created for applicants to initiate a request for external credit at the same time as applying to enrol.

This year, an extensive outbound calling campaign was run by Student Services and resourced by existing students. It focussed on reaching prospects and applicants and supporting them through the University's acceptance and enrolment process.

The University's recruitment and outreach activities are all supported by targeted print, radio, digital advertising and social media.

Alongside this work, 2019 also saw the launch of the first stage of a comprehensive three-part brand marketing campaign, which was led by the Waikato Management School. The multi-channelled campaign, which is in its research and writing phase, will harness





alumni stories, economic research impact stories and employer testimonials to enhance the university's international reputation. While primarily focussed on international reputation and brand identity, the campaign, rolling out over 2020, will illustrate the University's place in educating "Creators of a New World", impacting positively on student recruitment and alumni relations.

Other initiatives undertaken by different Divisions of the University to support the wider recruitment strategy in 2019 included:

- Waikato Management School's co-sponsorship of the 2019 Young Innovator Awards, held alongside the Division of Health, Engineering, Computing and Science. All 11 Western Bay of Plenty secondary schools participated in this challenge.
- Waikato Management School hosted a Future Innovators Challenge, inviting year 11 – 13 students to work on a topical business case, attend a lecture, have lunch in the halls of residence, and present a solution to a panel of judges. The school also hosted an Accounting Scholarship day.
- Te Piringa Faculty of Law hosted a 'law student for a day' event.
- Work continues to extend the Applied Sport Science Education Programmes for High Schools into the University's Adams Centre for High Performance, which is proving an appealing programme for schools.
- Teacher Info nights run by the Division of Education were followed up with nurture email campaigns around key dates for enrolments, and invitations to one-on-one programme planning sessions.
- The Division of Health, Engineering, Computing and Science participated in the STEM Challenge Day and STEMfest, which was held in Tauranga this year.

- The Faculty of Engineering ran an Experiencing Engineering day during the Engineering Design Show allowing school pupils to experience a variety of engineering tasks from building a Chem-E-Car to making reinforced earth sculptures.
- The Faculty of Engineering also participated in the regional and national E Velocity Racing Championships which will be hosted in Waikato next year.

### Activities undertaken in 2019 with respect to the delivery of indicators 3, 4 and 5

#### FCI EFTS achievement

The successful recruitment of international students to the University of Waikato relies on the combined effort of many areas across the University. While recruitment activities are primarily coordinated through the International Office, a combination of work by faculties across the University has continued to contribute to the increase in international enrolments.

Given the longer decision-making process for international students, investment in international recruitment undertaken in 2018 has contributed positively to enrolments in 2019.

The University's partnership with global pathway provider Study Group, which operates the Waikato Pathways College, has had immediate effect, increasing promotion and exposure of the University's foundation programme, contributing to a 76 percent increase in enrolments in this area.

Increasing diversity of the international student body on campus continues to be a key focus area for the University, and while the primary markets for

international students continue to be China, India and Malaysia, during 2018 and 2019 the International Office identified a number of new markets for exploration including Mauritius, South Africa and Turkey. Existing markets where the University has not previously been active are Pakistan and Indonesia.

Throughout 2019, the University has also increased engagement with international agents, clarifying enrolment processes and entry requirements and creating stronger relationships in key markets for the University. Two new in-country managers were appointed in China and India.

A focus on internal systems and reviewing and improving enrolment procedures has seen the University consistently turn around international applications as quickly as possible. This has been identified as a key determinant for successful application to enrolment in these markets. The University is now also using platforms like WeChat, used in China, to enable one-to-one conversations with offer holders.

During 2019 the number of students taking the opportunity to study abroad declined, and work is now underway to understand and address this. Anecdotal evidence suggests it was a result of some uncertainty around the curriculum and whether a student could undertake an overseas experience and still graduate on time.

In 2019, the Waikato Management School launched a global marketing campaign targeting markets outside the University's regular markets of China and India. Working with the University's International Office, a targeted programme of work was planned, including sponsored search results, targeted Electronic Direct Mail (eDM), videos, testimonials and research on how the University can increase inbound (and outbound) international exchange and study abroad students.

Other examples of internationally focussed initiatives undertaken by the University in 2019 include;

- Targeted campaigns and international trips to strengthen international relationships.
- Targeted digital promotion for postgraduate taught programmes such as the Master of Digital Business and the Master of Information Technology, leveraging off positive poststudy work rights for international students, who wish to stay in New Zealand once they have completed their study.
- Agents hosted at the University and the conducting of the twice-yearly Pathways Study Fair to provide international students programme advice.

- The School of Health, Engineering, Computing and Science finalised its HSHUP200 (HAM - June) - 'Enhancing your sporting performance' study abroad paper outline, allowing the International Office to begin marketing this programme expected to attract students primarily from North America.

### Activities undertaken in 2019 with respect to the delivery of indicator 6

The University has a well-established financial monitoring and reporting system that provides for regular review of financial activity to ensure that expenditure and revenue remain on track with budget, and that the University achieves the relevant financial performance measures to maintain a low financial risk rating.

Each month actual financial performance is compared to the budget for the month and year-to-date, and budget holders are required to prepare monthly variance reports and update year-end forecasts. The University's Financial Services Division works alongside budget holders to ensure that significant variances from budget are accounted for and reported appropriately.

The Tertiary Education Commission (TEC) have established a sector wide Financial Monitoring Framework comprising a range of financial key indicators (KPI's) designed to highlight whether an institution is operating within acceptable financial limits, or trending towards results indicating increased financial risk.

The regular reports provided to management and Council include performance and variance reporting against a range of these TEC KPI's. This highlights any trends that indicate deteriorating financial risk and allows for mitigating actions to be undertaken.

The University continued to invest in new areas throughout 2019 and made a range of strategic senior appointments, including Dean of Te Piringa Faculty of Law, Deputy Vice-Chancellor Research, Pro Vice-Chancellor of Arts, Law, Psychology and Social Sciences, Dean of Science and key appointments to assist in developing our new health and nursing programmes.



# Research Performance and Industry Relevance

The University has continued to build on its approved University Research Plan for the period 2018-2021.

The Research Plan acts as a guide for ensuring ‘a culture of research excellence is embedded in every University programme’ and to substantially improve ‘research quality and impact across the University as measured by articles in refereed international journals, monographs with academic publishers, competitive research grants won, and domestic and international university rankings’, along with supporting ‘academic staff to develop aspirational research plans that create a pathway to distinction in research performance’ (University of Waikato Strategy 2017-2021).

The Research Plan includes four objectives for the period:

1. Improved quality and quantum of University Research
2. Increased income from Research and Development activities
3. Mātauranga Māori in Waikato research
4. Research excellence embedded in academic programmes

During 2019, schools, faculties and, in some cases, divisions, developed research plans that will be implemented during 2020, enabling each academic unit to focus on areas of research strength that currently exist, or that they have prioritised to grow over the next few years, ensuring the University remains competitive in winning external research revenue and providing a strong pipeline of research funding.

## Activities undertaken in 2019 with respect to the delivery of indicator 7

Throughout 2019, the University’s researchers, supported by research and enterprise staff, put in substantial efforts to build stakeholder and collaborator relationships, and to work with those stakeholders and collaborators to put forward strong research proposals.

Their work saw a record year for the University, which delivered more than \$34 million in world leading research and saw our researchers attract new research revenue worth more than \$53 million, securing a strong pipeline of research that will be rolled out over the next one to seven years.

Successes included contracting a Data Science research programme valued at \$13 million, an Endeavour Fund research programme valued at \$3.9 million, three Endeavour Fund Smart Ideas projects, one Health Research Council project and two 5-year Rutherford Discovery Fellowships.

The University continued to build on its ambition outlined in the 2017-2021 strategy to improve its performance in the Marsden Fund grants. In 2019 it won three full-size Marsden projects and one of the first two Marsden Fund Council Award programmes ever awarded. At \$5.66 million, our Marsden contract value this year was the University’s highest ever. Marsden Support Grants were also awarded to 12 contestable proposals and funds were also provided to support the development of strong proposals that were invited into the second round of the Marsden process in 2020.



A large part of research staff's efforts in 2019 also went into two very strong and highly collaborative Centre of Research Excellence proposals that were submitted in November 2019, for which we will not know the results until 2020.

The University continued to invest in other contestable internal research funds, including the Strategic Research Fund and the Research Trust Contestable Fund that are designed to fund and support emerging researchers to establish their research careers. The Strategic Research Fund was allocated to 19 contestable proposals and 8 emerging researchers for 2021, and the Research Trust Contestable Fund supported 25 small projects in 2021.

Throughout the University, researchers continue to work closely with research and enterprise staff and other experienced researchers to coach, refine and strengthen their applications and widen their ability to engage with different organisations.

This work has included:

- Workshops led by successful University researchers and visiting experts to introduce researchers to the MBIE Endeavour Fund, the Health Research Council funds and the Marsden Fund.
- A workshop was held to build researchers' ability to engage effectively with Māori organisations.
- MBIE Smart Ideas and Marsden drop-in sessions were held weekly in the months preceding submission dates for those funds. Applicants were coached to strengthen their ideas and present them as clearly as possible. This approach will continue to be built on through to the 2021 application round.
- Author of the book "Houston, we have a narrative", Dr Randy Olsen, ran a workshop on strengthening research writing and follow-up "Story Circles" designed to improve writing, both for research papers and proposals.

### **Activities undertaken in 2019 with respect to the delivery of indicator 12**

Through the University's Curriculum Design Framework, implemented as part of the University's Curriculum Enhancement Programme, all comprehensive undergraduate degrees require students to undertake a work-integrated learning (WIL) component at either 200 or 300-level.

The work-integrated learning component was rolled out to the first students in 2019. Students fulfil this requirement through a variety of work placement opportunities facilitated through the University's Work Integrated Learning (WIL) Unit. The unit ensures the

effective coordination and management of employer relationships and student placements. During 2019, placements included summer research scholarships, internships and work placement papers or community-based work for voluntary agencies. The programme also offers papers built around a community engagement project, and/or the design and delivery of a paper in such a way that its content, tasks and assessments are properly aligned with the rationale and learning objectives that drive this requirement.

During 2019, the University has refined its work placement offerings across the three semesters. With an increased number of placements overall, revisions were made to the face-to-face component of work placement offerings. Heavy focus was placed on transitioning to work skills, rather than technical skills and knowledge which are the focus for students during the course of their degree study.

Over the course of 2019, the University worked to strengthen its relationships with potential employers and placement providers, attracting them to the WIL programme. Alumni relations were leveraged, and employers and potential placement providers were invited onto the University campus. Opportunities for engagement through industry specific networking events, workshops and related activities were also provided. Potential providers engaged during 2019 included Just Water, Fonterra, Soda Inc., Hamilton City Council, PWC, EY, BNZ, ASB, King Street Advertising, BECA, IPS Recruitment, CAANZ, Mainfreight and Rocketspark. Of particular note, during the year more than 330 Engineering, Science and Computer Science students obtained work placements.

Throughout 2019, the University also increased communications around its Employability Plus Programme; this programme is designed to give students work ready skills through volunteering. 2019 saw an increase in both student and employer participation in the programme with improved engagement from divisions resulting in more students engaging with not-for-profit employers.

The Associate Vice-Chancellor (AVC) Pacific, and the Pacific Student Success Coordinator, have also worked throughout the year to strengthen the University's relationship with the Waikato Pacific Business Network and other potential employers and potential placement providers. There was also closer collaboration with the Careers Office and Management School staff to increase the number of Māori and Pacific students applying for Tupu Tai and Tupu Toa internships. This included workshops on how to apply and interview. As a result, we had a record number of applications from Waikato and many successful Waikato applicants.



# Student Participation and Performance

## Activities undertaken in 2019 with respect to the delivery of indicator 8

### Māori student recruitment

The University of Waikato has continued its strong and proud history of delivering outcomes for Māori once again attracting the highest number of Māori students of any university in New Zealand in 2019.

As noted in Section 6, the University has a well-established student recruitment programme and the majority of the initiatives undertaken for domestic students also recruit Māori students. However, the University also undertakes a number of additional activities targeted at recruiting Māori students.

Following the implementation of a new Māori student recruitment plan in 2018, the last 12 months has seen a reorganisation of the Māori recruitment team to better

recognise key relationships, partnerships and build on the solid work established by our Māori Liaison team.

An innovative recruitment strategy, Te Kupenga Hao, was launched in 2019 providing a framework which empowers all Māori Recruitment staff and stakeholders of the University to work collaboratively, ensuring quality and consistent engagement with our Māori communities and our prospective Māori students. The framework is designed to ensure a more seamless and holistic approach to recruitment and the transition of these students into our University of Waikato whānau.

Within this framework, and through the application of tikanga Māori and the provision of quality advice around University entrance, scholarships, accommodation and Māori student services, the University expects to enhance its recruitment of high-achieving Māori students.



During 2019, there have been a number of key appointments designed to improve connections with Māori stakeholders and iwi businesses. These included:

- A Professor of Māori Business who also holds the position of Associate Dean Māori, and whose focus is to embed the Māori Advancement Plan.
- A Lecturer in Māori Business to provide support to the Associate Dean Māori, with a particular focus on the Bay of Plenty region.
- A new Māori Liaison Adviser Hamilton.
- A new Senior Future Students Adviser Māori in Tauranga to work with schools in the wider Bay of Plenty strategic alliances of Te Rōpū Manukura.
- A casual role created in October to provide personal support for Māori students to navigating the enrolment processes.

Alongside these appointments, the University also continued with its well-established student recruitment programme in 2019, which included visits to more than 112 mainstream schools and Māori kura nationwide. A strong recruitment presence was also maintained at strategic iwi expos, summits and national events including Te Matatini National Kapa Haka Festival and Mana Kuratahi. Efforts were made to leverage the attendance of staff, alumni, Māori student ambassadors and Future Students advisors at these events, reinforcing the University's strong heritage and the many regional cultural partnerships we have.

This face-to-face engagement work was supported by reviews of both the Māori medium web presence, with a view to increasing the amount of Te Reo used, and a review of Māori medium marketing materials. Plans are also underway to develop a marketing strategy which speaks to potential Māori and Pacific learners as members of families and communities.

During 2019, there have been additional resources and a stronger focus placed on recruitment to the University's Tauranga campus. The Pathways to Excellence Programme has been broadened to include the Bay of Plenty region, and a number of new bus services have also been offered. A Tertiary partnership has also been established to deliver ground level engagement designed to raise Māori aspirations for higher education in the Bay of Plenty.

Iwi specific recruitment activities were also undertaken in regions with high Māori populations including Rotorua, Whakatāne, Hawke's Bay, Gisborne and Northland. Presentations were tailored for specific communities, and covered material from introducing prospective students to university, available scholarships and personalised programme and course planning.

### **Pacific student enrolment**

Over many years the University has achieved a proportion of Pacific students that is equal to, or higher, than the proportion of the Waikato/Bay of Plenty population that self-identify as Pacific.





As noted in Section 6, the University has a well-established student recruitment programme and the majority of the initiatives undertaken for domestic students also recruit Pacific students. However, the University also undertakes a number of additional activities targeted at recruiting Pacific students.

Strengthening relationships with stakeholders and the wider Pacific community has been a priority in 2019, as the University continues to build on its Pacific Recruitment Plan, developed in 2018. The appointment of the University's new Associate Vice-Chancellor (AVC) Pacific, who has worked closely alongside the Pacific Student Success Coordinator, has been welcomed by the wider Pacific community, and the focus has been on meeting, networking and continuing to grow relationships throughout the year.

The AVC Pacific and Pacific Student Success Coordinator also work closely with Student Services and the Future Students team on recruitment strategies and approaches. During 2019 these included open days, events and tours focussed toward the secondary school community. The University also hosted high schools from Fiji and the Cook Islands. Pacific student ambassadors and Pacific staff have attended and been very supportive of all community events held at and beyond the University.

A Future Student Pacific Adviser was appointed in 2019 which sees the Future Students team more effectively integrated with the wider Student Services Division and places a focus on Pacific recruitment. Job descriptions and advertisements for roles in Student Services now cite Māori and Pacific language ability and cultural experience as an advantage. This helps to ensure that we are more likely to increase the number of staff that have the skills and experience to recruit and support Pacific students.

This year, the Pacific Student Success Coordinator and the Future Students Pacific Adviser also launched the inaugural University of Waikato Primary and Secondary Schools Kilikiti (Samoan Cricket) Tournament, where the University hosted 11 primary, intermediate and high schools, and our Pacific student leaders manned the drinks and the sausage sizzle. The purpose of the day was that students enjoy their culture but also picture themselves attending the University.

During 2019, the University has also worked closely with Marketing and Communications to develop a marketing strategy which is better targeted at Māori and Pacific learners and their families.

## Activities undertaken in 2019 with respect to the delivery of indicators 9, 10 and 11

### Learning support for all students

The University has entered into a range of performance commitments with the Tertiary Education Commission around student achievement; these concentrate on paper completion rates, student retention and qualification completion. In all cases, achievement of these commitments is dependent on strong student achievement in individual papers. The vast majority of students who successfully complete papers are likely to re-enrol and continue their progress towards completing a qualification. In recognition of this fact, the University continues to concentrate its activity at the individual paper level and target support to students in this way.

The University offers a comprehensive package of learning support for all its students, delivered both centrally, and through faculty-specific programmes. While many of the University's learning support initiatives have been in place for a number of years and have proven effective, the University is constantly enhancing the way it supports its students. In 2019 these included:

- The Faculty of Management continued its pilot of Studiosity. The online tutoring service is designed to support students with written assignments and interactive support, and provides 24/7 help on assessment writing.
- The SITS student management system continues to enable the University to automatically identify students who may be at risk of failing on the basis of their grades to date, and to message those students to link them with the University's various student support services.
- Individual faculties closely monitor student participation in internal assessments and lab attendances in the first two weeks of semester and follow-up on any students not progressing as expected. The University has also increased its assistance for students with appropriate paper selection and adaptation of programmes as student performance throughout the year is assessed.
- The Jump Start pilot, a bridging programme designed for students who have achieved University Entrance but have minimal credits in numeracy or literacy, also continued throughout 2019.

- The position of Associate Director Student Retention Projects was still in place during 2019 and continued with the implementation and project management of new retention and success initiatives that were identified from international best-practice, and adapted to work within a New Zealand and University of Waikato context.
- Alongside supporting and recognising student achievement through scholarships and awards, the University has a strong focus on students' pastoral care. Pastoral care opportunities are provided throughout the University's faculties including the organisation and sponsorship of student clubs, social events and networking opportunities.
- Drop-in sessions, workshops and wananga run within various faculties continue to be popular, while mentoring programmes and tutoring services are also offered across all divisions. These events and services are actively promoted to students through a range of channels, including faculty newsletters and social media.
- Focus has also been placed on recognising and celebrating the University's cultural diversity. A series of language weeks and days were held throughout the year adding to the overall vibrancy on campus and the culture of belonging.

### **Māori student achievement**

While central- and Faculty-based student support services are available to students of all ethnicities, the University offers a range of support services specifically targeted to Māori students. Many of these services are funded, at least in part, through the Māori student equity funding provided by Government.

The University has number of other initiatives embedded to support and celebrate Māori student achievement and is constantly seeing new ways to support its Māori students. New initiatives and changes to existing initiatives continue to be explored. In 2019 these included:

- The Ako Aotearoa Project, "Data-informed initiatives to enhance Māori and Pacific student achievement". This project, which is in its data-gathering phase, seeks to use data and student voice to identify factors of success for Māori and Pacific students. The second phase, beginning in 2020, will use the information gathered to create new initiatives or improve existing initiatives for Māori and Pacific learners.
- Te Kāhui Pīrere, a new programme designed to improve retention rates among Māori students and ensure they are engaging with the University's

support services. First year students were brought together early to begin forming relationships with staff and students. The programme was well supported in 2019 and will continue to be expanded on in 2020.

- A special event to celebrate Māori student excellence was held to provide a University-wide celebration of Māori student achievement. Student awards recognised Māori high-achievers across divisions and at both graduate and postgraduate level.
- The Māori Mentoring Programme, which continues to provide faculty-based academic, pastoral and procedural advice to Māori students across the University. This support is complemented by a range of social events to encourage relationship building with staff and students within the faculty.
- The Te Āhurutanga Māori Student Leadership programme, Te Toi o Matariki programme, directed towards graduate and masters students, and the MAI ki Waikato Māori doctoral students programme all continue to be well supported.

Alongside these University-wide initiatives, activities undertaken by individual faculties and divisions included the appointment of two specific Māori Student Liaison Coordinator roles and a Māori Dean in the Division of Arts, Law, Psychology and Social Sciences. Faculties also offered mentoring services, the use of study wananga, and direct advice to students around applications for scholarships and awards. There has also been increased monitoring of student progress, with a view to directing students to support services at the earliest stage possible. Students are also actively encouraged to engage with staff outside lectures, with a view to breaking down boundaries and establishing a community of learners.

### **Pacific student achievement**

While central- and Faculty-based student support services are available to students of all ethnicities, the University offers a range of support services specifically targeted to Pacific students. Many of these services are funded, at least in part, through the Pacific student equity funding provided by Government.

While the number of Pacific students enrolled at Waikato is significantly lower than the number of Māori students, and correspondingly a much smaller volume of funding is received for Pacific students, the University still provides a comprehensive programme of support for Pacific learners.

The theme for the University's Pacific learners in 2019 was encapsulated in the word "imua". This Hawaiian word means to "go forward" and "lead from the front". The Associate Vice-Chancellor Pacific encouraged staff and students to "imua" throughout the year and the theme was threaded throughout all University events and social media.

During 2019 there was a review of the number of Pacific staff at the University and the recruitment material being used to attract candidates. Pacific academics are crucial in Pacific learner success, acting as role models, coaches and navigators for Pacific students planning higher study. As a result, language in job advertisements and role descriptions has also been reviewed to emphasise the University's commitment to Pacific success.

A key role to be added in 2020 will be the University's first Associate Dean Pacific (Tomuaki Kita) role; this role was advertised at the end of 2019. Law and Education are also looking to appoint a specific Pacific lecturer.

During 2019, the Pacific Student Success Coordinator worked closely with senior tutors in the Centre for Tertiary Teaching and Learning to organise drop-in tutorial sessions. The Pacific Student Success Coordinator also organised degree-specific exam

preparation workshops called "Crossing the Finish Line" in several divisions which targeted crucial year one and two papers. She also worked closely with the International Students office to mentor and arrange tutoring for New Zealand Scholarship students who were of concern mid-year.

Among other activities, the Pacific Student Success Coordinator also organised networking events, a writing retreat and the Pacific Research Symposium for our Pacific graduate and postgraduate students. The Symposium attracted a diverse group of student and staff presenters who were either from the Pacific, or researching in Pacific areas. Presenters represented the Solomon Islands, West Papua, Tonga, Fiji and New Zealand.

In 2019 the University also offered the following support directed towards its Pacific learners:

- Pacific Orientation. A full-day programme introducing students, Pacific support staff, leaders of Pacific cultural and academic support associations and Pacific academic staff. The event was followed up with a smaller orientation in semester B.
- A Pacific Student Leadership Group was created to provide stronger connections between the growing number of Pacific student associations, the Pacific Student Success Coordinator and the AVC Pacific.
- Establishment of a Pacific Islands Parents Association which recognises the reality of parenthood for many students and seeks to create a support network for any parent who wants to join.
- Governance training through the Māori and Indigenous Governance Centre for all Pacific student associations. The aim of this training is to improve leadership skills.
- The creation of a Pacific Director role on the Waikato Student Union to ensure greater visibility of Pacific students and greater opportunities for advocacy on behalf of Pacific students.
- The Pacific Advisor Group and Pacific Support Staff Forum continue to be instrumental in providing advice, feedback and support for Pacific students on campus and in coordinating Pacific learner success.
- Six Pacific language weeks were held throughout the year and were well supported by Pacific students, staff, the Pacific community and the wider University campus.





- A Memorandum of Understanding was signed between the University and the Great Potentials Association to launch the MATES programme, matching Pacific students up with local high school students in a mentoring scheme.
- The University held its first Waikato Pacific Education Summit bringing experts, educators and Pacific leaders together to create a network for future collaboration.
- TAPA Awards Celebrating Success Ceremony. Bringing together Pacific students, their family and members of The University of Waikato and the wider Pacific community to recognise and celebrate Pacific student success. In 2019, TAPA scholarships were awarded to many high-achieving Pacific students.

A number of Faculty-specific initiatives are also offered in support of Pacific student achievement. In 2019 these included networking events, specific mentoring and tutoring services offered within the faculties and the use of Student Support Coordinators.

### **Full-cost international student achievement**

Typically, the University's international students are a very high-achieving cohort; their achievement results are often several percentage points higher than those of other student cohorts.

While central- and Faculty-based student support services are available to all students, the University offers a selection of support services specifically targeted to international students.

A key appointment during 2019 was the creation of a Director, English Language Development role. Based in the Centre for Tertiary Teaching and Learning, this role is intended to identify, develop and implement a range of support for the English language development of all students at the university.

The University offers a comprehensive orientation and induction programme for new international students, which highlights the wide range of student support services available to all students, and key contacts for when additional support is required.

The University has also developed an English Language Strategic Framework covering a range of activities for the English language development of all students at the University. These activities are being made available across 2019 and 2020 and include:

- Division- and programme-specific language support that aligns to paper and assessment outcomes.
- Development of online and digital resources to enhance student self-management and success.
- Establishment of an English Resource Room within the Centre for Tertiary Teaching and Learning, offering language support for all University students.
- Language support for students embarking on their Work Integrated Learning (WIL) placement.
- Personalised language development for staff whose first language is not English.
- The creation of conversation partners, conversation groups and one-to-one group language advice preparing students for a range of academic activities.
- Post-entry language assessments for specific cohorts, to ensure timely and targeted support is made available to students in the early stages of their degree studies.
- Re-development of for-credit English papers to enhance consistency and to support students in early stages of their undergraduate degrees in both New Zealand and China.

Waikato University's Joint Institute in China continues to offer students the opportunity to experience a semester or a two-week short programme in New Zealand. More scholarship funding has been made available in this space, and in 2020 the University will be implementing a student travel registry to accurately capture the data around those students.

A number of Faculty-specific initiatives are also offered in support of international student achievement. These include, workshops, mentoring, and monitoring of international students throughout the semesters to identify those that may need additional support.



## Organisational Culture: Staff and Students

### Activities undertaken in 2019 with respect to the delivery of indicator 13

In 2019, staff were invited to complete two Pulse surveys, evaluating some of the core elements of the University of Waikato; one pulse survey focussed on strategy and leadership, and one focussed on internal communications. The surveys provided useful insight into staff perceptions and highlighted opportunities to build on our employee value proposition.

Based on the opportunities identified, several outcomes were actioned. These include:

- Piloting two 'People Management 101' development programmes with ongoing participant mentoring
- Working closely with several teams across the University on team planning, strategy setting, team building and other topics
- Clarifying expectations of leaders at the University in workshops with the leadership group
- Increased narrative in internal staff communications regarding University plans
- An ongoing review of the internal communications programme

### Activities undertaken in 2019 with respect to the delivery of indicator 14

#### Increasing the proportion of Professorial and Associate Professorial staff who are female

While the University does not have in place any preferential employment practices to prioritise the appointment of female academic staff, it has a well-established network of support for female staff and actively encourages women to step into leadership positions such as Associate Professor and Professor.

Additionally, through the University's Human Resource Management Division, reminders of the University's ambitions in this space are provided to the Faculty Deans through the internal academic promotions exercise, and during selection processes for relevant positions.

This work is supported by faculty-level workshops on promotion and career-planning discussions undertaken by line managers across the institution. There is also strong role modelling by the many female senior academic staff across the University.

The Pro Vice-Chancellors meet with all women applying for promotion at senior levels, and there is active encouragement of female academics to apply for promotion. Advice and support are also provided for female academics to refine their applications for promotion.

Alongside this, the Waikato Women Professors' Network, established in 2002, provides peer support for women professors in their leadership roles with the University and beyond. The network includes staff from a wide range of disciplines who each demonstrate experience in significant academic and professional leadership roles. The objectives of the network are to:

1. Provide mentoring and a network of peer support for women professors from all Schools, Faculties and Divisions.
2. Provide a forum for discussion of academic, professional and University issues, including research and equity.
3. Facilitate leadership in academic disciplines within the University, as well as in the wider community in New Zealand and internationally.

There have been a number of significant senior appointments made during 2019 including within the Division of Health, Engineering, Computing and Science, the Division of Education, the Waikato Management School and the Faculty of Law.

Care is also being taken to ensure that the Divisional Leadership Teams and Committees have a strong gender balance.

## Activities undertaken in 2019 with respect to the delivery of indicator 15

### Responding to the student surveys

The University continues to focus on improving students' wellbeing and connectedness on campus, along with addressing other key focus areas students have identified for development including transport, employment opportunities and work experience, study and social spaces and orientation.

Work undertaken in these areas during 2019 is set out below:

#### Wellbeing

- The University is in the process of making a number of improvements to fitness and wellbeing opportunities around campus, including improvements to the running circuit around campus and the development of a fitness island near gate 2B, which provides a range of outdoor fitness equipment available to staff, students and the general public.
- This year saw the creation of, and recruitment to, a Health Promotion Coordinator role to identify and promote opportunities designed to improve the overall health and wellbeing of our wider student population. The postholder will support our Pacific, Māori and LGBTQIA+ student communities.





## Transport

- Heavily subsidised buses have been provided to our key regional Te Ara ki Angitu: Pathways to Excellence areas. This free University bus service, which students register for, runs from towns across the Waikato and Bay of Plenty to the University's Hamilton and Tauranga campuses, Monday to Friday, during semester time.

## Enhanced employment opportunities after graduation

- Increased services have been offered this year through the implementation of Enterprise (the upgraded Symplicity Career Management System). This has allowed the Careers Team to offer services including mock interviews, career pathways, and better reporting functionality.
- Employability Plus Programme. As part of the EPP programme, students have had the opportunity to develop transferable skills and leadership potential – areas consistently requested through surveys and student feedback.

## Programme changes and work experience opportunities

- Centre for Asia Pacific Excellence (CAPE). This year, after receiving student feedback, and in consultation with employers, changes were made to how the CAPE Market Insight Programme (MIP) was delivered. This included increased employer engagement, industry information sessions delivered by high profile speakers from relevant industries, and more inclusive workshops and networking opportunities for students. This resulted in a higher satisfaction rating for the programme from both stakeholders and students.
- The University supported the establishment of a student-led initiative which aims to empower students who have ideas for sustainability or wellbeing projects. This initiative enables like-minded students, with a particular social impact interest, to connect with other students in a project environment. This provides students with project implementation experience and opportunities to engage with our community and University staff in a programme that offers social benefit, personal growth and networking within a non-academic setting.

## More study and social spaces

- The University created a Wellbeing Hub in The Station on Hillcrest Road. The hub is a space for students to relax and recharge between classes and is open from 9am–4pm during Monday-Thursday.
- The University has, this year, created an E-sports arena with support from Omen (Hewlett Packard's gaming division) and an E-sports scholarship, sponsored by 2degrees.

## Orientation

- Following feedback from 2018, this year saw a change in the way some of the orientation sessions were delivered. More emphasis was placed on ensuring that new students felt connected and had a sense of belonging. A virtual hall - Kāinga Rua (second home), was introduced, for all new students not in residential accommodation, on campus. Students participated in hall-based events such as "Top Town" and had a "home room" to return to at lunchtime. The programme of activities allowed students to get to know others, feel connected and be better prepared for the first week of University.

Alongside these University-wide projects, individual divisions and faculties also continued to work towards better understanding students' expectations and continuing to act on feedback. The Division of Health, Computing, Engineering and Science created new focus groups to obtain feedback from science students outside of the formal appraisal system, and Engineering commissioned a second annual survey by CeTTL of undergraduate students to better understand students' expectations.



## Reputation

### Activities undertaken in 2019 with respect to the delivery of indicator 16

#### University rankings

The University continued to make strides in the QS World University Rankings in 2019 with very strong performance in the citations per faculty ranking underpinning a further climb up the rankings.

For the sixth year running, the University of Waikato increased its QS World University Ranking and now sits at 266<sup>th</sup> out of 1,000 institutions worldwide. The measure of 'citations per faculty member' is the indicator in the QS World University Rankings for which the University of Waikato is strongest and it climbed to 72<sup>nd</sup> in the world from 92<sup>nd</sup> in 2018.

During 2019 the University contracted the services of QS Consulting to provide a data-informed refresh of its rankings' strategy. Given the time lags associated with the rankings exercises, it is anticipated that the results of the University's refreshed rankings strategy will become evident over the next few years.

As part of its work with the University, QS Consulting ran information sessions for staff that highlighted the University's key areas of achievement in the rankings and highlighted areas that needed focus to improve future performance.

The University is confident that changes to its rankings strategy, on the basis of work undertaken by QS Consulting, will also provide future benefits for the Times Higher Education rankings exercise and other rankings exercises over time.

Activities undertaken by specific Divisions and Faculties include, the Division of Health, Engineering, Computing and Science pursuing international partnerships with high standing, research intensive universities such as Harbin IT, IT Bombay, VIT Chennai. The Division of Education introduced a mentoring programme to support research capacity within the Division and assist individual staff to pursue their research aspirations. The Division implemented its plan to create a series of international research hubs and established the Assessment Across the Years (ARAY) Unit, bringing together 10 scholars across the division to highlight its strength in this field.

## Activities undertaken in 2019 with respect to the delivery of indicator 17

### Public lectures, seminars and performing arts activities

The University offered a comprehensive programme of public lectures, seminars and performing arts activities throughout 2019, both in Hamilton and Tauranga. These included presentations by University staff and students along with external experts and guest presenters.

The University's 2019 programme included both centrally managed and coordinated activities, and those conducted through Faculties, departments, schools and research centres and institutes.

It is common practice for the University to ask visiting academics to contribute to the University's public engagement programme. In 2019, the Waikato Management School (WMS) Research Office increased funding for its Distinguished Visitors Fund which saw 13 international academics participate in research collaborations with WMS researchers and present as part of the programme.

The Waikato Management School also continued with its Distinguished Alumni Awards holding a series of events and media activities to leverage the opportunities provided by having distinguished alumni on campus. This event allows the University to engage current students, the business community, and other WMS alumni in the event. Four Distinguished Alumni were added this year.

In 2019 the event programme for the Division of Education was reviewed to improve the procedures and processes for holding these events and in 2020 it will be reviewing the division's event strategy to bring the event programme more in-line with the University of Waikato strategic objectives and the strategy for the Division itself.

Academics and alumni from across the University also contributed to and presented and gave keynote addresses at a number of external conferences, workshops, symposiums and public speaking engagements throughout 2019 further reinforcing the University's contribution to its role of critic and conscience of society.

Some highlights for 2019 included:

- TED Talks hosted by the Division of Health, Engineering, Computing and Science which have been viewed over 300,000 times.
- Public lectures at regional Engineering New Zealand events and at the Pakistan Engineering Council, and World Engineers Convention.
- The Faculty of Education held a series of 11 lectures, conferences and symposiums throughout 2019 including the Institute of Professional Learning – Te Whai Toi Tangata one day workshop held at the Claudelands Event Centre that welcomed over 500 attendees with guest speaker Professor Jo Boaler. Professor of Mathematics at Stanford University and co-founder of youcubed, along with co-founder and executive director Cathy Williams.
- WMS hosted a Wayfinding Leadership Seminar to visiting MBAs from Drucker School of Management.
- WMS hosted an inter-university Māori business scholars research symposium with Dr Miriam Jorgenson from Harvard Project on Native American Economic Development.
- WMS co-hosted an inter-university Māori business scholars writing symposium to help as many Māori scholars attend the 2020 Academy of Management.







## Other Commitments

### Tauranga Campus

In April 2019, the University officially opened its new Tauranga campus in the heart of the city's central business district.

The new campus, led by the University of Waikato on behalf of the Bay of Plenty Tertiary Partnership, enhances the range of qualifications and study options available to students in the Bay of Plenty.

The campus development was made possible through the support and drive of the region, especially the key funders: Tauranga City Council, Bay of Plenty Regional Council and the Tauranga Energy Consumer Trust. The opening of this campus is a great example of the benefits realised through the University's commitment to engagement with our key communities.

The opening of our Tauranga campus began a new era for the University of Waikato in the Bay of Plenty. The University is now deeply embedded in the Bay of Plenty region's social and economic systems, and plays a key role in transforming Tauranga into a university city.

The University is focused on utilising our campus facilities to enhance social outcomes, contribute to economic growth and be a catalyst for change in the local region.

Around 900 students used the new campus in 2019. There are 31 general staff in Tauranga: 50 academic staff, and 36 academic staff who visit regularly from the University's Hamilton Campus.

### The Pā

The University of Waikato's innovative and versatile new facility, The Pā, will transform the on-campus experience for students, staff, visitors and the broader community.

The Pā will include a new main entrance to the campus, a student hub (including food outlets and social learning spaces), and a new University marae. The Pā will also provide the campus with renewed capacity for University and community events and activities.

Planning on The Pā project has continued in earnest through 2019 with many major milestones achieved, keeping the project on track for completion early in 2022.

Following an intensive process that began in 2017, the detailed design plans for The Pā were completed by the architectural design team in collaboration with the project team, consultants and technicians.

A cultural narrative framework has been developed by the Tikanga Advisory group, identifying the major concepts and themes that will bring identity, history and heritage to The Pā. During the process of developing this framework, the carving team of Waikato-Tainui joined the project, taking on the task of delivering the major carvings and cultural installations for the complex.

In October, a ceremony to launch the project was attended by guests of honour, Prime Minister, Rt Hon Jacinda Ardern, and Te Puhī Ariki, Ngāwai hono i te

pō Paki. The traditions of breaking the ground and embedding the whatu mauri were combined, paving the way for the physical works on site to begin.

A construction firm will be appointed to the project early 2020, with a timeline to have construction of The Pā complete by early 2022.

The staff teams that occupied the buildings within The Pā footprint have now been relocated to other parts of the Hamilton campus in a process coordinated by the Facilities Management Division.

### Ōritetanga – learner success prototype

During 2019, the University was successful in obtaining funding from the Tertiary Education Commission for a collaborative project that fitted within the Commission's new Learner Success Framework, for the development of a learner success prototype that the Tertiary Education Commission could roll out across the tertiary education sector.

Stage one of the learners success project, which started on 1 July 2019 and will run until 30 June 2020, focuses on building the University's data capabilities. The aim of the project is to enhance the University's understanding of students who are identified as

being "at risk" of not achieving, and to inform the development of a framework of initiatives targeted at early intervention. The development of a data framework will also help the University identify areas of success and areas for improvement within our papers and qualifications, as well as specific student cohorts. This will give the University reliable information to focus its change initiatives within teaching, learning, and student support.

As part of the Ōritetanga project, the Tertiary Education Commission has arranged for the University's Deputy Vice-Chancellor Academic, and Pro Vice-Chancellor Teaching & Learning, to work with two coaches from Achieving the Dream (ATD) – a USA network of community colleges committed to better serving students and increasing student outcomes. ATD coaches have been assigned to review and provide advice on the project, with a view to deepening the University's understanding of project learnings for a wider programme and broader roll out of the learner success approach across the tertiary sector.

Since stage one started, significant progress has been made on the development of key data attributes and data tools.



# Statistical Information

## Total qualification completions by level

	2011	2012	2013	2014	2015	2016	2017 <sup>(1)</sup>	2018 <sup>(2)</sup>	2019
Foundation certificates	548	546	484	523	473	476	513	823	509
Degree	1,929	2,037	2,167	1,937	1,891	2,015	2,235	2,268	2,338
Graduate/Postgraduate	1,289	1,284	1,071	968	918	956	798	880	832
Higher Degree	105	73	83	92	74	86	75	114	90
<b>Total</b>	<b>3,871</b>	<b>3,940</b>	<b>3,805</b>	<b>3,520</b>	<b>3,356</b>	<b>3,533</b>	<b>3,621</b>	<b>4,085</b>	<b>3,769</b>

**NOTES:** <sup>(1)</sup>From 2017 the University's four year Honours degrees were reclassified from Graduate/Postgraduate level qualifications to Degree level qualifications

<sup>(2)</sup>Results previously reported in the 2018 Annual Report have been updated to include those 2018 completions entered post 31 December 2018.

## Total EFTS by level

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sub-degree	453	406	345	335	393	321	428	493	484
Degree	8,009	8,123	8,075	7,824	7,881	7,710	7,680	7,934	8,112
Taught Postgraduate	1,159	1,117	1,161	1,168	1,192	1,238	1,232	1,264	1,437
Research Postgraduate	620	620	576	576	551	536	552	567	585
ACE	108	104	2	-	-	-	-	-	-
<b>Total</b>	<b>10,349</b>	<b>10,371</b>	<b>10,159</b>	<b>9,904</b>	<b>10,018</b>	<b>9,805</b>	<b>9,892</b>	<b>10,257</b>	<b>10,617</b>

**NOTE:** Results previously reported in the 2017 and 2018 Annual Reports have been updated to include off-shore EFTS delivery

## Total EFTS by source of funding

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Ministry-Funded (excluding ACE)	8,660	8,776	8,726	8,473	8,451	8,250	8,256	8,409 <sup>(2)</sup>	8,264
Full-Cost International	1,543	1,461	1,408	1,401	1,535	1,510	1,599	1,873	2,339
On-Shore	1,543	1,461	1,408	1,401	1,535	1,510	1,599	1,791	2,074
Off-Shore <sup>(1)</sup>	-	-	-	-	-	-	-	-	264
Full-Cost Other	37	30	24	29	32	46	37	57 <sup>(2)</sup>	15
ACE	108	104	2	-	-	-	-	-	-
<b>Total</b>	<b>10,349</b>	<b>10,371</b>	<b>10,159</b>	<b>9,904</b>	<b>10,018</b>	<b>9,805</b>	<b>9,892</b>	<b>10,257</b>	<b>10,617</b>

**NOTES:** <sup>(1)</sup>Off-shore EFTS count those generated through the University's joint institute with Zhejiang University City College in China, these EFTS have been recorded in the University student management system from 2019

<sup>(2)</sup>While the University delivered 8,455 MF EFTS in 2018, due to a funding cap on EFTS in the University's Certificate of University Preparation programme that applied in 2018, the University was unable to claim funding for 46 EFTS delivered that year – these EFTS were categorised as Full-Cost Other



## Total EFTS by Organisational Unit

	2019
Division of Arts, Law, Psychology and Social Sciences	2,822
Division of Education	1,576
Division of Health, Engineering, Computing and Science	2,498
Division of Management	2,807
Pro Vice-Chancellor Māori/Faculty of Māori and Indigenous Studies	392
Pathways College	522
<b>TOTAL</b>	<b>10,617</b>

**NOTE:** From 2019 the University implemented a new divisional structure across the organisation, comparison of data with previous organisational units is not meaningful

## Ratio of EFTS to Academic FTE (counting all Academic FTEs and EFTS)

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Academic FTE <sup>(1)</sup>	646	637	640	636	647	628	599	598	622
Total EFTS <sup>(2)</sup>	10,349	10,371	10,159	9,904	10,018	9,805	9,892	10,257	10,617
Ratio	16.0	16.3	15.9	15.6	15.5	15.6	16.5	17.2	17.1

**NOTES:** <sup>(1)</sup>In July 2018 the University entered into a partnership with Study Group New Zealand for the delivery of sub-degree EFTS; the TOTAL Academic FTE reported from 2018 onwards excludes those staff employed by Study Group New Zealand.

<sup>(2)</sup>The Total EFTS from 2018 onwards includes those EFTS delivered by Study Group New Zealand under a sub-contracting arrangement with the University.

## Research Revenue per Academic FTE (Research)

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Annual Research Revenue	\$31.077 million	\$29.693 million	\$28.666 million	\$27.969 million	\$32.824 million	\$34.574 million	\$28.894 million	\$33.192 million	\$34.273 million
Academic FTE (Research)	441	442	448	451	449	423	387	387	400
Research Revenue per Academic FTE (Research)	\$70,395	\$67,169	\$63,986	\$62,015	\$73,095	\$81,735	\$74,661	\$85,767	\$85,683

## Research publication count by type

	Books	Chapters	Conference Contributions	Creative Works	Journals	Other	Total
Division of Arts, Law, Psychology and Social Sciences	16	54	77	16	184	75	422
Division of Education	7	31	71		76	20	205
Division of Health, Engineering, Computing and Science	3	6	160		390	8	567
Division of Management	2	7	42		161	23	235
Office of the Vice-Chancellor	1	5	7		28	8	49
Non Faculty Staff		1	6		1	1	9
<b>Total</b>	<b>29</b>	<b>104</b>	<b>363</b>	<b>16</b>	<b>840</b>	<b>135</b>	<b>1,487</b>

**NOTES:** 2019 research publication snapshot as at 23 January 2020

From 2019 the University implemented a new divisional structure across the organisation, comparison of data with previous organisational units is not meaningful

The Office of the Vice-Chancellor includes staff from the Faculty of Māori and Indigenous Studies

## Total students by ethnicity

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Pākeha/European	5,775	5,778	5,711	5,472	5,331	5,066	5,026	5,290	5,197
NZ Māori	2,339	2,343	2,290	2,254	2,249	2,261	2,344	2,398	2,405
Pacific Islander	491	557	589	570	624	631	616	699	732
Chinese	1,182	1,181	1,130	1,252	1,368	1,395	1,461	1,582	2,167
Indian	428	456	419	447	470	444	512	547	628
Other	2,348	2,206	2,205	2,237	2,236	2,219	2,270	2,087	2,103
<b>Total</b>	<b>12,563</b>	<b>12,521</b>	<b>12,344</b>	<b>12,232</b>	<b>12,278</b>	<b>12,016</b>	<b>12,229</b>	<b>12,603</b>	<b>13,232</b>

## Total students by gender

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Female	7,147	7,184	7,086	7,002	6,959	6,845	7,040	7,354	7,699
Gender Diverse	-	-	-	-	-	-	-	-	2
Male	5,416	5,337	5,258	5,230	5,319	5,171	5,189	5,249	5,531
<b>Total</b>	<b>12,563</b>	<b>12,521</b>	<b>12,344</b>	<b>12,232</b>	<b>12,278</b>	<b>12,016</b>	<b>12,229</b>	<b>12,603</b>	<b>13,232</b>

**NOTE:** The opportunity for students to record gender diversity was introduced in 2019

## Total Staff FTE

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Academic	646	637	640	636	647	628	599	598	622
Other	897	876	880	847	863	870	863	843	862
<b>Total</b>	<b>1,543</b>	<b>1,513</b>	<b>1,520</b>	<b>1,483</b>	<b>1,510</b>	<b>1,498</b>	<b>1,463</b>	<b>1,441</b>	<b>1,484</b>

**NOTE:** In July 2018 the University entered into a partnership with Study Group New Zealand for the delivery of sub-degree EFTS; the TOTAL Staff FTE reported from 2018 onwards excludes those staff employed by Study Group New Zealand.

## Seniority of Total Academic Staff FTE

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Professors	81	86	81	82	82	84	84	87	89
Associate Professors	78	73	72	74	77	82	80	78	76
Senior Lecturers	230	234	231	234	226	206	188	185	190
Lecturers	125	123	106	95	92	88	81	88	107
Other	131	122	150	151	170	168	165	160	161
<b>Total</b>	<b>646</b>	<b>637</b>	<b>640</b>	<b>636</b>	<b>647</b>	<b>628</b>	<b>599</b>	<b>598</b>	<b>622</b>

**NOTE:** In July 2018 the University entered into a partnership with Study Group New Zealand for the delivery of sub-degree EFTS; the TOTAL Academic Staff FTE reported from 2018 onwards excludes those staff employed by Study Group New Zealand.

## Total Staff FTE by Organisational Unit

	2019
Division of Arts, Law, Psychology and Social Sciences	200
Division of Education	170
Division of Health, Engineering, Computing and Science	320
Division of Management	149
Pro Vice-Chancellor Māori/Faculty of Māori and Indigenous Studies	33
Other	612
<b>TOTAL</b>	<b>1,484</b>

**NOTES:** From 2019 the University implemented a new divisional structure across the organisation, comparison of data with previous organisational units is not meaningful

In July 2018 the University entered into a partnership with Study Group New Zealand for the delivery of sub-degree EFTS; the TOTAL Academic Staff FTE reported from 2018 onwards excludes those staff employed by Study Group New Zealand.



# Auditor General Opinion

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## Independent Auditor's Report

### To the readers of University of Waikato and group's financial statements and statement of service performance for the year ended 31 December 2019

The Auditor-General is the auditor of University of Waikato (the University) and group. The Auditor-General has appointed me, Leon Pieterse, 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 University and group on his behalf.

## Opinion

We have audited:

- the financial statements of the University and group on pages 56 to 104, that comprise the balance sheet as at 31 December 2019, the statement of comprehensive revenue and expense, 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 University and group on pages 39 to 46.

In our opinion:

- the financial statements of the University and group on pages 56 to 104:
  - present fairly, in all material respects:
    - the financial position as at 31 December 2019; and
    - the financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand<sup>1</sup> in accordance with Public Benefit Entity Reporting Standards; and
- the statement of service performance on pages 39 to 46:

<sup>1</sup> Note, section 154 of the Crown Entities Act requires TEIs to prepare their financial statements in accordance with generally accepted accounting practice, and section 460 of the Financial Markets Conduct Act 2013 requires entities, which are FMC reporting entities, to prepare financial statements in accordance with generally accepted accounting practice.

- presents fairly, in all material respects, the University and group's service performance achievements as compared with the forecast outcomes included in the investment plan for the year ended 31 December 2019; and
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 8 April 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to the impact of the COVID-19 pandemic. In addition, we outline the responsibilities of the Council and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

### **Emphasis of matter – COVID-19**

Without modifying our opinion, we draw attention to the disclosures in note 31 on page 104 which outline the possible effects to the University as a result of the COVID-19 pandemic. It is difficult to determine the full effect of it on the University at this time.

### **Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.


We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of the Council for the financial statements and the statement of service performance**

The Council is responsible on behalf of the University and group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Council is also responsible on behalf of the University and group for preparing a statement of service performance that is fairly presented and that complies with generally accepted accounting practice in New Zealand.

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



In preparing the financial statements and the statement of service performance, the Council is responsible on behalf of the University and group for assessing the University and group's ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Council intends to liquidate the University and group or to cease operations, or has no realistic alternative but to do so.

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

### **Responsibilities of the auditor for the audit of the financial statements and the statement of service performance**

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and statement of service performance.

For the budget information reported in the financial statements and the statement of service performance, our procedures were limited to checking that the information agreed to the University and group's investment plan.

We did not evaluate the security and controls over the electronic publication of the financial statements and the statement of service performance.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit 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 University and group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.



- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University and group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the statement of service performance of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated statement of service performance. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## **Other information**

The Council is responsible for the other information. The other information comprises the information included on pages 1 to 33, 47 to 55 and 105 to 110, but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and the statement of service performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the statement of service performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of service performance or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, 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.

## Independence

We are independent of the University and group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out an assurance engagement with respect to the University's Performance-Based Research Fund external research revenue, which is compatible with those independence requirements. Other than the audit and the assurance engagement, we have no relationship with or interests in the University or any of its subsidiaries.



Leon Pieterse  
Audit New Zealand  
On behalf of the Auditor-General  
Tauranga, New Zealand

# Statement of Service Performance

Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
1. Volume of MF/SAC-eligible EFTS delivered	8,250 EFTS	8,256 EFTS	8,409 EFTS	8,476 EFTS	8,264 EFTS

Enrolments by Ministry-Funded (MF) students were slightly behind target for 2019 but were similar to volumes achieved in 2016 and 2017.

Enrolments by Ministry-Funded students new to the University were similar to those achieved in 2018 and up on both 2016 and 2017, suggesting a positive pipeline of students into the future.

EFTS in Tauranga increased by 30% in 2019, up from 533 EFTS in 2018 to 693 EFTS in 2019. The Tauranga EFTS achievement was in line with the University's ambitious growth targets for 2019 and provide a strong foundation for the new Tauranga CBD campus.

Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
2. Proportion of SAC-funding delivered	99.1%	99.2%	100.9%	>100%	97.6%

Lower than planned volumes of Ministry-Funded students meant that the University did not achieve its planned achievement of SAC-funding. As a consequence of under-delivery, the University will be required to repay an amount of its 2019 funding to the Tertiary Education Commission for delivery under 99% of its target.

Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
3. Volume of Full-Cost International EFTS delivered	1,510 EFTS	1,599 EFTS	1,791 EFTS	1,800 EFTS	2,074 EFTS

This indicator counts only students enrolled in New Zealand; an additional 264 EFTS were generated by students enrolled at the joint institute in China in 2019.

The University's achievement was significantly ahead of its 2019 Full-Cost International (FCI) EFTS target. This result was based on continued strong enrolments through the University's 2+2 partnership arrangements with a number of Chinese institutions, together with increased enrolments from India (up 46% from 2018), Malaysia (up 13% from 2018), Hong Kong (up 57% from 2018) and Vietnam (up 123% from 2018).

The majority of growth was at degree-level and above, with the volume of degree level full-cost international student enrolments increasing by 12% in 2019, and taught postgraduate student enrolments increasing by just over 30%. Taught postgraduate programmes showing strong levels of growth among full-cost international students in 2019 were the Master of Business and Management (up 35% over 2018), the Master of Digital Business (up 250% over 2018), the Master of Information Technology (up 25% over 2018) and the Master of Professional Accounting (up 28% over 2018).

Enrolments at the University's joint institute in China remained on target in 2019.



		2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
4.	Proportion of total EFTS generated by FCI students	15.4%	16.2%	17.5%	17.5%	20.0%

This indicator counts only students enrolled in New Zealand; an additional 264 EFTS were generated by students enrolled at the joint institute in China in 2019.

Strong full-cost international enrolments, combined with lower than anticipated Ministry-Funded student enrolments meant that the University was ahead of its target proportion of total EFTS generated by FCI students.

The higher than planned proportion of total EFTS generated by FCI students did not create any specific issues for the University in 2020 and the proportion remained below the University's peak full-cost international enrolment proportions of the early to mid 2000's which peaked at around 26%.

		2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
5.	Volume of total EFTS delivered	9,805 EFTS	9,892 EFTS	10,257 EFTS	10,276 EFTS	10,353 EFTS

This indicator counts only students enrolled in New Zealand; an additional 264 EFTS were generated by students enrolled at the joint institute in China in 2019.

While the University's Ministry-Funded student enrolments were lower than targeted, the University exceeded its overall EFTS target thanks to very strong international enrolments.

In addition to Ministry-Funded and Full-Cost International students, the University also enrolls a small number of ICT Graduate School students; in 2019 these students generated (15 EFTS).

		2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
6.	Risk rating against the TEC's Financial Monitoring Framework	'Low Risk'	'Low Risk'	'Low Risk'	'Low Risk'	'Low Risk'

The Tertiary Education Commission discontinued its annual assessment of TEI financial performance against its Financial Monitoring Framework (FMF) in 2013 but advised that it supported the University continuing to use the FMF to assess its own performance against the framework.

Based on the University's audited results for 2018 and the three-year forecasts provided to the TEC in February 2019, the FMF model indicated no change to the 'low risk' rating achieved in previous years.

		2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
7.	Research and Development (R&D) revenue generated	\$73.3M	\$61.6M	\$67.2M	\$62.0M	\$72.0M

Research and Development (R&D) revenue counts all non-teaching generated by the Divisions, Faculty, Research Institutes and subsidiary entities.

The University's Research and Development revenue was ahead of target and stronger than its 2018 result.

The result was underpinned by strong performance from the Faculty of Education and its Institute of Professional Learning and Development – which achieved a very positive increase in both Government funding and commercial activities – and the Office of the Pro Vice-Chancellor (Māori) and Faculty of Māori and Indigenous Studies – which achieved a positive increase in both research and commercial activities.

As noted in section 7, the University was very successful in gaining new multi-year research contracts in 2019, which will provide a strong revenue pipeline in future years.

	Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
8.	Proportion of MF/SAC-eligible EFTS					
	who are Māori	23%	23%	23%	23%	23%
	who are Pacific	6.8%	6.9%	7.4%	7.4%	7.9%

The University continued to deliver very strong results against this indicator and increased its proportion of Ministry-Funded EFTS generated by Māori students from 23.1% in 2018 to 23.4% in 2019, with a similar volume of EFTS to 2018 – 1,945 EFTS in 2018, 1,931 EFTS in 2019.

The Division of Arts, Law, Psychology and Social Sciences and the Division of Education attracted the most Māori student enrolments in 2019, accounting for nearly 50% of Māori student enrolments.

The University's proportion of Ministry-Funded EFTS generated by Māori students continued to be considerably higher than that of any other New Zealand university.

The University's results against this indicator were slightly lower than the Waikato/Bay of Plenty population who identified as Māori in the 2018 census (23.4%, compared with 26.0%), but higher than the proportion of the Waikato/Bay of Plenty population who identified as Pacific in the 2018 census (7.9% compared with 4.1%).

The University's proportion of Pacific students continued to increase. The 2019 proportion was the highest achievement on record for the University and, as noted above, was significantly higher than the 2018 census proportion for the Waikato/Bay of Plenty region and very close to the national population average (8.1%). Pacific students generated 647 EFTS in 2019, up from 624 EFTS in 2018.

The Division of Arts, Law, Psychology and Social Sciences and the Division of Management attracted the most significant proportions of Pacific students (38.6% and 20% respectively) with strong Pacific representation also in the Division of Education.

	Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Interim
9. Paper completion rates (Level 4 and above) for	MF/SAC-eligible students	85.2%	85.7%	83.8%	≥85.0%	85.3%
	MF/SAC-eligible students who are Māori	78.8%	79.1%	75.5%	≥75.5%	79.0%
	MF/SAC-eligible students who are Pacific	70.8%	72.0%	69.0%	≥69.0%	70.3%
	FCI students	92.2%	93.4%	93.8%	≥85.0%	93.3%

This indicator replicates the TEC paper completion rate educational performance indicator methodology and measures successful paper completion rates for papers that concluded within the academic year.

Paper completion rates for all groups of students exceeded their 2019 targets.

As in previous years, completion rates for students at 100-level were significantly behind those at 200 and 300-level:

	Ministry-Funded	Full-Cost International
100-level	78.7%	89.2%
200-level	86.4%	93.6%
300-level	90.2%	94.9%

Paper completion rates for Māori and Pacific students continued to trend behind those of all Ministry-Funded students but showed significant improvement over the same rates in 2018, particularly at 100-level:

	2018		2019	
	Ministry-Funded Māori students	Ministry-Funded Pacific students	Ministry-Funded Māori students	Ministry-Funded Pacific students
100-level	64.9%	57.3%	71.9%	62.6%
200-level	79.1%	72.4%	80.5%	73.0%
300-level	83.9%	79.0%	87.0%	79.3%

Ministry-Funded student performance showed a return to at least 2017 levels, following a dip in results following the introduction of Government's fees-free policy in 2018 which was commented on in the University's 2018 Annual Report.

Paper completion rates by Full-Cost International students remained exceptionally strong.

T semester (December summer school) results had not been finalised at the time the University submitted its December Single Data Return to the Tertiary Education Commission. Final 2019 paper completion results will be published in the University's 2020 Annual Report.



	Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Interim
10.	First year student retention rates (Level 3 and above) for (cohort based approach)					
	MF/SAC-eligible students	72.4%	74.3%	70.8%	≥71.0%	70.6%
	MF/SAC-eligible students who are Māori	66.0%	65.2%	63.2%	≥63.0%	61.6%
	MF/SAC-eligible students who are Pacific	71.0%	69.0%	68.2%	≥68.0%	68.9%
	FCI students	90.4%	89.8%	94.4%	≥94.0%	94.8%

This indicator replicates the TEC student retention rate educational performance indicator methodology and measures retention from first year to second year.

While the University's 2019 first year student retention rates were slightly below target, the University is unable to fully replicate the Tertiary Education Commission's methodology for this indicator which takes account of students who have previously studied at the University of Waikato and have continued their studies at another Tertiary Education Institution. Final 2018 rates against each of the Ministry-Funded sub-categories increased in comparison with those interim rates published in the University's 2018 Annual Report.

As noted in section 8 of this Annual Report, the University has implemented a number of new initiatives focussed on improving student retention. As an outcome of learnings from Stage 1 of the University's Ōritetanga Learner Success Prototype Project, which is being undertaken in partnership with the Tertiary Education Commission, a suite of new student retention initiatives will be piloted in 2020/2021 with a view to making further improvements to the University's student retention rates for all students.

The final TEC results for 2019 will be published as part of the 2020 Annual Report of the University of Waikato.

	Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Interim
11.	Qualification completion rates (Level 4 and above) for (cohort based approach)					
	MF/SAC-eligible students	64.0%	60.2%	61.0%	≥61.0%	59.0%
	MF/SAC-eligible students who are Māori	54.9%	50.6%	49.0%	≥49.0%	49.6%
	MF/SAC-eligible students who are Pacific	47.1%	51.0%	39.4%	≥39.5%	41.4%
	FCI students	76.1%	78.4%	79.5%	≥79.5%	89.3%

This indicator replicates the TEC qualification completion rate educational performance indicator methodology and measures qualification completions by student cohort (for example, of the students first enrolled in 2012, what proportion of those students have completed their qualification within five years of commencing).

The methodology of this indicator means that each cohort needs to be considered as a discrete group of students; the performance of the 2018 cohort of students, which counts mainly students first enrolled in 2012, is independent of the performance of students in the 2019 cohort. A number of different factors may have applied at the time, including university entrance requirements; job market conditions, government policy changes and media reports about tertiary education among other factors may impact one cohort in a significantly different way to another.

A key determinant of performance against this indicator for each cohort of students is the first to second year retention rate that applied at the relevant time. For the 2019 results, this would have been the 2014 rate. Significant efforts have been made to improve student retention rates and have been detailed in previous Annual Reports, it is expected that improvements in retention rates over time will positively impact on qualification completion rates into the future.

2019 Interim results do not include all expected qualification completions from 2019; finalised results for 2019 will be published as part of the University's 2020 Annual Report.

		2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
12.	Number of industry/work placements undertaken	2,278	2,293	2,777	≥2,777	3,596

The University comfortably exceeded its target for the number of industry/work placements undertaken by its students in 2019. This growth foreshadowed the implementation of the work-integrated learning component of the University's new undergraduate degree structure and reinforced the increasing demand by students to include a work component as part of their programme of study.

Particular areas of growth in 2019 included Engineering (reflecting the significant increase in enrolments in Engineering programmes over the past few years), and the Division of Management. The Faculty of Education, through its teacher education programmes, continued to generate the majority of student placements.

	Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
13.	Voice staff survey results					
	staff engagement scale	74%	Survey not conducted	See below	>2016 result	See below
	organisational progress scale	45%			>2016 result	

As noted in the University's 2018 Annual Report, the University elected to conduct its own staff engagement survey in 2018. The questions for the internal survey were developed in-house and increased the focus on key areas of interest, building on the results of the previous Voice staff surveys, and relating the questions more to staff experience at the University of Waikato.

In 2019 the University undertook two Pulse surveys, these surveys focused on strategic issues and expectations of staff (May 2019) and internal communications (September 2019).

The May 2019 Pulse survey focussed on issues arising from the 2018 staff engagement survey and identified specific areas for focus – see section 9. The three most favourable statements from this survey were:

- Bold, innovative thinking is critical to the University's success (84.1% favourable)
- We need to do things differently to be successful in the highly competitive New Zealand tertiary environment (78.8% favourable)
- I can easily see how my work affects the University's overall success (favourable 72.4%)

The September 2019 Pulse survey focussed on the University's internal communications and was coupled to a broader review of the University's internal communications

The results of this survey have highlighted staff interest in issues affecting the University, accomplishments of the University, accomplishments of fellow staff members and the University's strategic direction. Learnings from this survey will be used to inform a new internal communications strategy.

		2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
14.	Proportion of Professorial/Associate Professorial staff who are female	30% Prof 39% A.Prof	28% Prof 39% A.Prof	28% Prof 39% A.Prof	≥% 25% Prof ≥ 35% A.Prof	28% Prof 38% A. Prof

The University exceeded its targets for the proportion of both Professorial and Associate Professorial staff who are female.

	Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual	
15.	i-Graduate student survey	Survey not conducted in 2016	(domestic) student satisfaction with overall university experience	93%	Survey not conducted in 2018	≥93%	93%
	(domestic) student satisfaction with learning experience		90%	≥90%		92%	
	(domestic) student satisfaction with student support services		89%	≥90%		88%	
	(international) student satisfaction with overall university experience		93%	≥90%		90%	
	(international) student satisfaction with learning experience		89%	≥90%		90%	
	(international) student satisfaction with student support services		91%	≥90%		91%	

i-Graduate student surveys are conducted every two years.

The University's performance in the 2019 i-Graduate student surveys was strong, with all but one sub-category achieving or exceeding the 2019 target.

The international student barometer survey is undertaken by the majority of New Zealand universities. While Waikato is the only New Zealand university undertaking the domestic student barometer it is widely used internationally allowing for international benchmarking of results.

### Response Rate

The University's response rate for the surveys was considerably higher than the global average (33% for domestic students (22% globally) and 49% for international students (27% globally)) with a spread of responses across the Divisions, levels and campuses that generally reflected the student population.

### Student Satisfaction

Overall student satisfaction remained high, in all cases above the global average (domestic 93% vs 91% globally, international 90% vs 89% globally), with a higher proportion of students very satisfied with their Waikato experience than global (and national) averages (29% Waikato vs 24% at other NZ universities and 25% globally). Students' overall satisfaction remained similar to the 2017 survey results.

### Propensity to Recommend

The University continued to perform strongly in terms of students' propensity to recommend with 82% of domestic students and 81% of international students willing to encourage potential students to enrol at Waikato. These results compared favourably with global averages (81%) and the University's achievement remained very strong



	Sub-Category	2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
16. Ranking	in the annual World THE University Ranking	401-500	351-400	401-500	<500	501-600
	in the annual QS World University Ranking	324	292	274	<500	266=

The University did not achieve its target of remaining in the top 500 institutions ranked by Times Higher Education (THE) in its annual World University Ranking published in 2019. The rankings of a number of other New Zealand universities fell in the latest World THE University Ranking, with Victoria University of Wellington and Waikato both dropping from the 401-500 band to 501-600. Auckland University of Technology and the University of Auckland both improved their performance in the latest ranking.

The University continued its climb in the annual QS World University Ranking, climbing eight places from 2018, and was ranked within the top 25% in the QS World University Rankings published in 2019. The University's performance in the rankings was underpinned by its continued strong achievement in Citations per Faculty where it was ranked 72 in the world – up 20 places from 2018. The University continued to perform strongly in both international faculty and international students (ranked 106 and 152 respectively).

As noted in section 10 of this Annual Report, during 2019 the University engaged the services of QS Consulting to provide advice and propose actions that will strengthen the University's performance in future rankings exercises. It is anticipated that these actions will positively impact on the University's long-term performance in both the QS and THE rankings exercises.

Information about the Times Higher Education World University ranking and the QS World University Ranking are available at the respective organisations' websites at <https://www.timeshighereducation.com/world-university-rankings/world-university-rankings-2019-methodology> and <https://www.topuniversities.com/qs-world-university-rankings/methodology>.

		2016 Actual	2017 Actual	2018 Actual	2019 Target	2019 Actual
17.	Number of public lectures, seminars and performing arts activities delivered	235	221	200	>200	249

During 2019 the University offered a wide range of public lectures, seminars and performing arts activities; these included inaugural professorial lectures from University staff who had recently been appointed to Professorial positions, along with presentations by visiting fellows, and lectures by high-profile visitors to the University.

The University's programme of public lectures, seminars and performing arts activities were well attended and received, with particularly strong engagement shown by the Bay of Plenty community for the University's Tauranga lecture series.

**Note:** Previous year results for KPIs 9, 10 and 11 have been updated from those previously published in University of Waikato Annual Reports to reflect the Tertiary Education Commission's published data for those indicators. The TEC first published results using its new KPI methodology in 2018.



## EEO Statement

The goals of the University's current Diversity and Inclusion programme are to:

- Strengthen the University's commitment to equal opportunity by ensuring that diversity and inclusion principles are incorporated into organisational development, recruitment, retention, promotion/ advancement, succession planning and professional development
- Strengthen the University of Waikato as an inclusive workplace that fosters and supports equity, diversity and inclusion in the University community
- Provide learning development across ethnicities, linguistic/religious/socio-cultural groups and genders to improve career opportunities and a diversity of representation in leadership positions
- Provide support for target groups.
- Continued strong support for the UNZ-supported NZ Women in Leadership Programme and related Professional Organisational Development (POD) Programmes
- A strong Women Professors' Network providing mentoring and peer support
- An active Gender Research Network, a cross-discipline collective of staff and students with shared research interests in gender-related issues
- The Ko te Tangata Leadership Programme for New and Emerging Leaders with women making up 75% of participants in 2019
- Establishment of the Rainbow Staff/Student Alliance, a forum for networking, discussion and progression of takatāpui and LGBTIQ+ issues.

Specific activities in support of the University's diversity and inclusion goals undertaken in 2019 included:

- The twice-yearly Kanohi ki te Kanohi programme which provides an opportunity for staff to encounter Māori protocols and culture and to develop a better understanding of important issues for an organisation committed to the Treaty of Waitangi
- Availability of an online guide to the pronunciation of te reo Māori
- Inclusion of diversity and inclusion as a topic in the centrally provided Introductory Session which all new staff are expected to attend.

There were no significant changes to the University's gender profile over 2019, (58% female and 42% male) nor in the proportion of women professors (28%). Women now make up 38% of associate professors.

During 2019 the University increased its proportion of Māori Professorial staff (up from 4% in 2015 to 7% in 2019). Representation of Māori staff varies considerably across the University with the majority of Māori academic staff located in Te Pua Wānanga ki te Ao Faculty of Māori and Indigenous Studies (28%), the Faculty of Arts and Social Sciences (17%) and Te Kura Toi Tangata Faculty of Education (21%).

# Sustainability Snapshot 2019



## ENERGY & WATER

**14,392,116 kWh**  
OF ELECTRICITY

**36,516GJ**  
GAS USED

**ENERGY AUDITS** AND ENERGY  
MANAGEMENT PLAN COMPLETED.

**153,018 KL**  
OF WATER

**7025 TONNES CO<sub>2</sub>e**  
CARBON EMISSIONS

**17 UN SUSTAINABLE DEVELOPMENT**  
GOALS MAPPED ACROSS OUR RESEARCH,  
QUALIFICATIONS, PAPERS, PUBLICATIONS AND FUNDING.



## WASTE

**APPROX 370 TONNES**  
WASTE TO LANDFILL

**OVER 42 TONNES OF**  
GLASS RECYCLED

**OVER 36 TONNES**  
CARDBOARD  
RECYCLED

**330 KG FLUORESCENT**  
LIGHTS AND TUBES  
RECYCLED

**32.4 TONNES**  
OF METAL  
RECYCLED

**OVER 30**  
TONNES PAPER  
RECYCLED

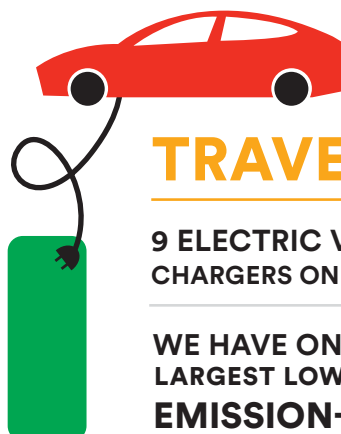
**WE REDEPLOYED AND GIFTED OVER**  
**400 ITEMS OF FURNITURE**  
VIA OUR FURNICYCLE PROGRAMME

**GREEN OFFICE ROLL OUT**  
RECYCLING AND WASTE MANAGEMENT

**1,472 ICT ITEMS**  
RECYCLED AND GIFTED

Increase =

Decrease =



## TRAVEL

**9 ELECTRIC VEHICLE**  
CHARGERS ON CAMPUS

**WE HAVE ONE OF THE**  
LARGEST LOW-AND NIL-  
EMISSION-FLEETS  
IN THE TERTIARY SECTOR:  
**74 HYBRIDS, 16EVS**

**WE DROVE 1,793,979 KM**  
IN OUR FLEET CARS LAST YEAR

**WE STAYED 10,866 NIGHTS**  
IN HOTELS WHILST TRAVELING

**WE DROVE**  
**488,243 KM**  
IN HIRE CARS

**WE FLEW**  
**28,171,036**  
KILOMETERS



## ENGAGEMENT

OVER 500 PEOPLE ATTENDED **SUSTAINABILITY EVENTS AND ENGAGED WITH THE ECO CAMPUS LAST YEAR**

**36 BIKES REPAIRED AND 5 BIKES GIFTED TO RED CROSS** FOR NEW MIGRANTS, THROUGH ECO CAMPUS

UOW PARTNERED WITH THE WAIKATO WELLBEING PROJECT WITH WEL ENERGY TRUST, WAIKATO REGIONAL COUNCIL AND OTHER KEY STAKEHOLDERS

COLLABORATION WITH WAIKATO REGIONAL COUNCIL **ON CLIMATE ACTION SUMMIT 150 ATTENDEES**

**18 SUSTAINABILITY AND ENVIRONMENTAL EVENTS AND WORKSHOPS WERE RUN**

**BROUGHT BEEHIVES ON CAMPUS FOR RESEARCH AND EDUCATION (PARTNERSHIP WITH PACIFIC COAST TECHNICAL INSTITUTE)**

## COMPARED TO 2018

**GAS**  
DECREASE 3.1%

**ELECTRICITY**  
DECREASE 1.9%

**RECYCLING**  
INCREASE 26.7%

**WASTE**  
INCREASE 15%

**WATER**  
INCREASE 9.8%

**FLEET CAR TRAVEL**  
INCREASE 1.7%

**FLYING**  
INCREASE 2.1%

**EVs /HYBRIDS IN FLEET**  
INCREASE 7.4%

**FURNITURE REDEPLOYED AND RECYCLED**  
INCREASE 25%

**CARBON EMISSION**  
DECREASE 3.9%



## STUDENT BAROMETER

I GRADUATE: SUSTAINABILITY RESULTS

**6,674 UOW INTERNATIONAL AND DOMESTIC STUDENTS:**

ALL STUDENTS:  
**THE UOW HAS AN ECO-FRIENDLY ATTITUDE**

**89%**

**THE UOW IS SUSTAINABLE**

**79%**

HOW IMPORTANT IS IT TO YOU THAT THE **UOW PRACTICES SUSTAINABILITY?**

**TOTAL:**

HOW IMPORTANT IS IT TO YOU THAT THE **UOW TEACHES SUSTAINABILITY?**

**97%**  
IMPORTANT





# Compulsory Student Services Fees

## Compulsory Students Services Fees for 2019

Service category	Compulsory Student Services Fees	Income from other sources	Total Income	Total Costs	Net Cost
Advocacy and Legal advice	250,960	-	250,960	312,759	61,799
Guidance	535,178	96,063	631,240	666,965	35,725
Counselling services and pastoral care	1,628,025	335,266	1,963,291	2,028,926	65,635
Employment information	20,404	-	20,404	25,428	5,024
Financial support and advice	428,953	-	428,953	534,582	105,630
Health services	1,592,163	854,629	2,446,791	1,984,233	-462,559
Media	239,599	-	239,599	298,601	59,002
Childcare services	207,176	-	207,176	258,193	51,018
Clubs and societies	210,001	169,470	379,471	261,714	-117,757
Sports, recreation and cultural activities	1,365,341	-	1,365,341	1,701,556	336,215
<b>Total</b>	<b>6,477,799</b>	<b>1,455,427</b>	<b>7,933,226</b>	<b>8,072,958</b>	<b>139,731</b>
				(Over)/Under Recovery	139,731

## Compulsory student services fee

The Compulsory Student Services Fee (CSSF) is a compulsory fee, which provides a range of services to our students. Certain services are eligible to be funded through the fee as directed by the Ministry of Education. Each year, the fee is reviewed and allocated as required. Students form part of the decision making process through the University's Student Services Governance Committee (SSGC), and students are consulted on the proposed services and fee through both the Waikato Students' Union and Student Services. The SSGC ensures that the student services fees are directed to where they can deliver the best possible services to our students.

The SSGC is comprised of four members from the University including Vice-Chancellor, Senior Deputy Vice-Chancellor, Chief Financial Officer, and Director of Student Services, and four from Waikato Students' Union (WSU) including the President, both Vice-Presidents and the General Manager.

The 2019 compulsory student services fee charged by University of Waikato was based on location and enrolment duration as follows:

<b>All students studying in Hamilton, Tauranga and Block Courses:</b>		<b>\$</b>
Full Year		700
One Semester (up to 26 weeks)		448
Teaching period of less than 7 weeks		173

<b>All NET and Distance Students</b>		
Full Year		257
One Semester (up to 26 weeks)		164

## Accounting requirements for compulsory student services fees and expenditure

University of Waikato accounts separately in the accounting system for all revenue and expenditure relating to the student services fee.

## Description of services funded out of the compulsory student services fee

### Advocacy and legal advice

Free professional and confidential independent service is provided to assist students with University related problems. Such problems might include administrative problems, disciplinary proceedings and complaints. Personal issues such as landlord disputes, legal problems, budgeting, and sudden unexpected financial difficulty could also be included.

## Careers information, advice and guidance

Students are provided with:

- Career advice and guidance to assist with their transition into employment
- Interview and CV workshops
- Course and degree guidance to support students on their pathway toward good employment and careers
- Access to volunteering opportunities through our Employability Plus Program which are then captured on a supplementary transcript they receive upon graduation

The University establishes and maintains a relationship with a range of external stakeholders to enhance career opportunities for students, along with industry trends information. A range of career-specific events are also available to contribute to graduate career outcomes.

## Counselling services and pastoral care

Access to free counselling services is available to create a safe and healthy campus environment, enhance the student experience, and contribute to academic achievement.

The University also offers a broad range of pastoral care services that recognise the diversity of the scholarly community.

Emergency response is also provided to incidents that impact the welfare of students, along with recovery and crisis resolution functions.

A Wellbeing Hub has opened on campus providing a relaxed, quiet space for students to de-stress and connect with each other. The space provides workshops and seminars related to wellbeing as well as offering a small kitchenette facility for students to heat food or grab tea and coffee.

## Employment information

- Management of online information to provide students with 24/7 access to job vacancies, career articles, events and news
- Staff members to organise career fairs, expos and other graduate recruitment programmes
- Management of internships and work experience opportunities
- Access to Student Job Search
- Management of employer relationships to enable opportunities for students to engage with prospective employers.

## Financial support and advice

- Budgeting, financial planning and tuition fee management advice
- Support on all matters relating to student loans and allowance
- Financial advice for prospective students and their parents
- Administration of the Student Assistance fund, Equity grants and awards
- Advice about the preparation of budgets and financial statements for scholarship applicants.

## Health services

The University offers a full general practice medical care centre for students. Specialist advice and services are also available for students with impairments to ensure that they can fully participate in the student experience and succeed in their studies.

Advice for staff is also provided on creating an inclusive education environment for students with a disability or medical condition.

Additional roles in the Student Health Centre on Hamilton campus include two Mental Health Nurses, a Violence Prevention Coordinator and a Health Promotion Coordinator. Tauranga campus has a dedicated nurse on-site and partnerships with local health providers to refer students to additional pastoral care services as required.

## Media

A student media contract with Waikato Students' Union ensures that students are provided with information and news created by and for students via print and internet based media.

## Childcare services

Physical early childhood facilities are available on campus for no extra cost.

## Clubs and societies

The University provides support to all clubs and club hubs in the form of meeting rooms, activity spaces, club grants for student-led activities and resources for clubs to use, along with a range of communication means to regularly inform students and clubs of opportunities, services and support.

All of this is done in close partnership with WSU, and the Waikato University Combined Sports Clubs (WUCS).

## Sports, recreation and cultural activities

Also in partnership with the previously mentioned groups, the University also provides means of co-ordinating and running sports leagues, organising and supervising a range of sport, recreation, and cultural activities, and establishing links to other community activities for students.

Facilities for recreational activities are also provided in the form of venues for hosting and supporting student events, student common rooms, providing security, cleaning, bookings, maintenance, onsite support and improvement of the facilities are also provided.

The University also offers sponsorship for student initiatives, recognition of student sporting and cultural achievements, and the initiation of other activities identified through recreational forums or student suggestion.

An additional space for eSports activities has recently opened which supports a competitive eSports club and other recreational eSporting activities.







## Statement of the cost of outputs

The University recognises four broad classes of output that result from its activities. These outputs are teaching and learning, external research, services and products (other than teaching and learning) provided to students and all other services and products provided. The following table provides an analysis of the cost of providing these outputs.

	This Year \$000	Budget \$000	Last Year \$000
<b>Outputs</b>			
Teaching and Learning	188,973	179,502	170,855
Research	45,971	42,689	46,686
Student Services and Products	17,559	16,007	14,966
Other Services and Products	18,368	16,769	16,080
<b>Total</b>	<b>270,871</b>	<b>254,967</b>	<b>248,587</b>





## Financial Overview 2019

The University of Waikato Consolidated Group recorded a mixed financial performance in 2019, with a surplus of \$8.2m on revenues of \$279.6m, representing a return of 2.9% on revenues. This is slightly below the University's target guidelines of 3.0 – 5.0%. In a year of transition for the University only, a small positive increase in revenues was offset by higher discretionary and non-discretionary costs to deliver a surplus of \$6.3m, \$3.2m below budget.

Revenue results for the University were positive, total revenue was 4.8% over budget. Overall school leaver numbers are on a gradual decline in NZ resulting in Waikato having decreased domestic enrolments of 8,264 EFTS, below the budget target of 8,476 EFTS. Total International EFTS increased from last year by 25% and exceeded budget. Enrolments at the new Tauranga campus were very pleasing up 24% from last year. The University previously rented facilities at the Toi Ohomai Institute of Technology to deliver classes to Tauranga students. Research revenues increased again taking the research revenue pipeline to record levels. Other revenues also had significant growth with the Accommodation group opening new capacity in Tauranga and the continued success of the University's partnership with the Study Group to deliver foundation courses for domestic and international students.

Despite positive revenue trends, costs have been incurred at a faster rate. Waikato along with other universities faces the challenge that market forces are increasing staff costs at a higher rate than Government sets increases for University Government funding and allowable student tuition fee increases.

The University responded in 2019 by investing in a range of discretionary expenditure to improve structure and staff productivity, to rationalise and modernise buildings and administrative systems and to build the

Waikato University brand presence nationally across New Zealand. A budget of \$6m was set aside for strategic initiatives over the year.

Non-discretionary cost increases over the year included maintenance costs for Waikato's buildings infrastructure and an actuarial based non cash adjustment of \$1.7m required to compensate for the impact of falling Government bond interest rates on the year-end calculation of retirement leave liabilities.

The University has continued to invest significant sums into its campus infrastructure and its core HR and financial systems, a total capital spend of \$53.4m. The key strategic projects included, completion of the Tauranga campus including the fit out of new labs at Tauranga (\$18m), upgrade of the student health centre and other property renewals (\$12m), continuation of the Silverdale Rd student accommodation project in Hamilton and final design work for the iconic Pā project.

Waikato is not alone in facing surplus pressures during a period when school leaver numbers are falling slightly. It does highlight the tight fiscal pressures universities face in New Zealand under current financial settings. Surplus levels below 5% per annum will not sustain the annual investments required in essential maintenance and capital spending to maintain and modernise its facilities.

Waikato has good reserves but those reserves are earmarked for essential infrastructure renewal and any external financial shocks could prejudice future University operations.

**Wayne Morgan**  
*Acting Chief Financial Officer*



## Statement of Responsibility

In the financial year ended 31 December 2019, the Council and management of The University of Waikato were responsible for:

1. The preparation of the annual financial statements and statement of service performance, and the judgements used in them;
2. 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 The University of Waikato, the annual financial statements and statement of service performance of the financial year ended 31 December 2019 fairly reflect the financial position and operations of The University of Waikato and group.

**Rt Hon Sir Anand Satyanand GNZM QSO**  
Chancellor

**Professor Neil Quigley**  
Vice-Chancellor



## Statement of Comprehensive Revenue and Expense

For the Year Ended 31 December 2019

	Notes	Group		University		
		This Year Actual \$000	Last Year Actual \$000	This Year Actual \$000	Budget \$000	Last Year Actual \$000
<b>Revenue</b>						
Government Funding and Grants	2	111,823	108,627	111,823	98,803	108,627
Tuition Fees	3	87,293	79,647	87,293	91,244	79,647
Research Revenue		34,273	33,192	34,273	32,950	33,192
Investment Revenue	13	2,948	2,368	1,805	2,000	2,410
Other Revenue	4	40,850	32,801	40,573	38,200	32,781
Donations		2,415	21,629	1,370	1,200	20,017
<b>Total Revenue</b>	<b>5</b>	<b>279,602</b>	<b>278,264</b>	<b>277,137</b>	<b>264,397</b>	<b>276,674</b>
<b>Expenses</b>						
Personnel Costs	6	147,106	136,044	145,110	137,611	134,275
Other Expenses	7	95,558	81,576	97,139	89,138	87,421
Finance Costs		168	170	168	164	164
Depreciation, Amortisation and Impairment	16,17	28,559	29,456	28,454	28,055	26,727
<b>Total Expenses</b>		<b>271,391</b>	<b>247,246</b>	<b>270,871</b>	<b>254,968</b>	<b>248,587</b>
Share of Surplus/(Deficit) from Associates and Joint Ventures	8	( 59 )	( 299 )	-	-	-
<b>Surplus</b>		<b>8,152</b>	<b>30,719</b>	<b>6,266</b>	<b>9,429</b>	<b>28,087</b>
<b>Surplus Attributable to:</b>						
University of Waikato		8,152	30,724	6,266	9,429	28,087
Non-Controlling Interest		-	( 5 )	-	-	-
<b>Surplus</b>		<b>8,152</b>	<b>30,719</b>	<b>6,266</b>	<b>9,429</b>	<b>28,087</b>
<b>Other Comprehensive Revenue and Expense</b>						
Gains on Property revaluations	9	-	-	-	-	-
<b>Total Other Comprehensive Revenue and Expense</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>8,152</b>	<b>30,719</b>	<b>6,266</b>	<b>9,429</b>	<b>28,087</b>
<b>Comprehensive Revenue and Expense Attributable to:</b>						
University of Waikato		8,152	30,724	6,266	9,429	28,087
Non-Controlling Interest		-	( 5 )	-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>8,152</b>	<b>30,719</b>	<b>6,266</b>	<b>9,429</b>	<b>28,087</b>

Explanations of major variances against budget are provided in note 30.

The accompanying notes form an integral part of, and should be read in conjunction with, this statement.

## Statement of Changes in Equity

For the Year Ended 31 December 2019

	Notes	Group		University		
		This Year Actual \$000	Last Year Actual \$000	This Year Actual \$000	Budget \$000	Last Year Actual \$000
Balance at 1 January		509,218	478,499	486,786	486,786	458,699
Adjustment to accumulated surplus/deficit from the adoption of PBE IFRS 9		238	-	238	-	-
Adjusted Balance at 1 January		509,456	478,499	487,024	486,786	458,699
Comprehensive Revenue and Expense						
Surplus		8,152	30,719	6,266	9,429	28,087
Other Comprehensive Revenue and Expense	9	-	-	-	-	-
Total Comprehensive Revenue and Expense		8,152	30,719	6,266	9,429	28,087
Capital Distribution from Subsidiary		-	-	-	-	-
Minority Interest Repurchased		-	-	-	-	-
<b>Balance at 31 December</b>		<b>517,608</b>	<b>509,218</b>	<b>493,290</b>	<b>496,215</b>	<b>486,786</b>
Attributable to:						
University of Waikato	9	517,604	509,214	493,290	496,215	486,786
Minority interest		4	4	-	-	-
		<b>517,608</b>	<b>509,218</b>	<b>493,290</b>	<b>496,215</b>	<b>486,786</b>

The accompanying notes form an integral part of, and should be read in conjunction with, this statement.



## Balance Sheet

As at 31 December 2019

	Notes	Group		University		
		This Year Actual \$000	Last Year Actual \$000	This Year Actual \$000	Budget \$000	Last Year Actual \$000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	10	11,138	35,297	8,267	15,173	33,193
Receivables	11	36,255	25,099	35,917	24,878	24,879
Inter Company Balances	12	-	-	1,659	1,662	1,662
Prepayments		8,021	4,690	8,021	4,042	4,689
Other Financial Assets	13	28,521	31,176	21,000	-	24,025
Inventories	14	922	908	922	908	908
<b>Total Current Assets</b>		<b>84,857</b>	<b>97,170</b>	<b>75,786</b>	<b>46,663</b>	<b>89,356</b>
<b>Non Current Assets</b>						
Investments in Associates and Joint Ventures	8	1,207	1,266	-	-	-
Investments	15	316	316	2,316	2,316	2,316
Other Financial Assets	13	1,000	1,000	1,000	1,000	1,000
Intangible Assets	16	26,122	24,759	25,669	30,257	24,416
Property, Plant and Equipment	17	516,354	490,110	516,338	532,720	490,093
<b>Total Non Current Assets</b>		<b>544,999</b>	<b>517,451</b>	<b>545,323</b>	<b>566,293</b>	<b>517,825</b>
<b>Total Assets</b>		<b>629,856</b>	<b>614,621</b>	<b>621,109</b>	<b>612,956</b>	<b>607,181</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Revenue in Advance	18	60,661	52,919	60,583	52,895	52,896
Inter Company Balances	12	-	-	15,694	15,122	15,122
Payables	19	18,943	24,117	19,003	20,428	24,081
Employee Entitlements	6	16,822	14,214	16,717	14,143	14,143
Borrowings	20	6	5	6	5	5
<b>Total Current Liabilities</b>		<b>96,432</b>	<b>91,255</b>	<b>112,003</b>	<b>102,593</b>	<b>106,247</b>
<b>Non Current Liabilities</b>						
Employee Entitlements	6	14,519	12,845	14,519	12,845	12,845
Borrowings	20	1,297	1,303	1,297	1,303	1,303
<b>Total Non Current Liabilities</b>		<b>15,816</b>	<b>14,148</b>	<b>15,816</b>	<b>14,148</b>	<b>14,148</b>
<b>Equity</b>						
General Equity	9	315,295	306,965	290,981	296,748	284,537
Other Reserves	9	202,309	202,249	202,309	199,467	202,249
Equity - Parent		517,604	509,214	493,290	496,215	486,786
Non-Controlling Interest		4	4	-	-	-
<b>Total Equity</b>		<b>517,608</b>	<b>509,218</b>	<b>493,290</b>	<b>496,215</b>	<b>486,786</b>
<b>Total Liabilities and Equity</b>		<b>629,856</b>	<b>614,621</b>	<b>621,109</b>	<b>612,956</b>	<b>607,181</b>

The accompanying notes form an integral part of, and should be read in conjunction with, this statement

## Statement of Cash Flows

For the Year Ended 31 December 2019

	Notes	Group		University		
		This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
<b>Cash Flows from Operating Activities</b>						
Receipts from Government funding and grants		111,793	108,612	111,793	93,203	108,612
Receipts from tuition fees		88,974	82,541	88,974	91,244	82,541
Receipts from other revenue		73,975	92,951	71,926	77,950	90,273
Interest revenue received		1,951	2,532	1,805	2,000	2,410
Dividend Revenue		-	-	88	-	283
Goods and Services Tax (net)		647	(830)	667	(3,651)	(832)
Interest Paid		(168)	(170)	(168)	(168)	(164)
Payments to suppliers		(105,964)	(77,360)	(105,418)	(88,988)	(76,987)
Payments to employees		(142,513)	(134,436)	(141,362)	(137,111)	(133,383)
Net Cash Flows from Operating Activities	21	28,695	73,840	28,305	34,479	72,753
<b>Cash Flows from Investing Activities</b>						
Receipts from sale of property, plant and equipment		149	279	149	-	279
Receipts from sale or maturity of investments		-	-	-	-	-
Acquisition of investments		3,617	(4,337)	3,025	24,025	(3,019)
Purchase of intangible assets		(4,265)	(9,641)	(4,059)	(4,111)	(9,554)
Purchase of property, plant and equipment		(52,350)	(55,360)	(52,341)	(72,413)	(55,349)
Net Cash Flows from Investing Activities		(52,849)	(69,059)	(53,226)	(52,499)	(67,643)
<b>Cash Flows from Financing Activities</b>						
Payment of finance leases		(5)	(5)	(5)	-	(5)
Net Cash Flows from Financing Activities		(5)	(5)	(5)	-	(5)
Net Cash Flows From All Activities		(24,159)	4,776	(24,926)	(18,020)	5,105
Opening Cash and Cash Equivalents		35,297	30,521	33,193	33,193	28,088
Closing Cash and Cash Equivalents		11,138	35,297	8,267	15,173	33,193

The Goods and Services Tax (GST) (net) component of operating activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes

The accompanying notes form an integral part of, and should be read in conjunction with, this statement.



# Notes to the financial statements

For the year ended 31 December 2019

## Note 1: Statement of accounting policies

### The Reporting Entity

The University of Waikato (the University) is a public benefit entity, domiciled and operates in New Zealand, constituted as a university under the University of Waikato Act 1963 for the advancement of knowledge and the dissemination and maintenance thereof by teaching and research.

The financial statements of the University and Group are for the year ended 31 December 2019.

The financial statements were authorised for issue by Council on 8 April 2020.

The financial statements cover all the activities of the University and Group including those of:

- WaikatoLink Limited and Group, a wholly owned subsidiary company, and the results for the year ended 31 December 2019 have been fully consolidated into the University group results.
- The University of Waikato Foundation, incorporated as a Charitable Trust in 1992, and the results for the year ended 31 December 2019 have been fully consolidated into the University group results.
- The Student Campus Building Fund Trust, incorporated as a Charitable Trust in 1971, and the results for the year ended 31 December 2019 have been fully consolidated into the University group results.
- The University of Waikato Research Trust, incorporated as a Charitable Trust in 2007, and the results for the year ended 31 December 2019 have been fully incorporated into the University group results.
- iEngagEd Limited, a wholly owned subsidiary company, and the results for the year ended 31 December 2019 have been fully consolidated into the University group results.

All of the University's subsidiaries and associates are incorporated in New Zealand.

As the primary objective of the University and Group is to provide goods or services for community and social benefit, rather than for making a financial return, the University and Group are public benefit entities for the purpose of financial reporting.

### Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

### Statement of Compliance

These accompanying financial statements are presented in accordance with Section 203 of the Education Act 1989 which refers to the provisions of the Crown Entities Act 2004, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements of the University and Group comply with Public Benefit Entity (PBE) accounting standards.

The financial statements have been prepared in accordance with Tier 1 PBE standards.

### Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), other than the key management personnel remuneration disclosures in note 23 and the related party transactions in note 26 that are rounded to the nearest dollar.

### Standards issued and not yet effective and not early adopted

Standards and amendments issued but not yet effective that have not been early adopted, and which are relevant to the University and group are:

#### *Amendment to PBE IPSAS 2 Statement of Cash Flows*

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The University does not plan to early adopt the amendment.



### *PBE FRS 48 Service Performance Reporting*

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2021. The University has not yet determined how application of PBE FRS 48 will affect its statement of service performance.

## **Significant Accounting Policies**

### **Basis of Consolidation**

The group financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses and cash flows on a line-by-line basis. All significant intragroup balances, transactions, revenue and expenses are eliminated on consolidation.

The group financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date the University obtains control of the entity and ceases when the University loses control of the entity.

The University and Group has adopted the new group standards, PBE IPSAS 34 to 38, in preparing these financial statements. In adopting these new standards, the University and Group has updated its accounting policies for its investments in subsidiaries, associates, and joint ventures. Disclosures have also been updated for the new disclosure requirements of PBE IPSAS 38. Further information about the initial adoption of these standards is provided in note 8.

### *Subsidiaries*

The University consolidates as subsidiaries in the group financial statements all entities where the University has control. Control exists where the University is exposed, or has rights, to variable benefits (either financial or non-financial) and has the ability to affect the nature and amount of those benefits from its power over the entity. Power can exist over an entity if, by virtue of its purpose and design, the relevant activities and the way the relevant activities of the entity can be directed has been predetermined by the University.

The University's investments in its subsidiaries are carried at cost in the University's own "parent entity" financial statements.

### *Associates*

An associate is an entity over which the University has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments in associates are accounted for in the group financial statements using the equity method of accounting.

The University's investments in associates are carried at cost in the University's own "parent entity" financial statements.

### *Joint venture*

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investments in jointly controlled entities are carried at cost in the University's "parent entity" financial statements.

### *Equity method of accounting in group financial statements*

Investments in associates and joint ventures are accounted for in the group financial statements using the equity method of accounting.

Under the equity method of accounting, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the group's share of the change in net assets of the entity after the date of acquisition. The group's share of the surplus or deficit is recognised in the group's surplus or deficit. Distributions received from the investee reduce the carrying amount of the investment in the group financial statements.

If the share of deficits of the entity equals or exceeds the interest in the entity, the group discontinues recognising its share of further deficits. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the entity. If the entity subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

### **Budget Figures**

Budget figures are those approved by the Council per minutes of 16 October 2018 for the University entity. However some line items have been subsequently reclassified to align with the annual reporting format and to reflect opening balances following completion of the 2018F financial statements. The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

## Cash and Cash Equivalents

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the University invests as part of its day-to-day cash management. Cash equivalents are not subject to a significant risk of change in value, and have a short maturity of three months or less.

## Revenue

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are explained below;

### *Student Achievement Component (SAC) Funding*

SAC funding is the University's main source of operational funding from the Tertiary Education Commission (TEC). The University considers SAC funding to be non-exchange. The University has a guaranteed amount of SAC funding agreed with TEC. The University's SAC funding is specifically identified by the TEC as being for a funding period as required by section 159YA of the Education Act 1989. The University recognises its SAC funding when earned and is reported in the financial period it relates to.

### *Fees Free Funding*

Fees free funding is a source of operational funding from the Tertiary Education Commission (TEC). The University considers fees free funding to be non-exchange. The University has a guaranteed amount of fees free funding agreed with TEC. The University's fees free funding is specifically identified by the TEC as being for a funding period as required by section 159YA of the Education Act 1989. The University recognises its fees free funding when earned and is reported in the financial period it relates to.

### *Student Tuition Fees*

Domestic student tuition fees are subsidised by government funding and are considered non-exchange. Revenue is recognised when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course.

International student tuition fees are accounted for as exchange transactions and recognised as revenue on a course percentage of completion basis. The percentage of completion is measured by reference to the days of the course completed as a proportion of the total course days.

### *Performance-Based Research Fund (PBRF)*

The University considers PBRF funding to be non-exchange in nature. PBRF funding is specifically identified by the TEC as being for a funding period as

required by section 159YA of the Education Act 1989. The University recognises its confirmed allocation of PBRF funding at the commencement of the specified funding period, which is the same as the University's financial year. PBRF revenue is measured based on the University's funding entitlement adjusted for any expected adjustments as part of the final wash-up process. Indicative funding for future periods is not recognised until confirmed for that future period.

### *Research Revenue*

The University exercises its judgement in determining whether funding received under a research contract is received in an exchange or non-exchange transaction. In determining whether a research contract is exchange or non-exchange, the University considers factors such as the following:

- Whether the funder has substantive rights to the research output. This is a persuasive indicator of exchange or non-exchange.
- How the research funds were obtained. For example, whether through a commercial tender process for specified work or from applying to a more general research funding pool.
- Nature of the funder.
- Specificity of the research brief or contract.

For an exchange research contract, revenue is recognised on a percentage completion basis. The percentage of completion is measured by reference to the actual research expenditure incurred as a proportion to total expenditure expected to be incurred.

For a non-exchange research contract, the total funding receivable under the contract is recognised as revenue immediately, unless there are substantive conditions in the contract. If there are substantive conditions, revenue is recognised when the conditions are satisfied. A condition could include the requirement to complete research to the satisfaction of the funder to retain funding or return unspent funds. Revenue for future periods is not recognised where the contract contains substantive termination provisions for failure to comply with the requirements of the contract. Conditions and termination provisions need to be substantive, which is assessed by considering factors such as contract monitoring mechanisms of the funder and the past practice of the funder.

Judgement is often required in determining the timing of revenue recognition for contracts that span a balance date and multi-year research contracts.

### *Other grants received*

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance when received and recognised as revenue when the conditions of the grant are satisfied.

### *Donations, Bequests and Pledges*

Donations and bequests are recognised as revenue when the right to receive the fund or asset has been established, unless there is an obligation in substance to return the funds if conditions of the donation or bequest are not met. If there is such an obligation, they are initially recorded as revenue in advance when received and recognised as revenue when the conditions are satisfied. Pledges are not recognised as assets or revenue until the pledged item is received.

### *Sales of goods*

Revenue from sales of goods is recognised when the product is sold to the customer.

### *Accommodation Services*

Revenue from the provision of accommodation services is recognised on a percentage completion basis. This is determined by reference to the number of accommodation days used up till balance date as a proportion of the total accommodation days contracted for with the individual.

### *Interest and Dividends*

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

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

### **Borrowing Costs**

Borrowing costs are expensed in the financial year in which they are incurred.

### **Scholarships**

Scholarships awarded by the University that reduce the amount of tuition fees payable by the student are accounted for as an expense and not offset against student tuition fees revenue.

### **Receivable**

Short-term receivables are recorded at the amount due, less any provision for credit losses. The University applies the simplified expected credit loss model of recognising lifetime expected losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery.

### *Previous accounting policy for impairment of receivables*

For the previous year, the allowance for credit losses was based on the incurred credit loss model. An allowance for credit losses was recognised only when there was objective evidence of impairment that the amount due would not be fully collected.

### **Employee Entitlements**

Provision is made for benefits accruing to staff in respect of the University's liability for wages and salaries, and annual and sick leave where it is probable that settlement will be made and they are capable of being measured reliably. These provisions are calculated using the current rates of pay.

The University recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the University anticipates it will be used by staff to cover those future absences. The sick leave provision is only calculated for those staff with a fixed sick leave provision in their employment contracts. The majority of University staff have an unlimited sick leave entitlement.

Additionally provision has been made, where applicable, using an actuarial valuation for retirement gratuities and long service leave. This valuation, as at 31 December 2019, was undertaken by Mercer (NZ) Limited (Actuaries). 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 entitlement information; and
- the present value of the estimated future cash flows.

Expected future payments are discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash outflows for entitlements. The inflation factor is based on the expected long-term increase in remuneration for employees.

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the National Provident Fund scheme the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme. Further information on these schemes is disclosed in note 6.

To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as current liabilities. The remainder of the anticipated entitlements are recorded as non-current liabilities.

### Equity

Equity is the community's interest in the University and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- General Funds
- Property Revaluation Reserves
- Fair value through other comprehensive revenue and expense reserve; and
- Trusts and Bequests Reserve

#### *Property Revaluation Reserve*

This reserve relates to the revaluation of land, buildings, and infrastructure assets to fair value.

#### *Trusts and Bequests Reserve*

Restricted 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 University. Transfers from these reserves may be made only for certain specified purposes or when certain conditions are met.

### Derivative financial instruments, hedging activities and foreign currency transactions

The University uses derivative financial instruments to manage its exposure to foreign exchange risk arising from its operational activities. In accordance with its treasury policy, the University does not hold or issue these financial instruments for trading purposes. The University has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date. Movements in the fair value of derivative

financial instruments are recognised in the surplus or deficit.

A forward exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the full fair value of forward exchange derivatives is classified as non-current.

Foreign currency transactions (including those subject to forward exchange contracts) are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

### Income tax

Income Tax has not been provided for in these accounts as the University has been recognised as a charitable organisation by the IRD and is therefore exempt from income tax.

### Goods and Services Tax

Goods and Services Tax (GST) is excluded from these financial statements, with the exception of receivables and payables which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, 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 (IRD) is included as part of receivables or payables in the balance sheet.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### Inventories

Inventories held for distribution or for use in the provision of services that are not supplied on a commercial basis are measured at cost (determined on a weighted average basis) adjusted when applicable for any loss of service potential. This valuation includes allowances for slow moving and obsolete inventories. No account is taken of other minor stocks in academic schools and administrative departments, which are expensed as issued.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.



Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

The write down from cost to net realisable value is recognised in the surplus or deficit in the year of the write down.

## Other Financial Assets

Financial assets are initially measured at fair value plus transaction costs unless they are measured at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

### Term deposits and loans to subsidiaries

Term deposits and loans to subsidiaries are initially measured at the amount invested. Interest is subsequently accrued and added to the investment and loan balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

### New Zealand Government Bonds

Surplus funds may be invested in New Zealand Government bonds and might be sold prior or designated at fair value through other comprehensive revenue and expense.

After initial recognition, the bonds are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense.

### Managed Fund

The managed fund is a portfolio of financial assets that are actively traded with the intention of making profits. Therefore, the managed fund is classified at fair value through surplus/deficit.

After initial recognition, the managed fund is measured at fair value, with gains and losses recognised in the surplus or deficit.

### Unlisted Shares

Unlisted shares are irrevocably designated at fair value through other comprehensive revenue and expense at initial recognition.

After initial recognition, the shares are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to general funds.

### Previous accounting policies for other financial assets

For the prior year, an allowance for credit losses for instruments exposed to credit risk was recognised only when there was objective evidence of impairment. Additionally, for unlisted shares:

- Impairment losses were recognised in the surplus or deficit; and
- The cumulative gain or loss previously recognised in other comprehensive revenue and expense was transferred to the surplus or deficit on disposal of the investment.

A significant or prolonged decline in the fair value of the fair value of the investment below its cost was considered objective evidence of impairment. If impairment evidence existed, the cumulative loss recognised in other comprehensive revenue and expense was transferred from equity to the surplus or deficit.

### Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to the ownership of an asset, whether or not title is eventually transferred.

At the start of the lease term, finance leases are recognised as assets and liabilities in the balance sheet at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether the University and group will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

An operating lease is one where the lessors effectively retain substantially all the risks and benefits of ownership of the leased asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

## Property, Plant and Equipment

Property, plant, and equipment consists of the following asset classes: land, buildings, infrastructure, leasehold improvements, computer hardware, furniture and equipment, motor vehicles, and library collection.

Land is measured at fair value, and buildings and infrastructure are measured at fair value less accumulated depreciation. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

### Land

In 1996 the land occupied by the University campus was transferred by the Crown to Waikato-Tainui, as part of the Crown's settlement of the Raupatu claim. The University leases back the land from Waikato-Tainui.

Compensation was paid to the University in 1996 by the Crown to fund the University's financial obligations under the lease.

### Buildings

The majority of buildings recognised in the financial statements, including the previous Hamilton Teachers' College buildings, are still subject to the legal transfer of ownership from the Ministry of Education. The University is of the opinion that as at 31 December 2019 it is in substance the owner of these Buildings and assumes all the normal risks and rewards of ownership.

### Depreciation

Property plant and equipment is depreciated on either a straight line (SL) or diminishing value (DV) basis as follows:

Asset Class	Useful Life/Rate	Depreciation rate
Buildings	1-100 years	1-100%
Infrastructure	14-80 years	1-7%
Leasehold Improvements	5-25 years	4-20%
Library		
-Books	35 years	3%
-Periodicals	15 years	7%
Computer Equipment (excluding servers)	3-5 years	20-33%
Computer Servers	5 years	20%
Plant and Equipment	5-15 years	7 -20%
Motor Vehicles	5-10 years	10-20%
Artworks	Unlimited	0%

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

### Revaluations

Land, buildings, and infrastructure are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value.

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

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit

will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

### Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the University and group 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 through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the University and group and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are initially recognised in the surplus or deficit as they are incurred.

#### *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 revaluation reserves in respect of those assets are transferred to general funds within equity.

#### **Intangible assets**

##### *Patents, Trademarks and Licences*

Patents, trademarks and licences are finite life intangibles and are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives which range between seven and twenty years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

##### *Computer Software*

Computer software is amortised on a straight line basis that will write off the cost within three to four years. Computer software for the financial, student enrolment and library systems are amortised on a straight line basis that will write off the cost within ten years.

Internally generated intangible assets for finite life intangibles are stated at cost less accumulated amortisation and impairment, and are amortised on a straight-line basis over their useful lives as follows:

##### *Research*

Expenditure on research activities is expensed as incurred in the surplus or deficit.

##### *Intellectual Property Development*

Development costs that are directly attributable to the design, construction, and testing of pre-production or pre-use prototypes and models associated with intellectual property development are recognised as an intangible asset if all the following can be demonstrated:

- it is technically feasible to complete the intangible asset and use or sell it;
- management intends to complete the intangible asset and use or sell it;

- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenses that do not meet these criteria are recognised as an expense as incurred in the surplus or deficit. Development costs previously recognised as an expense can not be recognised as an asset in a subsequent period.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

#### **Impairment of property, plant, and equipment and intangible assets**

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Property, plant, and equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is considered to be impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

##### *Value in use for non-cash-generating assets*

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### *Value in use for cash-generating assets*

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

The University and group does not currently hold any cash-generating assets.

#### **Provisions**

Provisions are recognised when the University has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using market yields on Government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash outflows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance costs”.

#### *Restructuring*

A provision for restructuring is recognised when either an approved detailed formal plan for the restructuring has been announced publicly to those affected, or implementation of it has already started.

#### **Payables**

Short-term payables are recorded at the amount payable.

#### **Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance.

Borrowings are classified as current liabilities unless the University or group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

#### **Critical accounting estimates and assumptions**

In preparing these financial statements the University has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements 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.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Note 6 provides information about the estimates and assumptions exercised in the measurement of retirement gratuities.
- Note 17 provides information about the estimates and assumptions exercised in the measurement of revalued land, buildings, and infrastructure.

#### **Critical judgements in applying the University's accounting policies**

Management has exercised the following critical judgements in applying the University's accounting policies for the period ended 31 December 2019:

- 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, the University accounts for the funding as a capital contribution directly in equity.
- The University has entered into a funding agreement with Tauranga Tertiary Campus Charitable Trust to support the construction of new campus buildings in Tauranga. The construction project was completed in early 2019. Accounting for the revenue from these transactions under PBE IPSAS 23 Revenue from Non-Exchange Transactions requires judgement. The donations received from the Trust are accounted for as revenue when they are invoiced as a contribution to construction costs already incurred. Under the funding agreement with the Trust, the University has agreed to meet certain operating conditions, considered normal and typical for any University undertaking tertiary teaching and research activity. Should the University not meet these conditions, then it may be required to repay some or all of the funding to the Trust, at which time a liability will be recognised.



## Note 2: Government Funding and Grants

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Student Achievement Component (SAC) Grant	75,549	73,414	75,549	73,414
Fees Free Funding	9,317	9,248	9,317	9,248
Performance-Based Research Funding	15,365	16,604	15,365	16,604
Advisory Services Grants	10,581	8,354	10,581	8,354
Other Grants	1,011	1,007	1,011	1,007
<b>Total Government Funding and Grants</b>	<b>111,823</b>	<b>108,627</b>	<b>111,823</b>	<b>108,627</b>

All Government funding and grants are non-exchange transactions.

There are no unfulfilled conditions or contingencies relating to the above Government grants.

## Note 3: Tuition Fees

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Government Funded Students	39,661	40,627	39,661	40,627
Full Cost International Students	47,632	39,020	47,632	39,020
<b>Total Fees</b>	<b>87,293</b>	<b>79,647</b>	<b>87,293</b>	<b>79,647</b>

Government Funded tuition fee revenue results from non-exchange transactions as well as \$3,399,986 (2018 \$655,327) of Full Cost International tuition fees

## Note 4: Other Revenue

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Student Accommodation and Other Student Services	17,067	14,532	17,067	14,532
Commercial Teaching	6,612	3,574	6,612	3,574
Gym Membership and Hire	1,621	1,572	1,621	1,572
Rental	1,037	1,020	1,037	1,020
Carbon Dating Services	558	441	558	441
Printing and Copying Services	147	245	147	245
Other Revenue	13,808	11,417	13,531	11,397
<b>Total Other Revenue</b>	<b>40,850</b>	<b>32,801</b>	<b>40,573</b>	<b>32,781</b>

## Note 5: Total Revenue

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>Revenue from Exchange Transactions</b>				
Tuition Fees	44,232	38,365	44,232	38,365
Research	10,147	10,766	10,147	10,766
Investment Revenue	2,948	2,368	1,805	2,410
Other Revenue	28,940	20,965	27,903	20,320
<b>Total Revenue from Exchange Transactions</b>	<b>86,267</b>	<b>72,464</b>	<b>84,087</b>	<b>71,861</b>
<b>Revenue from non-exchange transactions</b>				
Government Funding and Grants	111,823	108,627	111,823	108,627
Tuition Fees	43,061	41,282	43,061	41,282
Research	24,126	22,426	24,126	22,426
Other Income	11,910	11,836	12,670	12,461
Donations	2,415	21,629	1,370	20,017
<b>Total Revenue from Non-Exchange Transactions</b>	<b>193,335</b>	<b>205,800</b>	<b>193,050</b>	<b>204,813</b>
<b>Total Revenue</b>	<b>279,602</b>	<b>278,264</b>	<b>277,137</b>	<b>276,674</b>

## Note 6: Employee Entitlements

Personnel Costs	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Employee Benefit Expenses - Academic	80,891	77,720	80,437	77,248
Employee Benefit Expenses - General	64,428	57,778	62,886	56,481
Movement in Actuarial Valuation	1,787	546	1,787	546
<b>Total Personnel Costs</b>	<b>147,106</b>	<b>136,044</b>	<b>145,110</b>	<b>134,275</b>

Personnel Costs also includes \$1,570,427 in restructuring costs for the year ended 31 December 2019 (2018 : \$919,135).

Employee Entitlements	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Staff Annual and Long Service Leave vested	10,324	9,029	10,324	9,029
Sick Leave	4	5	4	5
Other Employee Entitlements	3,784	2,583	3,679	2,512
Actuarial Valuation of Anticipated Retirement Gratuities and Long Service Leave	17,229	15,442	17,229	15,442
<b>Total Employee Entitlements</b>	<b>31,341</b>	<b>27,059</b>	<b>31,236</b>	<b>26,988</b>
Current Portion	16,822	14,214	16,717	14,143
Non Current Portion	14,519	12,845	14,519	12,845
<b>Total Employee Entitlements</b>	<b>31,341</b>	<b>27,059</b>	<b>31,236</b>	<b>26,988</b>

The present value of the retirement obligations depends on factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of NZ government bonds. The discount rates used match, as closely as possible the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns and after obtaining advice from an independent actuary.

If the salary inflation factor were to increase or decrease by 1% from that used, with all other factors held constant, the carrying amount of the gratuity liability would be an estimated \$1,315,000 higher/lower (2018 - \$1,126,000).

If the discount rates were to increase or decrease by 1% from that used, with all other factors held constant, the carrying amount of the gratuity liability would be an estimated \$1,338,000 lower/higher (2018 - \$1,135,000).

The University makes contributions to defined contribution plans which include contributions to Kiwisaver, NZ Universities' Superannuation Scheme, National Provident Fund and the Government Superannuation Fund. The following is included in the Personnel Costs:

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Defined contribution plan employer contributions	5,593	5,397	5,593	5,397

## Note 7: Other Expenses

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Audit Fees to Audit New Zealand for Financial Statement Audit	202	244	195	186
Audit Fees to KPMG	-	-	-	-
Audit Fees to Staples Rodway	2	2	-	-
Audit Fees to Audit New Zealand for Assurance Services	9	7	9	7
Net (Gain)/Loss on Disposal of Property Plant & Equipment	300	366	300	366
Net Foreign Exchange (Gain)/Loss	109	(19)	109	(19)
Impairment of Receivables	2	29	2	29
Inventories consumed	315	310	315	310
Teacher Release Days	233	193	228	193
Professional Services	23,629	18,458	23,586	18,426
Travel and Accommodation	7,138	6,536	6,327	5,770
Operating Leases	3,540	5,323	3,540	5,323
Scholarships	14,996	13,654	15,095	13,528
Hirage	1,231	1,360	1,243	1,358
Repairs and Maintenance	3,592	3,380	3,592	3,363
Teaching and Research Materials	2,857	2,678	2,687	2,514
Utilities	3,815	3,915	3,806	3,907
Other operating expenses	33,588	25,140	36,105	32,160
<b>Total other expenses</b>	<b>95,558</b>	<b>81,576</b>	<b>97,139</b>	<b>87,421</b>

Audit fees for assurance services were for the audit of the University's declaration to the Ministry of Education on the Performance-based Research Fund external research income.



## Note 8: Investments in Associates and Joint Ventures

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Ligar Polymers Limited	-	-	-	-
Ligar Limited Partnership	-	-	-	-
Chronoptics Limited	1,207	1,201	-	-
Aduro Biopolymers Limited Partnership	-	65	-	-
<b>Total Investments in Associates and Joint Ventures</b>	<b>1,207</b>	<b>1,266</b>	<b>-</b>	<b>-</b>

### Associates

#### Ligar Polymers Limited

Principal Activity: to develop molecularly imprinted polymers to filter, extract or detect specific molecules of interest.

#### Ownership

40%

#### Balance Date

31 December

WaikatoLink's share of the results of Ligar Polymers Limited is as follows:

	Group	
	This Year \$000	Last Year \$000
Investment in Associate	-	-
Opening Balance	-	340
Share of retained surplus/(loss)	-	24
Share of Capital Distribution	-	(364)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
Represented by:		
<b>Share of increase in net assets of associate (Carrying Value)</b>	<b>-</b>	<b>-</b>

#### Ligar Limited Partnership

Principal Activity: to develop molecularly imprinted polymers to filter, extract or detect specific molecules of interest.

#### Ownership

10%

#### Balance Date

30 September

WaikatoLink's share of the results of Ligar Limited Partnership is as follows:

	Group	
	This Year \$000	Last Year \$000
Investment in Associate	-	-
Opening Balance	-	-
Investment	-	150
Share of retained surplus/(loss)	-	(150)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
Represented by:		
<b>Share of increase in net assets of associate (Carrying Value)</b>	<b>-</b>	<b>-</b>

### Chronoptics Limited

Principal Activity: to develop time-of-flight (TOF) solutions.

Ownership

20%

Balance Date

31 March

	Group	
	This Year \$000	Last Year \$000
<b>WaikatoLink's share of the results of Chronoptics Limited is as follows:</b>		
Investment in Associate		
Opening Balance	1,201	-
Investment	-	1,200
Share of retained surplus/(loss)	6	1
<b>Closing Balance</b>	<b>1,207</b>	<b>1,201</b>
Represented by:		
<b>Share of increase in net assets of associate (Carrying Value)</b>	<b>1,207</b>	<b>1,201</b>

There is a convertible loan agreement between WaikatoLink Limited and Chronoptics Limited. The loan cap is \$120,000 and there are terms and conditions in place for WaikatoLink to elect to convert the loans into equity.

### Jointly Controlled Entity

#### Aduro Biopolymers Limited Partnership

Principal Activity: To develop and commercialise a range of biopolymer materials for use in plastics, composites, agriculture, horticulture, manufacturing and construction.

Ownership

30%

Balance Date

31 March

	Group	
	This Year \$000	Last Year \$000
<b>WaikatoLink's share of the results of Aduro Biopolymers Limited Partnership is as follows:</b>		
Investment in Joint Venture		
Opening Balance	65	240
Share of retained surplus/(loss)	(65)	(175)
<b>Closing Balance</b>	<b>-</b>	<b>65</b>
Represented by:		
<b>Share of increase in net assets of joint venture (Carrying Value)</b>	<b>-</b>	<b>65</b>

#### Summarised Financial Information of Associates and Joint Ventures

Assets	3,820	4,163
Liabilities	4,214	4,589
Revenue	1,042	678
Net Surplus/(Loss)	(3,817)	(2,085)
<b>Share of Associates' and Joint Venture's surplus/(loss)</b>	<b>(59)</b>	<b>(299)</b>

The Group's associates and joint ventures are unlisted entities, accordingly there is no published price quotations to determine the fair value of the investments.

Details of contingent liabilities arising from the group involvement in the associates and joint ventures are disclosed separately in note 22.

## Note 9: Equity

### General Equity

	Ref	Group		University	
		This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Opening Balance		306,965	275,911	284,537	256,120
Adjustment from the adoption of PBE IFRS 9		238	-	238	-
<b>Adjusted opening balance</b>		<b>307,203</b>	<b>275,911</b>	<b>284,775</b>	<b>256,120</b>
Surplus/(Deficit)		8,152	30,719	6,266	28,087
Capital distribution from Uleisure		-	-	-	-
Minority Interest Repurchased		-	-	-	-
Property revaluation reserve transfer on disposal		27	236	27	236
Surplus attributable to Non-Controlling Interest		-	5	-	-
Transfers to Trusts and Bequests Reserve		(518)	(403)	(518)	(403)
Transfers from Trusts and Bequests Reserve		431	497	431	497
<b>Closing Balance</b>		<b>315,295</b>	<b>306,965</b>	<b>290,981</b>	<b>284,537</b>

### Other Reserves

	Ref	Group		University	
		This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Property Revaluation Reserve	i	199,440	199,467	199,440	199,467
Trusts and Bequests Reserve	ii	2,869	2,782	2,869	2,782
<b>Total Other Reserves</b>		<b>202,309</b>	<b>202,249</b>	<b>202,309</b>	<b>202,249</b>
<b>Total Equity before Non-Controlling Interest</b>		<b>517,604</b>	<b>509,214</b>	<b>493,290</b>	<b>486,786</b>

#### i) Property Revaluation Reserve

	Ref	Group		University	
		This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Opening balance		199,467	199,703	199,467	199,703
Land net revaluation gains		-	-	-	-
Buildings net revaluation gains		-	-	-	-
Infrastructure net revaluation gains		-	-	-	-
Transfers to general funds on disposal of property		(27)	(236)	(27)	(236)
<b>Closing balance</b>		<b>199,440</b>	<b>199,467</b>	<b>199,440</b>	<b>199,467</b>

#### The property revaluation reserve consists of:

	Ref	Group		University	
		This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Land		2,810	2,810	2,810	2,810
Buildings		177,870	177,897	177,870	177,897
Infrastructural Assets		18,760	18,760	18,760	18,760
<b>Total property revaluation reserve</b>		<b>199,440</b>	<b>199,467</b>	<b>199,440</b>	<b>199,467</b>

## ii) Trusts and Bequests Reserve

The Trusts and Bequests Reserve represent funds held by the University on behalf of others and funds provided to the University by various people for specific purposes. Revenue received for these items and disbursements to authorised recipients are recorded in the Statement of Comprehensive Revenue and Expense. Fund balances remaining are shown as restricted reserves.

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>Prizes, Scholarships and Trust Funds</b>				
Opening Balance	2,782	2,876	2,782	2,876
add appropriation of Net Surplus	518	403	518	403
less application to Prizes, Scholarships and Trust Funds	(431)	(497)	(431)	(497)
<b>Closing Balance</b>	<b>2,869</b>	<b>2,782</b>	<b>2,869</b>	<b>2,782</b>

## Note 10: Cash and Cash Equivalents

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Cash at bank and in hand	1,697	3,405	772	1,701
Term deposits maturing three months or less from date of acquisition	9,441	31,892	7,495	31,492
	<b>11,138</b>	<b>35,297</b>	<b>8,267</b>	<b>33,193</b>

The carrying value of cash at bank and term deposits with maturity dates of three months or less approximates their fair value.

While cash and cash equivalents at 31 December 2019 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated credit loss allowance for credit losses is trivial.



## Note 11: Receivables

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Trade Receivables	20,670	14,863	20,560	14,435
Less Allowance for credit losses	(15)	(516)	(15)	(251)
Net trade receivables	20,655	14,346	20,545	14,184
<b>Other receivables</b>				
Student Fee Receivables	15,370	10,568	15,370	10,568
Receivables from Subsidiaries	-	-	2	127
Receivables from Related Parties	230	184	-	-
<b>Total Receivables</b>	<b>36,255</b>	<b>25,099</b>	<b>35,917</b>	<b>24,879</b>
<b>Receivables are comprised of:</b>				
Receivables from exchange transactions - this includes outstanding amounts for research revenue classified as exchange, international tuition fees and revenue from other direct transactions.	15,824	7,612	15,486	7,392
Receivables from non-exchange transactions - this includes outstanding amount for research revenue classified as non-exchange, government funded tuition fees and revenue from other non-direct transactions.	20,431	17,487	20,431	17,487
<b>Total Receivables</b>	<b>36,255</b>	<b>25,099</b>	<b>35,917</b>	<b>24,879</b>

### Fair value

Student fees are due before a course begins or are due upon enrolment if the course has already begun. For courses that span more than one trimester, domestic students can arrange for fees to be paid in instalments. Student fee receivables are non-interest bearing and are generally paid in full by the course start date. Therefore, their carrying value approximates their fair value.

Other receivables are non-interest bearing and are generally settled on 30-day terms. Therefore, the carrying value of other receivables approximates their fair value.

The University of Waikato does not have any receivables that would otherwise be past due, but not impaired, whose terms have been renegotiated.

## Expected Credit Losses

The allowance for credit losses on trade receivables as 31 December 2019 and 1 January 2019 was determined as follows:

University					
31 December 2019	Trade Receivable days past due				
	Current	1 to 30 days	31 to 60 days	More than 60 days	Total
Expected credit loss rate	0.02%	0.10%	0.20%	0.45%	-
Gross carrying amount (\$000)	16,546	1,071	979	1,964	20,560
Lifetime expected credit loss (\$000)	3	1	2	9	15
1 January 2019	Trade Receivable days past due				
	Current	1 to 30 days	31 to 60 days	More than 60 days	Total
Expected credit loss rate	0.02%	0.10%	0.20%	0.45%	-
Gross carrying amount (\$000)	10,475	1,441	793	1,726	14,435
Lifetime expected credit loss (\$000)	2	1	2	8	13

The expected credit loss rates for receivables at 31 December 2019 and 1 January 2019 are based on the payment profile of revenue on credit over the previous two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward looking macroeconomic factors that might affect the recoverability of receivables. Given the short period of credit risk exposure, the impact of macroeconomic factors is not considered significant.

There have been no changes during the reporting period in the estimation techniques or significant assumptions used in measuring the loss allowance.

Movements in the allowance for credit losses is as follows:

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Allowance for credit losses as at 1 January 2019 calculated under PBE IPSAS 29	516	431	251	166
PBE IFRS 9 expected credit loss adjustment - through opening accumulated surplus/deficit	(238)	N/A	(238)	N/A
Opening allowance for credit losses as at 1 January 2019	278	431	13	166
Revision in loss allowance made during the year	(242)	77	23	77
Receivables written off during the year	(21)	8	(21)	8
<b>Closing balance</b>	<b>15</b>	<b>516</b>	<b>15</b>	<b>251</b>

The University holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

## Note 12: Intercompany Balances

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>Current Assets</b>				
iEngagEd Limited	-	-	140	131
University of Waikato Foundation Trust	-	-	69	81
WaikatoLink Limited	-	-	1,450	1,450
<b>Intercompany Current Asset Balances</b>	<b>-</b>	<b>-</b>	<b>1,659</b>	<b>1,662</b>
<b>Current Liabilities</b>				
University of Waikato Foundation Trust	-	-	-	-
Student Campus Building Fund Trust	-	-	(2,829)	(2,564)
University of Waikato Research Trust	-	-	(12,865)	(12,558)
<b>Intercompany Current Liability Balances</b>	<b>-</b>	<b>-</b>	<b>(15,694)</b>	<b>(15,122)</b>

The intercompany balances are a cumulative record of the transactions between the University and its subsidiaries.

All intercompany current accounts are classified as current.

Intercompany balances are unsecured, non-interest bearing, and are repayable on demand. The fair value of the on demand accounts cannot be less than the amount repayable on demand. Therefore, the carrying value of the accounts on demand reflects their fair value.

As at 31 December 2019 the University had advanced to WaikatoLink Limited a total of \$1,450,000 (2018 \$1,450,000) by way of shareholder loan. The loan is interest free and repayable on demand. The University has undertaken not to demand repayment until WaikatoLink Limited has sufficient free cash available to make repayments.

## Note 13: Other Financial Assets

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>Current Portion</b>				
Term Deposits with maturities of 4-12 months	23,228	26,830	21,000	24,025
Endowment Portfolio (CIP)	5,293	4,346	-	-
<b>Total Current Other Financial Assets</b>	<b>28,521</b>	<b>31,176</b>	<b>21,000</b>	<b>24,025</b>
<b>Non Current Portion</b>				
Bay Venues Limited	1,000	1,000	1,000	1,000
Term Deposits with maturities of 12-24 months	-	-	-	-
<b>Total Non Current Other Financial Assets</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Total Other Financial Assets</b>	<b>29,521</b>	<b>32,176</b>	<b>22,000</b>	<b>25,025</b>
<b>Investment Revenue</b>				
Interest	1,937	2,329	1,717	2,127
Dividends	110	84	88	283
Gains/(Losses) on Equity Investments	901	(45)	-	-
<b>Total Investment Revenue</b>	<b>2,948</b>	<b>2,368</b>	<b>1,805</b>	<b>2,410</b>

Term deposits are valued at amortised cost using the effective interest method.

The endowment portfolio is managed by Craigs Investment Partners (CIP), equities and fixed interest investments within the portfolio are valued using quoted market price, the balance of the portfolio is valued at amortised cost using the effective interest method. See note 25.

On 1 November 2016, the University signed a Strategic Partnership Agreement with Bay Venues Limited. Bay Venues Limited has developed a high performance sports training centre at Blake Park, Mount Maunganui. The agreement documents the ongoing relationship between Bay Venues Limited and the University, a sponsorship arrangement, facility sublease arrangements and a \$1,000,000 loan from the University to Bay Venues Limited. The interest on the loan is 55% of the rent paid by the University to Bay Venues Limited and the loan is repayable upon expiry of the strategic partnership agreement on 30 April 2031.

The University considers there has not been a significant increase in credit risk for investments in term deposits because the issuer of the investment continues to have low credit risk at balance date. Term deposits are held with banks that have a long-term AA- investment external grade credit rating which indicates that these entities have a strong capacity to meet their financial commitments.

No loss allowance for expected credit losses has been recognised because the estimated 12-month expected loss allowance for credit losses is trivial.

## Note 14: Inventories

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Held for Sale	112	141	112	141
Held for Distribution/Use	810	767	810	767
	922	908	922	908

No inventories are pledged as security for liabilities or subject to retention of title clauses. (2018 \$Nil).

No stock held for sale was written down for obsolescence in 2019 (2018 \$Nil).



## Note 15: Investments

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>Strategic Investments</b>				
NZ Synchrotron Group Limited	198	198	198	198
eDrive Solutions Ltd	118	118	118	118
<b>Investments in Subsidiaries</b>				
WaikatoLink Limited	-	-	2,000	2,000
	<b>316</b>	<b>316</b>	<b>2,316</b>	<b>2,316</b>

Investments in unlisted entities, and subsidiaries above are carried at cost less impairment as either the fair value of the investment cannot be reliably determined using a standardised valuation technique or due to cost not being materially different to fair value.

These equity investments, excluding subsidiaries, have been designated at fair value through other comprehensive revenue and expense. This measurement basis is considered more appropriate than through surplus or deficit because the investments have been made for long-term strategic purposes rather than to generate a financial return through trading.

## Note 16: Intangible Assets

	Group				University		
	Purchased Software \$000	Internally Generated Software \$000	Non Software Development Costs \$000	Group Total \$000	Purchased Software \$000	Internally Generated Software \$000	University Total \$000
<b>This Year</b>							
<b>Balance at 1 January 2019</b>							
Cost	44,676	925	4,059	49,660	44,675	925	45,600
Accumulated Amortisation and Impairment	(20,260)	(925)	(3,716)	(24,901)	(20,259)	(925)	(21,184)
<b>Opening Carrying Amount</b>	<b>24,416</b>	<b>-</b>	<b>343</b>	<b>24,759</b>	<b>24,416</b>	<b>-</b>	<b>24,416</b>
<b>Year Ended 31 December 2019</b>							
Additions	2,842	1,219	206	4,267	2,842	1,219	4,061
Disposals	(231)	-	-	(231)	(231)	-	(231)
Reclassifications	-	-	-	-	-	-	-
Amortisation and Impairment Charge	(2,806)	-	(96)	(2,902)	(2,806)	-	(2,806)
Disposals Amortisation and Impairment	229	-	-	229	229	-	229
Reclassifications Amortisation and Impairment	-	-	-	-	-	-	-
<b>Closing Carrying Amount</b>	<b>24,450</b>	<b>1,219</b>	<b>453</b>	<b>26,122</b>	<b>24,450</b>	<b>1,219</b>	<b>25,669</b>
<b>Balance at 31 December 2019</b>							
Cost	47,287	2,144	4,265	53,696	47,286	2,144	49,430
Accumulated Amortisation and Impairment	(22,837)	(925)	(3,812)	(27,574)	(22,836)	(925)	(23,761)
<b>Closing Carrying Amount</b>	<b>24,450</b>	<b>1,219</b>	<b>453</b>	<b>26,122</b>	<b>24,450</b>	<b>1,219</b>	<b>25,669</b>

	Group				University		
	Purchased Software \$000	Internally Generated Software \$000	Non Software Development Costs \$000	Group Total \$000	Purchased Software \$000	Internally Generated Software \$000	University Total \$000
<b>Last Year</b>							
<b>Balance at 1 January 2018</b>							
Cost	35,751	925	5,170	41,846	35,750	925	36,675
Accumulated Amortisation and Impairment	(17,555)	(925)	(2,550)	(21,030)	(17,554)	(925)	(18,479)
<b>Opening Carrying Amount</b>	<b>18,196</b>	<b>-</b>	<b>2,620</b>	<b>20,816</b>	<b>18,196</b>	<b>-</b>	<b>18,196</b>
<b>Year Ended 31 December 2018</b>							
Additions	9,542	-	89	9,631	9,542	-	9,542
Disposals	(815)	-	(1,200)	(2,015)	(815)	-	(815)
Reclassifications	198	-	-	198	198	-	198
Amortisation and Impairment Charge	(3,335)	-	(1,166)	(4,501)	(3,335)	-	(3,335)
Disposals Amortisation and Impairment	768	-	-	768	768	-	768
Reclassifications Amortisation and Impairment	(138)	-	-	(138)	(138)	-	(138)
<b>Closing Carrying Amount</b>	<b>24,416</b>	<b>-</b>	<b>343</b>	<b>24,759</b>	<b>24,416</b>	<b>-</b>	<b>24,416</b>
<b>Balance at 31 December 2018</b>							
Cost	44,676	925	4,059	49,660	44,675	925	45,600
Accumulated Amortisation and Impairment	(20,260)	(925)	(3,716)	(24,901)	(20,259)	(925)	(21,184)
<b>Closing Carrying Amount</b>	<b>24,416</b>	<b>-</b>	<b>343</b>	<b>24,759</b>	<b>24,416</b>	<b>-</b>	<b>24,416</b>

## Non Software Development Costs

Cost incurred on development of projects (relating to the design and testing of new or improved products) are recognised as assets when the following criteria have been fulfilled:

- it is technically feasible to complete the intangible asset and use or sell it;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefit;
- adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

The amount of intangible assets that are work in progress for non software development is Nil (2018 \$Nil)

The amount of intangible assets that are work in progress for software purchased is \$6,129,808 (2018 \$2,057,270)

There are no restrictions over the title of the University's intangible assets, nor are any intangible assets pledged as security for liabilities.

## Note 17: Property, Plant and Equipment

### This Year University

	Cost/ Valuation 1 Jan 19 \$000	Accumulated Depreciation and Impairment Charges 1 Jan 19 \$000	Carrying Amount 1 Jan 19 \$000	Current Year Additions \$000	Current Year Disposals \$000	Current Year Reclassifications \$000
Land	15,630	-	15,630	1,232	-	-
Infrastructural Assets	32,735	( 858 )	31,877	3,886	-	-
Buildings	391,292	( 13,230 )	378,062	26,355	( 307 )	-
Leasehold Building Improvements	1,366	( 1,115 )	251	6,692	-	-
Library Collection	87,038	( 52,935 )	34,103	4,636	-	-
Plant and Equipment	61,292	( 43,037 )	18,255	4,856	( 2,397 )	-
Computer Equipment	22,208	( 14,570 )	7,638	3,963	( 3,917 )	-
Art Collection	1,345	-	1,345	83	-	-
Motor Vehicles	5,291	( 2,359 )	2,932	637	( 519 )	-
<b>Total</b>	<b>618,197</b>	<b>( 128,104 )</b>	<b>490,093</b>	<b>52,340</b>	<b>( 7,140 )</b>	<b>-</b>

### Last Year University

	Cost/ Valuation 1 Jan 18 \$000	Accumulated Depreciation and Impairment Charges 1 Jan 18 \$000	Carrying Amount 1 Jan 18 \$000	Current Year Additions \$000	Current Year Disposals \$000	Current Year Reclassifications \$000
Land	14,010	-	14,010	1,620	-	-
Infrastructural Assets	31,164	-	31,164	1,571	-	-
Buildings	353,913	-	353,913	37,574	( 195 )	-
Leasehold Building Improvements	1,527	( 1,114 )	413	10	( 171 )	-
Library Collection	82,513	( 49,855 )	32,658	4,525	-	-
Plant and Equipment	50,859	( 36,805 )	14,054	5,460	( 1,128 )	6,101
Computer Equipment	26,375	( 17,283 )	9,092	3,458	( 632 )	( 6,993 )
Art Collection	1,186	-	1,186	159	-	-
Motor Vehicles	4,496	( 2,205 )	2,291	983	( 882 )	694
<b>Total</b>	<b>566,043</b>	<b>( 107,262 )</b>	<b>458,781</b>	<b>55,360</b>	<b>( 3,008 )</b>	<b>( 198 )</b>

Current Year Impairment Charges \$000	Current Year Depreciation \$000	Accumulated Depreciation on Disposal \$000	Accumulated Depreciation on Reclassifications \$000	Revaluation Movement \$000	Cost/ Revaluation 31 Dec 19 \$000	Accumulated Depreciation and Impairment Charges 31 Dec 19 \$000	Carrying Amount 31 Dec 19 \$000
-	-	-	-	-	16,862	-	16,862
-	( 905 )	-	-	-	36,621	( 1,763 )	34,858
-	( 14,383 )	128	-	-	417,340	( 27,485 )	389,855
-	( 88 )	-	-	-	8,058	( 1,203 )	6,855
-	( 3,286 )	-	-	-	91,674	( 56,221 )	35,453
-	( 3,583 )	2,316	-	-	63,751	( 44,304 )	19,447
-	( 3,021 )	3,907	-	-	22,254	( 13,684 )	8,570
-	-	-	-	-	1,428	-	1,428
-	( 381 )	341	-	-	5,409	( 2,399 )	3,010
-	( 25,647 )	6,692	-	-	663,397	( 147,059 )	516,338

Current Year Impairment Charges \$000	Current Year Depreciation \$000	Accumulated Depreciation on Disposal \$000	Accumulated Depreciation on Reclassifications \$000	Revaluation Movement \$000	Cost/ Revaluation 31 Dec 18 \$000	Accumulated Depreciation and Impairment Charges 31 Dec 18 \$000	Carrying Amount 31 Dec 18 \$000
-	-	-	-	-	15,630	-	15,630
-	( 858 )	-	-	-	32,735	( 858 )	31,877
-	( 13,254 )	24	-	-	391,292	( 13,230 )	378,062
-	( 52 )	51	-	-	1,366	( 1,115 )	251
-	( 3,080 )	-	-	-	87,038	( 52,935 )	34,103
-	( 3,352 )	1,050	( 3,930 )	-	61,292	( 43,037 )	18,255
-	( 2,483 )	601	4,595	-	22,208	( 14,570 )	7,638
-	-	-	-	-	1,345	-	1,345
-	( 313 )	685	( 526 )	-	5,291	( 2,359 )	2,932
-	( 23,392 )	2,411	139	-	618,197	( 128,104 )	490,093



## This Year Group

	Cost/ Valuation 1 Jan 19 \$000	Accumulated Depreciation and Impairment Charges 1 Jan 19 \$000	Carrying Amount 1 Jan 19 \$000	Current Year Additions \$000	Current Year Disposals \$000	Current Year Reclassifications \$000
Land	15,630	-	15,630	1,232	-	-
Infrastructural Assets	32,735	( 858 )	31,877	3,886	-	-
Buildings	391,292	( 13,230 )	378,062	26,355	( 307 )	-
Leasehold Building Improvements	1,366	( 1,115 )	251	6,692	-	-
Library Collection	87,038	( 52,935 )	34,103	4,636	-	-
Plant and Equipment	61,345	( 43,072 )	18,273	4,866	( 2,399 )	-
Computer Equipment	22,208	( 14,570 )	7,638	3,963	( 3,917 )	-
Art Collection	1,345	-	1,345	83	-	-
Motor Vehicles	5,291	( 2,359 )	2,932	637	( 519 )	-
<b>Total</b>	<b>618,250</b>	<b>( 128,139 )</b>	<b>490,111</b>	<b>52,350</b>	<b>( 7,142 )</b>	<b>-</b>

## Last Year Group

	Cost/ Valuation 1 Jan 18 \$000	Accumulated Depreciation and Impairment Charges 1 Jan 18 \$000	Carrying Amount 1 Jan 18 \$000	Current Year Additions \$000	Current Year Disposals \$000	Current Year Reclassifications \$000
Land	14,010	-	14,010	1,620	-	-
Infrastructural Assets	31,164	-	31,164	1,571	-	-
Buildings	353,913	-	353,913	37,574	( 195 )	-
Leasehold Building Improvements	1,527	( 1,114 )	413	10	( 171 )	-
Library Collection	82,513	( 49,855 )	32,658	4,525	-	-
Plant and Equipment	51,111	( 37,040 )	14,071	5,471	( 1,337 )	6,101
Computer Equipment	26,374	( 17,282 )	9,092	3,459	( 632 )	( 6,993 )
Art Collection	1,186	-	1,186	159	-	-
Motor Vehicles	4,494	( 2,204 )	2,290	984	( 882 )	694
<b>Total</b>	<b>566,292</b>	<b>( 107,495 )</b>	<b>458,797</b>	<b>55,373</b>	<b>( 3,217 )</b>	<b>( 198 )</b>

Current Year Impairment Charges \$000	Current Year Depreciation \$000	Accumulated Depreciation on Disposal / Addition \$000	Accumulated Depreciation on Reclassifications \$000	Revaluation Movement \$000	Cost/ Revaluation 31 Dec 19 \$000	Accumulated Depreciation and Impairment Charges 31 Dec 19 \$000	Carrying Amount 31 Dec 19 \$000
-	-	-	-	-	16,862	-	16,862
-	( 905 )	-	-	-	36,621	( 1,763 )	34,858
-	( 14,383 )	128	-	-	417,340	( 27,485 )	389,855
-	( 88 )	-	-	-	8,058	( 1,203 )	6,855
-	( 3,286 )	-	-	-	91,674	( 56,221 )	35,453
-	( 3,593 )	2,316	-	-	63,812	( 44,349 )	19,463
-	( 3,021 )	3,907	-	-	22,254	( 13,684 )	8,570
-	-	-	-	-	1,428	-	1,428
-	( 381 )	341	-	-	5,409	( 2,399 )	3,010
-	( 25,657 )	6,692	-	-	663,458	( 147,104 )	516,354

Current Year Impairment Charges \$000	Current Year Depreciation \$000	Accumulated Depreciation on Disposal / Addition \$000	Accumulated Depreciation on Reclassifications \$000	Revaluation Movement \$000	Cost/ Revaluation 31 Dec 18 \$000	Accumulated Depreciation and Impairment Charges 31 Dec 18 \$000	Carrying Amount 31 Dec 18 \$000
-	-	-	-	-	15,630	-	15,630
-	( 858 )	-	-	-	32,735	( 858 )	31,877
-	( 13,254 )	24	-	-	391,292	( 13,230 )	378,062
-	( 52 )	51	-	-	1,366	( 1,115 )	251
-	( 3,080 )	-	-	-	87,038	( 52,935 )	34,103
-	( 3,361 )	1,259	( 3,930 )	-	61,345	( 43,072 )	18,273
-	( 2,485 )	601	4,595	-	22,208	( 14,571 )	7,637
-	-	-	-	-	1,345	-	1,345
-	( 313 )	685	( 526 )	-	5,290	( 2,358 )	2,932
-	( 23,403 )	2,620	139	-	618,249	( 128,139 )	490,110

## Land and Buildings

Specialised buildings (e.g. campuses) are valued at fair value using optimised depreciated replacement cost because no reliable market data is available for buildings designed for education delivery purposes.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement asset is based on the reproduction cost of the specific assets with adjustments where appropriate for obsolescence due to over-design or surplus capacity.
- The replacement costs is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised building and land are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value.

Land and Buildings were revalued as at 31 December 2017 by Darroch Valuations Limited (Registered Valuers), on a fair value basis. The total fair value of Land and Buildings valued by Darroch Valuations Ltd at 31 December 2017 was \$355,565,794

In accordance with the land lease agreement with Tainui Group Holdings Limited the University is able to sublet up to 25% of the gross floor area of the buildings.

## Infrastructure

Infrastructure assets such as roads, car parks, footpaths, underground utilities (e.g. water supply and sewerage systems), and site drainage have been independently valued at Optimised depreciated replacement cost. The valuations have been performed in accordance with the New Zealand Valuation and Depreciation Guidelines issued by the NAMS Group. The significant assumptions applied in determining the depreciated replacement cost of infrastructure assets are similar to those described above for specialised buildings.

Infrastructural Assets were revalued as at 31 December 2017 by Opus International Consultants Limited on a fair value basis. The total fair value of infrastructure valued by Opus at 31 December 2017 was \$31,004,013.

## Tauranga Campus Construction

The University completed construction of its new campus in Tauranga. Assistance with the cost of the new campus was provided by a charitable trust (Trust) formed by Tauranga City Council, Bay of Plenty Regional Council and Tauranga Energy Consumer Trust. The Trust has gifted the University the campus land and pledged up to \$30M towards the cost of construction.

### Land

The value of the land has been recognised as land in the University's Property Plant and Equipment balance in the Balance Sheet as at 31 December 2017. The University was required to register an encumbrance against the title of the land, the encumbrance requires the land to be used primarily for tertiary education and research. Should the University no longer wish to carry out teaching and research at the site, then the land is to be returned to the Tauranga City Council (or the market value of the land at the time).

### Construction

The Trust provided contributions towards the cost of construction during 2017, 2018 and 2019. The funding agreement between the Trust and the University places many conditions on the University, the most significant of which are;

- Completion of the current construction of the Tauranga campus building by 31/12/19, with teaching to commence by semester 1, 2020 (Construction is complete and teaching commenced in 2019).
- Provision to the Trust of an educational delivery plan every 3 years.
- Provision to the Trust of an annual performance report.
- Achievement of at least 171 additional EFTS by 2025.
- Provision of facilities for an additional 500 EFTS by 31/12/2039.

Failure to comply with these conditions may result in the requirement to repay some, or all of the funding received from the Trust.

The University has employed personnel and designed strategies to ensure that these conditions are met. It is the University's assessment that it is very likely that the conditions will be complied with, therefore a repayment liability has not been recognised in the Balance Sheet. The amount of \$0.8M, (2018 \$19.5M), being funding received for construction, has been recognised as revenue in the Statement of Comprehensive Revenue and Expense.

## Finance Leases

The net carrying amount of Property, Plant and equipment held under finance leases is \$1,845,641, (2018 - \$1,916,370)

## Restrictions on title

Under the Education Act 1989, the University and group is required to obtain the consent from the Ministry of Education to dispose or sell of property where the value of the property exceeds an amount determined by the Minister.

The Tauranga land on which the University built its campus has an encumbrance registered on the title requiring the land to be used for tertiary education.

## Work in Progress

Property, plant and equipment in the course of construction by class of asset is detailed below:

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Land	-	-	-	-
Infrastructural Assets	2,894	1,729	2,894	1,729
Buildings	15,630	46,600	15,630	46,600
Leasehold Building Improvements	677	10	677	10
Plant and Equipment	1,032	1,849	1,032	1,849
Computer Equipment	467	135	467	135
Art Collection	-	158	-	158
Motor Vehicles	8	130	8	130
	20,708	50,611	20,708	50,611

## Note 18: Revenue in Advance

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Research Revenue	18,392	16,662	18,392	16,662
Commercial	6,144	6,121	6,066	6,098
Tuition Fees	36,125	30,136	36,125	30,136
<b>Total Revenue in Advance</b>	<b>60,661</b>	<b>52,919</b>	<b>60,583</b>	<b>52,896</b>
<b>Total Revenue in Advance comprise:</b>				
Revenue in Advance from exchange transactions	30,939	29,592	30,861	29,569
Revenue in Advance from non-exchange transactions	29,722	23,327	29,722	23,327
<b>Total Revenue in Advance</b>	<b>60,661</b>	<b>52,919</b>	<b>60,583</b>	<b>52,896</b>

## Note 19: Payables

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>Payables under exchange transactions</b>				
Trade Payables	6,995	6,897	7,344	7,101
Payables to Related Parties (see note 26)	-	-	30	11
Accrued Expenses	8,135	14,049	7,800	13,808
<b>Total payables under exchange transactions</b>	<b>15,130</b>	<b>20,946</b>	<b>15,174</b>	<b>20,920</b>
<b>Payables under non-exchange transactions</b>				
Taxes Payable	3,813	3,171	3,829	3,161
<b>Total Payables</b>	<b>18,943</b>	<b>24,117</b>	<b>19,003</b>	<b>24,081</b>

Payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of payables approximates their fair value.



## Note 20: Borrowings

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Opening Balance	1,308	1,313	1,308	1,313
less Borrowings Repaid	(5)	(5)	(5)	(5)
<b>Closing Balance</b>	<b>1,303</b>	<b>1,308</b>	<b>1,303</b>	<b>1,308</b>
Current Portion - Finance Lease	6	5	6	5
Non Current Portion - Finance Lease	1,297	1,303	1,297	1,303
	<b>1,303</b>	<b>1,308</b>	<b>1,303</b>	<b>1,308</b>

The finance lease is currently recognised at fair value using a discount rate of 12.89% (2018 12.89%).

The Finance lease was fair valued at inception using a discount rate of 12.07%.

### Finance lease

#### (a) Leasing arrangements

The Finance lease relates to University buildings which become the property of the University at the conclusion of the lease term in 2046.

#### (b) Finance lease liabilities

	Minimum Future Lease Payments				Present Value of minimum future lease payments			
	Group		University		Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
No later than 1 year	174	174	174	174	162	162	162	162
Between 1 and 5 years	694	694	694	694	475	475	475	475
Later than 5 years	3,763	3,937	3,763	3,937	666	671	666	671
Minimum Lease Payments	4,631	4,805	4,631	4,805	1,303	1,308	1,303	1,308
Less future finance charges	(3,328)	(3,497)	(3,328)	(3,497)				
<b>Present value of minimum lease payments</b>	<b>1,303</b>	<b>1,308</b>	<b>1,303</b>	<b>1,308</b>	<b>1,303</b>	<b>1,308</b>	<b>1,303</b>	<b>1,308</b>

## Note 21: Reconciliation of Surplus/(Deficit) to the Net Cash Flows from Operating Activities

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Surplus/(Deficit)	8,152	30,719	6,266	28,087
<b>Add/(Less) Non Cash Items:</b>				
Depreciation and amortisation	28,565	27,900	28,453	26,727
Increase/(decrease) in non-current employee entitlements	1,674	(134)	1,674	(134)
Other	(757)	110	239	(1)
	<b>29,482</b>	<b>27,876</b>	<b>30,366</b>	<b>26,592</b>
<b>Add/(Less) Movements in Other Working Capital Items:</b>				
(Increase)/Decrease in Receivables	(11,010)	(2,915)	(10,895)	(4,503)
Increase/(Decrease) in Payables	(4,629)	5,560	(4,578)	5,669
(Increase)/Decrease in Inventories	(157)	6	(157)	(85)
Increase/(Decrease) in Revenue in Advance	7,791	12,052	7,686	12,052
Increase/(Decrease) in Employee Entitlements	2,108	1,020	2,074	1,026
(Increase)/Decrease in Prepayments	(3,332)	(844)	(3,332)	(844)
Increase/(Decrease) in Intercompany balances	-	-	576	4,393
	<b>(9,229)</b>	<b>14,879</b>	<b>(8,626)</b>	<b>17,708</b>
<b>Add/(Less) Items Classified as Investing and Financing Activities:</b>				
(Gains)/losses on disposal of property, plant and equipment	290	366	299	366
<b>Net Cash Flow from Operating Activities</b>	<b>28,695</b>	<b>73,840</b>	<b>28,305</b>	<b>72,753</b>

## Note 22: Contingencies

### University Contingent Liabilities

A guarantee has been given to the Bank of New Zealand for an overdraft facility of \$53,000 (2018 \$53,000) on a continuing basis to the Campus Creche Trust. The University routinely monitors the financial performance of Campus Creche Trust. The likelihood of the guarantee being called upon is considered to be very low.

There is a possibility that due to resourcing issues, the University may not be able to complete a 3 year, \$1m, research project. If this should occur, the University may be required to repay funding.

The University has entered into a contract to purchase a building no later than November 2024. A condition of the contract is that if any tenants leave before the purchase occurs, the University is required to take up the lease commitment. The maximum amount that the University could become liable for is \$1,681,299.

The University is aware of potential payments for employee disputes up to a maximum of \$435,000. A student has taken a complaint about the University to the Human Rights Commission. Should this complaint be referred to the Human Rights tribunal the University may be liable for damages up to \$350,000. These disputes have been referred to the University's lawyers and the potential liabilities have been reported in the event that all the potential claims against the University were upheld.

There are no other known contingent liabilities.

## Share of Subsidiaries' and Associates' Contingent Liabilities

For the subsidiaries and associates included in the consolidated financial statements there are no other known contingent liabilities.

## Note 23: Key Management Personnel Compensation

The compensation of the members of Council, Vice Chancellors Executive Leadership Committee being the key management personnel of the University, is set out below:

	This Year	Last Year
<b>Council members</b>		
Full-time equivalent members <sup>1</sup>	0.93	0.91
Remuneration	233,418	231,503
<b>Executive Committee and Deans' Committee</b>		
Full-time equivalent members	15.99	20.26
Remuneration	4,457,233	5,756,961
<b>Total full-time equivalent members</b>	<b>16.92</b>	<b>21.17</b>
<b>Total key management personnel compensation</b>	<b>4,690,651</b>	<b>5,988,464</b>

<sup>1</sup>The full-time equivalent for council members has been calculated based on the frequency and length of Council meetings and the estimated time for members to prepare for meetings.

## Note 24: Leases

### Operating Leases as Lessee

#### (a) Leasing Arrangements

The University leases property, plant, and equipment (see note 7) in the normal course of its business. The majority of these leases have a non-cancellable term of 1 to 2 years.

The University leases the land for the Hamilton campus from Tainui Group Holdings Limited in perpetuity. The use of this land is restricted to tertiary education, research or any other activity permitted by the rules of the Regional and District plans or by a Resource Consent. The University may sublet up to 25% of the land for periods of no longer than 10 years without seeking agreement from Tainui Group Holdings Limited.

The future aggregate minimum lease payments payable under non-cancellable operating lease are as follows:

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>(b) Non-cancellable operating lease payments</b>				
Not longer than 1 year	4,108	4,223	4,108	4,223
Longer than 1 year and not longer than 5 years	15,543	12,319	15,543	12,319
Longer than five years	48,271	48,711	48,271	48,711
	<b>67,922</b>	<b>65,253</b>	<b>67,922</b>	<b>65,253</b>

#### (c) Sub-leases

The total minimum future receipts that the university expects to receive from its tenants on leased land is \$6,280,870, (2018 \$6,691,406). The minimum renewal periods range from 1 to 26 years.

## Lessor Disclosures

### Operating Leases as Lessor

#### (a) Leasing Arrangements (Receivables)

Operating leases relate to shops on campus, campus land and residential/commercial premises adjacent to the University campuses.

Lease terms are for terms of between 1 month and 8 years with various options to renew. The lessees do not have the option to purchase at the expiry of the lease period.

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>(b) Non-cancellable operating lease receivables</b>				
Not longer than 1 year	836	752	836	752
Longer than 1 year and not longer than 5 years	1,591	1,752	1,591	1,752
Longer than five years	5,174	5,287	5,174	5,287
	<b>7,601</b>	<b>7,791</b>	<b>7,601</b>	<b>7,791</b>

No contingent rents have been recognised in the Statement of Comprehensive Revenue and Expense.

## Note 25: Financial Instruments

### 25A: Financial Instrument Categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>FINANCIAL ASSETS</b>				
Mandatorily measured at fair value through surplus or deficit - (2018: Held for trading)				
Forward Foreign Exchange Contracts	-	-	-	-
New Zealand Equities	1,556	1,174	-	-
Australian Equities	1,123	783	-	-
Other Offshore Equities	1,535	1,243	-	-
Fixed Interest Instruments	1,079	852	-	-
<b>Total</b>	<b>5,293</b>	<b>4,052</b>	<b>-</b>	<b>-</b>
<b>Financial assets measured at amortised cost - (2018: Loans and Receivables)</b>				
Cash and Cash Equivalents	11,138	35,297	8,267	33,193
Receivables	36,255	25,099	35,917	24,879
Inter Company Asset Balances	-	-	1,659	1,662
Other Financial Assets	24,228	28,124	22,000	25,025
<b>Total</b>	<b>71,621</b>	<b>88,520</b>	<b>67,842</b>	<b>84,759</b>
<b>Mandatorily measured at fair value through other comprehensive revenue and expense (2018: Carried at cost)</b>				
Investments - Unlisted shares (designated)	316	316	2,316	2,316
<b>Total</b>	<b>316</b>	<b>316</b>	<b>2,316</b>	<b>2,316</b>
<b>FINANCIAL LIABILITIES</b>				
Financial Liabilities at Amortised Cost				
Payables	15,130	20,946	15,174	20,920
Inter Company Liability Balances	-	-	15,694	15,122
<b>Total</b>	<b>15,130</b>	<b>20,946</b>	<b>30,868</b>	<b>36,042</b>

### 25B: Fair Value Hierarchy Disclosures

For those instruments recognised at fair value on the balance sheet, 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 inputs - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques 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 in the statement of financial position.

	Valuation technique			
	Total \$000	Quoted Market Price \$000	Observable Inputs \$000	Significant non-observable inputs \$000
<b>31 December 2019 - University and Group</b>				
Financial Assets				
Derivatives	-	-	-	-
<b>31 December 2019 - Group</b>				
Financial Assets				
Fixed Interest Instruments	1,079	573	-	-
Listed Shares	4,214	2,319	-	-
<b>31 December 2018 - University and Group</b>				
Financial Assets				
Derivatives	-	-	-	-
<b>31 December 2018 - Group</b>				
Financial Assets				
Fixed Interest Instruments	852	573	-	-
Listed Shares	3,200	2,319	-	-

There were no transfers between the different levels of the fair value hierarchy.

## 25C: Financial Instrument Risks

The University's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The University has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

### Market risk

#### *Fair Value Interest Rate Risk*

The estimated fair value of the University's financial instruments are equivalent to their carrying amounts in the financial statements. The University's exposure to fair value interest rate risk is limited to its bank deposits which are held at fixed rates of interest, and a finance lease.

#### *Cash Flow Interest Rate Risk*

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates expose the University to cash flow interest rate risk.

The University holds a mixture of fixed rate and floating call rate deposits. At 31 December the University had \$8,226,128 (2018 \$9,888,001) invested in variable rate deposits and the balance in fixed rate deposits.

#### *Sensitivity analysis*

The tables on the following pages illustrate the potential effect on the surplus or deficit and equity (excluding general funds) for reasonably possible market movements, with all other variables held constant, based on financial instrument exposures at balance date.

## Interest rate risk

University	This Year		Last Year	
	+100bps \$000	-100bps \$000	+100bps \$000	-100bps \$000
Instrument				
Variable rate deposits	82	( 82 )	99	( 99 )

Group	This Year		Last Year	
	+100bps \$000	-100bps \$000	+100bps \$000	-100bps \$000
Instrument				
Variable rate deposits	88	( 88 )	119	( 119 )

### Explanation of interest rate risk sensitivity

The interest rate sensitivity is based on a reasonable possible movement in interest rate, with all other variables held constant, measured as a basis points (BPS) movement. For example a decrease in 100 bps is equivalent to a decrease in interest rates of 1%.

## Currency risk

University	This Year		Last Year	
	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Instruments held in USD				
Creditors	14	( 17 )	31	( 38 )
Debtors	( 33 )	40	( 5 )	6
US dollar account	( 44 )	54	( 139 )	170

Group	This Year		Last Year	
	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Instruments held in USD				
Creditors	14	( 17 )	31	( 38 )
Debtors	( 33 )	40	( 5 )	6
US dollar account	( 44 )	54	( 140 )	171
Equities	( 125 )	152	( 102 )	125

University	This Year		Last Year	
	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Instruments held in AUD				
Creditors	32	( 39 )	17	( 21 )
Debtors	-	-	-	-
AUD dollar account	( 17 )	21	( 31 )	38

Group	This Year		Last Year	
	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Instruments held in AUD				
Creditors	32	( 39 )	17	( 21 )
Debtors	-	-	-	-
AUD dollar account	( 17 )	21	( 31 )	38
Equities	( 103 )	126	( 72 )	88

University and Group	This Year		Last Year	
Instruments held in EUR	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Creditors	-	-	-	-
Debtors	-	-	(1)	2
Euro Account	-	-	-	-

University and Group	This Year		Last Year	
Instruments held in GBP	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Creditors	2	(3)	1	(2)
GBP Account	-	-	-	-
Equities	(16)	20	(12)	14

University and Group	This Year		Last Year	
Instruments held in CNY	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Creditors	4	(5)	1	(1)
Debtors	-	-	-	-

University and Group	This Year		Last Year	
Instruments held in CAD	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Creditors	1	(2)	-	-
Debtors	-	-	-	-

University and Group	This Year		Last Year	
Instruments held in INR	+10% \$000	-10% \$000	+10% \$000	-10% \$000
Creditors	1	(1)	-	-
Debtors	-	-	-	-

#### *Explanation of currency risk sensitivity*

The foreign exchange sensitivity is based on a reasonable possible movement in foreign exchange rates, with all other variables held constant, measured as a percentage movement in the foreign exchange rate.

#### **Credit Risk**

Credit risk is the risk that a third party will default on its obligation to the University causing the University to incur a loss.

Financial instruments which potentially subject the University to credit risk principally consist of bank balances, intercompany balances and accounts receivable.

Credit risk in respect of bank and short term deposits is reduced by spreading deposits over major New Zealand registered trading banks with minimum S&P long term credit rating of A+ or minimum Moody's Investors long term credit rating of A. Receivables are unsecured, but are subject to credit control.

No collateral is held.

### Credit risk exposure by credit risk rating grades

The gross carrying amount of financial assets, excluding receivables, by credit rating is provided below by reference to Standard and Poor's credit ratings.

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
<b>Cash at bank and term deposits</b>				
AA-	39,659	66,473	29,267	57,218
<b>Derivative Financial Instruments</b>				
AA-	-	-	-	-
Managed Fund (bonds)				
AA+	99	-	-	-
AA-	133	-	-	-
A+	-	41	-	-
A	67	-	-	-
A-	54	52	-	-
BB+	30	382	-	-
BBB+	181	130	-	-
BBB	106	261	-	-
<b>Total managed fund</b>	<b>670</b>	<b>866</b>	<b>-</b>	<b>-</b>

All instruments in this table have a loss allowance based on 12-month expected credit losses.

### Liquidity Risk

Liquidity risk is the risk that the University 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.

The University is expected to maintain combined cash reserves and committed credit lines available to a minimum of 120% of the forecast peak funding requirements at any one point of time in the following 12 month period.

### Contractual Maturity Analysis of Financial Liabilities

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

University	Carrying Amount	Contractual cash flows	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years	More than 5 years
<b>This Year</b>	\$000	\$000	\$000	\$000	\$000	\$000
Payables	15,174	15,174	15,174	-	-	-
Borrowings	1,303	4,631	87	87	694	3,763
Inter Company Balances	15,694	15,694	-	15,694	-	-
<b>Last Year</b>						
Payables	20,920	20,920	20,920	-	-	-
Borrowings	1,308	4,805	87	87	694	3,937
Inter Company Balances	15,122	15,122	-	15,122	-	-

Group	Carrying Amount	Contractual cash flows	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years	More than 5 years
<b>This Year</b>	\$000	\$000	\$000	\$000	\$000	\$000
Payables	15,130	15,130	15,130	-	-	-
Borrowings	1,303	4,631	87	87	694	3,763
<b>Last Year</b>						
Payables	20,946	20,946	20,946	-	-	-
Borrowings	1,308	4,805	87	87	694	3,937

## Note 26: Related Party Transactions

The following related party transactions occurred between the University and WaikatoLink Limited, The University of Waikato Foundation (Foundation), TheStudents' Campus Building Fund Trust (SCBFT), University of Waikato Research Trust (UoW RT) and iEngagEd Limited, during the year:

	WaikatoLink	Foundation	SCBFT	UoW RT	iEngagEd
	\$	\$	\$	\$	\$
<b>Payments in 2019 to:</b>					
-2018	1,004,300	-	2,462	2,418,000	436,141
	1,003,000	-	2,414	2,797,000	527,547
<b>Receipts in 2019 from:</b>					
-2018	259,236	1,173,580	267,496	51,382	-
	302,067	638,240	267,488	44,897	-
<b>Accounts Receivable at 31 December 2019 owing from:</b>					
-2018	1,451,953	69,402	-	-	140,161
	1,577,397	81,442	-	-	131,028
<b>Accounts Payable at 31 December 2019 owing to:</b>					
-2018	-	-	2,829,348	12,867,000	29,900
	-	-	2,564,277	12,558,000	10,939

These transactions within the University group are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions. Although there is no requirement to do so, the University has chosen to disclose these transactions.

The payable amount owing to the University of Waikato Research Trust is the intercompany balance (see note 12) and represents the funds available to the Trust for future research activity.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the University and Group would have adopted in dealing with the party at arm's length in the same circumstances.

During the year the Group received \$5,000 (2018: \$5,000) from Kordia to be used as a scholarship for "Women in Technology". A council member is CEO of Kordia Limited. There was no amount outstanding as at 31 December 2019 (2018: \$nil).

The spouse of a council member provided consulting services totalling \$2,773, some of which were at a discounted rate. The amount outstanding at 31 December 2019 was \$2,516 (2018: \$nil).

No provisions have been required, nor expense recognised for impairment of receivables for any other loans or other receivables to related parties



## Note 27: Capital Management

The University's capital is its equity, which comprises general equity and reserves. Equity is represented by net assets. The University is subject to the financial management and accountability provisions of the Education Act 1989, which includes restrictions in relation to disposing of assets and interests in assets, ability to mortgage or otherwise charge assets or interests in assets, granting leases of land or buildings or parts of buildings, and borrowings.

The University manages its revenues, expenses, assets, liabilities, investments and general financial transactions prudently to ensure the responsible use of, and accountability for public resources.

The University's planning process includes the development of the University Strategy, Academic Plan, Investment Plan and budgets. These plans set out the University's activities for the next one to three years. The University's operational budget is set annually and ensures that the planned activities are appropriately funded and that expenditure requirements of the planned activities have been identified.

The University has created a reserve within equity, for Prizes, Scholarships and Trust Funds. This reserve represents funds held by the University on behalf of others and funds provided to the University by various people and are restricted for specific purposes.

## Note 28: Commitments

### Capital Commitments

The University has the following capital expenditure contracted:

	Group		University	
	This Year \$000	Last Year \$000	This Year \$000	Last Year \$000
Land	7,628	-	7,628	-
Buildings	18,822	11,184	18,822	11,184
Infrastructural Assets	1,102	1,359	1,102	1,359
Library Collection	1,923	1,652	1,923	1,652
Plant and Equipment	835	801	835	801
Computer Equipment	437	366	437	366
Motor Vehicles	-	-	-	-
Intangibles	158	357	158	357
	30,905	15,719	30,905	15,719

## Note 29: Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the University has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity as at 1 January 2019.

Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 11 Receivables: This policy has been updated to reflect the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 13 & 15 Investments:
  - Term deposits, Government bonds and loans to subsidiaries: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.
  - Share investments: This policy has been updated to remove references to impairment losses, as NZ IFRS 9 no longer requires identification of impairment for equity investments measured at fair value through other comprehensive revenue and expense. Also, on disposal, the accumulated gains/losses are no longer transferred to general funds.

On the date of the initial application of PBE IFRS 9, being 1 January 2019, the classification of financial instruments under PBE IPSAS 29 and PBE IFRS 9 is as follows:

### University

	Measurement Category		Closing balance 31 December 2018 (PBE IPSAS 29) \$000	Adoption of PBE IFRS 9 adjustment \$000	Opening balance 1 January 2019 (PBE IFRS 9) \$000
	Original PBE IPSAS 29 category	New PBE IFRS 9 category			
Cash at bank and on hand	Loans and receivables	Amortised Cost	1,701		1,701
Short term deposits	Loans and receivables	Amortised Cost	31,492		31,492
Term Deposits	Loans and receivables	Amortised Cost	24,025		24,025
Receivables	Loans and receivables	Amortised Cost	24,879	238	25,117
Loan	Loans and receivables	Amortised Cost	1,000		1,000
Inter company balance	Loans and receivables	Amortised Cost	1,662		1,662
Managed funds	FVTSD -Held for trading	FVTSD - Manadatory	0		0
Equity Investments	Financial Assets at cost	FVTOCRE - Designated	316		316
<b>Total financial assets</b>			<b>85,075</b>	<b>238</b>	<b>85,313</b>

FVTSD - Fair Value through Surplus or Deficit

FVTOCRE - Fair Value through Other Comprehensive Revenue and Expenses

The measurement categories and carrying amounts for financial liabilities have not changed between the closing 31 December 2018 and opening 1 January 2019 dates as a result of the transition to PBE IFRS 9.

## Group

	Measurement Category		Closing balance 31 December 2018 (PBE IPSAS 29) \$000	Adoption of PBE IFRS 9 adjustment \$000	Opening balance 1 January 2019 (PBE IFRS 9) \$000
	Original PBE IPSAS 29 category	New PBE IFRS 9 category			
Cash at bank and on hand	Loans and receivables	Amortised Cost	3,405		3,405
Short term deposits	Loans and receivables	Amortised Cost	31,892		31,892
Term Deposits	Loans and receivables	Amortised Cost	26,830		26,830
Receivables	Loans and receivables	Amortised Cost	25,099	238	25,337
Loan	Loans and receivables	Amortised Cost	1,000		1,000
Inter company balance	Loans and receivables	Amortised Cost	0		0
Managed funds	FVTSD -Held for trading	FVTSD - Mandatory	4,346		4,346
Equity Investments	Financial Assets at cost	FVTOCRE - Designated	316		316
Total financial assets			92,888	238	93,126

FVTSD - Fair Value through Surplus or Deficit

FVTOCRE - Fair Value through Other Comprehensive Revenue and Expenses

The measurement categories and carrying amounts for financial liabilities have not changed between the closing 31 December 2018 and opening 1 January 2019 dates as a result of the transition to PBE IFRS 9.

## Note 30: Explanations of Major Variances against Budget

Explanations for major variations against the budget information at the start of the financial year are as follows:

### Statement of Comprehensive Income

#### Government Funding and Grants

The University exceeded its budget for Government funding and grants by \$13.0 million. This variance is comprised of budget re-classifications, the Fees Free funding of \$9.3 million was budgeted as domestic tuition fees and revenue received by the Institute of Professional Learning was budgeted as Other Revenue.

#### Tuition Fees

The University received \$4.0 million less than budgeted in tuition fees. The University reclassified \$9.3 million to government grant, being Fees Free funding. International tuition fees exceeded budget by \$6.9 million, this represented an additional 274 EFTS. Government funded tuition fees were \$1.5 million below budget, representing a shortfall of 212 EFTS.

#### Research Revenue

Research revenue exceeded budget by \$1.3 million. While some Divisions struggled to meet budget, increased research activity in the Faculty of Maori and Indigenous Studies resulted in the Faculty surpassing budget by \$1.6 million.

#### Other Revenue

Other revenue received by the University was \$2.4 million more than budget. The Division of Education had a successful year, budget by \$1.2 million, largely in the area of commercial teaching. There was also additional revenue in the International Office, accommodation in Tauranga, and commercial teaching in China.

### Personnel Costs

Personnel costs were \$7.5 million more than budget. The movement in the actuarial valuation (note 9) was \$1.3 million more than budget, and the University spent \$1.1 million more than budget on restructuring costs. The Division of Arts, Law, Psychology and Social Sciences overspent their personnel budget by \$2.9 million, the Division of Health, Engineering, Computing and Science overpent by \$1.2 million. The School of Maori and Indigenous Studies overspent by \$1.0 million due to increased research activity.

### Other Costs

The University spent \$8.0 million more than budget in other costs. There were a few areas of significant overspend, advertising and publicity (\$1.7 million), commissions to international recruiters (\$1.2 million) and subcontracting of property services (\$1.2 million). Other areas of overspend are appointment expenses, repairs and maintenance, transfers to the Research Trust, food purchases, legal costs and software maintenance.

## Note 31: Events after Balance Sheet Date

On March 11 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic and two weeks later the New Zealand Government declared a State of National Emergency. From this date the country moved to Alert Level 4 and lockdown. As a result economic uncertainties have arisen which are likely to negatively affect our operations and services.

We describe below the possible effects that we have identified on the University as a result of the COVID-19 pandemic.

- Government Tuition Funding, The Crown have guaranteed that funding will continue at the agreed 2020 level for both Investment Plan and fees-free funding, regardless of the pandemic's effects on enrolments and educational performance indicator results. While there is some degree of certainty for this crucial income stream, we have identified several other possible effects on the University that cannot be quantified at this stage.
- Student fees & charges, including the potential loss of current and prospective students due to the disruption and/or pressures created by COVID-19.
- Accommodation fees that may be rebated to students who have returned home prior to the lockdown.
- The impact on other income, including Government research funding.
- The direct cost impact of the Alert Level 4 lockdown on alternative working arrangements.
- The direct cost for developing and hosting alternative methods of delivery to students.
- The value of Foundation Trust investment portfolios which have been impacted by the significant fluctuations in value of marketable securities.

At this time it is difficult to determine the full effect of the COVID-19 pandemic, and there could be other matters that affect the University.









# Glossary

## Abbreviations

ACE	Adult and Community Education
CEP	Curriculum Enhancement Programme
EEO	Equal Employment Opportunity
EFTS	Equivalent Full Time Student
FCI	Full-Cost International
FCO	Full-Cost Other
FMIS	Faculty of Māori and Indigenous Studies
FTE	Full-Time Equivalent
ICT	Information and Communication Technology
IP	Intellectual Property
IT	Information Technology
KPI	Key Performance Indicator
MF	Ministry-Funded

MOE	Ministry of Education
OAG	Office of the Auditor General
PBRF	Performance-Based Research Fund
PCOL	Pathways College
QS	Quacquarelli Symonds
RDC	Research Degree Completion
RPG	Research Postgraduate
SAC	Student Achievement Component
SLMS	Student and Learning Management System
TEC	Tertiary Education Commission
TEI	Tertiary Education Institution
THE	Times Higher Education
TPG	Taught Postgraduate

## Terms

Academic staff	Staff whose conditions of employment require teaching and/or research to be undertaken
Domestic students	Students who are New Zealand citizens, who include citizens of the Cook Islands, Niue and Tokelau, or New Zealand permanent residents currently living in New Zealand, or Australian citizens currently living in New Zealand, or Australian permanent residents who have a returning resident's visa and are currently living in New Zealand
EFTS (Equivalent Full Time Students)	The measure used by all tertiary education organisations for reporting student numbers. At the University of Waikato 1 EFTS equates to a student workload of 120 points (1,200 total learning hours)
Ethnicity	Students can self-report up to three ethnicities; results generated by students against the 'first' ethnicity are reported
FCI (Full-Cost International)	Associated with international students; students do not attract SAC funding
FCO (Full-Cost Other)	Does not attract SAC funding from Government because the student concerned is undertaking study in another part of the education sector (e.g. a secondary school student), or is undertaking a full-fee domestic programme of study (e.g. some specific Corporate and Executive Education programmes)
FTE (Full-Time Equivalent)	The measure use for reporting staff numbers. 1.0 FTE is equivalent to a full-time employee for a whole calendar year. A value of less than 1.0 FTE represents either a part-time staff member, or a staff member working full-time for less than one calendar year.
Interim	Results subject to confirmation by the TEC following submission of the April 2018 SDR
International students	Students who do not satisfy the criteria for domestic citizenship
MF (Ministry-Funded)	Students who attract SAC funding
New students	Students enrolled for the first time in a formal qualification at the University of Waikato
Other staff	Staff whose conditions of employment do not require teaching and/or research to be undertaken
Research revenue	The sum on both 'PBRF-eligible external research income' and 'non-PBRF eligible research revenue' (these terms are defined in detail by the TEC for PBRF purposes)
School leavers	Students who were enrolled at a secondary school in New Zealand or overseas in the year prior to, or the same year as, enrolling at the University of Waikato
SAC (Student Achievement Component) funding	Government's contribution to the direct costs of teaching, learning and other costs driven by domestic (and some international PhD) student learner numbers

# Notes

## Statistical Information

Numbers in this section may not add due to rounding. EFTS counts those generated in both assessed and non-assessed papers unless specified otherwise.

### Total students by ethnicity

The data in these tables count students enrolled in formal programmes only

### Total students by gender

The data in these tables count students enrolled in formal programmes only

### Total qualifications completion by level

The data in these tables count students completing formal qualifications only

#### Foundation certificate

Comprises the Certificate of Attainment in English Language, the Certificate of Attainment in Academic English, the Certificate of Attainment in Foundation Studies, and the Certificate of University Preparation

#### Degree

Comprises undergraduate degrees, certificates (undergraduate and graduate) and diplomas (undergraduate and graduate)

#### Graduate/Postgraduate

Comprises graduate degrees (including one-year and four-year honours degrees and masters degrees), postgraduate certificates and postgraduate diplomas

#### Higher degrees

Comprises Masters of Philosophy and Doctorates (PhD, EdD, SJD and DMA)

### Total EFTS by organisational unit

Counts EFTS by the organisational unit that 'owns' the relevant papers. EFTS generated by the Waikato Pathways College are counted under the Faculty of Education

### Research Revenue

Annual research revenue counts both PBRF-eligible and non-PBRF eligible research revenue. Academic FTE research counts FTE generated by 'teaching and research' and 'research only' academic staff on continuing appointments (i.e. fixed-term and casual staff are excluded from this count)

### Research publication by type

Research outputs have been counted once in an organisational unit. If a publication is co-authored by staff located in different organisational units it will be counted once in each of the relevant units; this could result in a research output being counted multiple times within the University. 'Other' publication types include, for example, reports, discussion papers, oral presentations not delivered within a conference setting, patents, theses and dissertations.

## Statement of Service Performance

KPI results and targets for percentages greater than 20% have been rounded to the nearest whole number.







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