



**MASSEY
UNIVERSITY**
TE KUNENGA KI PŪREHUROA

UNIVERSITY OF NEW ZEALAND

ANNUAL REPORT

TE ARA WHAKAMUA

2016



VISION TE PAE TAWHITI

To be New Zealand's defining university and a world leader in higher education and scholarship. *Kia hāpai ake i te rau tāngata ki te toi o angitu.*

MISSION TE PAE TATA

To define the future of our nation and to take the best of New Zealand to the rest of the world. *Kia arataki i te motu kia kawe i ōna painga ki te ao whānui.*

VALUES NGĀ UARA

Create, Innovate, Connect. *Kia auaha, kia hihiri, kia hono.*

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THE SEVEN BIG GOALS FOR MASSEY UNIVERSITY NGĀ TINO WHĀINGA O TE KUNENGA KI PUREHURO

RESEARCH AND SCHOLARSHIP

To promote the highest standards of research and scholarship, be a world leader in our areas of specialisation and support active engagement with, and participation in, knowledge exchange to ensure that the intellectual capital we generate is used to best advantage.

TEACHING AND LEARNING

To ensure an exceptional and distinctive learning experience at Massey for all students.

CONNECTIONS

To strengthen our connections with tangata whenua and local, national and international partners and stakeholders, creating mutual benefits.

INTERNATIONALISATION

To extend our reach so that we operate worldwide as New Zealand's defining international university.

RESPONSIBILITY

To enhance our reputation as New Zealand's defining university by contributing to an understanding of – and innovative responses to – social, economic, cultural and environmental issues, including those that affect tangata whenua.

GENERATING INCOME

To significantly increase our income and improve our financial position to allow for more investment to enable the University to achieve its goals.

ENABLING EXCELLENCE

To provide the best working and academic environment for our staff and students.

TE RANGAHAU ME TE UMANGA

Kia kouna rawa atu te mahi rangahau me te pūwānanga, kia tū hei kaiarataki matua mō tā mātou e matatau ai me te tautoko i te whakawhiti mātauranga e hua mai ai ko ōna painga.

TE WHAKAAAKO ME TE AKO

Kia kouna, kia motuhake hoki te wheako o ngā ākonga katoa ki Te Kunenga ki Pūrehuroa.

TE KŌTUITUI

Kia kaha ake te tūhono ki ngā iwi, ki ngā hoa mahi, ā-rohe, ā-motu, o te ao whānui hoki, kia tipu tahi ai ngā painga.

TE AO WHĀNUI

Kia whātoro atu ngā ringaringa a Te Kunenga ki Pūrehuroa ki te ao whānui hei kanohi mō Aotearoa.

TE ARONGA MANAAKITANGA

Kia hāpaitia te mana o Te Kunenga ki Pūrehuroa hei kanohi mō Aotearoa mā te hihiri o te whakaaro ki ngā take pāpori, ohaoha, ahurea, taiao, tae atu hoki ki ērā ka pā atu ki ngā tangata whenua o te motu.

TE WHAKATIPU RAWA

Kia kaha te whakatipu rawa me te whakapai ake i te tahua e whakangao ai te whare wānanga kia whakatutuki wawata.

KIA TUAWHITI

Kia noho te whare hei whare whakahira mō ā mātou kaimahi me ngā ākonga.

INTRODUCTION



For more than 130 years, Massey University has helped shape the lives and communities of people in New Zealand and around the world. Massey takes pride in its forward-thinking spirit, research-led teaching, and cutting-edge discoveries.

Massey University began as Massey Agricultural College in 1927, located in Palmerston North in the middle of New Zealand's North Island. In 1964 it became a university and in 2014 celebrated its 50th jubilee.

Today the University has major campuses in Palmerston North, Albany (Auckland) and Wellington. Through distance education, students can study anywhere in New Zealand and around the world. Agriculture is now part of the College of Sciences, which sits alongside the Colleges of Business, Humanities and Social Sciences, Health and Creative Arts.

Its record of achievement means that Massey University is consistently ranked in the top 3 per cent of universities in the world.

In signature areas such as accounting and finance, agriculture, biological sciences, communication and media studies, defence, design, education, food technology, psychology, public health, sociology and veterinary medicine – it is world leading.

Neke atu i te 130 tau e āwhina ana a Te Kunenga ki Pūrehuroa i ngā hapori huri noa i Aotearoa me te ao whānui. Kei te tū whakaiti, tū-ā-tangata a Te Kunenga ki Pūrehuroa mō tōna tirohanga whakamua, mō tōna arataki rangahau me ngā tūhurātanga hou rawa.

He Kāreti Ahuwhenua a Te Kunenga ki Pūrehuroa i tōna orokotimatanga i te tau 1927, i tū ai ki Papaioea i te puku o Te Ika a Māui. I te tau 1964 i huri hei whare wānanga, ā, i te tau 2014 ka whakanuia tōna 50 tau.

I tēnei wā he wānanga matua ki Papaioea, Ōtēhā ki Tamaki Makaurau me Pukeahu ki Te Whanganui a Tara. Mā te ako mai tawhiti e taea ai e ngā tauira te akoako mai i ngā pito katoa o Aotearoa me te ao whānui. I āiane he wāhanga te kaupapa ako Ahuwhenua i te Kāreti Pūtaiao e noho tahi nei me Te Kura Whai Pakihi, Te Kura Pūkenga Tangata, Hauora me Toi Rauwhārangi.

Nā tōna mahi angitu, e eke taumata ai a Te Kunenga ki Pūrehuroa ki te 3 ōrau o runga o ngā whare wānanga katoa o te ao.

I ngā kaupapa rangatira pērā i te mahi kaute me te tahua, pūtaiao koiora, te ao pāpaho, ārai hoariri, hoahoa, mātauranga, hangarau kai, mātai hinengaro, hauora tūmatanui, mātauranga hapori me te pūtaiao rata kararehe – e arataki ana i te ao.



FROM THE CHANCELLOR



2016 was a successful year for Massey University, with growth across the board in domestic, distance and international enrolments, and through Massey University Worldwide, which is delivering our programmes in Australia, China, Indonesia, Singapore, Malaysia and the Middle East.

Massey University Worldwide, which was established in 2014 with the purpose of growing our offering in international markets both online and in partnership with other institutions, launched – for the first time – a marketing campaign promoting its “borderless” service. The campaign, which targeted students in China and Malaysia, aimed to take advantage of the enormous growth in demand from international students for education delivered in their home country. Concurrently a marketing campaign ran to increase the number of New Zealanders studying with Massey while living overseas, particularly in Australia and Britain.



Just a few months earlier the first cohort of students beginning the Bachelor of Food Technology with Honours programme at the Singapore Institute of Technology –a partnership between Massey University and the institute.

Massey University continues to lead the way in New Zealand’s international education agenda, and I thank all the staff involved in this area.



More than 6200 new graduates were welcomed into our alumni family, which now numbers in excess of 140,000 around the world. Most were capped at ceremonies in Auckland, Palmerston North and Wellington in April, May and November. At these ceremonies three honorary doctorates were conferred: Russell Ballard with a Doctor of Science and Diana Goodman and Dick Scott with Doctors of Literature.

Just as I was honoured to confer these honorary awards, it was my privilege to confer the title of Professor Emeritus to Peter Wilson, Chin-Diew Lai and Robert McKibbin during the year.

With a strong balance sheet, the University continues to make capital expenditure decisions that will enable the management and staff to achieve the strategic vision of Massey: being New Zealand’s defining university and a world leader in higher education and scholarship.

Over the course of the year the council was pleased to see the ongoing investment in infrastructure. At the end of the year the road that will in the future lead to the Innovation Sciences Complex was officially opened



at the Auckland campus, while earlier in the year a request for proposals to realise the value of the campus' Oteha Rohe site – which will help to finance future construction to meet predicted student growth – closed.

At the Manawatū campus the construction of the new Wildbase ward of the Veterinary Teaching Hospital was all but finished as the year ended – as was the upgrade of Te Kuratini Marae and the University's new School Music and Creative Media Production facilities at the Wellington campus.



I offer my sincere thanks to those who served on the council in 2016, to the outgoing Vice-Chancellor Steve Maharey and the Senior Leadership Team.

Finally, this is my last annual report as Chancellor. It has been an honour and a pleasure to lead the council since 2014 and to have been a member of the council since 2005. My thanks to my fellow council members and the staff with whom I have worked during the years. We have seen Massey position itself strategically for growth in size and reputation and to stamp its mark as one of the world's great universities. My best wishes to new Chancellor Michael Ahie and Vice-Chancellor Professor Jan Thomas. Massey University is in good hands.

Chris Kelly
Chancellor



FROM THE VICE-CHANCELLOR

The key themes for Massey University in 2016 were academic focus, differentiating and refreshing our brand, driving internationalisation, growing revenue, supporting staff and working smarter and underpinning success.



Each of them sat directly under one or more of our big goals, and in many cases they complemented each other. Our academic focus included building towards the 2018 Performance-Based Research Fund review, updating the research strategy and supporting research development. We continued our work on transforming our online and digital offering and we introduced new qualifications in commercial music, sport management, food technology (in Singapore) and teaching and learning in Māori, while refreshing, renewing and redesigning several other qualifications, including two of our largest, the Bachelor of Arts and the Bachelor of Business Studies.



We grew student enrolments, domestically and internationally, through a combination of recruitment and retention; we created a new model for commercial activities; and we increased the income of the charitable arm, the Massey University Foundation, thanks to the generosity of donors, the hard work of staff and the wisdom and oversight of the foundation board members.



An example of the direction in which we are heading on commercialisation and enterprise was Massey Ventures, which won \$927,692 over three years from the Government's PreSeed Accelerator Fund. With match-funding this will enable it to allocate more than \$1.8 million to Massey staff and student projects with the potential to attract research investors from the technology fields, such as veterinary technology, food technology, fundamental science and engineering.

We also divested ourselves of the Hokowhitu site, allowing us to prepare for the completion of the consolidation on one site at Manawatū, including the restoration of our heritage buildings and significant refurbishments of other buildings. Another initiative aimed at generating revenue, this time for investment in the Auckland campus, was the initiation of a request for proposals to consider options for the Oteha Rohe site.

There were two significant changes to our Senior Leadership Team during the year. Professor Jane Mills replaced Professor Paul McDonald as College of Health Pro Vice-Chancellor and Dr Charlotte Severne replaced Dr Selwyn Katene as Assistant Vice-Chancellor Māori and Pasifika.



My thanks to Professor McDonald, the inaugural head of the college since its establishment in 2013, to Professor Barrie Macdonald for acting as Pro Vice-Chancellor from July until Professor Mills' arrival in January, and to Dr Katene, who moved into a new role at Massey with Te Puna Whakatipu, in November.

In October, Chancellor Chris Kelly announced the appointment of Professor Jan Thomas as my replacement as Vice-Chancellor, taking effect in January 2017.

KEY EVENTS



Finance 2016 in February in Auckland was the eighth time we had hosted this event in partnership with the Auckland Chamber of Commerce. It is a lunch event that goes from strength to strength. In no small part this is due to the engagement with the audience of Finance Minister – now Prime Minister – Bill English, who has been the keynote speaker at every event since 2009.

Our Open Days on all campuses in August were attended by more prospective students than ever. We know that for around 60 per cent of students Open Days is their first contact with Massey and that around 30 per cent who attend go on to enrol. This year we had systems in place to enable attendees to register electronically so we can follow up with them and offer them more information.



We hosted mayoral election debates in Auckland, Palmerston North and Wellington in September in the run-up to the local body elections.

Our New Zealand Food Awards function in Auckland in October was the biggest yet, with the number and calibre of entries in all the categories rising each year along with the numbers attending what is recognised as a national showcase of the innovation and creativity of New Zealand's food industry.

In November we had the opportunity to host a Future of Food Forum in Auckland, partnership with the Embassy of the Netherlands and FoodHQ to coincide with a visit to New Zealand by the King and Queen of the Netherlands.



Also in November we hosted Future New Zealand forums in Auckland and Wellington, where expert panellists engaged with breakfast audiences and news media on the topics of cyber security (Auckland) and Asia-Pacific security (Wellington).

COLLEGE HIGHLIGHTS

BUSINESS

The Massey Business School aims to be the preferred education provider for the business community. This year's strategic partnership with Institute of Management New Zealand was a key milestone. Together we offer New Zealand's most comprehensive range of leadership and management courses and qualifications.

In 2016 the college received top marks from international accreditation agencies, including maintaining its AACSB (Association to Advance Collegiate Schools of Business) accreditation – a mark of excellence achieved by less than 5 per cent of the world's business programmes.



The School of Communication, Journalism and Marketing became the first school in the Asia-Pacific region to achieve accreditation from the Accrediting Council on Education in Journalism and Mass Communications.

It was a special year for the journalism programme. It is the oldest continuously running programme in New Zealand and was recognised for its outstanding contribution to the industry at the Canon Media Awards. In November, at the Wellington campus, staff, students and graduates celebrated its 50th anniversary. The guest speaker was renowned former BBC journalist Diana Goodman, on whom we conferred an honorary doctorate earlier in the year for services to journalism.



The reputation of the journalism programme is in good hands. Our graduates won both the student journalist and junior reporter of the year awards at the Canon Media Awards – and, for the fourth consecutive year, a Massey student won the Bruce Jesson Emerging Journalism Prize.

The business school continued to build close relationships with industry – and central to this was the establishment of the chief executive officer-in-residence position. The role was filled by former Warehouse Group chief executive Mark Powell, who provides an invaluable link to the real world of business.

CREATIVE ARTS

The College of Creative Arts celebrated 130 years of great design thinking this year and was extremely proud to be ranked second in the Asia-Pacific by global design organisation Red Dot – the highest ranking of any New Zealand or Australian design school.



Fine arts lecturer Shannon Te Ao was the recipient of this year's Walters Prize, one of New Zealand's most prestigious art prizes, alongside fellow lecturer Simon Morris, who won the Fulbright-Wallace Arts Trust Award in September.

In September the Design+Democracy Project team hosted a very successful "VoteLocal" mayoral debate at the Wellington campus. Earlier in the year the team won the Information category of the Australia & New Zealand Internet Awards for their work online to increase voter engagement. Design lecturer Emma Fox-Derwin received an Object

Design lecturer Emma Fox Derwin received an Object Award at the Biennale Interieur in France for her Cloak Cabinet, and the Make/Use team, led by fashion designer Holly McQuillan, won the “Open Source Use in the Arts” award in the 2016 New Zealand Open Source Awards.

The new School of Music and Creative Media Production is well established, with a thriving cohort in both the commercial music and media production degrees. Lecturer Devin Abrams was nominated in three categories for this year’s Vodafone New Zealand Music Awards.

Industrial design professor Tony Parker, who helped design a series of innovative electric fence products including the S-20 solar energiser, shared in the success of Gallagher Group when it won gold and bronze awards at the 2016 New Zealand Plastics Industry Design Awards; and Gray Hodgkinson’s feature film, Displaced, won eight awards after being accepted for screening at 18 international juried film festivals.

HEALTH

Five research projects were awarded more than \$4 million by the Health Research Council of New Zealand to tackle issues including screening for cancer, smoking cessation rates, managing nurses’ fatigue and the occupational risk factors of cardiovascular disease.



The School of Public Health hosted its first public health symposium in Wellington. The keynote speaker was former Deputy Vice-Chancellor Sir Mason Durie and there were presentations from some of the college’s top academics, including Professor Philippa Gander and Associate Professor Marewa Glover.

One of the presenters, Professor Barbara Burlingame, was selected by the Committee on World Food Security for its panel of experts – the only panellist from the Southern Hemisphere.



The Massey Institute of Food Science and Technology, led by Distinguished Professor Harjinder Singh, was awarded \$1.5 million by the Government’s High-Value Nutrition National Science Challenge to conduct research on food that provides enhanced health benefits.

Professor Julian Heyes from the Massey Institute of Food Science and Technology was appointed adjunct professor at Indonesia’s University of Mataram.

Dr Kathryn Beck was one of four researchers awarded fellowships by the World Cancer Research Fund International’s Academy.



The Alpha-Massey Natural Nutraceutical Research Centre was launched in Auckland, funded by a \$1 million grant. The Alpha Group is a bio-tech manufacturing company that exports premium products to Asia.

The Sleep/Wake Research Centre and the School of Nursing launched a Safer Nursing 24/7 project in collaboration with the New Zealand Nurses Organisation. Our nursing programme is now ranked in the QS Subject Area World Rankings’ top 100.

HUMANITIES AND SOCIAL SCIENCES



This year staff from the College of Humanities and Social Sciences contributed to a new book, *Rebooting the Regions*, edited by Distinguished Professor Paul Spoonley. The book highlighted challenges faced by New Zealand regions as a result of changing demographics. Professor Spoonley and Professor Richard Shaw were active in discussing these issues at public forums in Hawke's Bay and Taranaki.

Five of the seven grants that were awarded to Massey scholars went to humanities and social sciences. As Professor Spoonley said, this signalled a promising trend in terms of a greater recognition of the relevance of arts research by one of our most prestigious academic funding bodies, the Royal Society of New Zealand.



Projects to receive grants included research on customary land use and prosperity in the Pacific, the dynamics of intergenerational Chinese migrant families in New Zealand, exploring Māori justice concepts through a Western philosophic lens, the implications for democracy of how Kiwis understand issues of inequality, and the impacts of World War Two conscription on New Zealand society.



In August the Centre for Defence and Security Studies hosted New Zealand's first National Security Conference. The two-day event addressed the complex regional and national security environment in New Zealand. It assessed opportunities for advancing interagency and whole-of-society coordination, at both national and regional levels. Following on from this were our Future NZ events, which took place on November 10 in Auckland and the next morning in Wellington. They focused on security.

SCIENCES

Professor Joachim Brand of the New Zealand Institute for Advanced Study received \$870,000 in Marsden funding for work on icy tornadoes in the quantum world.

Dr Gillian Gibb, of the Institute of Agriculture and Environment, received \$300,000 from the Marsden Fund to study the genetic pathways of flightlessness in birds such as the moa and kiwi.

Robert McLachlan became a distinguished professor for his internationally recognised work as an applied mathematician. Professor McLachlan is one of the founders of the field of geometric numerical integration. One of his innovations became part of the solar system simulation that led to the realignment of time by several million years.

Associate Professor Murray Cox was part of an international team that changed what we know about the timing and route of humans' journey from Africa to other parts of the world tens of thousands of years ago. He was awarded a Humboldt Research Fellowship to conduct research at the Max Planck Institute for Evolutionary Anthropology, one of Germany's most successful research institutions.

Professor Hugh Blair, of the Institute of Agriculture and Environment, was one of only two New Zealand scientists to receive a Chinese Friendship Award in Beijing, the highest award for foreign experts who have made outstanding contributions to China's economic and social progress. The award recognised Professor Blair and his Massey colleagues' work in China, developing sheep breeding and production research programmes.

MĀORI AND PASIFIKA



The first 11 students of the revamped Te Aho Tātairangi: Bachelor of Teaching in Māori Medium degree graduated. This marked a significant contribution to increasing the number of kura kaupapa teachers in New Zealand.

The country's first postgraduate Māori medium teaching programme, Te Aho Paerewa, was launched.

The Ngā Kupu Ora Awards were expanded to include Māori journalism, creating the first-ever Māori journalism awards. The awards were held in October in conjunction with the Auckland War Memorial Museum.



Massey's annual sponsorship of the Tongan stage at the ASB Polyfest festival included the first visit by a member of the Tongan royal family, Princess Pilolevu.

The Pūhoro STEM Academy was launched. Set up by Massey University with Te Puni Kōkiri support, the academy encourages science study among Māori pupils from year 11 at selected schools in Manawatū and Bay of Plenty.

Construction started on the redevelopment of Te Kuratini Marae at the Wellington campus and the building of a new wharekai at Te Pūtahi-a-Toi at the Manawatū campus.

ACKNOWLEDGEMENTS

This is my final report as Massey University Vice-Chancellor. I would like to acknowledge the support of all the members of the council with whom I have worked in the past eight years and all the members of staff. I believe I leave Massey with a sense of purpose, vision and values and a strategy to carry out the mission of defining the future of our nation and taking the best of New Zealand to the rest of the world.

My best wishes to my successor, Professor Jan Thomas. I believe Massey University is in good hands.

Steve Maharey
Vice-Chancellor

GOVERNANCE AND MANAGEMENT



Massey University Council 2016, from left: Distinguished Professor Gaven Martin, Carl Worker, Ian Marshall, Dr Helen Anderson, Michael Ahie, Steve Maharey, Chris Kelly, Jacqui Hofmann, David McNab, Tina Wilson

UNIVERSITY COUNCIL MEMBERS

Chancellor

Chris Kelly MVSc, MACVSc (until December 14, 2016)

Michael Ahie BBS (Hons) (from December 15, 2016)

Pro Chancellor

Michael Ahie BBS (Hons) (until December 14, 2016)

Dr Helen Anderson QSO, PhD *Cantab*, CRSNZ, FInstD
(from January 24, 2017)

Vice-Chancellor

Hon Steve Maharey CNZM, BA, MA (Hons)
(until December 31, 2016)

Professor Jan Thomas BSc *Murd*, BVMS *Murd*, MVS
Melb, PhD *Murd*, MACVS, FAICD, FAIM
(from January 23, 2017)

Members appointed by the Minister of Education

Michael Ahie BBS (Hons)

Dr Helen Anderson QSO, PhD *Cantab*, CRSNZ, FInstD

Colin Harvey ONZM, BAgSc, BCC *Auck*

Ben Vanderkolk LLB *Cant*



Left: Ben Vanderkolk
Right: Colin Harvey

Elected permanent member of academic staff

Distinguished Professor Gaven Martin BSc(Hons)
MSc PhD *Michigan* FRSNZ FAMS, FNZMS

Elected permanent member of professional staff

Jacqui Hofmann BA *Well*, GDiplInfSc

Member elected by Massey University students

David McNab BBS, MInstD

(from September 29, 2016)

Members appointed by Council on nomination of Vice-Chancellor

Chris Kelly MVSc, MACVSc (until December 14, 2016)

Ian Marshall BCom *Natal*, CANZ, CASA

Carl Worker MA *Oxf* (from May 26, 2016)

Tina Wilson (Māori representative)

(from October 6, 2016)



Members of the Senior Leadership Team at the beginning of 2017, from left: Distinguished Professor Paul Spoonley, Stuart Morriss, Cathy Magiannis, Professor Giselle Byrnes, Professor Raymond Geor, Dr Charlotte Severne, Professor Jan Thomas, Professor Claire Robinson, Penelope Barr-Sellers, Alan Davis, Professor Jane Mills and Professor Ted Zorn

SENIOR LEADERSHIP TEAM MEMBERS

Vice-Chancellor

Hon Steve Maharey CNZM, BA, MA (Hons)
(until December 2016)

Professor Jan Thomas BSc *Murd*, BVMS *Murd*, MVS *Melb*,
PhD *Murd*, MACVS, FAICD, FAIM (from January, 2017)

Deputy Vice-Chancellor

Professor Theodore (Ted) Zorn BA *Charleston*, MA
Kentucky, PhD *Kentucky*

Pro Vice-Chancellors (colleges)

Business – Professor Theodore (Ted) Zorn BA
Charleston, MA *Kentucky*, PhD *Kentucky*

Creative Arts – Professor Claire Robinson BDes, BA
(Hons) *Well*, PhD

Health – Professor Paul McDonald BA (Hons) *Wat*, MA
UWO, PhD *Wat* (until July 2016)

Professor Jane Mills BN *Tas*, MN *Tas*, MEd C *Sturt*, PhD
Monash (from January 2017)

Humanities and Social Sciences – Distinguished
Professor Paul Spoonley DipEd *Auck*, BA *Well*,
PGDipArts *Otago*, MA *Otago*, MSc *Brist*, PhD, FRSNZ

Sciences – Professor Raymond Geor BVSc, MVSc *Sask*,
PhD *Ohio State*, Diplomate ACVIM, AVCSMR, ACVN
(Hons)

Assistant Vice-Chancellors

External Relations and Development – Penelope Barr-
Sellers DipMet *NZ MetSer*, DipTchg, BEd *Waik*

Māori and Pasifika – Dr Selwyn Katene, BA(Hons) *Well*,
MPM *Well*, MA *Well*, PhD (until November 2016)

Dr Charlotte Severne ONZM, BSc *Auck*, MSc *Auck*, PhD
Auck (from November 2016)

Operations, International and University Registrar –
Stuart Morriss DipBusStuds, BAgSc, MPP *Well*

People and Organisational Development – Alan Davis
CertIndRel *Well*, LLB *Canterbury*, MBA *Well*

Research, Academic and Enterprise – Professor Giselle
Byrnes BA *Waik*, MA *Waik*, PhD *Auck*

Strategy, Finance, IT and Commercial Operations
– Cathy Magiannis BCA *Well*, CA

KEY FACTS

STUDENT NUMBERS

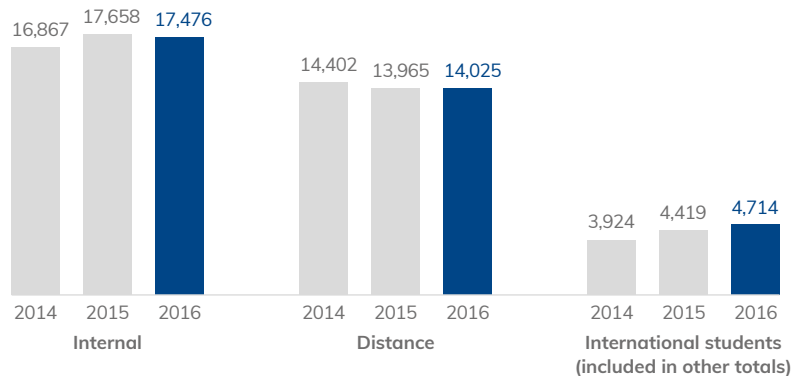


Student Numbers (Headcount)	Note	2014	2015	2016
Internal	1	16,867	17,658	17,476
Distance		14,402	13,965	14,025
TOTAL		31,269	31,623	31,501
% change over previous year		-3.6%	1.1%	-0.4%
International students included in totals above	2	3,924	4,419	4,714

Note 1: By student mode.

Note 2: Includes all international students regardless of New Zealand government funding status.

Student Numbers (Headcount)



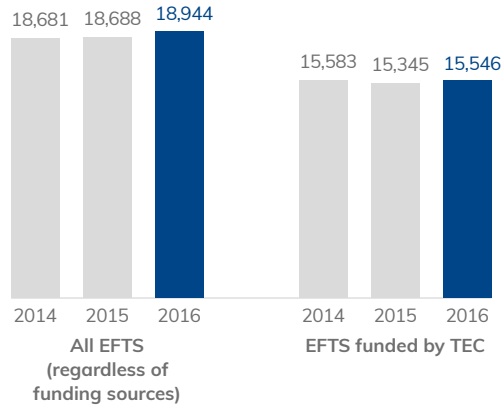
Equivalent Full-Time Students (EFTS)	Note	2014	2015	2016
Internal	3	12,502	12,613	12,836
Distance		6,179	6,075	6,108
TOTAL for all students (regardless of funding sources)		18,681	18,688	18,944
% change over previous year		-2.2%	0.0%	1.4%
Full-Fee International Students included in totals above	4	2,587	2,816	2,961
EFTS funded by Tertiary Education Commission (TEC)	5	15,583	15,345	15,546
% change over previous year		-3.5%	-1.5%	1.3%

Note 3: By paper mode.

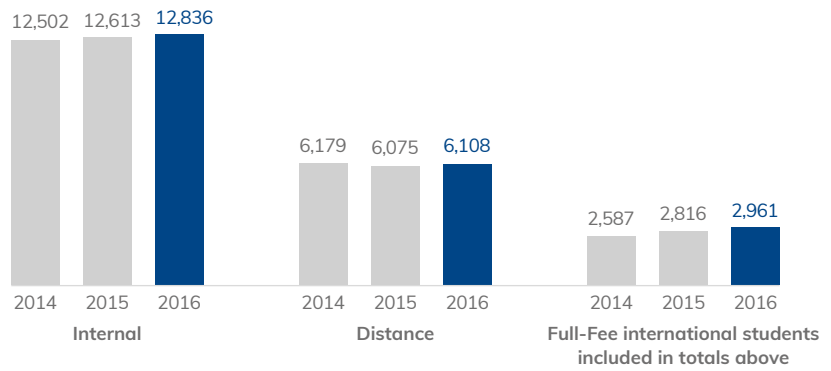
Note 4: These are full-fee international students as per TEC funding classifications 02, 03, 12 and 20.

Note 5: As per TEC funding classification 01.

EFTS



EFTS

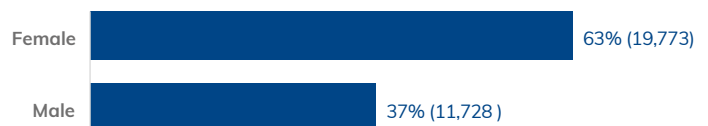


Student Age and Gender (Headcount)	Male	Female	2016 Total
	Students Under 25 years	5,553 18%	8,322 26%
Students 25 years+	6,175 20%	11,451 36%	17,626 56%
UNIVERSITY TOTAL	11,728 37%	19,733 63%	31,501

Student Age Profile



Student Gender Profile

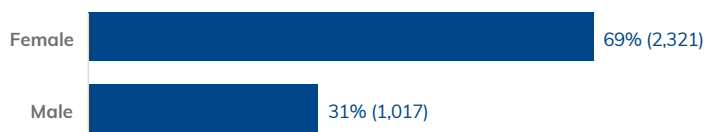


Māori Student Age and Gender (Headcount)	Male	Female	2016 Total
Students Under 25 years	461	834	1,295
	14%	25%	39%
Students 25 years+	556	1,487	2,043
	17%	44%	61%
UNIVERSITY TOTAL	1,017	2,321	3,338
	31%	69%	

Māori Student Age Profile



Māori Student Gender Profile

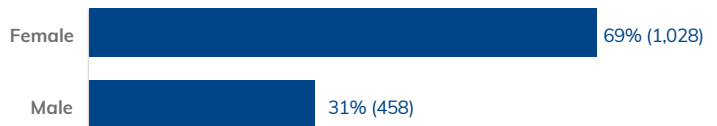


Pasifika Student Age and Gender (Headcount)	Male	Female	2016 Total
Students Under 25 years	172	400	572
	12%	27%	38%
Students 25 years+	286	628	914
	19%	42%	62%
UNIVERSITY TOTAL	458	1,028	1,486
	31%	69%	

Pasifika Student Age Profile

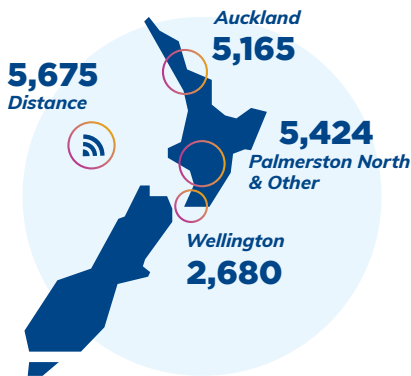


Pasifika Student Gender Profile



Student Workload (Headcount)	2016 Total
Full-Time	13,383
	42%
Part-Time	18,118
	58%
UNIVERSITY TOTAL	31,501

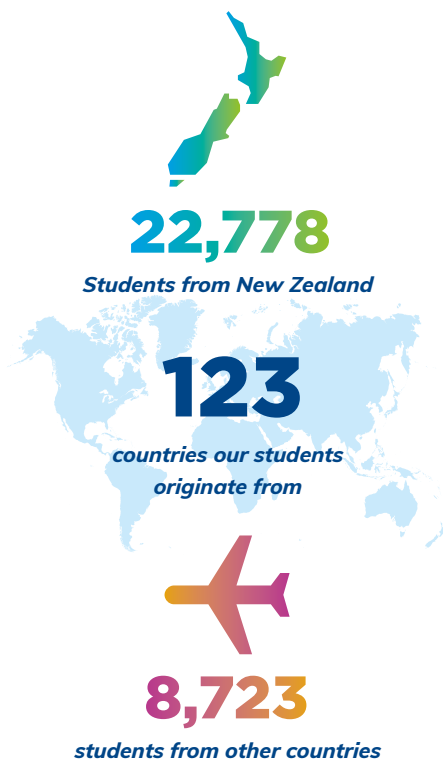
Student Workload Profile

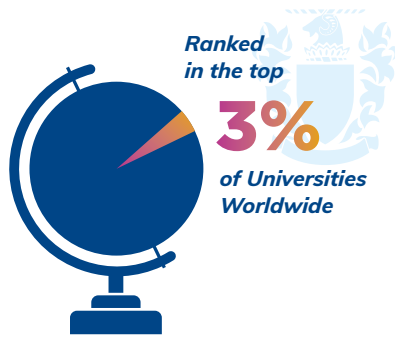


Student EFTS by Campus	Note	2016 Total
TOTAL	6	18,944

Note 6: Includes EFTS consumed at locations elsewhere in New Zealand and overseas.

Student Headcount by Country of Origin (Citizenship)				2016
New Zealand	22,778	Iran, Islamic Republic of		68
China	3,022	Netherlands		68
Great Britain/United Kingdom	909	Tonga		68
South Africa	429	Russia		66
United States	409	Ireland		53
Australia	372	Brazil		51
India	366	France		37
Malaysia	220	Samoa		37
Philippines	179	Nepal		32
Korea (South), Republic of	177	Colombia		29
Fiji	173	Chile		28
Saudi Arabia	169	Papua New Guinea		28
Singapore	134	Taiwan		28
Japan	121	Bangladesh		24
Germany	119	Brunei Darussalam		24
Vietnam	118	Argentina		22
Canada	94	Kiribati		20
Indonesia	92	Other Europe		173
Sri Lanka	86	Other Asia		80
Thailand	84	Other Pacific		39
Zimbabwe	81	Other Africa		134
Hong Kong	75	Other Middle East		76
Pakistan	69	Other Latin America		40
TOTAL				31,501





INTERNATIONAL RANKINGS

2016
Latest Results

Quacquarelli Symonds (QS) Rankings

Percentile of Universities Worldwide	Top 3%
Overall world ranking	340th
Graduate Employability Ranking	201-300

QS Stars

Five stars in all nine categories

QS Subject Area World Rankings

Veterinary Science	25th
Agriculture and Forestry	30th
Accounting and Finance	51-100
Nursing	51-100
Education	101-150
Business and Management Studies	151-200
Communication and Media Studies	151-200
Geography and Area Studies	151-200
Sociology	151-200
Statistics and Operational Research	151-200
Economics and Econometrics	201-300
Environmental Sciences	201-250
Mathematics	201-250
Computer Science and Information Systems	251-300
Biological Sciences	301-400

QS University Faculty Rankings

Social Sciences and Management	166th
Engineering and Technology	297th
Life Sciences and Medicine	297th
Natural Sciences	307th
Arts and Humanities	328th

Times Higher Education Rankings

Overall world ranking	401-500
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Red Dot Design Rankings

2nd in Asia Pacific



STAFFING LEVELS

Full-Time Equivalent (FTE) Staff	2014	2015	2016
Academic	1,100	1,109	1,124
Professional	449	483	499
Contract and Trading	361	393	427
TOTAL COLLEGES	1,910	1,985	2,051
Vice-Chancellor's Office	16	16	15
Assistant Vice-Chancellor (External Relations and Development)	44	67	69
Assistant Vice-Chancellor (Māori and Pasifika)	21	15	15
Assistant Vice-Chancellor (People and Organisational Development)	36	40	40
Assistant Vice-Chancellor (Operations, International and University Registrar)	458	477	497
Assistant Vice-Chancellor (Strategy, Finance, IT and Commercial Operations)	269	303	308
Assistant Vice-Chancellor (Research, Academic and Enterprise)	260	212	218
TOTAL Centres of Excellence, Support Services and Administration	1,104	1,131	1,163
TOTAL STAFF (FTE)	3,014	3,116	3,213
Staff by College (FTE)			
Academic	212	202	200
Professional	80	86	96
Contract and Trading	8	8	9
Massey Business School	300	296	305
Academic	91	100	103
Professional	45	53	65
Contract and Trading	3	3	5
College of Creative Arts	139	156	172
Academic	139	140	143
Professional	51	54	55
Contract and Trading	129	152	145
College of Health	319	346	343
Academic	302	299	316
Professional	62	61	64
Contract and Trading	65	80	73
College of Humanities and Social Sciences	429	439	452
Academic	356	368	363
Professional	211	230	219
Contract and Trading	157	150	195
College of Sciences	724	748	777
Academic	1,100	1,109	1,124
Professional	449	483	499
Contract and Trading	361	393	427
TOTAL STAFF (FTE) ALL COLLEGES	1,910	1,985	2,051

Ratio of EFTS to Academic Staff	2014	2015	2016
Massey Business School	24.2:1	25.3:1	26.7:1
College of Creative Arts	16.5:1	16.2:1	16.4:1
College of Health	16.4:1	16.6:1	16.3:1
College of Humanities and Social Sciences	17.4:1	16.1:1	15.1:1
College of Science	11.4:1	11.5:1	11.8:1
UNIVERSITY TOTAL	16.2:1	16.8:1	16.8:1

Ratio of Professional Services Staff to Academic Staff	2014	2015	2016
Massey Business School	0.38:1	0.43:1	0.48:1
College of Creative Arts	0.47:1	0.52:1	0.63:1
College of Health	0.36:1	0.38:1	0.39:1
College of Humanities and Social Sciences	0.22:1	0.20:1	0.20:1
College of Science	0.56:1	0.62:1	0.60:1
UNIVERSITY TOTAL	1.43:1	1.46:1	1.48:1

Women in Senior Positions (Headcount)	2014	2015	2016
Senior Leadership Team	4 (33%)	4 (33%)	5 (42%)
Senior Managers/Directors/Managers	86 (42%)	90 (41%)	106 (43%)
Professors/Associate Professors	69 (29%)	75 (28%)	87 (31%)
OVERALL	159 (35%)	169 (33%)	198 (37%)

Women in Senior Positions (Headcount)



HIGHLIGHTS

RESEARCH

Massey University is acknowledged as world leading in several areas of specialisation. We aim to share and exchange knowledge in a variety of creative ways and be a major player in the innovation matrix that underpins the growth and prosperity of our nation. Recognition and Reach, Place and Purpose, and Influence and Impact, are our three key drivers for our evolving research-led mission.

"Recognition and Reach" defines our standing as a research-led organisation, supported by an academy that is acknowledged as world class in key specialisms and recognised for the quality of our knowledge exchange activities.

"Place and Purpose" addresses the need to nurture and build a sustainable innovative researcher community and to create rich cultural, intellectual and physical environments on all of our campuses.

"Influence and Impact" focuses attention and effort on our connectivity with a wide community of research partners and industries to ensure that the intellectual capital arising from our research endeavours is relevant and valued.

Our Research Strategy is a central document to articulate medium-term plans for Massey to progress its strategic research agenda.

HIGHLIGHTS

OUR STRATEGY, PLANS AND PERFORMANCE

Research Strategy 2017-2021 proposes a number of commitments and objectives, along with an implementation framework by which progress can be monitored, for the University.

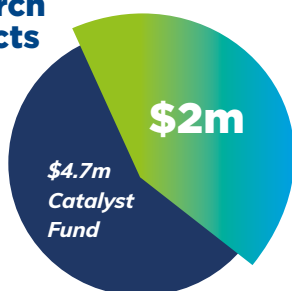
Massey University progressed plans for its Performance-Based Research Fund (PBRF) submission, which will be made in 2018 and incorporates feedback from the Institutional Review of Research conducted in 2015. The University has made investments to support PBRF activities in an effort to significantly improve the University's overall institutional quality score.

In November Massey University Press published *Rangahau: Research at Massey*, which profiles 30 current and recently completed projects from across the academic spectrum of Massey's five colleges and multiple research centres.

FUNDING FOR EXCELLENT RESEARCH

The University was awarded more than \$4.4 million in funding from the Health Research Council of New Zealand to tackle issues including screening for cervical cancer, cancer survival rates in Māori, improving smoking cessation rates, managing nurses' fatigue, and occupational risk factors of cardiovascular disease.

6
research projects



Seven Massey University projects shared in \$3.1 million from the Royal Society of New Zealand's Marsden Fund.

Six research projects involving Massey University were awarded more than \$2 million from the Government's \$4.75 million Catalyst Fund, which aims to link New Zealand with other world-class international research groups and initiatives. Massey projects include developing 5G communication technology worldwide, predicting when the next volcano will erupt, child development in New Zealand, quality housing for the elderly, creating metals from plants and distinguishing "doomed" endangered species from those that can be saved.

The number of successful applications for Marsden funding made by the College of Humanities and Social Sciences increased from two in 2015 to five in 2016. The 2016 result puts the college among the most successful humanities and social sciences colleges in New Zealand.

Four Massey University projects were awarded combined funding of \$218 thousand from the Government's Unlocking Curious Minds contestable fund. Massey received the highest number of awards among New Zealand universities.

An additional 30 PhD scholarships were made available in 2016. These were part of an ongoing University investment package that will result in an additional 90 PhD scholarships, per year by 2018.

STANDING ON THE WORLD STAGE

Massey University ranked 25th and 30th worldwide respectively in QS subject area rankings for veterinary science and for agriculture and forestry. In addition, nursing, finance and accounting ranked in the top 100. It is the first time QS has ranked nursing.

Massey University's School of Design was ranked second within the Asia-Pacific region by global design award agency Red Dot, with China's Zhejiang University placed at number one.

The College of Creative Arts and Tsinghua University's Academy of Arts and Design signed a bilateral exchange agreement in May. The academy, located in Beijing, is China's number-one-ranked art and design school, with a global QS ranking of 23.

Massey University's Professor Harald van Heerde was ranked in the world's top 10 for marketing research by the American Marketing Association.

Growing International Research Partnerships

An agreement between Massey University and Beijing Languages and Culture University was signed in August to establish a Joint Research Centre in Applied Linguistics, based at the University's Auckland campus. The centre will be officially opened in February 2017 and will connect New Zealand-based language and linguistics researchers with their counterparts in Beijing to exchange new ideas, explore the best ways to teach Chinese (Mandarin) and train and resource teachers.



The International Centre for Animal Health and Breeding, a joint-centre between Shihezi University and Massey, opened in July. Shihezi University is in the north-western province of Xinjiang, China and is sanctioned by the Chinese Ministry of Science and Technology. Professor Paul Kenyon, Professor Stephen Morris and Professor Hugh Blair were given honorary professorships at Shihezi in 2016 – the first non-Chinese to receive such an honour from the university.



Dignitaries and members of Massey University's Senior Leadership Team gather for the announcement of a partnership between AgResearch and Massey University. From left: Penelope Barr-Sellers, Mark Ward, Stuart Morriss, Steve Maharey (all Massey University), AgResearch chief executive Dr Tom Richardson, Science and Innovation Minister Steven Joyce, Manawatū District Mayor Margaret Kouvelis, Palmerston North Mayor Grant Smith, Palmerston North MP Iain Lees-Galloway, Professor Barrie Macdonald and Distinguished Professor Harjinder Singh (both Massey University)

BIG YEAR FOR MASSEY UNIVERSITY'S FOOD SCIENCE RESEARCH

Two major initiatives launched in 2016 saw Massey's food science research take another leap forward.

In May, the New Zealand Food Safety Science and Research Centre was launched at the Manawatū campus – a scientific collaboration aimed at protecting and enhancing New Zealand's \$50 billion-plus food sector. The initiative joins seven science research partners – including Massey, the host institution – to form a virtual research centre, which will be jointly funded by the Government and industry for the next five years.

Later in the year, a partnership between AgResearch and Massey University was announced, focusing on dairy and red meat research. The partnership will see the construction of a state-of-the-art, \$39 million facility at the Manawatū campus during the next two years. The Food Science Facility will be built alongside the existing Food Pilot Plant, and become a vital new cog in the FoodHQ partnership that AgResearch and Massey share with a range of other entities in the central and lower North Island.

Advancing the Agrifood Business Agenda

The New Zealand Food Safety Science and Research Centre was launched in May by Science and Innovation Minister Steven Joyce and Food Safety Minister Jo Goodhew. The centre will help to continue building New Zealand's reputation as a global leader in the supply of safe food by delivering world-class strategic scientific research driven by the

needs of government, consumers and industry. The centre's inaugural director is Massey Professor Nigel French, a world leader in molecular epidemiology and public health research.

The New Zealand-China Food Protection Network was established and received funding of \$1.25 million from the Ministry of Business, Innovation and Employment. The network will enhance communication between research scientists, government organisations and industries in New Zealand and China, and it will work alongside the New Zealand Food Safety Science and Research Centre.

The new Alpha-Massey Natural Nutraceutical Research Centre was launched in April. The centre is a cooperation between the Riddet Institute, Alpha Group Holdings Limited and Shanghai's Tongji University. The centre's research will evaluate extracts for biological activity from plants common in New Zealand and thereby enhance New Zealand's research and innovation capacity in natural nutraceuticals.

The Massey-led Science of Food platform received \$1.5 million in funding from the High-Value Nutrition National Science Challenge. The Science of Food platform will address the technological challenge of creating food products that provide enhanced health benefits by delivering natural, health-enhancing compounds (bioactives) to the body. Up to \$1.5 million was also allocated for research at Plant & Food Research, with a focus on the health and wellness needs of Asian consumers.

The Riddet Institute will lead the Proteos project, which is being funded by an international consortium of food industry sectors. The Global Dairy Platform, based in Chicago, has undertaken the role of coordinating the project on behalf of the various industry sponsors. Proteos aims to characterise the quality values of the world's food proteins and has the potential to improve world food security dramatically and meet the nutrition needs of burgeoning populations. It responds to a recent call from the United Nations Food and Agriculture Organization (FAO) to provide state-of-the-art information on food protein sources. Its ultimate value is likely to exceed \$7 million.

Professor Barbara Burlingame was selected for the new High Level Panel of Experts project team for the Committee on World Food Security, and was the only appointment from the Southern Hemisphere. The team will address the theme "Nutrition and Food Systems" and will report to the committee's 44th session in October 2017. The expert panel was created as part of the reform of the international governance of food security and nutrition.

Massey University published *The New Zealand Land & Food Annual 2016: Why waste a good crisis?* in June. It was the first edition of many that will examine and analyse the agrifood and agribusiness landscape in New Zealand.

The Embassy of the Netherlands hosted the Future of Food forum, in cooperation with Massey University and FoodHQ, in November. The forum was attended by their Majesties King Willem-Alexander and Queen Maxima of the Netherlands, who were in New Zealand on a state visit. Massey University and Wageningen University & Research

in the Netherlands share a longstanding relationship and renewed their bilateral memorandum of understanding during the forum. Wageningen is the primary location of “Food Valley”, regarded as the largest food and nutrition research and development area in the world.

The 2016 New Zealand Food Awards were held in October, with entries up by 62 per cent compared with 2015. Owned and organised by Massey University, the New Zealand Food Awards recognise innovation and excellence in our largest export sector. The annual programme, which has been running since 1987, celebrates new initiatives in New Zealand food and beverage production, showcasing the best of New Zealand’s food industry.

NEW RESEARCH CENTRES

The Political Ecology Research Centre was launched in April. Its projects include a plastic waste reduction campaign, the establishment of a product stewardship council and organising awareness-raising public events.

The Centre for Research in Mathematics Education was launched in October at the University’s Auckland campus. The centre is part of the Institute of Education and brings together specialists in mathematics education to work on a common theme: the place of mathematics education and its transformative potential in New Zealand, the Pacific and globally.

ENABLING ENTERPRISE AND INNOVATION

Massey Ventures Limited will match the \$928 thousand awarded over three years from the Government’s PreSeed Accelerator Fund, enabling it to allocate more than \$1.8 million to Massey staff and student projects with the potential to attract research investors from fields such as veterinary technology, food technology, fundamental science and engineering.

The five-month agritech-accelerator SPROUT programme, which is supported through the Bio Commerce Centre in Manawatū, was delivered in 2016. It is designed to fund the next generation of agritech start-up companies in New Zealand.

Budding entrepreneurs were given a behind-the-scenes look at some of the North Shore’s most innovative companies as part of the University’s first start-up bus tour. The entrepreneurs were hosted by e-Centre, Massey University’s business incubator in Auckland, and given the chance to pitch their ideas to an invited audience.

CELEBRATING EXCELLENT INDIVIDUALS

The Massey University Research Medal 2016 recipients were:

- Individual Research Excellence: Professor Marlena Kruger (College of Health) and Professor Tony Parker (College of Creative Arts);
- Research Team Excellence: Animal Welfare Science and Bioethics Centre (Institute of Veterinary, Animal and Biomedical Sciences [IVABS]);

- Research Supervisor Excellence: Professor Kevin Stafford (IVABS); and
- Early Career Medal: Dr David Aguirre (Institute of Natural and Mathematical Sciences), Dr Jodie Hunter (Institute of Education) and Shannon Te Ao (College of Creative Arts).

Professor Emeritus Margaret Tennant was elected to a general position on the Council of the Royal Society of New Zealand for a three-year term, adding strength to the humanities presence on the 11-strong body. She joins two Massey University academics – mathematician Distinguished Professor Gaven Martin and molecular geneticist Professor Barry Scott – on the council.

Professor Barry Scott was awarded the 2016 New Zealand Microbiological Society Orator Award. Professor Scott's life's work has seen him at the forefront of New Zealand's response to mad cow disease and the country's policy on genetically modified organisms.

Distinguished Professor Gaven Martin was named a Foreign Member of the Finnish Academy of Sciences and Letters – Finland's equivalent to the Royal Society. Typically only two non-Finnish academics are named each year to the academy, which represents all sciences and humanities.

Professor Ian Yule was announced as President elect (2018-20) of the International Society of Precision Agriculture. Professor Yule's global-first research is at the forefront of developing practical applications for remote sensing and imaging. His research has contributed to New Zealand's largest jointly funded remote sensing project, a Primary Growth Partnership project funded by Ravensdown and the Ministry for Primary Industries. The research is expected to result in \$120 million a year in export earnings by 2030 and net economic benefits of \$734 million between 2020 and 2050.

EDUCATION

For more than a century Massey University has shaped the lives of people in New Zealand and around the globe. We enjoy an international reputation for our distinctive mix of disciplines, forward-thinking approach to curriculum design and delivery and research-led teaching. The result of this approach enables Massey graduates to contribute to the world through creative thought, innovative problem-solving approaches and connectedness with indigenous peoples, industries, the professions and their subject areas. This legacy is foundational to our 2025 aspirations and planning as we educate 21st century citizens.

To achieve our Teaching and Learning big goal, we are:

- enhancing our academic profile by strengthening the reputation and sustainability of our academic programmes;
- supporting ongoing development of innovative pedagogies, assessment models and programme design tools to position us to lead in the burgeoning field of technology-enabled educational access;

- strengthening the University’s leadership in digitally-mediated teaching and learning, enabling us to offer innovative curricula and extend our reach beyond physical and geographical boundaries;
- developing internationalised curricula and novel models of course delivery that value and include cultural perspectives and underpin expanded strategic relationships with overseas institutions, peoples and governments; and
- ensuring that we are placing student progression and achievement at the heart of our teaching and learning priorities.



Massey Business School Pro Vice-Chancellor Professor Ted Zorn congratulates Mark Powell on his new role

FIRST CEO-IN-RESIDENCE BEGINS

After handing over the reins at New Zealand’s largest retailer at the start of 2016, Mark Powell promptly took up residence at the Massey Business School. The outgoing Warehouse Group chief executive became the University’s first chief executive officer-in-residence, a position that sees him serve as a liaison between the University and the business community, a guest lecturer, a mentor for students and a strategic

consultant to the business school’s executive team.

When he started, Mr Powell said, “I have always been interested in the connection between ideas and practice, and how one informs the other. As Massey’s CEO-in-Residence I hope to help bridge the gap between academia and business in a way that means important information flows both ways.”

HIGHLIGHTS

PROFESSIONAL BODIES FAVOUR OUR QUALIFICATIONS

Massey Business School has maintained its prestigious AACSB (Association to Advance Collegiate Schools of Business) accreditation, a hallmark of excellence achieved by less than 5 per cent of the world’s business programmes. The school received particularly high praise for its levels of engagement and innovation through initiatives such as its annual Research Translation Competition, which challenges academics to make their research more accessible, and the Auckland Knowledge

Exchange Hub, which provides research-led solutions to public and private organisations. Consumer Insights Limited, the Massey University spin-off company that provides market research services to regional businesses, and New Zealand's first university share-trading room were also singled out for commendation.

The School of Accountancy was successful with AACSB Accounting Accreditation. It is one of only three in Australia and New Zealand, and one of only 10 in the Asia-Pacific region, to be accredited by AACSB – the world's largest and longest-standing accounting accrediting agency.

The US-based Accrediting Council on Education in Journalism and Mass Communication awarded full accreditation to Massey's communication programmes, noting the School of Communication, Journalism and Marketing's strong leadership, large research output, good connections with industry and commitment to constant improvement. Massey is only the seventh institution outside the US and the first in the Asia-Pacific region to have its programmes recognised in this way.

NEW AND REFRESHED QUALIFICATIONS

The Bachelor of Commercial Music and Master of Professional Public Relations were delivered for the first time in 2016.



Musician and producer Devin Abrams is just one in a talented line-up of teachers for the new Bachelor of Commercial Music

COMMERCIAL MUSIC DEGREE LAUNCHES

The College of Creative Arts' newest qualification, the Bachelor of Commercial Music degree, welcomed its first students in February.

The three-year degree, which offers majors in music practice, music technology and music industry, was launched in response to significant demand from the music and creative media industries, head of school Associate Professor Andre Ktori says.

"The fused combination of creativity and technological innovation is driving new economic growth and will enable

our graduates to compete in the new and emerging creative industries."

The course counts among its teaching staff some award-winning performers and industry experts, including course tutor and renowned musician Warren Maxwell and lecturer Devin Abrams. Mr Abrams, who performs under the moniker Pacific Heights alongside his teaching responsibilities, won Best Electronic Album at the Vodafone New Zealand Music Awards in November.

The Massey Business School and the Institute of Management New Zealand formed a strategic partnership in 2016 to offer New Zealand's most comprehensive suite of courses in leadership and management education. The institute has a 70-year record of offering services and training to professional managers in New Zealand, with more than 50 courses and qualifications. The partnership has seen the creation of a new subsidiary, ALPP Limited, wholly owned by Massey University, to manage the support functions required by the institute, while its staff focus on course delivery. This is a significant step towards being the preferred partner of businesses for capability development, and an opportunity to offer a range of business learning opportunities across the entire leadership development cycle – from students to postgraduates, emerging leaders and senior managers.

COOPERATION FOR INTERNATIONAL REACH AND IMPACT

The Massey University Internationalisation Framework was developed and approved in 2016. The framework sets out a pathway of key themes, actions, impacts and measures for the University to strategically engage and continue to successfully grow international profile, reputation and reach. The four key themes are international reputation, global reach and impact, strategic relationships, student and staff internationalisation.

The regional Palmerston North/Manawatū International Education Strategy was launched in May 2016. International education is a major contributor to the regional economy, currently worth an estimated \$62 million a year. The goal is to increase that value by 28 per cent to \$80m a year by 2020. The region currently hosts around 3000 international students a year.

The 10th anniversary of the Massey University-Wuhan University joint teaching programme was celebrated in July in Wuhan, China. Under the programme, finance and economics students spend two years at the School of International Education at Wuhan University, then move to the School of Economics and Finance at Massey University for the final two years of their Bachelor of Business Studies degrees. It is one of the most successful and long-lived partnerships between a New Zealand and Chinese university.

Massey University signed an agreement in June with the China Scholarship Council, the leading Chinese Government funder of scholarships for overseas training and study. The agreement is aimed at increasing recruitment to programmes that show visiting Chinese academics New Zealand teaching methods in the subjects of agriculture and animal science.

An agreement between the Singapore Institute of Technology and Massey University was signed in February and sees the two institutions offer a jointly awarded honours degree programme in food technology.

Massey University and China's Zhejiang Gongshang University further formalised their relationship with the signing of a memorandum of understanding, focusing on food science and technology, in December. This followed the establishment in May of a joint research laboratory.

In October the longstanding bilateral memorandum of understanding between the University of Brawijaya, Indonesia and Massey University was renewed. Brawijaya is the largest public university in East Java. It has 12 faculties and about 60,000 students, with strengths in economics, animal husbandry, veterinary medicine and agriculture.

Massey University and the Universidad de Antioquia in Colombia signed a memorandum of understanding in October aimed at promoting collaboration across academic fields ranging from indigenous experience to education. The relationship initially focuses on the field of humanities and social sciences and is expected to expand to other areas, such as science and agriculture, that are subject strengths of both universities.

Massey University's Auckland campus became a testing venue for the Occupational English Test in September. The test is a specialist English test for practitioners in the fields of dentistry, dietetics, medicine, nursing, occupational therapy, optometry, pharmacy, physiotherapy, podiatry, radiography, speech pathology and veterinary science. Immigration New Zealand has accepted the test offered by Massey University as proof of English proficiency since November 2016.

ENABLING STUDENTS' EDUCATIONAL ENHANCEMENT AND EMPLOYABILITY

A University-wide Employability Programme is being developed, which will recognise our students development and acquisition of a range of identified employability skills. Massey's employability characteristics are: enterprise; global citizenship; information literacy; self-management; and exercising leadership. This work aligns closely with the "Strengths@Massey" project, a first-year-experience programme for students new to Massey to help them transition to university life. The programme, which was trialled in semester two, delivers a series of nine workshops designed to help students discover and engage their strengths for academic success and future employability.

A Guide for Good Teaching Practice: Considering Māori students was developed and released by Te Mata o Te Tau, the Academy for Māori Research and Scholarship, aimed at increasing Māori student retention and success at Massey University. The new guide encourages teachers to be culturally engaged when dealing with Māori students. It provides a checklist to help teachers think about their teaching practice, strategies for working with Māori students, and teaching and learning resources. Its sister publication, Yuni-tok (pidgin for "university talk"), was also published as a guide for staff to enhance their understanding of the cultural needs and learning styles of Pasifika students.

The Wonder Room, a new student hatchery and ideas' generation space to foster innovation, was opened in June at the Auckland campus. The concept brings together students from various disciplines, working alongside businesses and industry, whether to solve problems for businesses or to work on their own social enterprises.

A long-term library development plan and strategic assessment was prepared for alterations to the Manawatū Library to transform it into a central hub integral to the campus that is flexible, technology rich and

future focused and that supports the learning community for study, socialisation, collaboration and teaching. A full business case will be prepared in 2017.

College of Creative Arts students took part in the Runway to New Zealand fashion showcase in India. The programme was funded and organised by Education New Zealand. The students collaborated with students from Pearl Academy and the National Institute of Fashion Technology, India's best fashion schools, to produce Western-style outfits made entirely from non-blended Indian fabrics. The project saw the Massey students working with their partners online, culminating in a runway show with Indian judges and models in New Delhi in May.

In 2016 the University offered three national expedition and internship programmes for US-based international students. The six-week programmes were for agriculture, communication and disaster risk and emergency management. They offered students internships with leading New Zealand organisations, as well as two-week expeditions from Auckland to Queenstown. Students completed two 15-credit Massey papers that could be credited towards their degrees in the US. The international internship paper is the only one of its kind offered in New Zealand.



Sir Geoffrey Peren building following the completion of the renovation

HERITAGE BUILDINGS RECEIVE MAKEOVER

The first building to be built on Massey University's Manawatū campus was officially re-opened in March, following a three-year, \$17 million renovation.

Built in 1931, the Sir Geoffrey Peren building was the beneficiary of the Massey University Foundation's Heritage Fund, which aims to preserve the University's historic buildings.

The renovation provided seismic strengthening and brought back to life many of the building's original features, creating spacious, open hallways and a light and bright atmosphere. The dedication shown

to revealing the vision of the original architect of the building, Roy Lippincott, was recognised by the New Zealand Institute of Architects with a Heritage Architecture Award and Resene Colour Award.

The foundation's sights are currently set on the Refectory, which was built immediately after the Sir Geoffrey Peren building and designed to complement it; it was described at the time of its completion as the heart and soul of the University. The foundation aims to raise \$5.3 million to restore the building to its original purpose.

OUR ATHLETES AT RIO – SHOWCASING SPORT ON A WORLD STAGE

More than 80 of the almost 200 athletes who were part of the New Zealand Olympic team to Rio were current or former students, or graduates, of Massey. Emeritus Professor Gary Hermansson was the lead team psychologist for the New Zealand Olympic team. This was his fifth consecutive Olympics in the capacity of sport psychologist.

ENDURING ACCLAIM

The College of Creative Arts celebrated the 130th anniversary of the School of Design at the Wellington campus. Established by artist Arthur Riley on April 13, 1886 as the School of Design, the college has evolved and gained national and international acclaim.

Massey University's School of Social Work celebrated the 40th anniversary of the Bachelor of Social Work.

CELEBRATING EXCELLENT INDIVIDUALS

The 2016 recipients of the Massey University Vice-Chancellor's Teaching Excellence Awards were National Centre for Teaching and Learning consultant Martin McMorrow and School of Communication, Journalism and Marketing Associate Professor Margaret Brunton. Dr Brunton went on to receive a 2016 national Sustained Excellence in Tertiary Teaching award. The national awards celebrate New Zealand's best tertiary teachers, as recognised by their organisations, colleagues and students. The awards, which are administered by Ako Aotearoa, also encourage the sharing of good teaching practice for the benefit of students.

CREATING AN ENABLING ENVIRONMENT

The new \$1.47 million Wildbase hospital construction project on the Manawatū campus was nearly complete at year end and an official opening was planned for January 2017. The new facility is part of a 2100-square-metre expansion, with almost 400 square metres of that being for the new wildlife hospital, which has an intensive care unit, surgical suite, quarantine rooms and treatment spaces and wards. It also includes a display ward that fronts the building, where people can view wildlife through one-way glass.

Massey University sold the Hokowhitu site of its Manawatū campus in Palmerston North in April. The 10-hectare site was formerly home to the University's College of Education. Under the terms of the sale agreement, Massey will continue to lease space at Hokowhitu for the professional services staff involved in student management and information technology services that are still based there. The sale will enable Massey to invest in its Turitea site at Manawatū.

The Massey University Foundation received around \$2.4 million in gifts in 2016 for a variety of projects.

Massey University improved its positioning in the ranking of New Zealand's most attractive employer brand. The University ranked sixth in 2016, up from eighth in 2015 and 11th in 2014. These results are based on the annual survey conducted by the employer branding and recruitment agency Randstad. Massey University was the highest-ranked New Zealand university in 2016.

SERVICE TO COMMUNITY

Massey's focus is squarely set on the future of our country and taking the best of the nation to the rest of the world. As New Zealand's defining university, Massey shoulders a responsibility to act in ways that are consistent with building a future for our nation. Our staff and students are the conduit through which Massey engages actively and effectively with all our communities.

Our goal is to be recognised as a leading exemplar of a modern institution that excels in both thought leadership and responsive practice. To achieve our Responsibility big goal, we are working in support of five key drivers to:

- Initiate debates on key issues and challenges with a view to producing meaningful agendas for action;
- share our knowledge and expertise by bringing people together for common purposes and working collaboratively on issues that affect the sustainability and quality of our society;
- create opportunities by bringing forward innovative, multi-professional, cross-disciplinary, multi-ethnic and tangata whenua groups to work on agreed issues and problem areas of national significance;
- make a difference by fostering and supporting a community of "common purpose"; and
- value whanau, hapū, iwi and community connections.

HIGHLIGHTS

ENGAGING OUR YOUNG NEW ZEALANDERS

Researchers from the College of Arts Design+Democracy Project created VoteLocal, an online interactive tool, to encourage young New Zealanders to engage with and vote in the year's local body elections. The web tool is a game-like questionnaire that guides people towards finding a best match for them among their local mayoral candidates.

It builds on the success of the On the Fence interactive tool that made a tangible difference to youth voter turnout in the 2014 general election.

On the Fence attracted more than 170,000 users, with independent research showing that it encouraged 30,000 young New Zealanders to vote. That represents 7 per cent of the eligible youth population.

The Design+Democracy team won the Information Award at the Australia and New Zealand Internet Awards in Melbourne in September.

The Create1 World competition, hosted jointly by Massey University and the New Zealand Centre for Global Studies, was run for Year 11 to 13 pupils in New Zealand. The competition, which culminated in the first Create1World conference in July, is based on creative activism and the global movement to bring diverse art forms together. Students addressed ideas of global citizenship with songs, creative writing and media products covering topics such as the refugee crisis, war, global inequality and depression.

Massey University developed a game-based app, NCEA Credsta, to help high-school students track their NCEA (National Certificate of Educational Achievement) progress. The app allows students to record credits as they are



achieved – whether they are at Level 1, 2 or 3 – and track overall progress. In the process users earn virtual coins to buy collectible badges that reflect their achievements. The app also contains a virtual marketplace where users can buy, sell and swap badges, with the aim of collecting all five sets.



FRESH THINKING FOR FUTURE SUCCESS

One of the big stories to make headlines in 2016 was the idea that the world of work as we know it will change. Facing this fact head on, both the College of Humanities and Social Sciences and Massey Business School have sought to ensure that their key programmes are future-proofed, with the Bachelor of Arts (BA) undergoing a refresh in 2015 and the new Bachelor of Business launching in 2017.

Professor Richard Shaw, who oversaw the changes to the BA, says the refresh process saw Massey researching the skills that employers value in their staff.

“Employers are increasingly looking to complement workers’ technical skills with the transferable skills

– the capacity to think critically, communicate clearly and cope with cultural diversity – that employees need to negotiate a world of work that is fast changing and unpredictable.”

Preparing students for these changes led the Massey Business School to re-imagine its Bachelor of Business. A key feature of the refreshed degree is simulating work situations and giving students real work experience. Internships and similar practice opportunities are an important part of the programme, along with practical group assignments such as ‘live’ case studies with real organisations, which require students to grapple with real-world problems.

TRANSFORMING OUR REGIONS AND COMMUNITIES

Following the publication of *Rebooting the Regions: Why low or zero growth needn’t mean the end of prosperity*, edited by Distinguished Professor Paul Spoonley in September, Massey University hosted a Rebooting the Regions conference in November at the Manawatū campus. Key stakeholders from the regions were invited to participate in the symposium to discuss how the regions can be revitalised and how Massey can assist in this aim.

The first cohort from Taranaki in a new localised delivery of the MBA (Master of Business Administration) graduated in November.

The Food Futures Taranaki 2016 event, organised by Massey University

and Venture Taranaki, provided case studies as well as information and guidance from agrifood specialists for people interested in Taranaki's food and beverage sector development.

Massey University was the proud sponsor of the 2016 FMG Young Farmer of the Year competition. The competition is a showcase of the best young talent the agricultural sector has to offer, celebrating innovators, excellence and the best of the industry to the wider community. Four of the seven grand finalists had attended Massey University.

Massey University Veterinary Students' Association President Corey Regnerus was a medal recipient in the Local Hero category of the Kiwibank New Zealander of the Year awards. Mr Regnerus received the award for his hard work in the University and his impact on the veterinary profession. He received wide industry praise in 2015 for his Milk E-Z invention, which won the entrepreneur's award at Manawatū's Innovate 2015 competition.

In August, a first-of-its-kind conference on national security was organised by Massey's Centre for Defence and Security Studies. Around 150 top government, agency and academic representatives from the security sector came together on the Auckland campus to discuss issues ranging from threats such as cyber-hacking and IS recruitment to broader regional and economic security. The conference was a precursor to Massey's Future New Zealand Forums on security in November.

The next phase of "Grow North", the Smart Innovation District project, was announced in May, following a major research project on the feasibility of an innovation district in the region. Cornerstone partners to the initiative are Massey University, Auckland Tourism, Events and Economic Development (ATEED) and Bank of New Zealand. Key priorities into 2017 include: creating an open database and map of innovative companies and innovation resources; connecting with emerging innovation hubs around Auckland; and building skills and exchanges between innovators and the education sector.

Fascination Science, a new, free lecture series from Massey researchers with the aim of sharing the wonders of scientific discovery with the wider community, was delivered from the Auckland campus.

During its first year of active publishing in 2016, Massey University Press published 11 books. One of the most significant books published in 2016 was *From Empire's Servant to Global Citizen – A history of Massey University*, by Professor Michael Belgrave.

PEOPLE AND PARTNERSHIPS THAT TRANSFORM – WORLDWIDE

A partnership agreement between Massey University, the University of Peradeniya and the New Zealand Aid Programme was formally signed in February in Sri Lanka, at an event attended by Prime Minister John Key. The twinning project, "Transforming Agriculture for Economic Prosperity and Poverty Reduction through Strengthened Veterinary Education in Sri Lanka", is within a model introduced by the World Organisation for Animal Health in 2012 that aims to raise the standard of veterinary education around the world, particularly in developing and transition countries.

Massey University Press output in its first year



The East Indonesia “Innovative Farm Systems and Capability for Agribusiness Activity” project, was launched in February at the University of Mataram on the island of Lombok, east of Bali. This project is a collaboration between the University of Mataram, Indonesia, and Massey University Worldwide. Massey University is lending its expertise to the four-year Indonesian agribusiness development project to help Indonesian farmers build capability and to realise long-term sustainable development goals. The Ministry of Foreign Affairs and Trade has contributed \$4.2 million to the project via the New Zealand Aid Programme. This support will enable farmers to build infrastructure, improve productivity and create new businesses, drawing on the best of New Zealand’s agricultural expertise.

Professor of Animal Science Hugh Blair was presented with a China Friendship Award in Beijing in October. It is the highest award for foreign experts who have made outstanding contributions to China’s economic and social progress. The award was presented to Professor Blair by Vice Premier Ma Kai at a special ceremony in the Great Hall of the People.



STATEMENT OF SERVICE PERFORMANCE

The Massey University Act 1963 describes the purpose of Massey University as existing “for the advancement of knowledge and the dissemination and maintenance thereof by teaching and research”. Massey University understands its purpose and recognises that its role within the New Zealand context is further defined in the Education Act 1989 section 162 and guided by the Tertiary Education Strategy 2014-2019.

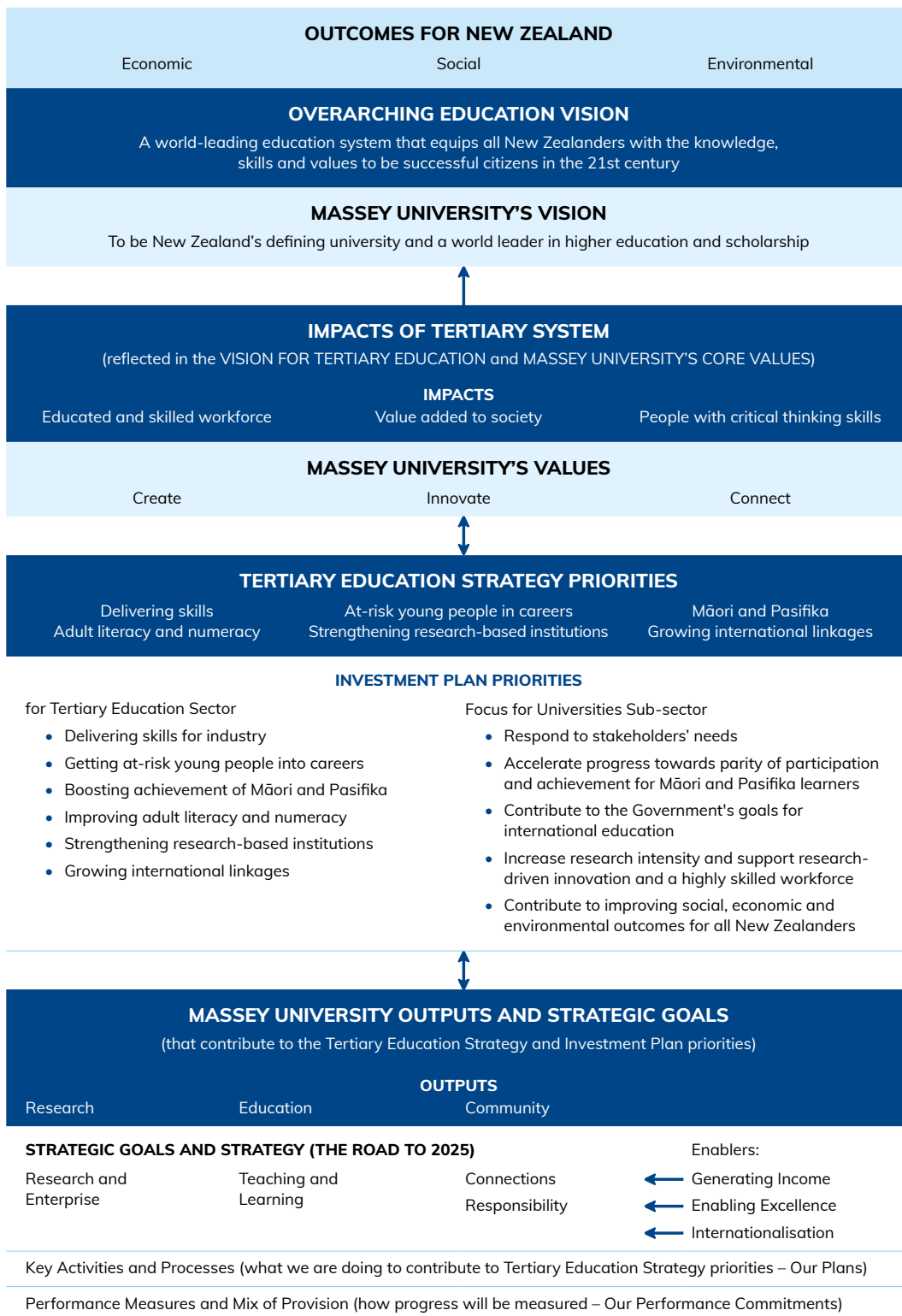
Massey University’s contribution to outcomes for New Zealand, the national vision for the education system, the Tertiary Education Commission (TEC) priorities, and the priorities for the TEC mandated Investment Plan period is illustrated in the following diagram, the “Massey University Outcomes Framework”. This framework is consistent with the framework and guidelines for reporting on outcomes developed by a joint TEC and Universities New Zealand working group and endorsed in June 2010. The framework for the university sector provides a shared view of the national contribution of New Zealand’s universities and informs the preparation of Massey University’s Investment Plan.

Massey University frames the strategic goals of the institution and the strategy for their delivery in *Shaping the Nation: Taking the best to the world - the road to 2025* and also identifies the activities in our plans and the processes that underpin them. Massey University actively measures its progress against these strategic goals through a series of performance measures under each goal.

Massey University’s key outputs (research, education and services to the community) contribute to the impacts sought from the tertiary system for an educated and skilled workforce, adding value to society, and developing people with critical thinking skills. Ultimately this is to meet the Government’s vision of a world-leading tertiary education system that equips New Zealanders with the knowledge, skills and values to be successful citizens in the 21st century.

The key activities in Massey University’s plans derive from its commitment to supporting learning through research, education and engagement with communities and businesses (public and private sector contribution). These plans are strongly aligned with the priorities for the sector as identified in the Tertiary Education Strategy. By delivering on The Road to 2025 strategic goals, which are founded on the values of creativity, innovation and connectedness, Massey University contributes to outcomes for New Zealand and the overarching vision for education, which links this nation to a wider global community.

OUTCOMES FRAMEWORK



Massey University Outcomes Framework (Investment Plan 2015-2017)

OPERATING ENVIRONMENT

The University's current operating environment continues to be competitive.

The Government's approach to shifting tertiary education funding allocation policies towards an "investment model" continues to be developed and implemented through the Investment Plan process.

The Government continues to signal lower levels of spending and where additional resources are available these have been targeted to areas in which there is high alignment with Government priorities, such as sciences, agriculture and priority engineering. Private sector investment continues to be constrained.

With reduced funding from the Government in real terms for student programmes, the Government continues to reprioritise existing funding among tertiary education providers, from "low-performing" provision (such as provision with low completion rates or poor educational or labour market outcomes) to funding growth in "high-performing" provision. The reprioritisation process forms part of the Investment Approach and the sector is likely to see new information tools, such as Employment Outcomes of Tertiary Education, influencing some of the investment decisions.

Performance-linked funding and Educational Performance Indicator (EPI) results for the Student Achievement Component (SAC) of tertiary sector funding continue to be a challenge given Massey University's distinctive student demographic profile; more than half of Massey University's students study part-time (often while currently in the workforce) and at a distance. Part-time students complete qualifications at a slower and lower rate than full-time students, often due to competing demands such as family and work. The impact of Massey University's student demographic on performance indicators will be further demonstrated when the proposed changes to the EPI methodology take place in coming years.

The Government also continues to emphasise as one of its priorities the achievement of parity in participation and performance of Māori and Pasifika students with other ethnicities by 2017.

The lead-up period to PBRF will increase the focus on performance improvement activities across the sector. Research reputation growth is fundamental to the success of Massey as a world-class, research-led university. We are likely to see increased competition from other universities for research-active staff and research funding opportunities, both nationally and internationally.

Other changes to our operating environment include the inquiry of the Productivity Commission into new models of tertiary education. The final report is expected in March 2017 and, if recommendations are accepted, these are likely to have an impact on our operating environment, particularly around quality assurance processes and increased competitiveness in the sector. Universities will need to continue to find a balance between the need to collaborate and fulfil the higher education mission to contribute to knowledge generation, education and society, and the competition for domestic and international students, staff and research funding.



Members of the inaugural 1966 journalism class, Robin Ormerod and Fran Wilde, cut the anniversary cake with two members of the 2016 intake, Julie Iles and Miri Schroeter

JOURNALISM SCHOOL MARKS 50TH JUBILEE

Several generations of journalists swapped scoops and stories – on and off the record – at the 50th anniversary reunion of the Massey University School of Journalism (now the School of Communication, Journalism and Marketing) in November.

Members of the original class of 1966 – when newspaper stories were written on manual ink-and-ribbon typewriters and newsrooms were full

of cigarette smoke – mixed with digital natives from the 2016 intake and graduates in between.

Among the high-profile guests were Radio Live announcer and former TVNZ presenter Mark Sainsbury, broadcaster Sean Plunket, former Evening Post editor Rick Neville, the BBC's first female foreign correspondent Diana Goodman and former Fair Go front man Kevin Milne.

RESEARCH PERFORMANCE 2016

Massey University's goals are to promote the highest standards of research and scholarship, be a world leader in its areas of specialisation, and support active engagement with, and participation in, knowledge exchange to ensure that the intellectual capital it generates is used to best advantage.

Massey University's research outputs have driven innovation, knowledge transfer and economic development both regionally and nationally. Such research has also enhanced educational outcomes for students and the provision of benefits to society.

Activities contributing to this output include:

- Project-based contractual research for the private and public sectors;
- Teaching-related research;
- The commercialisation of research outputs;
- Supervision of research-based masters and doctoral students; and
- Participation in and hosting Centres of Research Excellence and National Science Challenges.

EXTERNAL RESEARCH INCOME

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Actual	2016 Target
EXTERNAL RESEARCH INCOME (\$M)		62	55	67	67
PBRF EXTERNAL RESEARCH INCOME (\$M)	1	55	52	62	57

Note 1: The 2016 actual is an interim figure only, pending confirmation of final data from the TEC. The 2015 interim result was 52 and is now confirmed as the actual result.

- External research income for 2016 was \$12 million above that for 2015 and \$0.35 million above the Investment Plan target for 2016. In 2015, approximately \$9 million revenue was received for multi-year projects predominantly in the areas of sciences and health but were not spent in 2015 due to the timing of the receipt of funds and ensuing project activity. In 2016, both sciences and health have increased funding over the previous year.
- The PBRF external research income interim result is \$10 million above that for 2015 and \$5 million above the Investment Plan target for 2016.
- The environment for gaining research funding continues to be highly competitive; in the main annual Government funding rounds for 2016, Massey University received \$3.1 million from the Marsden Fund, \$2 million from the Catalyst Fund and \$4.4 million from the Health Research Council of New Zealand.

COMMERCIALISATION

Key Performance Indicator	2014 Actual	2015 Actual	2016 Actual	2016 Target
COMMERCIALISATION				
New disclosures (number of)	25	23	27	48
Licences/Commercialisation deals	4	3	3	12
Licensing revenue (\$000s)	364	308	341	550

- The number of new disclosures¹ and amount of licensing revenue for 2016 showed an increase over 2015 but were below the targets set in the Investment Plan (2015-2017). These targets have been reviewed for the Investment Plan 2017-2019.
- The number of licences/commercialisation deals for 2016 was in line with 2015 and below the target set in the Investment Plan (2015-2017).
- Massey University is committed to translating innovative academic research into commercial opportunities, through existing commercial enterprises or new ventures. In 2016 Massey University sold down a proportion of its stake in the assets of Magritek Limited and completed the sale of New Zealand Veterinary Pathology Limited to IDEXX Laboratories (NZ) Limited, a wholly owned subsidiary of leading global veterinary diagnostic company IDEXX Laboratories, Inc.

¹ An invention disclosure ("a disclosure") is an invention or idea that has commercial potential.

- Massey University’s focus has evolved to be directed towards quality of disclosures as opposed to quantity, meaning that a lower number of quality disclosures is a better outcome for the University. The unpredictable nature of complex commercial negotiations makes it difficult to predict the number of deals in any one year. However, negotiations were concluded for the formation of three new spin-out companies that will be incorporated in the first quarter of 2017. Two of these companies are joint ventures with existing industry players in the respective sectors. Massey Ventures Limited (MVL) was awarded \$928 thousand of devolved PreSeed Accelerator funding by the Ministry of Business, Innovation and Employment. The funding, allocated over three years, will be matched by investment from MVL and others and will be used to support early-stage commercialisation projects in progressing towards commercial outcomes. This investment will provide an opportunity to increase the disclosure pipeline.



Graduands of the Massey One Health Epidemiology Fellowship Program gather at the Manawatū campus with their teachers

‘ONE HEALTH’ SOLUTION TO WORLD’S EPIDEMICS

Eighteen students from across South Asia flew into Palmerston North in November to graduate with a degree that unites doctors, veterinarians and wildlife experts in efforts to reduce outbreaks of diseases that transfer from animals to humans, such as Ebola.

The distance students from Nepal, Afghanistan, Bhutan and Bangladesh had worked together for the previous two years as part of the Massey One Health Epidemiology Fellowship Programme "Education into Action". This involved working together on projects to better understand

infectious diseases transmitted from animals and wildlife to humans, known as zoonotic diseases. The overarching aim is to improve biosecurity, evaluate disease control economics and improve disease control policy.

The three-year programme was funded by the European Union and is part of Massey’s efforts to build capability across South Asia to detect and respond to emerging epidemic and pandemic disease threats through the implementation of innovative ‘One Health’ programmes.

POSTGRADUATE STUDENTS

Key Performance Indicator	2014 Actual	2015 Actual	2016 Indicative	2016 Target
RESEARCH DEGREE COMPLETIONS (NUMBER)				
All students	447	410	470	355

Indicative results for 2016 research degree completions are available from Massey University's Student Management System. Even though the indicative figure is higher than the 2016 target, the total number of research degree completions in 2016 can only be reported once Massey University's Single Data Return has been submitted in April 2017. The 2015 indicative figure reported for the prior year was 402 and it has now been updated with the actual result. The 2015 indicative figure reported for the prior year was 402 and it has now been updated in this table with the actual result. The final figure reported for 2014 was 450 and it has also been updated with the actual result.

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Actual	2016 Target
POSTGRADUATE STUDENTS					
Student participation by EFTS as % of total EFTS – postgraduate research	2	8	8	7.5	7.5
Overall student satisfaction with research experience (%) – postgraduate research students	3	79	76	73	Not provided

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Indicative	2016 Target
POSTGRADUATE STUDENTS					
Successful course completion (%) – postgraduate research students	4	90	91	86	89.5

Indicative results for 2016 successful course completions are taken from the TEC workspace, but will not be finalised until all results have been processed and Massey University's Single Data Return is submitted in April 2017. This number is likely to increase as new completions will be reported.

Note 2: Postgraduate research: enrolments in papers at funding category levels 4 and 5 as defined by the TEC.

Note 3: A target for 2016 was not provided in the Investment Plan 2015-2017, therefore a target has not been disclosed in the Annual Report. Overall student satisfaction "with your entire research experience" is taken from the Postgraduate Research Experience Questionnaire (PREQ) and only includes those who were administered that survey (PhD and MPhil in 2014 and 2015, and masters by research in 2016). The 2016 survey included 476 respondents, a response rate of 31%.

Note 4: Successful course completion is measured by successful course completion EFTS as a proportion of the total EFTS delivered. The 2015 indicative figure reported in the prior year was 86 per cent, and it has now been updated with the actual result.

- Postgraduate student participation research for 2016 met the target set in the Investment Plan (2015-2017) and is in line with previous years.
- Postgraduate student satisfaction with the overall research experience shows as below that reported for previous years; however, the 2016 survey also included masters by research students.
- Successful course completion for postgraduate research is an indicative result; it is below previous years and the target set in the Investment Plan (2015-2017).



MASSEY ONE OF TWO NEW ZEALAND UNIVERSITIES RANKED FOR STUDENT EMPLOYABILITY

Massey University is one of the world's top-ranked universities for nurturing student employability, according to a report released in November.

The QS Graduate Employability Ranking for 2017, a new ranking system that analyses the links between university teaching and research practices and graduate employability, ranked the world's top 300 universities, placing Massey in the 201-300 band and making it one of only two New Zealand universities included on the list.

The ranking is based on five indicators of employability success: the university's academic reputation, the number of high-profile alumni produced, engagement and research collaboration with industry partners, connections between students and employers, and the graduate employment rate. Massey University was ranked 22nd in the world for its graduate employment rate indicator, outperforming the only other New Zealand university on the list, the University of Auckland, based on this indicator.

EDUCATION – PERFORMANCE 2016

Massey University's goal is to ensure an exceptional and distinctive learning experience for all Massey University students.

An educated and skilled workforce is necessary to contribute to the economic development of New Zealand. Massey University contributes to this by ensuring that its students are taught by dedicated and skilled academics in a stimulating environment that is conducive to active learning. Massey University's Teaching and Learning Framework identifies the key characteristics of Massey University's teaching and learning environment as Research-led, Applied, International, Distance and Lifelong, and Digital. Each of these dimensions is supported by a strategy to realise fully the potential of each area.

Activities contributing to this output include:

- Higher-level tertiary education (teaching, learning and assessment)¹;
- Foundation-level tertiary education²;

1 Higher-level tertiary education: primarily degree-level (undergraduate and postgraduate) education at qualification levels 7 and above.

2 Foundation-level tertiary education: sub-degree-level education at qualification levels 5 and 6.

- A comprehensive portfolio of education offerings, including:
 - » Professional degrees (for professional groups, eg veterinary, nursing, accounting, education and engineering);
 - » Degrees developed in partnership with business and industry (eg defence and security, food, agriculture, design and fine arts) and to meet the needs of community groups (regional and ethnic communities including Māori, Pasifika and new-migrant communities);
 - » Professional and continuing education short-course programmes;
 - » Distance and blended education (New Zealand's leading university); and
 - » International education (both on-shore and off-shore); and
- Student support services, including residential and social.

STUDENT PARTICIPATION

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Actual	2016 Target
STUDENT PARTICIPATION BY EFTS					
Total University EFTS delivered		18,680	18,688	18,944	19,247
STUDENT PARTICIPATION BY EFTS AS A % OF TOTAL EFTS					
All international students	5	16	17	17.9	14.9
Postgraduate taught students	6	14	15	15.3	13.8
STUDENT PARTICIPATION BY SAC³ ELIGIBLE EFTS AS A % OF TOTAL SAC ELIGIBLE EFTS					
Māori (Participation as % of SAC EFTS)		11.2	11.4	12.0	11.5
Pasifika (Participation as % of SAC EFTS)		4.4	4.7	4.9	4.6

Note 5: All international students include students who pay full international fees, and subsidised international students, eg foreign wholly research students.

Note 6: Postgraduate taught students include enrolments in papers at funding category level 3 as defined by the TEC.

The total University EFTS for 2016 showed an increase over previous years but was below target. Targets were reviewed for the next Investment Plan (2017-2019) to reflect the softening of demand for tertiary education in New Zealand.

- Student participation results for international, postgraduate taught, Māori and Pasifika students showed an increase over previous years; they were above target for 2016.

EDUCATIONAL PERFORMANCE INDICATORS

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Indicative	2016 Target
STUDENT RETENTION (%)	7	76	76	76	74
SUCCESSFUL COURSE COMPLETION (%)	8				
All students		80	82	80	82.5
Internal students		85	87	79	86
Distance students		72	74	72	73
QUALIFICATION COMPLETION (%)	9				
All students		77	79	51	61
STUDENT PROGRESSION (%)	10				
All students		68	76	87	52

Note 7: Student retention is measured by the proportion of SAC-eligible students in a year who either re-enrol in the next year or complete qualifications. The 2015 indicative figure reported in the prior year was 76 per cent and it has remained the same for the actual result.

Note 8: Successful course completion is measured by SAC-eligible successful course completion EFTS as a proportion of the total SAC-eligible EFTS delivered. The 2015 indicative figures reported in the prior year were 80 per cent (all students), 85 per cent (internal students) and 71 per cent (distance students) and these have now been updated with the actual result.

Note 9: Qualification completion is measured by qualifications completed by students, weighted by the EFTS value of the qualifications, as a proportion of total SAC-eligible EFTS enrolled in the qualifications. The 2015 indicative figure reported in the prior year was 60 per cent and it has now been updated with the actual result.

Note 10: Student progression is measured by progressions to higher levels of study in the tertiary sector by students (at qualification levels 1-4). The 2015 indicative figure reported in the prior year was 76 per cent and it has remained the same for the actual result.

- Indicative results for all EPIs are based on 2016 data that is available from the data provided in Massey University's Single Data Return in December 2016, but will not be finalised until Massey University's Single Data Return is submitted in April 2017. It is anticipated that the figures will be higher as a result of additional completions reported in 2017. It is at this stage that actual 2016 performance against all EPIs can be analysed.

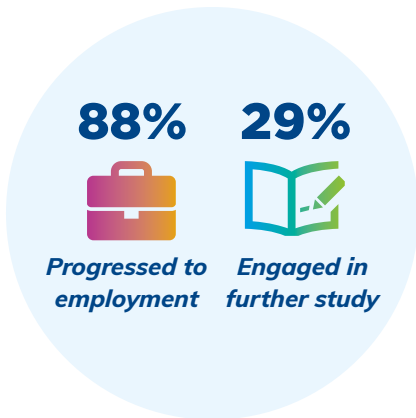
STUDENT SATISFACTION

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Actual	2016 Target
STUDENT SATISFACTION (%)					
With educational experience	11	81	82	83	82
With services and facilities	11	80	82	83	88

(% of students rating services good/very good)

Note 11: This data has been collected from the Student Experience Survey. In 2016 a total of 9,507 students participated in the survey, a response rate of 34 per cent.

- Student satisfaction with educational experience increased slightly over 2015 and was above the target for 2016.
- Student satisfaction with services and facilities for 2016 showed a slight increase over previous years but did not meet the target for 2016. Of particular note within this metric was the high level of student satisfaction with library services, and improved satisfaction with student accommodation.



GRADUATE OUTCOMES

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Actual	2016 Target
GRADUATE OUTCOMES (%)					
Progression to employment	12	87	89	88	80-85
Engaged in further study	12	27	28	29	8-10

Note 12: This data has been collected from the Graduate Destination Survey. In 2016 a total of 1,536 students participated in the survey, a response rate of 27 per cent.

- Graduates' progression to employment for 2016 showed a slight decline over 2015, but was still ahead of target.
- Graduates engaged in further study increased slightly over previous years and also remained ahead of target for 2016.



Former astronaut Colonel Rick Searfoss, middle, and Māori aerospace engineer Mana Vautier, right, with pupils from Hato Pāora College

MĀORI SCIENCE ACADEMY ROCKETS PUPILS INTO THE SCIENCES

Massey University, with support from Te Puni Kōkiri, launched the first science academy of its kind in New Zealand in January with the help of Māori aerospace engineer Mana Vautier.

The first intake of 80 secondary pupils in Massey's Pūhoro STEM Academy was set a wero (challenge) at the February launch event by Mr Vautier of Tūhourangi, Te Arawa and Ngāti Kahungunu, and his colleague, former National Aeronautics and Space

Administration (NASA) astronaut Colonel Rick Searfoss.

The academy fosters Māori secondary school pupils from year 11 through to university and, ultimately, the workforce, as well as engaging with teachers and whānau to support the students' science study.

Pūhoro has grown to 160 pupils in 2017 with another intake of pupils and two new schools, Palmerston North Girls' High School and Freyberg High School.

SERVICES TO THE COMMUNITY – PERFORMANCE 2016

Massey University's goal is to enhance its reputation as New Zealand's defining university by contributing to an understanding of – and providing innovative responses to – social, economic, cultural and environmental issues. It is also Massey University's goal to strengthen its connections with tangata whenua and local, national and international partners and stakeholders, creating mutual benefits. We will extend our reach to operate worldwide as New Zealand's defining international university.

We promote and value citizenship and leadership, particularly when demonstrated by Massey University staff and students. Our staff and students contribute their advanced critical thinking and intellectual and thought leadership on matters relevant to society, the economy and the environment by providing expert commentary and advice locally, nationally and internationally.

Activities contributing to this output include:

- Engagement with all our stakeholder communities, including business and industry, government (local and central), iwi, Pacific peoples, new-migrant communities and schools;
- Maintaining ongoing relationships with Massey University alumni;
- Providing advanced critical thinking on matters relevant to society, including expert commentary and advice locally, nationally and internationally;
- Sharing the academic and professional expertise of staff, particularly on issues of national and regional significance and on research that is of benefit to the community;
- Holding and/or participating in regional and national events;
- Hosting conferences and public lectures;
- Supporting and contributing to a diverse range of community-oriented programmes and initiatives; and
- Promoting public dialogues on the big issues of the day where Massey evidences intellectual and thought leadership (eg sustainability, climate change, population demographics and migration, food security, natural-resource management, creativity and design for culture, commerce and community).

INTERNATIONAL PARTNERSHIPS

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Actual	2016 Target
ACTIVE INTERNATIONAL PARTNERSHIPS (NUMBER)	13	245	263	292	262

Note 13: Active international partnerships are those partnerships where Massey University is the first party (the lead contractor) to the programme/contracts. The results for 2016 reflect the significant efforts by Massey University in building its international profile.

- The number of active international partnerships in 2016 continued to grow over previous years and was ahead of target for 2016.
- The focus continues to be on developing viable and sustainable international relationships under the University's active internationalisation agenda, including through the expansion of Massey University Worldwide and other actions to develop global linkages.



Vice-Chancellor Steve Maharey welcomes the People's Liberation Army Academy of Art delegation to the Manawatū campus

MASSEY CEMENTS RELATIONSHIP WITH CHINA

Massey University further strengthened its links with China by sending a delegation of senior representatives to Beijing in June.

One of the most important activities undertaken by the delegation – the largest to visit China to date – was the signing of an agreement with the People's Liberation Army Academy of Art. Vice-Chancellor Steve Maharey described the agreement, which increases the number of Chinese students coming to Massey and provides the opportunity for Massey students learning the creative arts to study in China, as New Zealand's most significant arts and cultural agreement with China.

The signing was just one activity undertaken by the delegation during a week of events, which included a lunch

hosted by China's First Lady Madame Peng Liyuan in one of the reception halls within Beijing's historic Tiananmen Square, participation in the Creative and Musical Arts Symposium and the signing of an agreement with the China Scholarship Council.

In November the visit was reciprocated, with members of the academy visiting Massey's three campuses to identify mutual areas of collaboration.

The University's agreement with the academy is one of more than 70 active agreements and collaborations with Chinese universities and government agencies covering all areas of teaching, research and exchange activity – reinforcing the University's long-standing and strong relationship with China dating back 33 years.

ACADEMIC STAFF SERVICE

Key Performance Indicator	Notes	2014 Actual	2015 Actual	2016 Actual	2016 Target
ACTIVE STAFF INVOLVED IN COMMUNITY SERVICE ACTIVITIES (%)	14	Not available	42	Not available	80+
ACADEMIC STAFF SERVING ON ADVISORY BOARDS AND COMMITTEES (%)	14	Not available	20	Not available	20+

Note 14: This is a new measure, with data collected from the 2015 Institutional Review of Research (IROR), in which 900 academic staff participated. The achievement of these targets was influenced by the differing levels of engagement with IROR data collection, which may have resulted in incomplete datasets. Data for 2016 was not available as data is only collected every two years.

OUR COMMITMENT TO THE TREATY OF WAITANGI

Twenty students from schools in and around Whangārei were chosen for the Māori Accelerate Programme. The programme, launched in 2016 by Massey University, is aimed at helping Māori secondary students to recognise their potential to succeed and to achieve their goals and get into tertiary study.

The refurbishment of Te Kuratini Marae on the Wellington campus is scheduled for completion in November 2017. The new wharenuī will be a state-of-the-art facility and will be available for hire by interested external parties. The new marae will culturally affirm and enrich student life.

A new wharekai (dining hall) at Te Pūtahi-a-Toi, Manawatū campus was in the early stages of construction by year end. The new wharekai will stand as a base to connect to and provide support to the mauri by providing hospitality to those who are welcomed to Te Kunenga ki Pūrehuroa through Te Pūtahi, and to all students and staff who wish to utilise the wharekai in the future. Te Pūtahi-a-Toi, the School of Māori Art, Knowledge and Education, provides an academic focus for Māori cultural, educational, social and economic development and is part of the College of Humanities and Social Sciences.

One of New Zealand's first postgraduate qualifications in Māori-medium initial teacher training was launched by Massey University and is set to start in 2017. Te Aho Paerewa will help to provide kura kaupapa Māori with highly qualified teachers and give people with degrees the opportunity to move into teaching. The programme, which is delivered entirely in te reo, is a field-based one. Te Aho Paerewa builds on the success of the University's refreshed undergraduate programme Te Aho Tātairangi, which delivered its first graduates in 2016.

A new Māori agribusiness major within the Bachelor of AgriCommerce was available for the first time in 2016. The qualification produces graduates with the core skills of an agribusiness graduate, but also with cultural information to help organisations collaborate with Māori. Students take core papers from the Bachelor of AgriCommerce as well as specific Māori agribusiness papers such as Māori Agribusiness Systems and Māori Policy in Agribusiness.

Massey University led the Mātauranga Māori research programme within the Resilience to Nature's Challenges National Science Challenge. This project directly contributes to the Māori community by supporting 11 Māori researchers around the country in seven institutions.

The Institute of Agriculture and Environment continued to support Ngāti Rangi and Whanganui iwi. Through these relationships Massey is providing a PhD scholarship to one of the iwi members to undertake a PhD related to their environmental management aspirations. This in turn allows the student to continue to be employed part-time with the iwi.

Massey University's Māori book awards were expanded in 2016 to celebrate excellence in Māori journalism. Ngā Kupu Ora started at Massey University in 2009 as a way of recognising and encouraging excellence in Māori writing and publishing. It has grown from an awards ceremony held at Te Pūtahi-a-Toi, on the Manawatū campus, to a major event on the publishing calendar, held for the past couple of years at Te Papa in Wellington.



The first graduates of the Te Aho Tātaurangi programme

GRADUATION MARKS BOOST FOR TE REO MĀORI

The first cohort of the new Te Aho Tātaurangi programme – or Bachelor of Teaching Māori Medium/Diploma Māori Education – graduated in May marking a milestone for te reo Māori.

The four-year double degree is designed to prepare teachers for the country's kura kaupapa Māori, and programme co-ordinator Professor Huia Jahnke said the 11 graduates represented a very positive step towards the survival of te reo. "We now have 11 teachers we didn't have before and many are second-generation speakers, providing a real

intergenerational transmission of the language."

The course was designed in partnership with Te Rūnanga Nui o Ngā Kura Kaupapa Māori o Aotearoa and is one of the few tertiary programmes in the country to be modelled on Te Aho Matua, the founding document of and driving force for kura kaupapa Māori.

All 33 papers are taught completely in te reo and the majority of graduates have already secured jobs in kura – cementing the programme's success in the country's classrooms.

SUPPORTING PASIFIKA AT MASSEY UNIVERSITY

Pacific research guidelines, which will assist researchers intending to work in the Pacific, were developed for University staff.

Massey University's memorandum of understanding with the University of the South Pacific was renewed in August.

Tātai Angitu e3@Massey, a new Massey University centre aligned with the Institute of Education, was established to innovate and extend services (tailored education training, expertise and support to schools and organisations) to a wide range of learning communities. Tātai Angitu translates from Māori as "linking opportunities" and e3 denotes its three core strands: education, efficacy and enterprise. The centre is working with the Tokelauan Government and the New Zealand Ministry of Foreign Affairs and Trade on stage two of a four-year plan to restructure Tokelau's education policy and to invest in its teacher training and development. Other projects include working with the FAO in Niue on community development and knowledge in the local agriculture sector. In July the centre won the New Horizons for Women Trust's Teupoko'ina Utanga Morgan Memorial Innovation Award for a Palmerston North project aimed at strengthening early literacy and numeracy learning in Pasifika settings.



Lord Tuita, Princess Pilolevu, Massey University Assistant Vice-Chancellor External Relations and Development Penelope Barr-Sellers and Pasifika national recruitment adviser Faye Alailima

MASSEY GETS ROYAL APPROVAL AT POLYFEST

Massey's long-term sponsorship of the Tongan stage at the ASB Polyfest in Auckland received a royal seal of approval in March, with the visit of Princess Salote Mafile'o Pilolevu Tuita of Tonga and her husband Lord Tuita.

It was the first time in the festival's 41-year history that a member of the Tongan royal family had attended the stage.

The four-day festival, the biggest of its kind in the world, saw 9000 pupils

from 64 schools competing, with cultural performances on six stages. Princess Pilolevu praised Massey for its sponsorship of the Tongan stage and the festival itself, which she said ensured that young Tongans in New Zealand were connected to and proud of their culture.

Massey University is sponsoring the Tongan stage at the festival again in 2017.

The Aganu'u: My Cultural Space initiative expanded to Wellington in 2016 following its successful implementation in 2015 in Auckland. The programme is designed to encourage young Pasifika secondary students to normalise success in their own learning contexts and to influence positive change with their peers, families and wider communities. Aganu'u is aimed at encouraging Pasifika students to see that tertiary education is something they can aspire to and achieve in.

EQUITY AND DIVERSITY AT MASSEY UNIVERSITY

Massey University is committed to providing equity of employment and equity of access to educational opportunities for all staff and current and prospective students, irrespective of their sex, marital status, religious belief, colour, race, ethnic or national origin, disability, age, political opinion, employment status, family status or sexual orientation.

EQUAL EMPLOYMENT OPPORTUNITY

Massey University is committed to upholding its responsibilities as an equal opportunities employer and creating a workplace that attracts, retains and values diverse employees. To achieve this policy objective Massey University:

- Provides equal opportunities for recruitment, appointment, development and promotion for all current and prospective employees, regardless of sex, marital status, religious belief, colour, race, ethnic or national origin, disability, age, political opinion, employment status, family status or sexual orientation;
- Develops and maintains a workplace culture that values and supports diversity;
- Ensures that it provides a safe, supportive and healthy environment for all employees that is conducive to quality teaching, research and community service;
- Identifies and eliminates all aspects of policies and procedures and other institutional barriers that cause or perpetuate inequality in respect of the employment of any person or group of persons;
- Does not tolerate any form of unfair discrimination in the workplace on any grounds, including sex, marital status, religious belief, colour, race, ethnic or national origin, disability, age, political opinion, employment status, family status or sexual orientation;
- Promotes equal employment opportunities as an integral part of University policies and practices;
- Supports the health and wellbeing of women staff members with breastfeeding infants by ensuring the right to time for breastfeeding (or expressing milk) and the provision of private facilities in the workplace for breastfeeding or expressing or storing milk wherever possible; and
- Monitors, reviews and evaluates progress towards achieving equal employment opportunities.

For the reporting period, Massey University's equal opportunities activities focused on:

- The Cultural Audit Model, facilitated by the Office of Māori and Pasifika. The application of the model supported all major business units to assess the current representation of Māori and Pasifika staff in recruitment, academic promotion and overall staff composition and to identify practices that would support improvement and set goals to measure progress; and
- Selecting a cohort of aspiring women leaders to participate in an internal Massey University Women in Leadership Programme and the selection – from previous years' internal programmes – of two academic women and two professional service women to attend a five-day, residential, Universities New Zealand Women in Leadership programme. Massey University also offers scholarships specifically for Māori and Pasifika women to attend the national programme.

HIGHLIGHTS

Massey University was proud to have nearly 20 per cent of the 101 finalists in this year's Women of Influence Awards. The awards recognise and celebrate those who make a difference to other New Zealanders. The Massey finalists include six staff and 11 alumnae, representing categories across the spectrum of science, business, creative arts, health, humanities and social science.

Dr Farah Palmer made history as the first female board member for New Zealand Rugby. Dr Palmer captained the Black Ferns to three world cup victories between 1998 and 2006, and is recognised as one of the greatest Black Ferns of all time and one of the best female players in history. Dr Palmer was made an Officer of the New Zealand Order of Merit in 2007 for services to women's rugby and sport. In 2014 she was inducted to the World Rugby Hall of Fame, and in 2016 the women's provincial championship was renamed the Farah Palmer Cup in recognition of her contribution to women's rugby.

EQUITY OF ACCESS TO EDUCATIONAL OPPORTUNITY

Equity in tertiary education refers to creating opportunities for equal access and success throughout the student lifecycle for historically underrepresented student populations, such as ethnic minority and low-income students. The concepts of equity and diversity are intrinsically linked; equitable access and participation is evidenced in a diverse and representative student population.

Equity is a fundamental principle that underpins the key teaching, learning and research functions of the University. As such, issues of equity and diversity influence all aspects of University activities and are reflected in almost all of the University's high-level strategic documents and the operational plans.

REMOVING BARRIERS TO STUDENT PARTICIPATION AND SUCCESS

The University worked progressively in 2016 to implement a number of systems and strategies designed to support students during their study journeys, and each contributed to achieving equity outcomes.

They included:

- **The Student Success Strategy:** The Student Success Strategy contributes positively by encouraging collaboration to action student success and retention initiatives, and “supporting activities related to academic progress, exclusions and appeals”. The strategy ensures that students have the best possible chance to succeed at tertiary study by assisting them to integrate successfully into university life and academic study;
- **Bursaries and scholarships:** A wide range of bursaries and scholarships are promoted on the Massey University website and many can assist students who may otherwise be excluded or disadvantaged from participating in a course of study;
- **Academic Standing Regulations:** The Academic Standing Regulations support and address academic progress by students, enabling success to be acknowledged as well as prompting early action in relation to unsatisfactory progress. These were developed to improve course completions and the retention of all students, but are of particular significance and benefit in terms of supporting underrepresented groups who traditionally have lower rates of success, such as Pasifika students; and
- **Student Support Services:** A mixed framework of specific student support services is in place, including pastoral care, advocacy, counselling and health services, disability services, career and employment services, childcare services, student success advisers and support services specifically for Māori and Pasifika students.



DIRECTORY

BANKER

Bank of New Zealand

AUDITOR

Audit New Zealand
on behalf of the Auditor-General

VALUER

Quotable Value New Zealand Limited

LEGAL ADVISERS

Buddle Findlay, Wellington
Cooper Rapley, Palmerston North
Russell McVeagh, Wellington
Andrea Craven, Palmerston North
Kensington Swan, Wellington
Davenports Harbour Lawyers, Auckland
AJ Park, Wellington

INSURERS

Vero Insurance New Zealand Limited
Zurich Australian Insurance Limited
Allianz New Zealand Limited
Catlin Australia Pty Limited

INTERNAL AUDITOR

PricewaterhouseCoopers New Zealand

STATEMENT OF RESPONSIBILITY

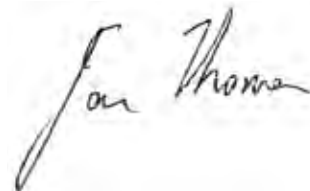
In the financial year ended 31 December 2016, the Council and management of Massey University were responsible for:

- the preparation of Massey University and the Group financial statements, statement of service performance, and the judgements used therein; and
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of Massey University the financial statements and statement of service performance for the financial year fairly reflect the financial position and operations of Massey University and the Group.



Michael Ahie
Chancellor



Professor Jan Thomas
Vice-Chancellor

INDEPENDENT AUDITOR'S REPORT



TO THE READERS OF MASSEY UNIVERSITY AND GROUP'S FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2016

The Auditor General is the auditor of Massey University (the University) and group. The Auditor General has appointed me, Clint Ramoo, 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 62 to 109, that comprise the statement of financial position as at 31 December 2016, 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 37 to 55.

IN OUR OPINION:

- the financial statements of the University and group on pages 62 to 109:
 - » present fairly, in all material respects:
 - » the financial position as at 31 December 2016; and
 - » the financial performance and cash flows for the year then ended;
 - » comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards'.
- the statement of service performance of the University and group on pages 37 to 55 presents fairly, in all material respects, the University and group's service performance achievements measured against the proposed outcomes described in the investment plan for the year ended 31 December 2016.

Our audit was completed on 12 April 2017. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. 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.

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.

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 statement of service performance, our procedures were limited to checking that the information agreed to:

- the University and group's Council approved budget for the financial statements; and
- the investment plan for the statement of service performance.

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 36, 56 to 57 and 110 to 111, 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.

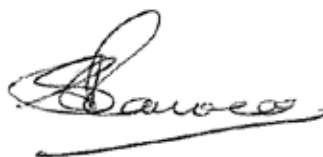
In connection with our audit of the financial statements and the statement of service performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of service performance 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 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out other assurance engagements which were providing a report relating to expenditure verification on a grant contract under the External Actions of the European Union and a report on the University's Performance- Based Research Fund external research income. These engagements are compatible with those independence requirements.

Other than the audit and these engagements, we have no relationship with or interests in the University or any of its subsidiaries.



Clint Ramoo
Audit New Zealand
On behalf of the Auditor General
Wellington, New Zealand

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	CONSOLIDATED			UNIVERSITY		
		Actual 2016 \$'000	Budget 2016 \$'000	Actual 2015 \$'000	Actual 2016 \$'000	Budget 2016 \$'000	Actual 2015 \$'000
OPERATING REVENUE							
Government Grants	2	193,343	188,966	185,759	193,343	188,966	185,759
Student Fees	2	169,570	163,709	158,101	169,570	163,709	158,101
Interest	2	3,853	2,212	4,522	3,674	2,087	4,465
Charges for Services	2	116,712	103,601	106,079	114,188	99,905	104,932
Trust Funds	2,26	4,807	5,214	5,446	2,769	1,548	1,355
Other (Losses) / Gains	2,3	710	-	(12)	1,664	-	79
Total Operating Revenue		488,995	463,702	459,895	485,208	456,215	454,691
OPERATING EXPENSES							
Staff Related Costs	4	286,222	266,444	271,056	283,932	264,616	269,790
Depreciation and Amortisation	5	53,928	55,754	52,000	53,506	55,754	51,989
Finance Costs		659	1,870	978	435	1,870	978
Other Direct Costs	6	140,993	133,364	130,572	139,059	131,202	130,268
Trust Funds	26	1,868	1,639	2,437	1,283	1,281	1,505
Total Cost of Operation		483,670	459,071	457,043	478,215	454,723	454,530
Share of Associates' Surplus	16	731	-	3,091	-	-	-
Surplus for the Year		6,056	4,631	5,943	6,993	1,492	161
OTHER COMPREHENSIVE REVENUE AND EXPENSE							
Net (Loss)/Gain on Available for Sale Assets	25	(432)	-	1,655	8	-	(50)
Asset Revaluation Reserve Movement	25	(25,205)	-	(975)	(25,205)	-	(975)
Other		-	-	38	-	-	-
Total Other Comprehensive Revenue and Expense for the Year		(25,637)	-	718	(25,197)	-	(1,025)
Total Comprehensive Revenue and Expense for the Year		(19,581)	4,631	6,661	(18,204)	1,492	864

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	CONSOLIDATED			UNIVERSITY		
		Actual 2016 \$'000	Budget 2016 \$'000	Actual 2015 \$'000	Actual 2016 \$'000	Budget 2016 \$'000	Actual 2015 \$'000
Equity as at 1 January	25	1,069,919	1,069,755	1,063,256	1,054,983	1,057,841	1,055,846
Surplus		6,056	4,631	5,943	6,993	1,492	161
Other Comprehensive Revenue and Expense		(25,637)	-	718	(25,197)	-	(1,025)
Total Comprehensive Revenue and Expenses for the Year		(19,581)	4,631	6,661	(18,204)	1,492	(864)
Equity as at 31 December	25	1,050,338	1,074,386	1,069,919	1,036,779	1,059,333	1,054,983

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	CONSOLIDATED			UNIVERSITY		
		Actual 2016 \$'000	Budget 2016 \$'000	Actual 2015 \$'000	Actual 2016 \$'000	Budget 2016 \$'000	Actual 2015 \$'000
ASSETS							
Current Assets							
Cash and Cash Equivalents	9	35,814	21,496	91,358	32,522	18,636	87,503
Student and Other Receivables	10	29,637	26,905	25,287	31,473	29,732	24,857
Inventories	11	1,532	1,447	1,452	1,532	1,447	1,445
Other Financial Assets	12	72,095	61,039	15,857	70,944	57,121	15,100
Biological Assets Livestock	13	3,620	3,453	3,621	3,620	3,453	3,621
Derivative Financial Instruments	14	-	-	1	-	-	1
Investment in Associate	16	4,493	-	-	-	-	-
Non-current Assets Held for Sale	15	34,575	-	11,000	34,575	-	11,000
Total Current Assets		181,766	114,340	148,576	174,666	110,389	143,527
Non-current Assets							
Investment in Associates	16	45	-	3,810	-	-	-
Other Assets	17	-	-	-	20,927	19,473	19,473
Other Financial Assets	12	30,167	30,976	29,584	2,335	2,373	2,325
Biological Assets Forestry	13	865	673	661	865	673	661
Property, Plant and Equipment	18	999,302	1,096,967	1,059,529	999,223	1,095,136	1,059,505
Intangible Assets	19	25,205	25,583	12,866	24,015	25,583	12,866
Total Non-current Assets		1,055,584	1,154,199	1,106,450	1,047,365	1,143,238	1,094,830
Total Assets		1,237,350	1,268,539	1,255,026	1,222,031	1,253,627	1,238,357
LIABILITIES							
Current Liabilities							
Trade and Other Payables	20	41,262	33,535	36,057	40,683	33,729	35,111
Borrowings	21	-	-	13,134	-	-	13,134
Employee Entitlements	22	19,320	16,643	17,297	19,229	16,590	17,252
Receipts in Advance	23	80,426	64,351	75,182	79,336	64,351	74,440
Derivative Financial Instruments	14	8	-	130	8	-	130
Total Current Liabilities		141,016	114,529	141,800	139,256	114,670	140,067
Non-current Liabilities							
Derivative Financial Instruments	14	163	-	-	163	-	-
Borrowings	21	-	39,000	-	-	39,000	-
Employee Entitlements	22	43,926	36,536	39,653	43,926	36,536	39,653
Receipts in Advance	23	1,907	4,088	3,654	1,907	4,088	3,654
Total Non-current Liabilities		45,996	79,624	43,307	45,996	79,624	43,307
Total Liabilities		187,012	194,153	185,107	185,252	194,294	183,374
Net Assets		1,050,338	1,074,386	1,069,919	1,036,779	1,059,333	1,054,983
EQUITY							
Total Equity	25	1,050,338	1,074,386	1,069,919	1,036,779	1,059,333	1,054,983

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	CONSOLIDATED			UNIVERSITY		
	Actual 2016	Budget 2016	Actual 2015	Actual 2016	Budget 2016	Actual 2015
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash was provided from:						
Government Grants	188,536	186,762	185,467	188,536	186,762	185,467
Receipts from Students Fees	163,324	163,742	153,983	163,324	163,742	153,895
Other Revenue	116,555	102,855	118,192	113,523	99,802	117,294
Interest Received	3,745	1,365	5,095	3,567	1,240	5,039
Trust Funds	3,945	4,145	4,347	2,626	2,002	962
	476,105	458,869	467,084	471,576	453,548	462,657
Cash was applied to:						
Payments to Employees and Suppliers	416,117	382,613	392,210	408,562	380,529	387,682
Net GST	697	-	1,312	652	-	1,292
Interest Paid	458	1,870	979	458	1,870	979
	417,272	384,483	394,501	409,672	382,399	389,953
Net Cash Flow from Operating Activities	58,833	74,386	72,583	61,904	71,149	72,704
CASH FLOWS FROM INVESTING ACTIVITIES						
Cash was provided from:						
Withdrawal from Investments	168,679	3,687	180,645	164,607	3,108	176,855
Sale of Fixed Assets	13,017	10,000	381	13,017	11,400	381
	181,696	13,687	181,026	177,624	14,508	177,236
Cash was applied to:						
Purchase of Investments	222,802	21,586	149,611	220,440	21,456	147,189
Loan to Subsidiary	-	-	-	2,043	-	260
Purchase of Property, Plant, Equipment and Intangibles	59,703	92,498	63,004	58,458	92,098	62,986
	282,505	114,084	212,615	280,941	113,554	210,435
Net Cash Flow to Investing Activities	(100,809)	(100,397)	(31,589)	(103,317)	(99,046)	(33,199)
CASH FLOWS FROM FINANCING ACTIVITIES						
Cash was provided from:						
Loan Raised	-	38,966	-	-	38,966	-
	-	38,966	-	-	38,966	-
Cash was applied to:						
Loan Repaid	13,134	13,118	709	13,134	13,118	709
	13,134	13,118	709	13,134	13,118	709
Net Cash Flow (to)/from Financing Activities	(13,134)	25,848	(709)	(13,134)	25,848	(709)
Net (Decrease) / Increase in Cash and Cash Equivalents	(55,110)	(163)	40,285	(54,547)	(2,049)	38,796
Net Foreign Exchange (Loss) / Gain	(434)	-	412	(434)	-	411
Cash and Cash Equivalents Brought Forward	91,358	21,659	50,661	87,503	20,685	48,296
Cash and Cash Equivalents Carried Forward	35,814	21,496	91,358	32,522	18,636	87,503

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1 STATEMENT OF ACCOUNTING POLICIES

THE REPORTING ENTITY

Massey University (the University) was established as a university under the Massey University Act 1963 (founding legislation).

The University comprises the following areas of significant activity for teaching, research and community service:

- Massey Business School;
- College of Creative Arts;
- College of Health;
- College of Humanities and Social Sciences; and
- College of Sciences.

The Massey Group (the Group) consists of the University and its wholly owned subsidiaries, the Massey University Foundation Trust, ALPP Limited (ALPP), Massey Global Limited (MGL), Massey Global Singapore Private Limited (MGSP), Massey Ventures Limited (MVL), ecentre Limited and MUSAC Limited. MGSP is wholly owned by MGL. Both ecentre Limited and MUSAC Limited are wholly owned by MVL. MVL also owns 60% of Synthodics Limited, which is part of the Group. The reporting entity includes the aforementioned Group, Agri One Limited (a joint venture 50% owned by the University) and MVL associates: Tramal Limited (formerly New Zealand Vet Pathology Limited - 35.58%), Consumer Insights Limited (39.98%) and Polybatyics Limited (28.83%). The University and its controlled entities were established as tertiary education providers and researchers. Accordingly, the University and its controlled entities have designated themselves as public benefit entities. All applicable public benefit entity exemptions have been adopted.

The financial statements of the University and Group are for the year ended 31 December 2016. The financial statements were authorised for issue by the Council on 12 April 2017.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis and in accordance with the Crown Entities Act 2004 and section 220 of the Education Act 1989, which requires compliance with generally accepted accounting practice in New Zealand (NZ GAAP). The financial statements of the University and Group are presented in accordance with Tier 1 Public Benefit Entity (PBE) standards. The financial statements comply with PBE standards, which have been applied consistently throughout the period.

MEASUREMENT BASE

The financial statements have been prepared on a historical cost basis, except for the following assets carried at fair value:

- Financial instruments designated as fair value through surplus and deficit;
- Financial assets available for sale;
- Financial instruments held for trading;
- Non-current receipts in advance;
- Biological assets;
- Non-current assets held for sale; and
- Investment property and land and buildings classified as property, plant and equipment.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The University and Group have not elected to early adopt any new standards or interpretations that are issued but not yet effective as at 31 December 2016.

ACCOUNTING POLICIES

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

A) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the University and the Group as at 31 December 2016.

The Group consolidates as subsidiaries in the consolidated financial statements, using the purchase method, all entities where the Group has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entities. This power exists where the Group controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by the Group or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the University, using consistent accounting policies. In preparing the consolidated financial statements, all material intercompany balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends have been eliminated in full. Corresponding assets, liabilities, revenues, expenses and cash flows are added together on a line-by-line basis.

A joint venture is a contractual arrangement whereby two parties undertake an economic activity that is subject to joint control. For a jointly controlled entity the Group recognises in its financial statements assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture using the proportionate consolidation method.

Associates are entities over which the Group has significant influence and that are neither controlled entities nor joint ventures. The Group generally deems it has significant influence if it has over 20% but less than 50% of the voting rights in the investee. Investments in material associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

The investments in subsidiaries and associates are accounted for at cost less any provision for impairment in the separate financial statements of the University and other Group entities.

At the end of each reporting period, the University and Group assess whether there are any indicators that the carrying value of the investment in controlled entities and associates may be impaired. Where such indicators exist, an impairment loss is recognised to the extent that the carrying value of the investment exceeds its recoverable amount.

B) Budget Figures

The budget figures are those approved by the University Council at the end of the year prior to the financial year.

The budget figures have been prepared in accordance with PBE standards and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements. The budget figures have not been audited.

C) Allocation of Overheads

Administrative and indirect teaching and research costs are allocated to significant activities on the basis of total equivalent full-time students (EFTS) in each college. Exceptions to this rule are allocated on the following basis:

- i. Facilities Management – by floor space;
- ii. Recreation Centre – by internal full-time students;
- iii. Student Services – by internal equivalent full-time students; and
- iv. Annual leave – by general staff numbers for general staff and from academic department leave records for academic staff.

D) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

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 and recognises SAC funding as revenue when the course withdrawal date has passed, based on the number of eligible students enrolled in the course at that date and the value of the course.

Student Tuition Fees

Domestic student tuition fees are subsidised by government funding and are considered non-exchange. Revenue is recognised upon obtaining control over the related asset to the extent it does not represent future obligations. Assets received for the performance of future obligations are recognised under liabilities as deferred revenue.

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; or
- Specificity of the research brief or contract.

For an exchange research contract, revenue is recognised on a percentage of 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.

Sale of Goods

Revenue from the sale 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 of completion basis. This is determined by reference to the number of accommodation days used as a proportion of the total accommodation days contracted for with the individual.

Interest and Dividends

Interest revenue is recognised using the effective interest method.

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

E) Foreign Currencies

Both the functional and presentation currency of the University and Group is New Zealand dollars (NZ\$). Transactions in foreign currencies

are translated into NZ\$ using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet date. Exchange rate differences are included in determining the net surplus / (deficit) for the year.

Assets and liabilities of foreign group entities for which the functional currency is not NZ\$ are translated into NZ\$ using year-end exchange rates. The translation adjustments are presented in other comprehensive revenue/expense. The statements of revenue and expense and cash flows are translated into NZ\$ using average exchange rates during the year.

F) Cash and Cash Equivalents

Cash and cash equivalents represent funds held to meet short-term commitments and include cash in hand, deposits held at call with the bank, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

G) Students and Other Receivables

Students and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that the University or Group will not be able to collect all amounts according to the original terms of the receivables.

H) Inventories

Inventories are valued at the lower of cost (using the first-in first-out basis) and net realisable value. All consumables are charged directly to expenditure.

I) Biological Assets

Biological assets include forestry and livestock. Biological assets are measured at fair value less costs to sell. All consumables are charged direct to expenditure. Fair value is the market value at balance sheet date.

J) Non-current Assets Held for Sale

The University and Group classify non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets held for sale are not depreciated or amortised while they are classified as held for sale.

K) Property, Plant and Equipment**(i) Initial Measurement**

Property, plant and equipment is measured initially at cost. Where an item of property, plant and equipment is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

(ii) Subsequent Measurement

Asset Class	Depreciation Rate / Useful Life	Last Valuation
Land and buildings	Revalued amount less accumulated depreciation subsequent to last valuation	31 December 2014
Leasehold improvements	Revalued amount less accumulated depreciation subsequent to last valuation	31 December 2014
Equipment and furniture	Historical cost less accumulated depreciation	
Computers and research equipment	Historical cost less accumulated depreciation	
Motor vehicles	Historical cost less accumulated depreciation	
Aircraft	Historical cost less accumulated depreciation and impairment	
Library collection	Historical cost less accumulated depreciation	

Land is valued at fair market value on the basis of highest and best use.

Buildings (which include land improvements and reticulated services) are valued at fair market value or depreciated replacement cost.

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

Where the fair value of an asset can be determined by reference to the price in an active market for the same asset or a similar asset, the fair value of the asset is determined using this information. Where the fair value of the asset is not able to be reliably determined using market-based evidence, depreciated replacement cost is considered to be the most appropriate basis for determination of the fair value.

The Optimised Depreciated Replacement Cost (ODRC) begins with assessing the replacement cost of the assets at the date of valuation less an allowance for any physical and economic obsolescence to date and for any over-design. The balance of the replacement cost less all forms of obsolescence and over-design represents the fair value of the asset.

“Highest and best use” is defined as the most probable use of the asset that is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to the asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve for a particular class of assets, this balance is not recognised in other comprehensive revenue and expense but 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 to the extent previously expensed, and then recognised in other comprehensive revenue and expense.

Additions between valuations are recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the future economic benefits or services potential associated with the item will flow to the University and Group and the cost can be reliably measured.

Capital work in progress is valued on the basis of expenditure incurred and certified gross progress claim certificates up to the balance sheet date. The threshold at which individual assets are capitalised as property, plant and equipment is set at \$2,000.

(iii) Depreciation

The depreciation rates used in the preparation of these statements are as follows:

Asset Class	Depreciation Rate / Useful Life	Method
Buildings (from Land and Buildings)	1% - 7%	Straight line
Leasehold improvements	Lesser of 10 years or lease term	Straight line
Equipment and furniture	5% - 33%	Straight line
Computers and research equipment	10% - 25%	Straight line
Motor vehicles	20% - 25%	Straight line
Aircraft	6%	Straight line
Library collection (current use)	10%	Straight line

Land, permanently retained library collections, art collections and archives are considered to have an indefinite useful life and therefore are not depreciated.

Leasehold improvements are depreciated over the shorter of their estimated useful lives and the term of lease.

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

Work-in-progress is not depreciated. The total cost of a project is transferred to the relevant asset class upon completion and then depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

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

(iv) Crown-owned Assets

Crown-owned land and buildings used by the University are included as part of the University's fixed assets. These were first recognised on 31 December 1989. Although legal title has not been transferred, the University has assumed all the normal risks and rewards of ownership, but may have to negotiate with the Crown for any disposal.

In order to fairly and accurately record the value of all land and buildings occupied by the University, it is necessary to incorporate the Crown-owned land and buildings in fixed assets.

(v) Impairment

The University and Group allocates all its fixed assets to one of the three cash generating units (CGU), being three main campuses. The University assesses at each reporting date whether there is an indication that an asset may be impaired. These indications include but are not limited to the following:

- An asset's market value has declined significantly;
- Significant changes have taken place in the technological, market, economic or legal environment to which an asset is dedicated;
- Market interest rates have significantly increased;
- Evidence is available of obsolescence or physical damage of an asset;
- Significant changes have taken place in the extent or manner in which an asset is used; and
- Other evidences are available that the economic performance of an asset is worse than expected.

Where an indication exist that a significant asset might have been impaired, the next step is to calculate the recoverable amount of the CGU to which that asset belongs. A CGU's recoverable amount is the higher of CGU's fair value less costs of disposal and its value in use. Impairment for a particular asset is recognised when the carrying amount of the relevant CGU exceeds its recoverable amount.

(vi) Disposal/Derecognition of Assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Comprehensive Revenue and Expense in the year the item is derecognised. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to retained earnings.

L) Intangible assets

An intangible asset is recognised when it is probable that it will generate future economic benefits to the University and Group and the costs of the intangible asset can be measured reliably.

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of acquisition. Internally generated software is classified into a research phase and a development phase. Research costs are expensed as incurred in the surplus or deficit.

An intangible asset arising from development (or the development phase of an internal project) is recognised only when the University and Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The availability of resources to complete the development;
- The ability to measure reliably the expenditure attributable to the intangible asset during its development; and
- How the asset will generate future economic benefits.

Costs that can be included in the capitalisation of internally developed software include:

- Costs of staff seconded to such projects;
- Costs to design, build, configure, test and document such systems; and
- Support fees payable before such systems are ready for use.

Intangible assets are subject to the similar impairment testing and procedures as explained under property, plant and equipment section above.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

Asset Class	Amortisation Rate	Method
Software	10% - 33%	Straight line

M) Employee Entitlements

Annual leave for academic and general staff has been accrued. In addition, an accrual has been made for retirement gratuities and long-service leave for both academic and general staff. Both retirement gratuities and long-service leave have been accrued on the following basis:

- Leave and gratuities that have vested in the employee (an entitlement has been established) have been measured at nominal value using remuneration rates current at reporting date. This is included as a current liability;
- Leave and gratuities that have not yet vested in the employee (no entitlement has been established) have been measured using the present value measurement basis, which discounts expected future cash outflows. This is treated as a non-current liability.
- Duty leave overseas for academic staff has not been accrued as this leave is a commitment subject to eligibility and is not an entitlement.
- Sick leave has not been accrued as the University has a “Wellness System”, hence no sick leave is available to carry forward.
- Obligations for contributions to superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

N) Goods and Services Tax (GST)

The financial statements are prepared on a GST-exclusive basis, with the exception of accounts receivable and accounts payable.

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

O) Taxation

Tertiary Education Institutions are exempt from the payment of income tax as they are treated by the IRD as charitable organisations. Accordingly, no charge for income tax has been provided for. The University’s wholly owned subsidiaries are also exempt from paying income tax.

P) Leases

Operating lease payments, where the lessor retains substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus or deficit on a straight-line basis over the lease term.

Q) Financial Instruments

The University and Group classify their financial assets into the following categories: financial assets at fair value through surplus or deficit (including those held for trading), loans and receivables, and available for sale. Management determines the classification of its investments at

initial recognition. Financial assets are initially measured at fair value plus transaction costs unless carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit. Impairment losses are recognised immediately in surplus or deficit.

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

(i) Financial Assets Designated as at Fair Value through Surplus or Deficit

Financial assets designated at fair value through surplus or deficit are classified in this category if acquired principally for the purpose of trading in the short term. Assets in this category are classified as current assets if they are expected to be realised within 12 months of the balance sheet date. Purchases and sales of financial assets are recognised on trade-date, the date on which the University and Group commit to purchase or sell the assets. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the University or Group have transferred substantially all risks and rewards of ownership.

Financial assets in this category include Massey University Foundation Trust's managed funds.

Derivatives are also categorised as held for trading and are measured at fair value.

(ii) Loans and Receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method less any provision for impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans to third parties and receivables are classified as trade and other receivables in the statement of financial position. Cash and cash equivalents and bank deposits with a maturity of more than three months are classified as loans and receivables.

(iii) Available for Sale Financial Assets

Financial assets available for sale are those financial assets that are not classified in either of the above categories.

This category encompasses investments held for strategic purposes. After initial recognition these investments are measured at their fair value with any gains and losses recognised in other comprehensive revenue and expense. Investments in unlisted entities are carried at cost if their fair value cannot be reliably measured. On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

(iv) Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. The nominal amounts of borrowings repayable within one year approximate their amortised cost, as the effect of discounting is insignificant.

(v) Impairment of Financial Assets

Financial assets other than those recognised at fair value are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that have occurred after the initial recognition of the financial assets; the estimated future cash flows of the investment have been adversely impacted.

Objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counter party; or
- Default or delinquency in interest or principal payments; or
- It becomes probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment of a portfolio of receivables includes past experience of collecting amounts due, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observed changes in economic conditions that correlate with default on receivables.

The carrying amount of a financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account.

Changes in the carrying amount of the allowance account are recognised in surplus or deficit.

R) Trade and Other Payables

Trade and other payables are carried at amortised cost. Due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the University and Group prior to the end of the financial year that are unpaid, and arise when the University and/or Group becomes obliged to make future payments in respect of the purchases of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

S) Borrowing Costs

All borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The University and Group have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

T) Investment Property

Any property held that is not held to meet service delivery objectives is classified as investment property. Investment property is measured initially at its cost, including transaction costs. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition.

After recognition, the University and Group measure all investment properties at fair value as determined annually. Gains or losses arising from a change in fair value of an investment property are recognised in the surplus or deficit.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by e.g. commencement of an operating lease to another party. For a transfer to investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognised in surplus or deficit.

Transfers are made from investment property when, and only when, there is a change in use, evidenced by e.g. commencement of development with a view to sale. For a transfer from investment property the deemed cost of property for subsequent accounting is its fair value at the date of change in use.

U) Derivative Financial Instruments

Derivative financial instruments are used to manage exposure to foreign exchange risk and interest rate risk arising from the University's and Group's financial activities. In accordance with its Treasury Policy, the University does not hold derivative financial instruments for trading purposes. The University and Group, have elected not to apply hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value at each balance sheet date with the resulting gain or loss recognised in the surplus or deficit.

The full fair value of a derivative is classified as current if the contract is due for settlement within 12 months of balance sheet date; otherwise, derivatives are classified as non-current.

2 REVENUE

	Notes	CONSOLIDATED		UNIVERSITY	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Government Grants					
Students		151,862	145,921	151,862	145,921
Other		41,481	39,838	41,481	39,838
		193,343	185,759	193,343	185,759
Student Fees					
Domestic students		105,343	100,538	105,343	100,538
International students		64,227	57,563	64,227	57,563
		169,570	158,101	169,570	158,101
Charges for Services					
Research		66,827	53,820	67,351	54,511
Other		49,885	52,259	46,837	50,421
		116,712	106,079	114,188	104,932
Interest		3,853	4,522	3,674	4,465
Trust funds	26	4,807	5,446	2,769	1,355
Other gains and (losses)	3	710	(12)	1,664	79
Total Revenue		488,995	459,895	485,208	454,691
Revenue Classification					
Revenue from exchange transactions		142,394	138,472	138,607	133,261
Revenue from non-exchange transactions		346,601	321,423	346,601	321,430
Total		488,995	459,895	485,208	454,691

3 OTHER GAINS / (LOSSES)

Operating Gains/(Losses)					
Livestock fair value gain	13	111	136	111	136
Forestry fair value gain/(loss)	13	218	(43)	218	(43)
Disposal of property, plant and equipment gain/(loss)		1,811	(219)	1,811	(219)
Disposal of shares gain/(loss)		220	(40)	-	-
Reversal of impairment on investment		-	50	-	-
Derivative fair value loss		(42)	(207)	(42)	(207)
Foreign exchange (loss)/gain		(434)	412	(434)	412
Impairment of investments		(762)	(101)	-	-
Other write offs		(412)	-	-	-
Total Operating Gains/(Losses)		710	(12)	1,664	79

4 STAFF-RELATED COSTS

	Notes	CONSOLIDATED		UNIVERSITY	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Salaries and wages		268,374	250,959	266,084	249,693
Superannuation		11,066	10,484	11,066	10,484
Movement in employee entitlements		4,323	4,623	4,323	4,623
Other		2,459	4,990	2,459	4,990
Total Staff-related Costs		286,222	271,056	283,932	269,790

5 DEPRECIATION AND AMORTISATION

Depreciation	18	49,560	47,825	49,518	47,814
Amortisation	19	4,368	4,175	3,988	4,175
		53,928	52,000	53,506	51,989

6 OTHER DIRECT COSTS

Audit fees for annual report/financial statements		307	247	196	187
Other services provided by principal auditors		25	25	21	25
Internal audit fees		115	235	115	235
Bad debts written off		355	292	355	292
Decrease in provision for bad debts		(752)	(237)	(772)	(237)
Rental expenses on operating leases		4,713	4,320	4,358	4,320
Scholarships		14,077	12,693	14,077	12,693
Energy		5,788	6,016	5,773	6,016
Repairs and maintenance		15,122	14,276	15,120	14,276
Travel and accommodation		13,179	12,047	13,181	12,047
Computing and telecommunications		8,308	7,659	8,266	7,659
Contracted services		29,662	26,868	29,618	26,900
Other operating expenses		50,094	46,131	48,751	45,855
		140,993	130,572	139,059	130,268

7 RECONCILIATION OF THE NET SURPLUS FROM OPERATIONS WITH THE NET CASH FLOW FROM OPERATING ACTIVITIES

	Notes	CONSOLIDATED		UNIVERSITY	
		Actual 2016	Actual 2015	Actual 2016	Actual 2015
		\$'000	\$'000	\$'000	\$'000
Surplus for the year		6,056	5,943	6,993	161
Add/(Less) Non-cash Items					
Depreciation and amortisation expense	5	53,928	52,000	53,506	51,989

	Notes	CONSOLIDATED		UNIVERSITY	
		Actual 2016 \$'000	Actual 2015 \$'000	Actual 2016 \$'000	Actual 2015 \$'000
Other gain - livestock fair value	3	(111)	(136)	(111)	(136)
Other (gain)/loss - forestry fair value	3	(218)	43	(218)	43
Other (gain)/loss on investments	3	(220)	40	-	-
Other gain - write back of earlier impairment	3	-	(50)	-	-
Derivative - fair value loss	3	42	207	42	207
Foreign exchange loss/(gain)	3	434	(412)	434	(412)
Other losses - impairment of investment	3	762	101	-	-
Unrealised gains from managed funds		951	(1,093)	-	-
Share of profit from associates		(731)	(3,091)	-	-
Bad debts written off	6	355	292	355	292
Movement in provision for doubtful debts	10	(752)	(500)	(772)	(503)
Increase in employee entitlements	22	6,296	4,653	6,250	4,628
Other write offs		2,316	-	1,904	-
Total Non-cash Items		63,052	52,054	61,390	56,108
Add/(Less) Items Classified as Investing or Financing Activities					
(Gain)/loss on disposal of property plant and equipment	3	(1,811)	219	(1,811)	219
Total Items Classified as Investing or Financing Activities		(1,811)	219	(1,811)	219
Add/(Less) Movements in Working Capital Items					
Decrease/(Increase) in prepayments	10	1,231	(914)	1,246	(914)
(Increase)/decrease in student and other receivables		(5,184)	1,841	(7,445)	2,184
Decrease/(increase) in inventories and biological assets	11, 13	46	(87)	39	(84)
Movement in accounts payable and internal cost capitalisation		(8,054)	(1,390)	(1,657)	323
Increase in receipts in advance	23	3,497	14,917	3,149	14,707
Net Movement in Working Capital Items		(8,464)	14,367	(4,668)	16,216
Net Cash Inflow from Operating Activities		58,833	72,583	61,904	72,704

8 SIGNIFICANT BUDGET VARIANCES

	Consolidated Variance to/ from Budget \$'000		CONSOLIDATED
Total operating revenue	25,293	Favourable	Higher students intake and higher research revenue than budgeted plus a small number of one-off gains that had not been anticipated.
Total cost of operations	24,599	Unfavourable	Higher than budgeted staff salaries and other direct costs associated with a number of new research initiatives and an increase in student related activities including international commissions.
Share of associates' surplus	731	Favourable	Transaction wash-up of the disposal of the assets of Tramal Limited (formerly NZ Veterinary Pathology Limited).
Surplus for the Year	1,425	Favourable	

	Consolidated Variance to/ from Budget \$'000		CONSOLIDATED
Other Comprehensive Revenue and Expense			
Movement in assets revaluation reserve	25,205	Unfavourable	Unbudgeted revaluation of certain land and buildings.
Balance Sheet			
Total assets	31,189	Unfavourable	Delays in the capital plan both in prior and current years have resulted in lower than expected property, plant and equipment.
Total liabilities	7,141	Favourable	Delays in the capital plan have resulted in deferral of borrowing requirements partially offset by revenue in advance being significantly ahead of budget.

9 CASH AND CASH EQUIVALENTS

	CONSOLIDATED		UNIVERSITY	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Cash at bank and in hand	6,205	6,683	3,400	4,202
Short term deposits with maturities of 3 months or less	29,609	84,675	29,122	83,301
Total Cash and Cash Equivalents	35,814	91,358	32,522	87,503

The carrying value of cash at bank and short term deposits with original maturities less than three months approximate their fair value.

Refer to note 12 for weighted average effective rate of interest for cash and cash equivalents.

Consolidated cash at bank and in hand included USD, AUD, GBP, SGD and EUR valued in NZD\$1,740k (2015: \$1,996k), NZD\$478k (2015: \$253k), NZD\$nil (2015: \$145k), NZD\$252k (2015: \$nil) and NZD\$nil (2015: \$81k) respectively.

At 31 December 2016, the University and Group had available \$15million (2015: \$15m) of undrawn committed borrowing facility.

10 STUDENT AND OTHER RECEIVABLES

Current Portion

Trade debtors	21,571	17,122	20,910	16,591
Other amounts receivables	895	515	176	381
Prepayments	8,939	10,170	8,913	10,159
Related party receivables	-	-	3,214	238
	31,405	27,807	33,213	27,369
Less provision for doubtful debts	(1,768)	(2,520)	(1,740)	(2,512)
Total Student and Other Receivables	29,637	25,287	31,473	24,857
Total Student and Other Receivables from Exchange Transactions	25,661	21,358	27,497	20,928
Total Student and Other Receivables from Non-exchange Transactions	3,976	3,929	3,976	3,929

The carrying value of trade and other receivables approximates their fair value and is the same as contractual value, and are generally receivable within 30 days. There are no external or internal ratings used to identify the credit quality of financial assets not past due or impaired.

Debtors amounting to \$688k (2015: \$1,503k) are determined to be individually impaired because of either significant financial difficulties being experienced by the debtor, or due to the nature of the dispute.

If the University and Group determine that no objective evidence of impairment exists for an over due trade debt, it includes the trade debts in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Trade debts that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The University and Group do not hold any collateral as security or other credit enhancements over receivables that are past due or impaired.

Trade debtors overdue (excluding students), whose payment has not been individually negotiated or impaired are as follows:

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Less than one month	5,830	6,566	5,169	6,035
One month	2,212	1,439	2,212	1,439
Two months	589	376	589	376
Three months and over	1,234	1,132	1,234	1,132
Total	9,865	9,513	9,204	8,982

Movement in the provision for impairment of receivables is as follows:

At 1 January	2,520	3,020	2,512	3,015
Reduction during the year	(752)	(500)	(772)	(503)
At 31 December	1,768	2,520	1,740	2,512

11 INVENTORIES

Material and stores - at cost	1,532	1,452	1,532	1,445
Total	1,532	1,452	1,532	1,445

The carrying amount of inventories identified as held for distribution as at 31 December 2016 amounted to \$1,092k (2015: \$963k). The carrying amount of inventories pledged as securities for liabilities is nil (2015: nil).

12 OTHER FINANCIAL ASSETS

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current Portion				
Short term bank deposit with maturities of 4-12 months	72,095	10,057	70,944	9,300
Term deposits originally maturing between 1 and 5 years	-	5,800	-	5,800
Total Current Portion	72,095	15,857	70,944	15,100
Non-current portion				
Fair value through surplus or deficit-managed funds	24,909	23,515	-	-
Loans and receivables	88	88	-	-
Listed shares	2,335	2,325	2,335	2,325
Unlisted shares	2,835	3,656	-	-
Total Non-current Portion	30,167	29,584	2,335	2,325

There were no impairment provisions for other financial assets.

Fair value through surplus or deficit - managed funds: After initial recognition, financial assets in this category are measured at their fair value with gains or losses on re-measurement recognised in surplus or deficit.

Listed shares: Market values as at 31 December are used to ascertain the fair value of this category of investment. Gains and losses on revaluation are recognised in other comprehensive revenue and expense.

Unlisted shares: No market exists for the unlisted shares and these are shown at a) fair value wherever a reliable evidence is available, or b) at cost because either the fair value of the investment cannot be determined using a standardised valuation technique or due to cost not being materially different to fair value. Gains and losses on revaluation are recognised in other comprehensive revenue and expense.

Maturity Analysis and Effective Interest Rate:

Short-term deposits with original maturities of 3 months or less	29,609	84,675	29,122	83,301
Weighted average interest rate %	2.89	3.14	2.89	3.14
Short-term deposits with original maturities of 4-12 months	72,095	10,057	70,944	9,300
Weighted average interest rate %	3.29	3.66	3.29	3.66
Term deposits originally maturing between 1 and 2 years	-	5,800	-	5,800
Weighted average interest rate %	-	3.97	-	3.97
Total	101,704	100,532	100,066	98,401

The fair value of term deposits closely approximate their nominal value.

13 BIOLOGICAL ASSETS

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Livestock				
Opening balance	3,621	3,405	3,621	3,405
Increase due to purchases	581	518	581	518
Gain arising from changes in fair value	111	136	111	136
Decrease due to sales	(693)	(438)	(693)	(438)
Closing Balance	3,620	3,621	3,620	3,621
Forestry				
Opening balance	661	718	661	718
Gain/(loss) arising from changes in fair value	218	(43)	218	(43)
Decrease due to sales	(14)	(14)	(14)	(14)
Closing Balance	865	661	865	661
Total	4,485	4,282	4,485	4,282
Current	3,620	3,621	3,620	3,621
Non-current	865	661	865	661
Total	4,485	4,282	4,485	4,282

Massey University owns 101 hectares of pinus radiata forest which are at varying stage of maturity.

In 2016, 1.7 hectares of forest were harvested (2015: 4 hectares)

Forestry is valued as at 31 December at fair value, using a model supplied by an independent valuer.

Fair value is the market value less estimated point of sale costs based on log prices free on board as at 31 December, current harvesting and transport costs.

Massey University is not materially exposed to financial risks from changing timber prices.

Livestock has been valued at market value.

14 DERIVATIVE FINANCIAL INSTRUMENTS

Current Asset Portion				
Forward foreign exchange contracts	-	1	-	1
Total Current Asset	-	1	-	1
Current Liability Portion				
Forward foreign exchange contracts / Interest rate swaps	8	130	8	130
Total Current Liability	8	130	8	130
Non-current Liability Portion				
Interest rate swaps	163	-	163	-
Total Non-current Liability	163	-	163	-

The value of foreign exchange contracts has been determined using a discounted cash flows validation technique based on quoted market prices. The input into the valuation model are independently sourced market parameters such as currency rates. Most market parameters are implied from instrument prices.

The notional principal amounts of outstanding forward foreign exchange contracts in NZ\$ were \$3,067k (2015: \$169k).

The foreign currency principal amounts were AUD 735k and USD 1,595k (2015: AUD 160k).

The notional amount of Interest rate swaps was NZ\$10 million (2015: 9 million) at interest rates ranging from 4.04% to 4.13% (2015: 3.60% to 3.85%).

15 NON-CURRENT ASSETS HELD FOR SALE

	CONSOLIDATED		UNIVERSITY	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Land and buildings	34,575	11,000	34,575	11,000
Total Non-current Assets Held for Sale	34,575	11,000	34,575	11,000

On 31 December 2016, Oteha Rohe precinct (13.72 Hectares of Land and Enterprise Centre Building of approx. 2000 sq meters in Albany, Auckland) held by the University was classified as non-current asset held for sale. Prior to reclassification, this property was recognised within the University's property, plant and equipment. The University is following a property divestment plan to dispose of facilities which are not being used for University's core (teaching and research) activities.

On 31 December 2015, Hokowhitu property (10 Hectares of Land and 30,000 Sq meters building in Hokowhitu, Palmerston North) held by the University was classified as non-current asset held for sale. The sale of Hokowhitu property was settled in May 2016.

16 ASSOCIATES

	CONSOLIDATED	
	2016 \$'000	2015 \$'000
TRAMAL LIMITED (Formerly New Zealand Vet Pathology Limited)		
Balance Sheet Date: 31 March		
Principal activity: Research		
Movement in the carrying amount of investment in associate		
Balance at 1 January	3,772	691
New investments during the year	-	-
Reversal of prior year impairment	-	-
Recognition of prior year unrecognised loss	-	-
Share of comprehensive revenue and expense	721	3,081
Balance at 31 December	4,493	3,772

	CONSOLIDATED	
	2016	2015
	\$'000	\$'000
Unrecognised gain/(loss) current year	-	-
Accumulated unrecognised gain/(losses)	-	-
Summarised information:		
Assets	14,126	12,098
Liabilities	2,652	2,491
Revenue	553	4,280
Surplus/(Deficit)	2,026	8,659
Group's interest %	35.60	35.60
Share of associates contingent liabilities incurred jointly with others	-	-
Contingent liabilities that arise because of several liabilities	-	-

CONSUMER INSIGHTS LIMITED**Balance Sheet Date: 31 March****Principal activity: Consumer Research**

Movement in the Carrying amount of investment in associate

Balance at 1 January	38	30
New investments during the year	-	-
Dividend	(3)	(2)
Share of comprehensive revenue and expense	10	10
Balance at 31 December	45	38
Unrecognised gain/(loss) current year	-	-
Accumulated unrecognised gain/(losses)	-	-
Summarised information:		
Assets	75	51
Liabilities	-	-
Revenue	67	168
Surplus/(Deficit)	24	25
Group's interest %	40.00	40.00
Share of associates contingent liabilities incurred jointly with others	-	-
Contingent liabilities that arise because of several liabilities	-	-

17 OTHER ASSETS

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Non-current Portion				
Investment in Massey University Foundation Trust	-	-	17,043	17,043
Investment in Massey Ventures Limited	-	-	2,430	2,430
Investment in ALPP Limited	-	-	1,454	-
	-	-	20,927	19,473

18 PROPERTY, PLANT AND EQUIPMENT

	Accumulated Depreciation & Impairment Charges		Carrying Amount 1 Jan 2016	Additions \$'000	Disposals / Transfer At Cost \$'000	Depreciation On Disposals \$'000	Impairments \$'000	Revaluations & Impairment \$'000	Depreciation Recovered On Revaluation \$'000	Depreciation \$'000	Accumulated Depreciation & Impairment Charges		Carrying Amount 31 Dec 2016
	1 Jan 2016 \$'000	\$'000									31 Dec 2016 \$'000	\$'000	
Consolidated 2016													
Land and Buildings	963,930	25,571	938,359	27,072	34,793	219	-	(25,205)	-	26,947	931,003	52,298	878,705
Leasehold Improvement	1,916	1,137	779	192	9	5	-	-	-	296	2,099	1,428	671
Aircrafts	4,767	912	3,855	119	-	-	-	-	-	323	4,886	1,235	3,651
Furniture	3,288	2,486	802	2,145	4	3	-	-	-	355	5,431	2,840	2,591
Equipment	174,568	127,522	47,046	14,040	11,935	11,759	-	-	-	14,761	176,672	130,523	46,149
Implements	305	230	75	-	-	-	-	-	-	14	305	244	61
Vehicles	3,735	2,354	1,381	96	255	208	-	-	-	468	3,576	2,614	962
Art	1,871	-	1,871	344	-	-	-	-	-	-	2,215	-	2,215
Library	117,838	85,077	32,761	7,892	-	-	-	-	-	6,396	125,731	91,474	34,257
Work in Progress	32,600	-	32,600	-	2,560	-	-	-	-	-	30,040	-	30,040
Total	1,304,818	245,289	1,059,529	51,900	49,556	12,194	-	(25,205)	-	49,560	1,281,958	282,656	999,302
Consolidated 2015													
Land and Buildings	906,979	311	906,668	69,044	11,122	1	-	(971)	54	25,315	963,930	25,571	938,359
Leasehold Improvement	1,915	644	1,271	1	-	-	-	-	-	493	1,916	1,137	779
Aircrafts	4,625	698	3,927	236	94	94	-	-	-	308	4,767	912	3,855
Furniture	3,232	2,344	888	69	13	13	-	-	-	155	3,288	2,486	802
Equipment	159,889	115,591	44,298	17,930	3,252	2,857	-	-	-	14,787	174,568	127,522	47,046
Implements	305	217	88	-	-	-	-	-	-	13	305	230	75
Vehicles	3,939	2,323	1,616	449	652	480	-	-	-	512	3,735	2,354	1,381
Art	1,780	-	1,780	91	-	-	-	-	-	-	1,871	-	1,871
Library	111,128	78,835	32,293	6,710	-	-	-	-	-	6,242	117,838	85,077	32,761
Work in Progress	71,450	-	71,450	-	38,850	-	-	-	-	-	32,600	-	32,600
Total	1,265,242	200,963	1,064,279	94,530	53,983	3,445	-	(971)	54	47,825	1,304,818	245,289	1,059,529

18 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Accumulated Depreciation & Impairment Charges		Carrying Amount 1 Jan 2016	Additions \$'000	Disposals / Transfer At Cost \$'000	Depreciation On Disposals \$'000	Impairments \$'000	Revaluations & Impairment \$'000	Depreciation Recovered On Revaluation \$'000	Depreciation \$'000	Accumulated Depreciation & Impairment Charges		Carrying Amount 31 Dec 2016
	Cost / Revaluation 1 Jan 2016 \$'000	Depreciation & Impairment Charges \$'000									Cost / Valuation 31 Dec 2016 \$'000	Depreciation & Impairment Charges \$'000	
University 2016													
Land and Buildings	963,930	25,571	938,359	27,072	34,793	219	-	(25,205)	-	26,947	931,003	52,298	878,705
Leasehold Improvement	1,897	1,121	776	134	9	5	-	-	-	271	2,022	1,387	635
Aircrafts	4,767	912	3,855	119	-	-	-	-	-	323	4,886	1,235	3,651
Furniture	3,255	2,463	792	2,142	4	3	-	-	-	352	5,394	2,813	2,581
Equipment	174,526	127,491	47,035	14,004	11,935	11,759	-	-	-	14,747	176,595	130,479	46,116
Implements	305	230	75	-	-	-	-	-	-	14	305	244	61
Vehicles	3,734	2,353	1,381	96	255	208	-	-	-	468	3,575	2,613	962
Art	1,871	-	1,871	344	-	-	-	-	-	-	2,215	-	2,215
Library	117,838	85,077	32,761	7,892	-	-	-	-	-	6,396	125,731	91,474	34,257
Work in Progress	32,600	-	32,600	-	2,560	-	-	-	-	-	30,040	-	30,040
Total	1,304,723	245,218	1,059,505	51,803	49,556	12,194	-	(25,205)	-	49,518	1,281,766	282,543	999,223
University 2015													
Land and Buildings	906,979	311	906,668	69,043	11,122	1	-	(971)	55	25,315	963,930	25,571	938,359
Leasehold Improvement	1,896	628	1,268	-	-	-	-	-	-	492	1,897	1,121	776
Aircrafts	4,625	698	3,927	236	94	94	-	-	-	308	4,767	912	3,855
Furniture	3,201	2,325	876	67	13	13	-	-	-	151	3,255	2,463	792
Equipment	159,855	115,566	44,289	17,923	3,252	2,857	-	-	-	14,782	174,526	127,491	47,035
Implements	305	217	88	-	-	-	-	-	-	13	305	230	75
Vehicles	3,938	2,322	1,616	448	652	480	-	-	-	511	3,734	2,353	1,381
Art	1,780	-	1,780	91	-	-	-	-	-	-	1,871	-	1,871
Library	111,128	78,835	32,293	6,710	-	-	-	-	-	6,242	117,838	85,077	32,761
Work in Progress	71,450	-	71,450	-	38,850	-	-	-	-	-	32,600	-	32,600
Total	1,265,157	200,902	1,064,255	94,518	53,983	3,445	-	(971)	55	47,814	1,304,723	245,218	1,059,505

18 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Transfers from work in progress to the other property, plant and equipment categories were \$51,803k (2015: \$94,518k).

Work in progress at the year end significantly relates to buildings.

Disposals of land and buildings include reclassification of Oteha Rohe precinct (2015: Hokowhitu property) as non-current asset held for sale.

No impairments were recognised in 2016 (2015: \$Nil).

The University and Group do not have any finance leases.

Asset values included in the balance sheet as at 31 December 2016 and 2015 include all land and buildings as occupied and utilised by the University. The exception to this is the land on Riverside Farm (leased from the Sydney Campbell Foundation).

Legal ownership of land and buildings is detailed as follows (at balance sheet values):

	LAND		BUILDINGS	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Massey University owned	80,516	105,122	454,261	484,145
Crown owned (includes buildings on Crown-owned land)	83,046	82,928	260,882	266,164
Total	163,562	188,050	715,143	750,309

Land, buildings and leasehold improvements were valued at the end of 2014 by Andrew Parkyn SPINZ, of Quotable Value Limited.

Seismic Risk Analysis

During 2016 the University progressed its programme of seismic assessments of buildings across the portfolio. While the Ministry of Business, Innovation and Employment consults on the Earthquake-prone building regulations and methodology, the University will continue to assess buildings proposed for refurbishment to ensure the safety of all stakeholders.

The University's facility management groups have a programme of seismic assessments covering building structures, bridges and at risk elements including stairs, ceilings and facades. Programmes of assessment and work are prioritised according to occupancy, construction age and structure. Initial Evaluation Procedures (IEP's) are undertaken and followed up with Detailed Seismic Assessments (DSA's) for earthquake prone buildings (<33% NBS) or potentially earthquake risk buildings with high occupancy. If the DSA indicates the building is earthquake prone, a full costing of the repairs is compiled, and impairment loss is accounted for according to the University's accounting policies if necessary.

Initial seismic assessments on the University's significant building portfolio will take several years to complete. Changes mandated by the Building (Earthquake-prone Buildings) Amendment Act 2016 are likely to alter assessment criteria, and timeframes for assessment and remediation, when the Act officially commences in mid-2017. Some buildings at all three campuses may require seismic assessment or re-assessment when the new regulations and methodology are officially released. At 31 December 2016 buildings at Albany Campus did not require seismic assessment due to their geographic location and modern construction. In the Manawatū, of those buildings requiring assessment, 92 IEP's and DSA assessments are complete covering the majority of space on campus. All Wellington buildings have been assessed with remediation of earthquake prone buildings completed.

Planning for the remediation of the Refectory Building on the Manawatū Campus commenced during 2016 with construction scheduled to start in 2017.

19 INTANGIBLE ASSETS

	Accumulated Cost / Amortisation & Impairment		Carrying Amount	Disposals / Transfer at Cost	Amortisation on Disposals	Impairments	Revaluations	Amortisation Recovered on Revaluation	Amortisation	Accumulated Cost / Amortisation & Impairment		Carrying Amount
	Valuation 1 Jan 2016	1 Jan 2016								Valuation 31 Dec 2016	31 Dec 2016	
Consolidated 2016	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Software	19,914	9,637	10,277	-	-	412	-	-	4,368	21,812	13,591	8,221
Work in Progress	2,589	-	2,589	-	-	-	-	-	-	16,984	-	16,984
Total	22,503	9,637	12,866	-	-	412	-	-	4,368	38,796	13,591	25,205
Consolidated 2015	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Software	13,114	5,491	7,623	21	19	-	-	-	4,175	19,914	9,637	10,277
Work in Progress	6,494	-	6,494	3,905	-	-	-	-	-	2,589	-	2,589
Total	19,608	5,491	14,117	3,926	19	-	-	-	4,175	22,503	9,637	12,866
University 2016	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Software	19,914	9,637	10,277	2,235	826	-	-	-	3,988	19,830	12,799	7,031
Work in Progress	2,589	-	2,589	-	-	-	-	-	-	16,984	-	16,984
Total	22,503	9,637	12,866	2,235	826	-	-	-	3,988	36,814	12,799	24,015
University 2015	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Software	13,103	5,480	7,623	21	19	-	-	-	4,175	19,914	9,637	10,277
Work in Progress	6,494	-	6,494	3,905	-	-	-	-	-	2,589	-	2,589
Total	19,597	5,480	14,117	3,926	19	-	-	-	4,175	22,503	9,637	12,866

Transfers from work in progress to software were \$2,151k (2015: \$6,831k).

20 TRADE AND OTHER PAYABLES

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Trade payables	5,087	1,266	4,885	1,140
Deposits and bonds	727	483	726	482
Accrued expenses	16,911	19,013	16,872	18,923
Amounts due to related parties	-	-	4,781	1,906
Other payables	18,537	15,295	13,419	12,660
Total Creditors and Other Payables	41,262	36,057	40,683	35,111
Total Creditors and Other Payables from Exchange Transactions	41,262	36,057	40,683	35,111
Total Creditors and Other Payables from Non-exchange Transactions	-	-	-	-
Total current creditors and other payables from exchange and non-exchange transactions	41,262	36,057	40,683	35,111

Trade and other payables are non-interest bearing and are normally settled on 30-day terms; therefore the carrying value of trade and other payables approximates their fair value and is the same as the contractual values.

21 BORROWINGS

Current Portion

Term Loans	-	13,134	-	13,134
Total Current Portion	-	13,134	-	13,134

The University has a fixed interest loan of \$Nil (2015: \$13,134k) with the BNZ.

The University has available \$15 million (2015: \$15 million) of undrawn cash advance facility.

The above facilities are secured through a negative pledge agreement between the University and BNZ signed on 5 December 2014.

The negative pledge agreement prohibits the University from providing any property as security for borrowing with any other counterparty.

Maturity Analysis and Effective Interest Rate:

Less than one year	-	13,134	-	13,134
<i>Weighted average effective interest rate</i>	-	6.98%	-	6.98%
Total Borrowings	-	13,134	-	13,134

22 EMPLOYEE ENTITLEMENTS

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current Portion				
Accrued pay	8,091	7,306	8,046	7,288
Annual leave	10,847	9,603	10,801	9,576
Long service leave	382	388	382	388
Total Current Portion	19,320	17,297	19,229	17,252
Non-current Portion				
Long service leave	677	588	677	588
Retirement gratuities	43,249	39,065	43,249	39,065
Total Non-current Portion	43,926	39,653	43,926	39,653
Total Employee Entitlements	63,246	56,950	63,155	56,905

The long service leave and retirement gratuities were independently assessed by Johnathan Eriksen of Eriksen & Associates as at 31 December 2016.

An actuarial valuation involves the projection, on a year-by-year basis, of the long-service and retirement gratuities liabilities, based on accrued services, in respect of current employees.

These liabilities are estimated in respect of their incidence according to assumed rates of death, disablement, resignation and retirement allowing for assumed rates of salary progression. Of these assumptions, the discount, salary progression and resignation rates are most important. The projected cash flow is then discounted back to the valuation date at the valuation discounted rate.

Discount rates range from 1.89% to 4.75% (2015: 2.50% to 5.50%).

An increase in the discount rate by 1% reduces the long service and retirement gratuities by \$2,803k (2015:\$2,299k), whereas a reduction in the discount rate by 1% increases the long service and retirement gratuities by \$3,186k (2015: \$2,598k).

Salary progression allows for a 2.5% increase per year (2015: 3.00%).

A 1% reduction in the salary increase assumption has the same effect on the long service and retirement gratuities as a 1% increase in the discount rate.

The demographic assumptions were based on the experience of the New Zealand Government Superannuation Fund.

23 RECEIPTS IN ADVANCE

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current Portion				
Student fees	29,537	26,155	29,537	26,155
Other receipts	50,889	49,027	49,799	48,285
Total Current Portion	80,426	75,182	79,336	74,440
Non-current Portion				
Other receipts	1,907	3,654	1,907	3,654
Total Non-current Portion	1,907	3,654	1,907	3,654
Total Receipts in Advance	82,333	78,836	81,243	78,094

The current portion of receipts in advance is expected to be recognised as income during 2017.

The carrying value of current receipts in advance approximates their fair value.

Impact of discounting on non-current portion is considered to be immaterial.

24 ASSET REVALUATION RESERVES

Balance 1 January	481,555	482,530	481,555	482,530
Revaluation	-	-	-	-
Disposal	(4,465)	(58)	(4,465)	(58)
Adjustment	(25,205)	(917)	(25,205)	(917)
Balance on 31 December	451,885	481,555	451,885	481,555

Asset revaluation reserves relate to land, buildings and leasehold improvements.

25 EQUITY

	CONSOLIDATED 2016					CONSOLIDATED 2015				
	Opening Balance	Movement in Reserves	Other Comprehensive Income	Operating Surplus/ (Deficit)	Closing Balance	Opening Balance	Movement in Reserves	Other Comprehensive Income	Operating Surplus/ (Deficit)	Closing Balance
	01.01.2016				31.12.2016	01.01.2015				31.12.2015
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Trust Funds	38,194	-	-	2,939	41,133	35,185	-	-	3,009	38,194
Asset Revaluation Reserves	481,555	(4,465)	(25,205)	-	451,885	482,530	-	(975)	-	481,555
Special Reserves	22,054	-	-	-	22,054	22,054	-	-	-	22,054
General Reserves	528,114	4,465	(432)	3,117	535,266	523,487	-	1,693	2,934	528,114
Total	1,069,919	-	(25,637)	6,056	1,050,338	1,063,256	-	718	5,943	1,069,919

	UNIVERSITY 2016					UNIVERSITY 2015				
	Opening Balance	Movement in Reserves	Other Comprehensive Income	Operating Surplus/ (Deficit)	Closing Balance	Opening Balance	Movement in Reserves	Other Comprehensive Income	Operating Surplus/ (Deficit)	Closing Balance
	01.01.2016				31.12.2016	01.01.2015				31.12.2015
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Trust Funds	11,577	-	-	1,486	13,063	11,727	-	-	(150)	11,577
Asset Revaluation Reserves	481,555	(4,465)	(25,205)	-	451,885	482,530	-	(975)	-	481,555
Special Reserves	21,964	-	-	-	21,964	21,964	-	-	-	21,964
General Reserves	539,886	4,465	8	5,507	549,867	539,625	-	(50)	311	539,886
Total	1,054,982	-	(25,197)	6,993	1,036,779	1,055,846	-	(1,025)	161	1,054,983

26 TRUST FUNDS

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January	38,194	35,185	11,577	11,727
Income	4,807	5,446	2,769	1,355
Expenses	(1,868)	(2,437)	(1,283)	(1,505)
Total Trust Funds	41,133	38,194	13,063	11,577

Although these items are trusts, the University has control over them and obtains benefits associated with ownership of them. They have therefore been treated as equity in the University and Group statement of financial position. Details of significant trust funds are as follows:

- Helen Akers Bequest - funds bequeathed from the Estate of Helen Akers to provide scholarships for students;
- Massey University Common Fund - pool of funds used for holding and paying out scholarships and prize monies to students and fundraising for certain capital projects;
- Sasakawa Foundation - scholarships provided from the Sasakawa Foundation, Japan, for students;
- Delahunty Trust - trust fund established to provide research grants to foster primary industry accounting research to students living in New Zealand;
- Norwood Trust - prizes for students for achievement in trade courses;
- A G East Memorial Trust - educational scholarships for technical and trade courses; and
- Tony Drakeford Memorial Trust - educational scholarships for commerce courses.

27 FINANCIAL INSTRUMENTS RISK AND SUMMARY OF FINANCIAL ASSETS AND LIABILITIES

The University and Group have a series of policies to manage risks associated with financial instruments. The University and Group are risk averse and seeks to minimise exposure from treasury activities. The University and Group have established Council approved liability management and investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

(a) Credit Risk

Credit risk is the risk that a third party will default on its obligations to the University and Group, causing it to incur a loss. The University has no significant concentrations of credit risk as it has a large number of credit customers, mainly students.

The University invests funds only in deposits with registered banks, and its investment policy limits the amount of credit exposure to any one bank.

Investment funds are spread over a number of banks and vary between short and long term. Investments with each bank are in line with the University's Treasury Framework.

Maximum exposure to credit risk at balance sheet date are:

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Cash at bank and term deposits	106,760	107,215	102,317	102,603
Receivables	21,847	15,117	20,495	14,460
Loans	88	88	-	-
Managed funds	24,909	23,515	-	-
Guarantee bond	-	32	-	32
Credit facility on credit card	4,000	4,000	4,000	4,000
Total Credit Risk	157,604	149,967	126,812	121,095

The above maximum exposures are net of any recognised provision for losses on these financial instruments.

No collateral is held on the above amounts.

COUNTERPARTIES WITH CREDIT RATINGS

Cash at Bank and Term Deposits

AA- (Very strong)	82,428	79,915	77,985	75,303
A+ (Strong)	24,332	27,300	24,332	27,300
Total Cash at Bank and Term Deposits	106,760	107,215	102,317	102,603

Credit Facility on Credit Card

AA- (Very Strong)	4,000	4,000	4,000	4,000
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COUNTERPARTIES WITHOUT CREDIT RATINGS

Receivables	21,847	15,117	20,495	14,460
Loans	88	88	-	-
Guarantee Bonds	-	32	-	32

Managed Funds

Managed Funds of \$24.9 million (2015: \$23.5 million) have not been included in the table above, because while these portfolios of debt and equity investments managed by fund managers on behalf of the Group do not have credit ratings at a portfolio level, many of the underlying individual debt and equity instruments have credit ratings.

Standard and Poor's Credit Ratings sourced from the Reserve Bank of New Zealand: <http://www.rbnz.govt.nz/regulation-and-supervision/banks/prudential-requirements/credit-ratings>

(b) Liquidity Risk

	Carrying Amount \$'000	Contractual Cash Flows \$'000	6 Months and Less \$'000	7-12 Months \$'000	2 Years \$'000	More than 2 Years \$'000
CONSOLIDATED 2016						
Creditors and Other payables	41,262	41,262	41,262	-	-	-
Accrued Pay	19,320	19,320	19,320	-	-	-
Derivatives	171	171	8	-	-	163
Total	60,753	60,753	60,590	-	-	163
UNIVERSITY 2016						
Creditors and Other payables	35,902	35,902	35,902	-	-	-
Accrued Pay	19,229	19,229	19,229	-	-	-
Derivatives	171	171	8	-	-	163
Total	55,302	55,302	55,139	-	-	163
CONSOLIDATED 2015						
Creditors and Other payables	36,059	36,059	36,059	-	-	-
Accrued Pay	17,297	17,297	17,297	-	-	-
Secured Loans	13,264	13,264	13,264	-	-	-
Total	66,620	66,620	66,620	-	-	-
UNIVERSITY 2015						
Creditors and Other payables	33,206	33,206	33,206	-	-	-
Accrued Pay	17,252	17,252	17,252	-	-	-
Secured Loans	13,264	13,264	13,264	-	-	-
Total	63,722	63,722	63,722	-	-	-

Liquidity risk is the risk that the University or Group will encounter difficulty raising funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and ensuring the availability of funding through an adequate amount of committed credit facilities. The University and Group aim to maintain flexibility in funding by keeping committed credit lines available.

The University aims at having a minimum cash holding of \$20 million.

The University manages its borrowings in accordance with its Treasury Policy.

The maturity profiles of the University's interest-bearing investments are disclosed in note 12.

Market Risk**Currency Risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The University minimises the risk over expenditure by holding funds in the major foreign currencies in which it does business. The amount on deposit is determined by the amount that is expected to be incurred against that currency in the following 12 months. Holdings of foreign currencies are

disclosed in note 9. The University manages currency risk associated with the purchase of assets from overseas that are above specified amounts by entering into forward foreign exchange contracts. This means the University is able to fix the New Zealand dollar amount payable prior to the delivery of the asset from overseas.

Where a one-off major capital expense involving foreign currency is identified, then a review of current trends and the amount held in that currency is undertaken. If appropriate, then forward cover may be arranged.

The only significant exposure to currency risk relates to funds held in our United States and Australian bank accounts as disclosed in note 9. If the United States dollar had moved up or down by 1% the effect on surplus and equity would have been \$12k (2015: \$20k). If the Australian dollar had moved up or down by 1% the effect on surplus and equity would have been \$5k (2015: \$3k).

Interest Rate Risk

The interest rates on Massey University's investments are disclosed in note 12, and borrowings in note 21

Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market rates. The University and Group are limited by statute in its ability to manage this risk. If interest rates on investments had fluctuated by plus or minus 0.5%, the effect would have been to increase/decrease the surplus by \$500k (2015: \$502k). Interest rates on borrowings are fixed and not subject to fluctuation for the duration of the fixed maturity chosen. Borrowings are carried at amortised cost and therefore are not impacted by fair value interest rate risk. All other variables are held constant.

Cash Flow Interest Rate Risk

Cash flow risk is the risk that cash flows from financial instruments will fluctuate because of changes in market rates. Borrowings and investments made at variable interest rates expose the University to cash flow interest rate risk. Other than some deposits at call, held for liquidity purposes, the University and Group do not have any exposure to interest rates.

Other Price Risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of market changes in market price. The University and Group do not hold any significant financial instruments that are subject to this risk.

SUMMARY OF FINANCIAL ASSETS AND LIABILITIES**Consolidated 2016**

Classification of Financial Assets and Liabilities	Loans and Receivables \$'000	At Fair Value Through Surplus or Deficit \$'000	Available-for-Sale Financial Assets \$'000	Other Liabilities at Amortised Cost \$'000	Total \$'000
FINANCIAL ASSETS					
Cash and cash equivalents	35,814	-	-	-	35,814
Student and other receivables	20,698	-	-	-	20,698
Loans	88	-	-	-	88
Short term deposits with maturities of 4-12 months	72,095	-	-	-	72,095
Unlisted shares	-	-	2,835	-	2,835
Shares	-	-	2,335	-	2,335
Managed funds	-	24,909	-	-	24,909
Total Financial Assets	128,695	24,909	5,170	-	158,774
FINANCIAL LIABILITIES					
Trade and other payables	-	-	-	24,351	24,351
Accrued expenses	-	-	-	16,911	16,911
Derivative financial instruments	-	171	-	-	171
Total Financial Liabilities	-	171	-	41,262	41,433

Consolidated 2015

Classification of Financial Assets and Liabilities	Loans and Receivables \$'000	At Fair Value Through Surplus or Deficit \$'000	Available-for-Sale Financial Assets \$'000	Other Liabilities at Amortised Cost \$'000	Total \$'000
FINANCIAL ASSETS					
Cash and cash equivalents	91,358	-	-	-	91,358
Student and other receivables	15,117	-	-	-	15,117
Prepayments	10,170	-	-	-	10,170
Loans	88	-	-	-	88
Short term deposits with maturities of 4-12 months	10,057	-	-	-	10,057
Term deposits maturing between 1 and 5 years	5,800	-	-	-	5,800
Derivatives	-	1	-	-	1
Unlisted shares	-	-	3,656	-	3,656
Shares	-	-	2,325	-	2,325
Managed funds	-	23,515	-	-	23,515
Total Financial Assets	132,590	23,516	5,981	-	162,087
FINANCIAL LIABILITIES					
Trade and other payables	-	-	-	17,044	17,044
Accrued expenses	-	-	-	19,013	19,013
Borrowings: term loans	-	-	-	13,134	13,134
Derivative financial instruments	-	130	-	-	130
Total Financial Liabilities	-	130	-	49,191	49,321

University 2016

Classification of Financial Assets and Liabilities	Loans and Receivables	At Fair Value Through Surplus or Deficit	Available-for-Sale Financial Assets	Other Liabilities at Amortised Cost	Total
FINANCIAL ASSETS					
Cash and cash equivalents	32,522	-	-	-	32,522
Student and other receivables	22,560	-	-	-	22,560
Short term deposits with maturities of 4-12 months	70,944	-	-	-	70,944
Shares	-	-	2,335	-	2,335
Total Financial Assets	126,026	-	2,335	-	128,361

FINANCIAL ASSETS

Trade and other payables	-	-	-	23,811	23,811
Accrued expenses	-	-	-	16,872	16,872
Derivative financial instruments	-	171	-	-	171
Total Financial Liabilities	-	171	-	40,683	40,854

University 2015

Classification of Financial Assets and Liabilities	Loans and Receivables	At Fair Value Through Surplus or Deficit	Available-for-Sale Financial Assets	Other Liabilities at Amortised Cost	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
FINANCIAL ASSETS					
Cash and cash equivalents	87,503	-	-	-	87,503
Student and other receivables	14,698	-	-	-	14,698
Prepayments	10,159	-	-	-	10,159
Short term deposits with maturities of 4-12 months	9,300	-	-	-	9,300
Term deposits maturing between 1 and 5 years	5,800	-	-	-	5,800
Derivatives	-	1	-	-	1
Shares	-	-	2,325	-	2,325
Total Financial Assets	127,460	1	2,325	-	129,786

FINANCIAL ASSETS

Trade and other payables	-	-	-	16,188	16,188
Accrued expenses	-	-	-	18,923	18,923
Borrowings: term loans	-	-	-	13,134	13,134
Derivative financial instruments	-	130	-	-	130
Total Financial Liabilities	-	130	-	48,245	48,375

28 FAIR VALUE HIERARCHY DISCLOSURES

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- **Level 1** Quoted market price - Financial instruments with quoted prices for identical instruments in active markets.
- **Level 2** 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 an inactive market and financial instruments valued using models where significant inputs are observable.
- **Level 3** 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 classes of financial assets measured at fair value in the statement of financial position:

CONSOLIDATED 2016				
Classification of Financial Assets	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
FINANCIAL ASSETS				
Shares	2,335	-	2,835	5,170
Managed funds	-	24,909	-	24,909
Derivatives	-	-	-	-
Total	2,335	24,909	2,835	30,079

CONSOLIDATED 2015				
Classification of Financial Assets	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
FINANCIAL ASSETS				
Shares	2,325	-	3,656	5,981
Managed funds	-	23,515	-	23,515
Derivatives	-	1	-	1
Total	2,325	23,516	3,656	29,497

UNIVERSITY 2016				
Classification of Financial Assets	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
FINANCIAL ASSETS				
Shares	2,335	-	-	2,335
Derivatives	-	-	-	-
Total	2,335	-	-	2,335

UNIVERSITY 2015				
Classification of Financial Assets	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
FINANCIAL ASSETS				
Shares	2,325	-	-	2,325
Derivatives	-	1	-	1
Total	2,325	1	-	2,326

29 JOINT VENTURES

The Group's interest in Agri One Limited, a joint venture, is accounted for as a jointly controlled entity. The Group owns 50% of Agri One Limited.

A summary of Group's interest in joint ventures follows:

	CONSOLIDATED	
	2016	2015
	\$'000	\$'000
Group		
Current assets	781	471
Non-current assets	-	-
Current liabilities	746	375
Non-current liabilities	-	-
Revenue	628	664
Expenses	689	703
Share of joint venture's commitments	-	-
Share of joint venture's contingent liabilities	-	-

30 COUNCIL MEMBERS' FEES AND KEY MANAGEMENT REMUNERATION

	UNIVERSITY	
	2016	2015
	\$	\$
Council Members Remuneration		
C Kelly	40,000	38,025
R Ballard	5,440	8,960
M Ahie	25,000	16,800
H Anderson	18,333	4,800
K Denness	4,480	8,960
N Eruti-Satish	-	960
C Harvey	18,333	4,320
I Marshall	20,000	8,800
G Martin	20,000	-
D McNabb	5,000	-
L Tait	480	1,920
B Ullrich	-	4,480
B Vanderkolk	20,000	13,440
L Whyte	1,760	2,560
J Hofmann	20,000	-
T Wilson	500	-
Total	199,326	114,025

Members' remuneration in 2015 is updated to reflect the remuneration related to 2015 but paid in 2016.

Total number of Council members remunerated in 2016 is 14 (2015: 12).

UNIVERSITY	
2016	2015
\$'000	\$'000

Key Management Remuneration

Senior executive team including Vice-chancellor	3,814,511	3,649,042
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Key management personnel include the Vice-chancellor, five pro vice-chancellors and six assistant vice-chancellors.

31 RELATED PARTY INFORMATION

The reporting entity section in note 1 provides the information about the Group's structure including the details of the subsidiaries, associates and other significant investments.

Apart from the Massey staff members doing some work for the subsidiaries free of charge, all sales, purchases and income and expenses from rendering of services between related parties are carried out on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2016, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2015: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Massey University has inter-company balances receivable from the following subsidiaries at the end of the year. The amounts are unsecured and interest free.

UNIVERSITY	
2016	2015
\$'000	\$'000

SUBSIDIARIES

Massey Ventures Limited	2,940	449
ALPP Limited	1,454	-
Massey Global Limited	94	-
Massey Global Singapore pvt Limited	210	-
Total	4,698	449

32 STATEMENT OF COMMITMENTS

Detailed below are those capital projects for which commitments have been made.

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Capital Commitments				
Buildings	27,025	13,205	27,025	13,205
IT	11,655	8,005	11,655	8,005
Equipment	2,198	1,266	2,198	1,266
Others	61	26	61	26
Total Capital Commitments	40,939	22,502	40,939	22,502

In addition, the University had operating commitments in respect of service contracts, leases of land, buildings and equipment, and photocopier rental as follows:

	CONSOLIDATED		UNIVERSITY	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Operating Leases				
Due not later than one year	2,476	2,399	2,476	2,399
Due later than one year and not later than five years	7,311	4,412	7,311	4,412
Later than five years	5,468	1,628	5,468	1,628
Total Non-cancellable Operating Leases	15,255	8,439	15,255	8,439
Other Commitments				
Due not later than one year	3,734	4,630	3,734	4,630
Due later than one year and not later than five years	1,632	3,112	1,632	3,112
Total	5,366	7,742	5,366	7,742

33 STATEMENT OF CONTINGENT LIABILITIES AND ASSETS

Contingent Liabilities

Management is not aware of any significant contingent liabilities related to the University and Group as at the year end.

Contingent Assets

Management is not aware of any significant contingent assets related to the University and Group as at the year end.

Tramal Ltd sold its business in 2015 and certain components of the sale consideration were contingent on the future events as at 31 December 2015. All those contingent components were resolved during 2016.

34 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING MASSEY GROUP'S ACCOUNTING POLICIES

In preparing the financial statements the University and Group have made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates are judgements that are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. With the exception of those items listed below, there are no estimates or assumptions that will have a significant impact on the carrying amounts of assets and liabilities within the next financial year.

Long Service Leave and Retirement Gratuities

In order to assess the University's liability in respect of long-service leave and retirement gratuities, an actuarial report was prepared by Eriksen Actuarial in accordance with PBE IPSAS 25. (Refer to note 22 for assumptions).

Management has exercised the following critical judgements in applying the University's policies for the year ended 31 December 2016.

Impairment of Trade Receivables

Trade receivables have been reviewed fully and impairments provided as necessary.

Carrying Value of Land, Buildings and Leasehold Improvements

To ensure that the carrying value of the University's land and building are correctly recorded it has been determined that such assets are valued by an independent registered valuer on a regular basis or as deemed necessary.

Crown-owned Land

Property in the legal name of the Crown that is occupied by the University is recognised as an asset in the balance sheet. The University and the Group considers it has assumed all of the risks and rewards of ownership of this property despite legal ownership not being transferred and accordingly it would be misleading to exclude these assets from the financial statements.

Distinction Between Revenue and Capital Contributions

Most Crown funding received is operational in nature, and is provided under the authority of expense appropriation and is recognised as revenue. Where funding is received from the Crown under the authority of a capital appropriation, the University and the Group accounts for the funding as a capital contribution directly to equity.

35 WORLD BANK FUNDING

Detailed below are those capital projects for which commitments have been made.

	Actual 2016 \$'000	Actual 2015 \$'000	Actual 2014 \$'000
Global Food Safety Partnership	-	-	-
Opening Balance	182	-	-
Income	-	544	473
Expenses	(167)	(362)	(473)
Closing Balance	15	182	-

The Global Food Safety Partnership Programme 2015 funding covers an 18 month period 1/1/2015 to 30/6/2016.

36 CAPITAL MANAGEMENT

The University and Group's capital is its equity, which comprises of general funds, restricted reserves, property valuation and fair value through comprehensive income reserves. Equity is represented by net assets.

The University is subject to the financial management and accountability provisions of the Education Act 1989.

The University manages its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. The University's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing the University and Group equity is to ensure that it effectively and efficiently achieves the goals and objectives for which it has been established, while remaining a going concern.

37 POST BALANCE SHEET DATE EVENTS

Management is not aware of any significant post balance sheet date events requiring adjustments to the financial statements.

COMPULSORY STUDENT SERVICES FEES

	Advocacy, Legal and Financial Support	Careers and Employment Advice	Health and Counselling	Pastoral Care	Clubs, Societies, Sports, Recreation	Media	Building Levies	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue								
Compulsory Student Services Fees Collected	763	507	3,232	2,061	1,266	329	1953	10,111
Expenses	772	512	3,268	2,084	1,281	333	1826	10,076
Surplus/ (Deficit)	(9)	(6)	(36)	(23)	(15)	(4)	127	35

CATEGORIES OF COMPULSORY STUDENT SERVICES FEE

Advocacy and legal advice:

Advocating on behalf of students, (individual and groups) to provide support including legal and financial advice, welfare including hardships grants.

Careers and employment advice:

Supporting students to develop skills and experience for their transition to post-study employment or the next stage of their career path. Support provided includes career consultations, internship opportunities, developing job interview techniques and preparing curriculum vitae.

Health and counselling:

Providing students with access to counselling and health services including health education and other medical services to support students to stay well.

Pastoral care:

Providing students with access to services such as spiritual support, leadership and transitional programmes, pastoral care for students living in accommodation on and off campus and for students living at a distance from campus, student events and activities.

Clubs, societies, sports and recreation:

Providing resources to support and encourage student participation through Sports and Recreation Centre activities, facilities and events including student clubs, societies and cultural groups.

Media communication:

Supporting the production and dissemination of information by students to students, which covers student radio, printed media and web/on-line communications.

Building levies:

The Recreation Centre Levies (Albany and Palmerston North) are a student contribution to the costs of the Recreation Centres on these campuses. These levies are not charged to distance students.

The amenities and building levies are charged as contributions towards the capital cost of specific student services buildings for projects that have been agreed with our students. The money collected by the University through these levies is for specific student services buildings and does not go towards the general costs of building development or building maintenance.

Notes:

The compulsory student services fee for an internal student undertaking a full-time programme of study in 2016 was set at \$546.80 (GST inclusive).

Building levies are charged as follows:

Albany	\$378.10 per EFTS
Manawatū	\$100.70 per EFTS

Any surplus is carried forward to the following year to be used solely for the provision of student services per Ministerial Direction.

The administration of Compulsory Student Services Fees is integrated within the University's normal operations.

All income and expenditure associated with the provision of student services is separately accounted for in the University's accounting system.





MASSEY
UNIVERSITY

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