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# ANNUAL REPORT 2013

Te Ara Whakamua  
New Zealand's Defining University



MASSEY  
UNIVERSITY  
TE KUNENGA KI PŪREHUOA

UNIVERSITY OF NEW ZEALAND



THE ENGINE  
OF THE NEW  
NEW ZEALAND



MASSEY

UNIVERSITY

# VISION / TE PAE TAWHITI

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To be New Zealand's defining university and a world leader in higher education and scholarship.

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Kia hāpai ake i te rau tāngata ki te toi o angitu.

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# MISSION / TE PAE TATA

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To define the future of our nation and to take the best of New Zealand to the rest of the world.

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Kia arataki i te motu kia kawe i ōna painga ki te ao whānui.

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# VALUES / NGĀ UARA

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Create, Innovate, Connect

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Kia auaha, kia hihiri, kia hono

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# THE SEVEN BIG GOALS FOR MASSEY UNIVERSITY

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NGĀ TINO WHĀINGA O TE KUNENGA KI PŪREHUROA



**RESEARCH AND ENTERPRISE**

Te Rangahau me te Umanga

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.

Kia kounga 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.

**TEACHING AND LEARNING**

Te Whakaako me te Ako

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

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

**CONNECTIONS**

Te Kōtuitui

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

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.

**INTERNATIONALISATION**

Te Ao Whānui

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

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

**RESPONSIBILITY**

Te Aronga Manaakitanga

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

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.

**GENERATING INCOME**

Te Whakatipu Rawa

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

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

**ENABLING EXCELLENCE**

Kia Tuawhiti

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

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

# FROM THE CHANCELLOR

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This will be my last annual report as Chancellor, a role I have held since the end of 2008. The eight years in total that I have served on the Council have been enjoyable, working with committed and innovative councillors and a talented and hard-working executive. Much has been achieved in this period that the Council can be proud of. There have also been frustrations associated with the diminishing degrees of freedom that councils have in making strategic and governance decisions and the unwillingness of our funders to remove some of the clear inequities present in the university funding system. Fortunately they pale into the background in comparison to the many exciting developments I have been pleased to see and be a part of.

These include: the ongoing development of the Wellington campus and the world-class College of Creative Arts; the purchase in 2009 of the School of Aviation's modern trainer aircraft fleet; the College of Sciences retrofit, including a \$25 million food pilot plant at Manawatū that has now developed into the exciting FoodHQ plan for a super-campus that links Massey with neighbours in the Fitzherbert Science Centre; a magnificent new Library building and student amenities centre at Albany and equally stunning creative arts building in Wellington; the creation of a College of Health across all campuses; and more recent decisions to upgrade our veterinary science facilities to allow more vet students at Manawatū, upgrade the Wellington Library, restore our heritage buildings on the Manawatū campus and

build new student accommodation at Albany for the first time.

Since 2009 the University has worked to a strategic plan called *The Road to 2020*. It set big goals around research, teaching, connections, responsibility, generating income and enabling excellence that framed our way forward. In 2012 we reviewed and updated the strategy, adding a new big goal of Internationalisation. It has become very clear that it was not only a timely addition but increasingly relevant. So much so that when we further reviewed the strategy and pushed the horizon out to 2025, it was decided to further increase the focus on globalisation throughout the strategy to reflect the opportunities and challenges presented in an age of digitalisation and online learning.

I believe Massey is particularly well placed to seize these opportunities. Not only does it have more than 50 years' experience in distance education, it has a history as an innovator - in food, agriculture, animal science, business and the creative arts and, as I mentioned, it is the first university in New Zealand to create a College of Health.

In 2014, our jubilee year, we will not only celebrate and reflect upon our first 50 years as a university; we will launch the new strategy, called *Shaping the Nation and taking the best to the world: The Road to 2025* and unveil our Massey University Worldwide brand.



Massey has responded well to all of the external challenges thrown up during the five years of my tenure as Chancellor. The operating environment for universities is one of change as we increasingly compete for students, particularly international students, and research funding and look to leverage our other income-generating opportunities to both reduce our dependence on Government funding and make better use of our existing assets.

We rely on strong leadership, committed staff and good governance. The strategy and Big Goals developed in the past five years have underpinned our mission statement to define the future of our nation and take what is special about New Zealand to the world.

Massey produced 6801 graduates in 2013 and close to 4000 of them took part in graduation ceremonies in April, May and November. We also held a special graduation ceremony in Manawatu in December for veterinary graduates. This marked 50 years of vet teaching at Massey.

The University produced a surplus of \$6.8 million. This was achieved in a challenging economic environment, where student numbers are mostly static or declining across the sector.

In October the Council announced that it had reappointed Vice-Chancellor Steve Maharey for a further five-year term. Mr Maharey joined Massey

University in October 2008. I am delighted that he accepted the offer of reappointment. He has proven to be a strong and effective leader in a challenging environment, globally and nationally. He has engaged with staff, students, the tertiary education sector and the wider community and has developed, in conjunction with the Council, a world-class strategic position for Massey as the engine of the new New Zealand.

It has been a pleasure to work with such a range of talented people, both the Council members and Massey staff. I would like to recognise the special individuals who served as Pro Chancellors during my term as Chancellor: Steven Kos, Dr Alison Paterson and Chris Kelly, with a special tribute to Dr Paterson who retired from the Council in May after eight and a half years, including a long period as chair of the Audit and Risk Committee. Dame Alison was a most deserving recipient of the DNZM in the New Year's Honours. I know my successor, Chris Kelly, with his distinguished academic, business and public service background will make an excellent Chancellor and I wish him all the best.

**Dr Russ Ballard**  
Chancellor

# FROM THE VICE-CHANCELLOR

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Massey is the university most relevant to what makes New Zealand known throughout the world. We have an opportunity to help drive the nation's economic prosperity and social wellbeing through our international connectedness. We have set Big Goals to achieve that, we have a vision to be a world leader in higher education and scholarship, a mission to take what is special about New Zealand to the world and values that aim to produce creative, innovative, connected graduates who help lead the mission.

In 2013 Massey looked to reinforce its position as a university that defines New Zealand, by pushing out the horizon of its strategy to the year 2025. We invited all our stakeholders into a conversation that reviewed our goals, assessed the forces that are going to most affect us in the coming decade and addressed how we best shape our nation's future.

What we agreed was that our Big Goals are widely accepted as the right goals, that we are getting traction with our key messages. People are recognising that Massey University has a part to play in the future of New Zealand and the feedback tells us that increasingly people know not only who we are but what we are about.

One of the reasons for people knowing what we are doing and saying – and we know what they are saying about us – is that we are connecting in a meaningful way across the sectors and the regions in which we operate.

## KEY EVENTS IN THE YEAR INCLUDED:

Finance 2013, held in February, was the fourth such annual event, hosted in Auckland by the University in partnership with the Auckland Chamber of Commerce. As he has done each year, Finance Minister Bill English gave a scene-setting economic address. The event was oversubscribed and received considerable media coverage as well as positive feedback from participants from the business community.

In March, also for the fourth time and also in Auckland, the University brought together its top researchers and teachers from 2012 and four outstanding graduates who were recipients of Distinguished Alumni Awards. David Kelly, Chief Executive of Zeald, won the Distinguished Young Alumni Award, veterinarian and biosecurity specialist Dr Barry O'Neil won the Distinguished Achievement Award, nursing leader and mental health specialist Dr Frances Hughes won the Distinguished Service Award, and dairy industry leader and former senior politician John Luxton received the supreme award, the Sir Geoffrey Peren Medal.

Another important event in the Massey calendar was the Central Districts Field Days, held in Feilding in March. As well as being the major partner of the Field Days organisation, Massey showcased its agricultural and agrifood business research and people at several events, including one where we connected with our alumni and ANZ Chief Economist Cameron Bagrie spoke.





New business development managers were appointed in Taranaki and Hawke's Bay, in partnership with Venture Taranaki and the Hawke's Bay Regional Council, respectively. The jointly funded roles are focused on promoting and developing opportunities for business and research in the two regions – both of which have long associations with Massey – by harnessing the expertise of Massey and its staff and students to promote sustainable economic growth.

In July, the Tertiary Education Minister Steven Joyce and Food Safety Minister Nikki Kaye joined us for the launch of the second stage of FoodHQ, a partnership with AgResearch, Plant & Food Research, the Riddet Institute and the Bio Commerce Centre that will see \$250 million invested in a Manawatū "super-campus" in the next two decades, with a goal of providing the research and expertise to meet the Government's stated target of \$60 billion annually in national food exports by 2025.

The new New Zealand Forum, held in partnership with Westpac, in Auckland in October, saw renowned academic, journalist and China specialist Dr Martin Jacques present not only to the forum but to a wide range of news media interviews his views on where New Zealand needs to position itself to benefit most from the growth of China, already our second-largest trading partner.

## UNIVERSITY HIGHLIGHTS AND ACHIEVEMENTS

Throughout its history, Massey has been an innovator: identifying a need and responding to it. You can trace this back to the Wellington Design School, the agricultural college outside Palmerston North, the Vet School, the distance education programme, the first Business School, the first MBA and the decision to become New Zealand's first multi-campus university.

This year we launched a new College of Health and an Institute of Education – both are firsts in this country and both are responses to identified future needs.

We have continued to develop significant partnerships with national and international organisations that share our vision.

One of these was unveiled in October when we announced we would be the first New Zealand university to offer open online courses in three disciplines – Agriculture, Emergency Management and Māori Studies – in partnership with the free online learning platform Open2Study.

In March we recognised three of Massey's most outstanding academics, awarding the title of Distinguished Professor to acclaimed photographer Anne Noble and two other world leaders in their fields, food scientist Harjinder Singh and sociologist Paul Spoonley.

The winners of the Vice-Chancellor's awards for teaching were Dr Jing Chi and Dr Thom Conroy (for sustained commitment to teaching excellence) and Associate Professor John Holland, Dr Damian Ruth and Anna Weatherson (for teaching excellence). Later in the year Dr Chi became the 17th Massey staff member to win a National Tertiary Teaching Excellence Award.

The winners of the 2013 Massey Research Medals, announced in October, were Professor Sally Morgan (individual), Professor Steve Morris (research supervisor), Dr Mary Breheny (early career) and the Veterinary Epidemiology and Public Health team consisting of Professor Tim Carpenter (team leader), Dr Jackie Benschop, Dr Patrick Biggs, Dr Naomi Coger, Dr Julie Collins-Emerson, Professor Nigel French, Professor Cord Heuer, Dr Jonathan Marshall, Dr Anne Midwinter, Dr Eric Neumann, Dr Sarah Rosanowski and Dr Mark Stevenson.

The Massey University Foundation received \$500,000 in lottery funding towards three volumes of the Centenary History of New Zealand and the First World War project. Professor of War Studies Glyn Harper is leading Massey's contribution and writing one volume.

Work to refurbish and seismically strengthen our heritage buildings at the Manawatū campus is continuing apace. From 2015, staff, students and visitors to the campus will see some impressive results, including a fully restored Sir Geoffrey Peren Building.

New science laboratories at Albany were completed and opened in March and plans for student accommodation on the Albany campus were approved by the Council and construction began in November, with a scheduled completion date of February 2015. This will significantly develop the student culture at the campus.

Massey has continued to develop the services and infrastructure that provide students and staff with a learning and working environment that enables excellence. The 6.5- and 6.6-magnitude earthquakes that struck the Cook Strait area on 21 July and 16 August caused considerable disruption and damage in Wellington and generated the emergency response procedures for which our staff have trained. While the Wellington campus was closed for a day as a precautionary measure, there was no significant damage and no one was injured. Such events remind us of the need to have emergency plans that are regularly reviewed and updated, of the importance of the seismic strengthening work to some of our older buildings that is ongoing, and of

the value of having in place teaching and learning systems that are flexible enough to continue in alternative environments, such as online, in the aftermath of any emergency.

## COLLEGE OF BUSINESS HIGHLIGHTS

The college has cemented its position as a leader in finance with the opening of a trading room on the Albany campus, a first for any university, giving finance students real-life fund management experience.

The college has entered several innovative partnerships this year, including a custom-designed MBA programme for a cohort of 15 students from Qatar Airways that will be delivered by Massey staff in Doha – an important breakthrough for the University in a key international market.

A second innovative agreement has been signed with McDonald's Restaurants (NZ) Limited to provide a pathway for its restaurant managers to obtain Bachelors of Business Studies focusing on hospitality management.

The college has also secured its first endowed chair – the Sir Stephen Tindall Chair in Retail Management. The Warehouse Group, New Zealand's largest listed retailer, is partnering with the college to develop the country's first retail management degree.

## COLLEGE OF CREATIVE ARTS HIGHLIGHTS

This year the United States National Association of Schools of Art and Design awarded the college substantial equivalency. It is the first time the association has granted this seal of quality to an institution outside North America. It is the most comprehensive international benchmark of quality in art and design education.

School of Art head Associate Professor Heather Galbraith was appointed Commissioner of New Zealand's presentation at the 2015 Venice Biennale. The two-yearly event is seen as an invaluable showcase for New Zealand contemporary art on the international stage.

Industrial design graduate Stacey Kenny won the global design agency Red Dot's top prize, the Luminary Award, beating 4000 entrants from around the world. Eight other Massey graduates won Red Dot awards in industrial and visual communication design.

Textile design graduate Lillian Baker became the 2013 Australasian Graduate of the Year by taking out the Overall Award for Excellence, and first prize in fashion and textile, in a competition organised by

the Designer Institute of Australia. Meanwhile, in New Zealand, College of Creative Arts once again dominated the Designers Institute BEST Awards, with more student finalists than any other tertiary institution, and a strong showing by staff including a gold award for Industrial Design Professor Tony Parker's HR4 hand-held animal tag reader and data collector, developed in collaboration with Gallagher Animal Management Limited.

It was a high-profile year for the New Zealand School of Music, which staged a full-scale opera production of Giuseppe Verdi's *Il Corsaro*, hosted multiple jazz concerts and workshops featuring special guest artists from the United States and celebrated jazz lecturer Dr Rodger Fox's 40-year anniversary of his Big Band featuring students and graduates from the school.

### COLLEGE OF HEALTH HIGHLIGHTS

The College of Health was launched in February, with functions in Auckland, Manawatū and Wellington that were well attended, not only by staff but also by the public and private sector stakeholders with whom we will be working. The launch heralded what will be a major change in the way New Zealanders think about – and respond to – health issues. We used the launches to engage with staff and our wider audiences – schools, local and central government agencies, the health care sector and the news media.

Professor Paul McDonald joined us to head the college, Professor Steve LaGrow was appointed Deputy Pro Vice-Chancellor and Dr Kieran O'Donoghue became head of the School of Health and Social Services.

### COLLEGE OF HUMANITIES AND SOCIAL SCIENCES HIGHLIGHTS

Distinguished Professor Paul Spoonley was appointed Pro Vice-Chancellor of the college. Associate Professor Glenn Banks took on a United Nations Development Programme project examining how Papua New Guinea can use its resource wealth to improve its people's living standards.

A project exploring the experiences of Anglo-Indians living in small townships in India, led by Dr Robyn Andrews, received \$30,000 in funding from the New Zealand India Research Institute and Education New Zealand.

Institute of Education staff and students have been successfully relocated from the Hokowhitu site of the Manawatū campus to Turitea, bringing together for the first time all of our academic programmes, teaching staff and students.

Senior lecturer in Spanish Dr Leonel Alvarado won second prize in Latin America's most prestigious poetry competition, the Casa de las Americas Poetry Award.

A lecture series on 21st Century Citizenship was hosted by the School of People, Environment and Planning on each of the campuses. Speakers were myself and Distinguished Professor Paul Spoonley from Massey and former Massey Professor Judy McGregor, now with the Auckland University of Technology.

### COLLEGE OF SCIENCES HIGHLIGHTS

Massey has been a world leader in agriculture since its inception and, of the thousands of research universities around the world that offer agriculture, Massey was this year ranked 21st in the Quacquarelli Symonds' world university subject rankings. No other university in New Zealand features.

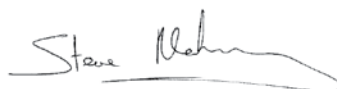
The restructure of the College of Sciences took effect in January, resulting in five institutes (the Institute of Agriculture and Environment; the Institute of Fundamental Sciences, the Institute of Natural and Mathematical Sciences, the Institute of Veterinary, Animal and Biomedical Sciences; and the New Zealand Institute for Advanced Study) and the School of Engineering and Advanced Technology.

This year we celebrated 50 years of veterinary education at the Manawatū campus. We held events in Auckland in March and in Palmerston North in June, and in December a special graduation ceremony for those completing veterinary degrees this year.

In July, Massey and six other partners recognised their close working relationship as FoodHQ, New Zealand's international centre for collaborative food research based in Manawatū.

### ACKNOWLEDGEMENTS

Finally, I would like to acknowledge the support of the Massey University Council and its Chancellor of the past five years, Dr Russ Ballard, for his excellent stewardship. My congratulations to new Chancellor Chris Kelly and Pro-Chancellor Michael Ahie.



**Steve Maharey**  
Vice-Chancellor

# GOVERNANCE AND MANAGEMENT

## UNIVERSITY COUNCIL MEMBERS

### Chancellor

Dr Russ Ballard, CNZM, MAgrSc,  
PhD Florida, FNZIM (until December 6, 2013)  
Chris Kelly, MVSc, MACVSc (from December 6, 2013)

### Pro-Chancellor

Chris Kelly, MVSc, MACVSc (until December 6, 2013)  
Michael Ahie, BBS (Hons) (from December 6, 2013)

### Vice-Chancellor

Steve Maharey, CNZM, BA, MA (Hons)

### Members appointed by the Minister of Education

Dr Russ Ballard, CNZM, MAgrSc,  
PhD Florida, FNZIM  
Michael Ahie, BBS (Hons)  
Alastair Scott, BBS  
Ben Vanderkolk, LLB Canterbury

### Elected member of academic staff

Associate Professor Grant Duncan,  
MA, PhD Auckland

### Elected academic staff of the Academic Board

Professor Tony Signal, BSc, PhD Adelaide  
Professor Cynthia White, BA (Hons), PhD,  
DipTESL Wellington

### Elected member of general staff

Fiona Coote, GradDipBusStuds (BusLaw)  
DipArts (Hist)

## STUDENT MEMBERS APPOINTED BY COUNCIL

### Elected by Māori students

Nitika Erueti-Satish

### Elected by distance students

Ralph Springett, MA, BA (Hons), CertAdultEd

### Elected by internal students

Rebekah Walker

### Elected members from the Court of Convocation

Lesley Whyte, JP, MBA, MInstD  
Bruce Ullrich, OBE, BCom Canterbury,  
MBA, ACA, FInstD

### Council appointees on the nomination of the Vice-Chancellor

Kura Denness, MBA, CA  
Chris Kelly, MVSc, MACVSc  
Dr Alison Paterson, DNZM, QSO, DCom F(Auckland),  
FCA, ADistFInstD (until May 31, 2013)  
Colin Harvey, BAgSc, BCC Auck (from December 17, 2013)

From left: Michael Ahie, Associate Professor Grant Duncan, Fiona Coote, Nitika Erueti-Satish, Ralph Springett, Lesley Whyte, Dr Russ Ballard, Professor Cynthia White, Professor Tony Signal, Rebekah Walker, Bruce Ullrich, Kura Denness, Chris Kelly, Alistair Scott. Inset: Ben Vanderkolk.



**OFFICERS OF THE UNIVERSITY****Chancellor**

Dr Russ Ballard, CNZM, MAgrSc,  
PhD Florida, FNZIM (until December 6, 2013)

Chris Kelly, MVSc, MACVSc (from December 6, 2013)

**Pro-Chancellor**

Chris Kelly, MVSc, MACVSc (until December 6, 2013)

Michael Ahie, BBS (Hons) (from December 6, 2013)

**Vice-Chancellor**

Steve Maharey, CNZM, BA, MA (Hons)

**University Registrar**

Stuart Morriss, MPP Wellington,  
BAgrSc, DipBusStuds

**SENIOR LEADERSHIP TEAM MEMBERS****Vice-Chancellor**

Steve Maharey, CNZM, BA, MA (Hons)

**Deputy Vice-Chancellor**

Professor Robert Anderson – Sciences, ONZM,  
MAgrSc, PhD Cornell, DDA, FNZIAS

**Pro Vice-Chancellors (Colleges)**

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

Creative Arts – Professor Claire Robinson, BA  
(Hons) Wellington, BDes Wellington Polytechnic/  
Wellington, PhD

Health – Professor Paul McDonald, BA (Hons)  
Waterloo, MA Western Ontario, PhD Waterloo,  
FRSPH, MRSNZ

Humanities and Social Sciences – Professor Susan  
Mumm, MA Saskatchewan, DPhil Sussex, FRHS

– (from October) Distinguished Professor Paul  
Spoonley, MA Otago, MSc Bristol, PhD, FRSNZ

Sciences – Professor Robert Anderson, ONZM,  
MAgrSc, PhD Cornell, DDA, FNZIAS

**Assistant Vice-Chancellors**

Academic and International – Professor Ingrid Day,  
BA (Hons), PhD University of South Australia

External Relations – Cas Carter, BSocSc Waikato,  
MA Wellington

Finance, Strategy and IT – Rose Anne MacLeod,  
BCom Auckland, MBA, CA, FCPA

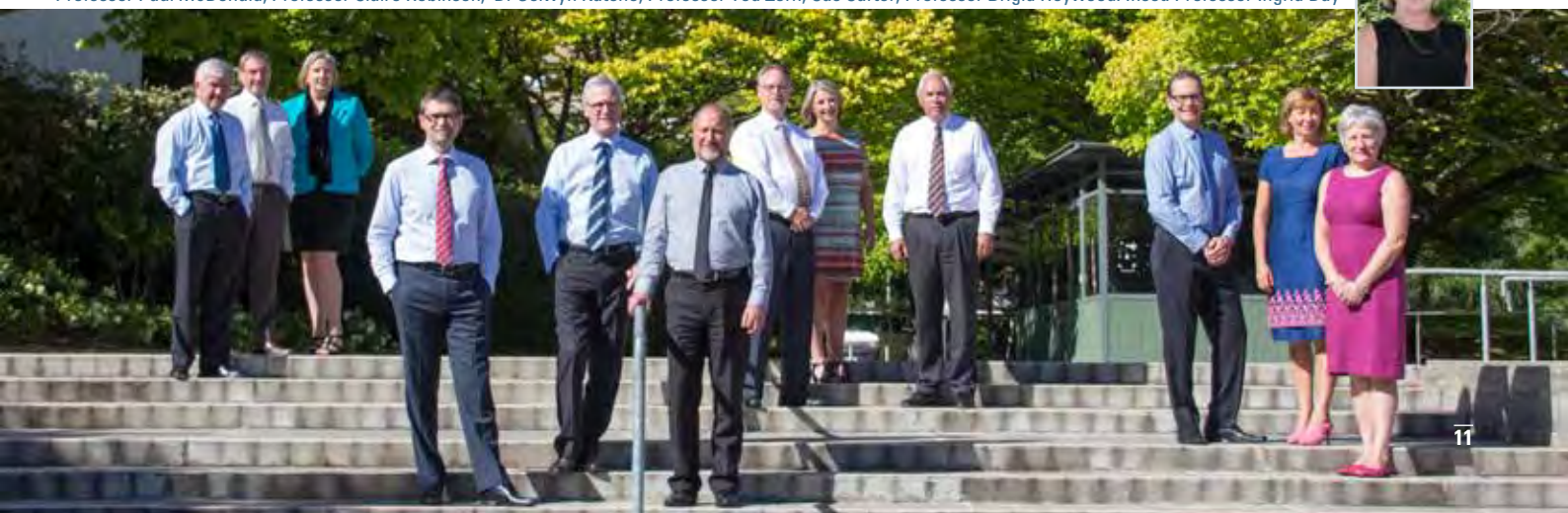
Māori and Pasifika – Dr Selwyn Katene, BA  
(Hons), MA, MPM Wellington, PhD

Operations and University Registrar – Stuart  
Morriss, MPP Wellington, BAgrSc, DipBusStuds

People and Organisational Development – Alan  
Davis, LLB Canterbury, MBA Wellington

Research and Enterprise – Professor Brigid  
Heywood, BSc (Hons) Manchester, PhD Liverpool

From left: Professor Robert Anderson, Distinguished Professor Paul Spoonley, Rose Anne MacLeod, Stuart Morriss, Steve Maharey, Alan Davis, Professor Paul McDonald, Professor Claire Robinson, Dr Selwyn Katene, Professor Ted Zorn, Cas Carter, Professor Brigid Heywood. Inset: Professor Ingrid Day



# DIRECTORY

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## 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  
Davenport 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



## FINANCIAL REVIEW 2013

### Introduction

In 2013, Massey University (the “University”) achieved a consolidated surplus of \$8.4 million, a pleasing result given an economic environment that continues to be challenging for universities. Government revenue remained constrained, with universities only receiving nominal revenue increases for science and technology, though in the sector, costs continued to rise at least in pace with inflation. The University was successful in increasing its international student fee revenue, and on the expenditure side, constrain its costs through a significant procurement savings programme and effective managerial control.

The year concluded on a high with the University not only exceeding its budgeted surplus, but it also received advice from the Tertiary Education Commission (TEC) that the University’s risk rating had been lowered from moderate to low. This reflected the University’s sustained performance and quality of reporting and forecasting provided to the TEC.

### Commentary

International student numbers continued to increase, with fee revenues increasing by \$5.5 million as a result of the University’s world-wide reputation for high quality education provision. This is an increasing important revenue stream as domestically school leaver numbers in New Zealand are showing a small decline, particularly south of Auckland. The University received over \$50 million in research income in 2013, which was a reduction in research revenue by 10%. This decline was mainly attributable to timing of recognition of research revenue and changes in institutional practices.

The University continued its procurement savings programme, and together with successful managerial control over costs the overall increase in costs from 2012 was less than 0.1%

A consolidated surplus of \$8.4 million, being a 1.9% return on revenue, was an excellent result for the year.

### Financial Health

The University has a very strong balance sheet. It owns over a \$1.1 billion in assets, with \$0.2 billion of liabilities. The table below sets out a number of the key TEC measures that are used to monitor the financial health of tertiary institutions. With the exception of the surplus measure, the University meets or exceeds the measures required by the TEC. The University continues to target the achievement of a 3% surplus as part of its strategy.

Measure	TEC Target	University	Group
Operating Surplus <sup>1</sup>	3 – 5%	1.6%	1.9%
Net cash flow from operations <sup>2</sup>	111 – 113%	115.8%	115.9%
Liquid funds ratio (liquidity) <sup>3</sup>	8 – 12%	22.7%	23.3%
Ability to Service Debt <sup>4</sup>	3 - 6:1 times	7.59 : 1 times	9.04 : 1 times
Debt to debt plus equity <sup>5</sup>	0 – 7.5%	1.50%	1.5%

- <sup>1</sup> Surplus as a percentage of total revenue
- <sup>2</sup> Cash inflow from operations to cash outflows from operations
- <sup>3</sup> Liquid resources to cash outflow from operations
- <sup>4</sup> Earnings before interest to interest paid
- <sup>5</sup> Total debt to total debt plus equity.

The University continues to deliver a sound performance through pursuing its strategy of diversifying revenue growth through internationalisation, cost control and strategic management of its balance sheet. These elements are part of a long term financial strategy that will ensure not only its financial sustainability, but enable investment to further establish the University's distinctive place as the engine of the new New Zealand.



**Rose Anne MacLeod**  
**Assistant Vice-Chancellor (Strategy, Finance, IT and Commercial Operations)**



## STATEMENT OF RESPONSIBILITY

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In the financial year ended 31 December 2013, the Council and management of Massey University were responsible for:

- the preparation of the 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.



**Chris Kelly**  
**Chancellor**



**Steve Maharey**  
**Vice-Chancellor**



**Rose Anne MacLeod**  
**Assistant Vice-Chancellor (Strategy, Finance, IT and Commercial Operations)**

7 April 2014

## 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 2013

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The AuditorGeneral is the auditor of Massey University (the University) and group. The AuditorGeneral has appointed me, Mark Maloney, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and nonfinancial performance information of the University and group on her behalf.

We have audited:

- the financial statements of the University and group on pages 19 to 62, that comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the nonfinancial performance information of the University and group in the statement of service performance on pages 64 to 93.

### Opinion

In our opinion:

- the financial statements of the University and group on pages 19 to 62:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect the University and group's:
    - financial position as at 31 December 2013; and
    - financial performance and cash flows for the year ended on that date;
- the nonfinancial performance information of the University and group on pages 64 to 93 fairly reflects the University and group's service performance achievements measured against the performance targets adopted in the investment plan for the year ended 31 December 2013.

Our audit was completed on 7 April 2014.. This is the date at which our opinion is expressed.

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

## Basis of opinion

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

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and non-financial performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and non-financial performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and non-financial performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the University and group's preparation of the financial statements and non-financial performance information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the University and group's internal control.

An audit also involves evaluating:

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

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and non-financial performance information. Also we did not evaluate the security and controls over the electronic publication of the financial statements and non-financial performance information.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

## Responsibilities of the Council

The Council is responsible for preparing financial statements that:

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

The Council is also responsible for preparing non-financial performance information that fairly reflects the University and group's service performance achievements measured against the performance targets adopted in the investment plan.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements and non-financial performance information that are free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the financial statements and non-financial performance information, whether in printed or electronic form.

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

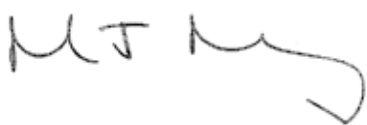
## Responsibilities of the Auditor

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

## Independence

When carrying out the audit, we followed the independence requirements of the Auditor General, which incorporate the independence requirements of the External Reporting Board.

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

A handwritten signature in black ink, appearing to read 'M J Maloney', with a long horizontal stroke extending to the right.

**Mark Maloney**

Audit New Zealand

On behalf of the Auditor-General

Palmerston North, New Zealand

## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	University			Consolidated	
		Actual 2013 (\$000)	Budget 2013 (\$000)	Actual 2012 (\$000)	Actual 2013 (\$000)	Actual 2012 (\$000)
<b>Operating Revenue</b>						
Government Grants	2, 3	182,760	183,100	179,003	185,462	181,904
Student Fees	3	143,856	150,745	139,810	145,061	141,018
Interest	3	4,110	4,184	4,129	4,195	4,229
Charges for Services	3	106,100	103,657	113,047	105,798	112,761
Trust Funds	3, 28	1,410	3,143	5,504	4,491	4,097
Other Gains/(Losses)	3, 4	119	-	(751)	119	2,038
<b>Total Operating Revenue</b>		<b>438,355</b>	<b>444,829</b>	<b>440,742</b>	<b>445,126</b>	<b>446,047</b>
<b>Operating Expenses</b>						
Staff-Related Costs	2, 5	251,390	251,337	253,270	254,861	256,686
Depreciation and Amortisation	2, 6	45,980	46,900	43,377	46,079	43,461
Other Direct Costs	2, 8	131,866	136,752	131,517	132,828	132,847
Finance Costs	7	1,038	1,033	1,323	1,038	1,323
Trust Funds	28	1,242	2,026	2,136	1,970	2,136
<b>Total Cost of Operations</b>		<b>431,516</b>	<b>438,048</b>	<b>431,623</b>	<b>436,776</b>	<b>436,453</b>
<b>Surplus for the Year</b>		<b>6,839</b>	<b>6,781</b>	<b>9,119</b>	<b>8,350</b>	<b>9,594</b>
<b>Other Comprehensive Income</b>						
Other movements in Revaluation Reserves	26,27	(1,046)	(7,500)	(11,320)	(1,046)	(11,320)
Net gain on available for sale assets	4	471	-	8	471	8
<b>Total Other Comprehensive Income for the Year</b>		<b>(575)</b>	<b>(7,500)</b>	<b>(11,312)</b>	<b>(575)</b>	<b>(11,312)</b>
<b>Total Comprehensive Income for the Year</b>		<b>6,264</b>	<b>(719)</b>	<b>(2,193)</b>	<b>7,775</b>	<b>(1,718)</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	University			Consolidated	
		Actual 2013 (\$000)	Budget 2013 (\$000)	Actual 2012 (\$000)	Actual 2013 (\$000)	Actual 2012 (\$000)
Equity as at 1 January	27	938,841	938,990	941,034	941,689	943,407
Comprehensive Income						
Surplus		6,839	6,781	9,119	8,350	9,594
Other Comprehensive Income		(575)	(7,500)	(11,312)	(575)	(11,312)
<b>Total Comprehensive Income for the Year</b>		<b>6,264</b>	<b>(719)</b>	<b>(2,193)</b>	<b>7,775</b>	<b>(1,718)</b>
<b>Equity as at 31 December</b>	27	<b>945,105</b>	<b>938,271</b>	<b>938,841</b>	<b>949,464</b>	<b>941,689</b>

The accompanying notes form part of these financial statements.

## BALANCE SHEET

### AS AT 31 DECEMBER 2013

	Notes	University			Consolidated	
		Actual 2013 (\$000)	Budget 2013 (\$000)	Actual 2012 (\$000)	Actual 2013 (\$000)	Actual 2012 (\$000)
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	13	29,632	24,789	32,385	32,388	36,136
Trade and Other Receivables	14	26,854	31,500	31,703	26,685	31,581
Inventories	15	1,537	1,500	1,474	1,537	1,474
Biological Assets - Livestock	16	3,265	3,400	3,540	3,265	3,540
Other Financial Assets	18	58,162	21,740	27,355	58,909	27,355
Non-Current Assets Held for Sale	19	65	465	205	65	205
<b>Total Current Assets</b>		<b>119,515</b>	<b>83,394</b>	<b>96,662</b>	<b>122,849</b>	<b>100,291</b>
<b>Non-Current Assets</b>						
Trade and Other Receivables	14	53	125	125	53	125
Other Assets	17	18,955	19,000	18,955	-	-
Other Financial Assets	18	2,311	21,000	22,843	22,195	40,372
Biological Assets - Forestry	16	804	670	636	804	636
Property, Plant and Equipment	20	944,397	946,517	941,022	945,250	941,837
Intangible Assets	21	10,164	6,000	7,945	10,164	7,945
<b>Total Non-Current Assets</b>		<b>976,684</b>	<b>993,312</b>	<b>991,526</b>	<b>978,466</b>	<b>990,915</b>
<b>Total Assets</b>		<b>1,096,199</b>	<b>1,076,706</b>	<b>1,088,188</b>	<b>1,101,315</b>	<b>1,091,206</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and Other Payables	22	26,847	26,645	27,669	27,402	27,469
Borrowings	23	664	663	620	664	620
Employee Entitlements	24	17,004	16,000	18,402	17,058	18,445
Receipts in Advance	25	58,251	49,000	52,566	58,373	52,811
<b>Total Current Liabilities</b>		<b>102,766</b>	<b>92,308</b>	<b>99,257</b>	<b>103,497</b>	<b>99,345</b>
<b>Non-Current Liabilities</b>						
Borrowings	23	13,843	13,834	14,507	13,843	14,507
Employee Entitlements	24	33,692	31,500	34,077	33,718	34,159
Receipts in Advance	25	793	793	1,506	793	1,506
<b>Total Non-Current Liabilities</b>		<b>48,328</b>	<b>46,127</b>	<b>50,090</b>	<b>48,354</b>	<b>50,172</b>
<b>Total Liabilities</b>		<b>151,094</b>	<b>138,435</b>	<b>149,347</b>	<b>151,851</b>	<b>149,517</b>
<b>Equity</b>	27	<b>945,105</b>	<b>938,271</b>	<b>938,841</b>	<b>949,464</b>	<b>941,689</b>
<b>Total Liabilities and Equity</b>		<b>1,096,199</b>	<b>1,076,706</b>	<b>1,088,188</b>	<b>1,101,315</b>	<b>1,091,206</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	University			Consolidated	
		Actual 2013 (\$000)	Budget 2013 (\$000)	Actual 2012 (\$000)	Actual 2013 (\$000)	Actual 2012 (\$000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Government Grants		183,460	182,995	179,334	186,208	182,270
Student Income		145,149	150,715	134,092	146,678	135,418
Other Income		114,187	98,490	120,764	113,549	120,944
Interest on Operating Income		4,057	3,589	3,742	4,144	3,825
Trust Funds		882	1,427	4,165	2,699	2,758
		<b>447,735</b>	<b>437,216</b>	<b>442,097</b>	<b>453,278</b>	<b>445,215</b>
<i>Cash was applied to:</i>						
Payments to Employees and Suppliers		385,602	382,435	384,182	390,028	388,134
Net GST Movement		41	-	(102)	29	(53)
Interest Paid		1,038	1,033	1,331	1,038	1,331
		<b>386,681</b>	<b>383,468</b>	<b>385,411</b>	<b>391,095</b>	<b>389,412</b>
<b>Net Cash Flow from Operating Activities</b>	<b>9</b>	<b>61,054</b>	<b>53,748</b>	<b>56,686</b>	<b>62,183</b>	<b>55,803</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Withdrawal of Investments		97,360	87,150	130,980	98,758	131,421
Sale of Fixed Assets		1,009	4,300	353	1,009	353
		<b>98,369</b>	<b>91,450</b>	<b>131,333</b>	<b>99,767</b>	<b>131,774</b>
<i>Cash was applied to:</i>						
Purchase of Investments		107,378	87,000	133,414	111,196	131,477
Divestment of Subsidiary, Net Cash Reduction		-	-	-	-	493
Purchase of Fixed Assets		53,756	66,030	54,834	53,891	55,412
		<b>161,134</b>	<b>153,030</b>	<b>188,248</b>	<b>165,087</b>	<b>187,382</b>
<b>Net Cash Flow from Investing Activities</b>		<b>(62,765)</b>	<b>(61,580)</b>	<b>(56,915)</b>	<b>(65,320)</b>	<b>(55,608)</b>

The accompanying notes form part of these financial statements.



	Notes	University			Consolidated	
		Actual 2013 (\$000)	Budget 2013 (\$000)	Actual 2012 (\$000)	Actual 2013 (\$000)	Actual 2012 (\$000)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Loan Repaid		72	-	-	110	-
		<b>72</b>	<b>-</b>	<b>-</b>	<b>110</b>	<b>-</b>
<i>Cash was applied to:</i>						
Advances to Subsidiaries		393	-	-	-	-
Loans Repaid		620	618	7,349	620	7,349
		<b>1,013</b>	<b>618</b>	<b>7,349</b>	<b>620</b>	<b>7,349</b>
<b>Net Cash Flow from Financing Activities</b>		<b>(941)</b>	<b>(618)</b>	<b>(7,349)</b>	<b>(510)</b>	<b>(7,349)</b>
<b>Net (Decrease) in Cash Held</b>		<b>(2,652)</b>	<b>(8,450)</b>	<b>(7,578)</b>	<b>(3,647)</b>	<b>(7,154)</b>
Net Foreign Exchange Losses		(101)	-	(142)	(101)	(142)
Cash Brought Forward		32,385	33,239	40,105	36,136	43,432
<b>Ending Cash Carried Forward</b>	13	<b>29,632</b>	<b>24,789</b>	<b>32,385</b>	<b>32,388</b>	<b>36,136</b>

The GST (net) component of operating activities reflects the net GST paid to and received from the IRD. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

The accompanying notes form part of these financial statements.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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### Note 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).

These financial statements have been prepared in accordance with the Crown Entities Act 2004 and section 220 of the Education Act 1989. The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable financial reporting standards, as appropriate for public benefit entities.

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

Colleges of:

- Business;
- Creative Arts;
- Health;
- Humanities and Social Sciences; and
- Sciences.

The group consists of the University and its subsidiaries, the Massey University Foundation Trust (100% owned), Massey Global Limited (100% owned), Massey Ventures Limited (100% owned), and E Centre Limited (100% owned by Massey Ventures Limited). Massey Ventures Limited also owns 60% of Synthodics Limited. The reporting entity includes the afore mentioned group, New Zealand School of Music (a joint venture 50% owned by the University), Agri One Limited (a joint venture 50% owned by the University) associates owned by Massey Ventures Limited - New Zealand Vet Pathology (25.26%), and investments by Massey Ventures Limited - Magritek Holdings Limited (11.8%) and Polybatics Limited (15.6%).

The University and its subsidiaries were established as a tertiary education provider and researcher. Accordingly, the University and its subsidiaries 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 2013. The financial statements were authorised for issue by Council on 7 April 2014.

#### 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 at fair value through profit and loss, financial assets available for sale, non-current receipts in advance, biological assets, investment property and the revaluation of certain property, plant and equipment.

## 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 all subsidiaries as of and for the period ended 31 December 2013.

The University consolidates as subsidiaries in the consolidated financial statements, using the purchase method, all entities where the University has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entities.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all 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.

Any joint venture the University has an interest in is accounted for using the proportionate method of consolidation.

The University accounts for an investment in an associate in the group financial statements using the equity method and it is held at cost.

The University's investments in its subsidiary and associate companies are held at cost.

At the end of each financial year the University assesses whether there is any impairment of its investments in subsidiary and associate companies; any impairment is written off to expenses in profit or loss.

### B) Budget Figures

The budget figures are those approved by the Council at the beginning of the financial year.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements. 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;
- iv. Annual leave – by general staff numbers for general staff and from academic department leave records for academic staff.

### D) Revenues

Revenue is measured at the fair value of consideration received or receivable.

Revenue from the sale of goods is recognised when the products are sold to the customers.

Government grants are recognised as income upon completion of services for which the grant was made. Where obligations are attached to a Government grant, a liability is recognised. Once the obligation is discharged, the Government grant is recognised as revenue.

Student fees are recognised as revenue throughout the period of course completion.

Interest income is recognised using the effective interest method.

Trust funds include interest and donations of a capital nature and are recognised as income when money is received, or entitlement to receive money is established.

Income for research that is externally funded is recognised in the Revenue Disclosure (see Note 3) as "Charges for Services" on a percentage of completion basis. Research funds relating to incomplete portions of externally funded research activities at year end are included in the balance sheet as "Receipts in Advance".

**E) Foreign Currencies**

Both the functional and presentation currency of the University and its subsidiaries is New Zealand dollars, rounded to the nearest thousand dollars. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

**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) Trade and Other Receivables**

Trade 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 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) or net realisable value. All consumables are charged directly to expenditure.

**I) Biological Assets**

Biological assets are valued at fair value less estimated costs to sell, and agricultural produce is valued at fair value less estimated costs to sell at point of harvest. All consumables are charged direct to expenditure. Fair value is the market value at balance date.

**J) Property, Plant and Equipment**

i. Valuation

Asset Category	Valuation by	Last Valuation
Land and buildings	Quotable Value New Zealand Limited	31 December 2011
Leasehold improvements	Valued at historical cost	
Equipment and furniture	Valued at historical cost	

Asset Category	Valuation by	Last Valuation
Computers and research equipment	Valued at historical cost	
Motor vehicles	Valued at historical cost	
Aircraft	Valued at historical cost	
Library collection	Valued at historical cost	

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 income 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, this balance is not recognised in other comprehensive income 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 up to the amount previously expensed, and then recognised in other comprehensive income.

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 service 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 balance date. The level at which individual assets are capitalised as property, plant and equipment is \$2,000.

## ii. Depreciation

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

Asset Class	Depreciation Rate	Method
Buildings	1% - 7%	Straight line
Leasehold improvements	Lesser of 10% or life of lease	Straight line
Equipment and furniture	5% - 33%	Straight line
Computers and research equipment	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 not depreciated.

Leasehold improvements are depreciated based on their estimated useful lives and the term of the lease.

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

iii. **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 sale.

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

iv. **Impairment**

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. The University has three cash-generating units, being the three main campuses. Impairment of property, plant and equipment is recognised when:

- replacement cost is identified as less than net book value.
- the carrying amount exceeds its recoverable amount.
- items of property, plant and equipment become obsolete.
- damage occurs to property, plant and equipment.
- an asset becomes surplus to requirements and is no longer used.

v. **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 Income in the year the item is derecognised.

**K) Intangible Assets**

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

Internally generated software is classified into a research phase and a development phase.

An intangible asset arising from development (or the development phase of an internal project) is recognised only when the University 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;
- support fees payable before such systems are ready for use.

Software that is acquired separately or in a business combination is recorded at the cost determined at the date of acquisition.

Amortisation of software is calculated using a straight-line basis over four years and is reviewed annually for any impairment.

#### L) 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 Policy”, 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 Income.

#### M) Goods and Services Tax (GST)

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

#### N) 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 subsidiaries are also exempt from paying income tax.

#### O) 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 in equal instalments over the lease term.

#### P) Financial Instruments

Massey University classifies its financial assets into the following categories: financial assets at fair value through profit or loss, 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.

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

#### Financial Assets Designated at Fair Value through Profit and Loss

Financial assets designated at fair value through profit and loss are classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if they are expected to be realised within 12 months of balance date. Purchases and sales of financial assets are recognised on trade-date, the date on which the University and group commits 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 and group has transferred substantially all risks and rewards of ownership.

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

#### 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 balance sheet. Bank deposits with a maturity of more than 3 months are classified as loans and receivables.

#### 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 shares held for strategic purposes. After initial recognition these investments are measured at their fair value with any gains and losses recognised in other comprehensive income. On derecognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

#### 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 carrying amounts of borrowings repayable within one year approximate their fair value, as the effect of discounting is not significant.

#### Impairment of Financial Assets

Financial assets other than those at fair value through profit and loss are assessed for indicators of impairment at each balance 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 counterparty; 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 the income statement.

#### Q) **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 prior to the end of the financial year that are unpaid, and arise when Massey University 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.

#### R) **Borrowing Costs**

The University and group has elected to defer the adoption of the revised NZ IAS 23: Borrowing Costs (NZ IAS 23) in accordance with the transitional provisions of NZ IAS 23 that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

#### S) **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.

After recognition, the University measures all investment property at fair value as determined annually. Gains or losses arising from a change in fair value of an investment property are recognised in the Statement of Comprehensive Income.

#### T) **Joint Ventures**

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 University 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.

#### U) **Summary of Significant Accounting Policies**

There have been no changes in accounting policies, and the policies have been applied on a basis consistent with prior years.

The group has not elected to early adopt any new standards or interpretations that are issued but not yet effective.

#### **Accounting Standards and Interpretations Issued but Not Yet Effective**

NZ IFRS standards and interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the group for the annual reporting period ended 31 December 2013, are outlined in the following table:

Reference	Title	Summary	Application date of standard	Application date for group
	<p>PBE Standards for Tier 1 and Tier 2 Public Benefit Entities</p>	<p>The package of PBE Standards issued, applicable for Tier 1 and Tier 2 PBEs consists of the following standards:</p> <ul style="list-style-type: none"> <li>• Standard XRB A1 Accounting Standards Framework, which is the overarching standard that sets out the accounting standards framework;</li> <li>• A suite of 39 PBE Standards; and</li> <li>• The Public Benefit Entities (conceptual) Framework.</li> </ul> <p>The new PBE Standards are based on International Public Sector Accounting Standards, which are themselves based on IFRS. Therefore major changes to accounting policies are not expected. Nevertheless, there are some potentially significant differences and also a range of smaller differences between the PBE Standards and NZ IFRS. Examples of potential significant differences could include:</p> <ul style="list-style-type: none"> <li>• PBE Standards with no equivalent NZ IFRS                             <ul style="list-style-type: none"> <li>– PBE IPSAS 23 Revenue from Non-Exchange Transactions, which prescribes requirements for accounting for revenue from non-exchange transactions;</li> <li>– PBE IPSAS 32 Service Concession Arrangements: Grantor, which prescribes the accounting for service concession arrangements by the grantor</li> </ul> </li> <li>• Differences between equivalent standards                             <ul style="list-style-type: none"> <li>– PBE IPSAS 20 Related Party Disclosures, exempts all transactions between related parties (except key management personnel remuneration) that occur on arm's length terms and conditions from disclosure, and provides a potentially wider definition of key management personnel compared to NZ IFRS 24 Related Party Disclosures.</li> </ul> </li> </ul> <p>Please note that this is not a complete list of differences between PBE Standards and NZ IFRS.</p>	<p>Public Sector PBEs</p> <p>1 January 2015 (early adoption not permitted)</p>	<p>Public Sector PBEs</p> <p>1 January 2015</p>

Reference	Title	Summary	Application date of standard	Application date for group
NZ IFRS 9 (PBE) (2009)	Financial Instruments	<p>NZ IFRS 9 (PBE) (2009) includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.</p> <p>These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of NZ IAS 39 (PBE). The revised Standard introduces a number of changes to the accounting for financial assets, the most significant of which includes:</p> <ul style="list-style-type: none"> <li>• two categories for financial assets being amortised cost or fair value;</li> <li>• removal of the requirement to separate embedded derivatives in financial assets;</li> <li>• strict requirements to determine which financial assets can be classified as amortised cost or fair value. Financial assets can only be classified as amortised cost if (a) the contractual cash flows from the instrument represent principal and interest and (b) the entity's purpose for holding the instrument is to collect the contractual cash flows;</li> <li>• an option for investments in equity instruments which are not held for trading to recognise fair value changes through other comprehensive income with no impairment testing and no recycling through profit or loss on de-recognition;</li> <li>• reclassifications between amortised cost and fair value no longer permitted unless the entity's business model for holding the asset changes; and</li> <li>• changes to the accounting and additional disclosures for equity instruments classified as fair value through other comprehensive income.</li> </ul>	The new standard is required to be adopted for the year ended 31 December 2015. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.	
NZ IFRS 9 (PBE) (2010)	Financial Instruments	<p>NZ IFRS 9 (PBE) (2010) supersedes NZ IFRS 9 (PBE) (2009). The requirements for classifying and measuring financial liabilities were added to NZ IFRS 9 (PBE) as issued in 2009. The existing NZ IAS 39 (PBE) Financial Instruments: Recognition and Measurement requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities, the change in fair value is accounted for as follows:</p> <ul style="list-style-type: none"> <li>• The change attributable to changes in credit risk are presented in other comprehensive income (OCI)</li> <li>• The remaining change is presented in profit or loss</li> </ul> <p>If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</p>	The new standard is required to be adopted for the year ended 31 December 2015. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.	

\*Designates the beginning of the applicable annual reporting period unless otherwise stated.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the University is classified as a Tier 1 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is for reporting periods beginning on or after 1 July 2014. Therefore, the University will transition to the new standards in preparing its 31 December 2015 financial statements. The University has not assessed the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

## Note 2. Government Grants and Cost of Operations

### i. Government Grants

The Crown through the Tertiary Education Commission (TEC) provides income to the University by way of a grant, which is recognised as income upon entitlement.

### ii. Cost of Operations

- Staff-related costs - includes direct staff-related costs allocated to colleges, support services and regions. Employee entitlements relating to actuarial calculations are shown separately.
- Depreciation - includes all depreciation on all assets held by the University.
- Other direct costs - include all direct costs of operating and maintaining the University. They also include the cost of research, including salaries and wages.

## Note 3. Revenue Disclosure

	Notes	University		Consolidated	
		2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Government Grants					
Students		147,477	144,424	149,636	146,567
Other		35,283	34,579	35,826	35,337
		<b>182,760</b>	<b>179,003</b>	<b>185,462</b>	<b>181,904</b>
Student Fees					
Domestic Students		96,405	97,762	97,431	98,798
International Students		47,451	42,048	47,630	42,220
		<b>143,856</b>	<b>139,810</b>	<b>145,061</b>	<b>141,018</b>
Charges for Services					
Research		57,976	64,591	58,044	64,646
Other		48,124	48,456	47,754	48,115
		<b>106,100</b>	<b>113,047</b>	<b>105,798</b>	<b>112,761</b>
Interest		4,110	4,129	4,195	4,229
Trust Funds	28	1,410	5,504	4,491	4,097
Other Gains/(Losses)	4	119	(751)	119	2,038
<b>Total Revenue</b>		<b>438,355</b>	<b>440,742</b>	<b>445,126</b>	<b>446,047</b>

## Note 4. Other Gains and (Losses)

	Notes	University		Consolidated	
		2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Operating Gains/(Losses)</b>					
Livestock Fair Value Gains/(Losses)	16	326	(7)	326	(7)
Forestry Fair Value Gains/(Losses)	16	168	(32)	168	(32)
Disposal of PP&E Gains/(Losses)		348	(310)	348	(310)
Changes in Fair Value of Assets Held for Sale (Losses)	19	(15)	(260)	(15)	(260)
Fair Value Gain on Associate converted to Investment		-	-	-	1,341
Fair Value Managed Funds through Profit or Loss Gains		-	-	-	1,448
Fair Value Other Financial Assets through Profit or Loss (Losses)		(607)	-	(607)	-
Foreign Exchange (Losses)		(101)	(142)	(101)	(142)
<b>Total Operating Gains/(Losses)</b>		<b>119</b>	<b>(751)</b>	<b>119</b>	<b>2,038</b>
<b>Other Comprehensive Income</b>					
Net Gain on Available-for-Sale Financial Assets		471	8	471	8
<b>Other Comprehensive Income Total Gains</b>		<b>471</b>	<b>8</b>	<b>471</b>	<b>8</b>
<b>Total Gains/(Losses)</b>		<b>590</b>	<b>(743)</b>	<b>590</b>	<b>2,046</b>

## Note 5. Staff-Related Costs

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Salaries and Wages	238,370	237,746	241,729	241,048
Superannuation	9,665	9,182	9,741	9,249
Movement in Long-Service Leave and Retirement Allowance	(354)	1,831	(354)	1,831
Other	3,709	4,511	3,745	4,558
<b>Total Staff-Related Costs</b>	<b>251,390</b>	<b>253,270</b>	<b>254,861</b>	<b>256,686</b>

## Note 6. Depreciation and Amortisation Costs

	Notes	University		Consolidated	
		2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Depreciation	20	44,424	42,220	44,523	42,304
Amortisation	21	1,556	1,157	1,556	1,157
<b>Total Depreciation and Amortisation Costs</b>		<b>45,980</b>	<b>43,377</b>	<b>46,079</b>	<b>43,461</b>

## Note 7. Finance Costs

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Interest Expense	1,038	1,323	1,038	1,323
<b>Total Finance Costs</b>	<b>1,038</b>	<b>1,323</b>	<b>1,038</b>	<b>1,323</b>

## Note 8. Other Direct Costs

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>The Surplus is After Charging:</b>				
Audit fees for annual report/ financial statements	177	175	227	223
Other services provided by principal auditor: PBRF Audit	12	12	12	12
Internal audit fees	208	189	208	189
Bad debts written off	361	310	361	310
Increase in provision for bad debts	1,318	419	1,307	424
Rental expense on operating leases	3,958	4,121	4,708	4,818
Scholarships	12,748	13,809	12,887	13,914
Energy	6,102	6,683	6,102	6,683
Repairs and maintenance	15,201	11,430	15,217	11,454
Travel and accommodation	12,014	11,176	12,031	11,218
Computing & telecommunications	7,108	7,251	7,197	7,317
Contracted services	27,664	29,375	27,724	29,456
Other operating expenses	44,995	46,567	44,847	46,829
<b>Total Other Direct Costs</b>	<b>131,866</b>	<b>131,517</b>	<b>132,828</b>	<b>132,847</b>

## Note 9. Reconciliation of the Net Surplus on Operations with the Net Cash Flows from Operating Activities

	Notes	University		Consolidated	
		2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Surplus for the Year		6,839	9,119	8,350	9,594
<b>Add Non-Cash Items:</b>					
Depreciation and amortisation	6	45,980	43,377	46,079	43,461
Other (gains)/losses - forestry fair value	4	(168)	32	(168)	32
Other (gains)/losses - livestock fair value	4	(326)	7	(326)	7
Other (gains)/losses - associate converted to Investment	4	-	-	-	(1,341)
Impairment/(gain) on investments - other		622	260	(44)	380
Bad debts written off	8	361	310	361	310
Movement in provision for doubtful debts	14	1,318	419	1,318	419
Foreign exchange (gains)/losses	4	101	142	101	142
(Decrease)/increase in non-current employee entitlements	24	(385)	1,775	(445)	1,814
		<b>47,503</b>	<b>46,322</b>	<b>46,876</b>	<b>45,224</b>
<b>Items Classified as investing or financing activities:</b>					
(Gains)/losses on disposal of property plant and equipment	4	(348)	310	(348)	310
		<b>(348)</b>	<b>310</b>	<b>(348)</b>	<b>310</b>
<b>Movements In Working Capital:</b>					
Decrease/(increase) in prepayments	14	(819)	1,233	(806)	1,294
Decrease/(increase) in trade and other receivables		3,989	(1,952)	4,096	(1,984)
Decrease/(increase) in stocks and biological assets	15,16	538	28	538	28
Increase/(decrease) in accounts payable		(1,620)	(328)	(1,372)	(639)
Increase/(decrease) in receipts in advance		4,972	1,954	4,849	1,976
<b>Total Movement in Working Capital</b>		<b>7,060</b>	<b>935</b>	<b>7,305</b>	<b>675</b>
<b>Net Cash Flow from Operating Activities</b>		<b>61,054</b>	<b>56,686</b>	<b>62,183</b>	<b>55,803</b>

## Note 10. Summary of Financial Assets and Liabilities

<b>UNIVERSITY 2013</b> <b>Financial Assets and Liabilities</b>	Loans and Receivables (\$000)	Assets at Fair Value Through Profit or Loss (\$000)	Available-for-Sale Financial Assets (\$000)	Other Liabilities at Amortised Cost (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>					
Cash and Cash Equivalents	29,632	-	-	-	29,632
Trade and Other Receivables	17,886	-	-	-	17,886
Prepayments	8,968	-	-	-	8,968
Loans and Loans to Related Parties	53	-	-	-	53
Short-Term Deposits with Maturities of 4-12 Months	17,712	-	-	-	17,712
Term Deposits Maturing Between 1 and 5 Years	40,450	-	-	-	40,450
Unlisted Shares	-	-	-	-	-
Shares	-	-	2,311	-	2,311
<b>Total Financial Assets</b>	<b>114,701</b>	<b>-</b>	<b>2,311</b>	<b>-</b>	<b>117,012</b>
<b>FINANCIAL LIABILITIES</b>					
Trade and Other Payables	-	-	-	10,999	10,999
Borrowings: Term Loans	-	-	-	14,507	14,507
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,506</b>	<b>25,506</b>

<b>UNIVERSITY 2012</b> <b>Financial Assets and Liabilities</b>	Loans and Receivables (\$000)	Assets at Fair Value Through Profit or Loss (\$000)	Available-for-Sale Financial Assets (\$000)	Other Liabilities at Amortised Cost (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>					
Cash and Cash Equivalents	32,385	-	-	-	32,385
Trade and Other Receivables	23,554	-	-	-	23,554
Prepayments	8,149	-	-	-	8,149
Loans and Loans to Related Parties	125	-	-	-	125
Short-Term Deposits with Maturities of 4-12 Months	27,355	-	-	-	27,355
Term Deposits Maturing Between 1 and 5 Years	20,450	-	-	-	20,450
Unlisted Shares	-	-	607	-	607
Shares	-	-	1,786	-	1,786
<b>Total Financial Assets</b>	<b>112,018</b>	<b>-</b>	<b>2,393</b>	<b>-</b>	<b>114,411</b>
<b>FINANCIAL LIABILITIES</b>					
Trade and Other Payables	-	-	-	12,181	12,181
Borrowings: Term Loans	-	-	-	15,127	15,127
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,308</b>	<b>27,308</b>



<b>CONSOLIDATED 2013</b> <b>Classification of Financial Assets and Liabilities</b>	Loans and Receivables (\$000)	Assets at Fair Value Through Profit or Loss (\$000)	Available-for-Sale Financial Assets (\$000)	Other Liabilities at Amortised Cost (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>					
Cash and Cash Equivalents	32,388	-	-	-	32,388
Trade and Other Receivables	17,707	-	-	-	17,707
Prepayments	8,978	-	-	-	8,978
Loans	155	-	-	-	155
Short-Term Deposits with Maturities of 4-12 Months	18,459	-	-	-	18,459
Term Deposits Maturing Between 1 and 5 Years	40,450	-	-	-	40,450
Unlisted Shares	-	-	1,750	-	1,750
Shares	-	-	2,311	-	2,311
Managed Funds	-	18,032	-	-	18,032
<b>Total Financial Assets</b>	<b>118,137</b>	<b>18,032</b>	<b>4,061</b>	<b>-</b>	<b>140,230</b>

<b>FINANCIAL LIABILITIES</b>					
Trade and Other Payables	-	-	-	11,554	11,554
Borrowings: Term Loans	-	-	-	14,507	14,507
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,061</b>	<b>26,061</b>

<b>CONSOLIDATED 2012</b> <b>Classification of Financial Assets and Liabilities</b>	Loans and Receivables (\$000)	Assets at Fair Value Through Profit or Loss (\$000)	Available-for-Sale Financial Assets (\$000)	Other Liabilities at Amortised Cost (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>					
Cash and Cash Equivalents	36,136	-	-	-	36,136
Trade and Other Receivables	23,376	-	-	-	23,376
Prepayments	8,205	-	-	-	8,205
Loans	125	-	-	-	125
Short-Term Deposits with Maturities of 4-12 Months	27,355	-	-	-	27,355
Term Deposits Maturing Between 1 and 5 Years	20,450	-	-	-	20,450
Unlisted Shares	-	-	2,357	-	2,357
Shares	-	-	1,786	-	1,786
Managed Funds	-	15,639	-	-	15,639
<b>Total Financial Assets</b>	<b>115,647</b>	<b>15,639</b>	<b>4,143</b>	<b>-</b>	<b>135,429</b>

<b>FINANCIAL LIABILITIES</b>					
Trade and Other Payables	-	-	-	11,968	11,968
Borrowings: Term Loans	-	-	-	15,127	15,127
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,095</b>	<b>27,095</b>

## Note 11. Fair Value Hierarchy Disclosures

For those instruments recognised at fair value on the balance sheet, 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 instruments measured at fair value on the balance sheet:

<b>UNIVERSITY 2013</b>				
<b>Classification of Financial Assets &amp; Liabilities</b>	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>				
Shares	-	2,311	-	2,311
<b>UNIVERSITY 2012</b>				
<b>Classification of Financial Assets &amp; Liabilities</b>	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>				
Shares	-	1,786	607	2,393
<b>CONSOLIDATED 2013</b>				
<b>Classification of Financial Assets &amp; Liabilities</b>	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>				
Shares	-	2,311	1,750	4,061
Managed Funds	-	18,032	-	18,032
<b>CONSOLIDATED 2012</b>				
<b>Classification of Financial Assets &amp; Liabilities</b>	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)	Total (\$000)
<b>FINANCIAL ASSETS</b>				
Shares	-	1,786	2,357	4,143
Managed Funds	-	15,639	-	15,639

## Note 12. Significant Budget Variances

	Variance to/ from Budget		
	(\$000)		
Total Operating Revenue	(6,474)	Adverse	Lower student numbers and EFTS than budgeted
Total Cost of Operations	6,532	Favourable	Lower than budgeted salary and depreciation costs as a result of initiatives to compensate revenue shortfalls
<b>Surplus for the Year</b>	<b>58</b>	Favourable	
<b>Other Comprehensive Income</b>			
Other Movements in Revaluation Reserves	(6,454)	Adverse	The 2013 seismic impairment was significantly lower than expected
<b>Balance Sheet</b>			
Other Financial Assets	17,733	Favourable	Higher level of term deposits due to capital expenditure being lower than budget
Receipts in Advance	9,251	Favourable	Higher number of international students paying fees in advance than expected, along with deferred contract revenue

## Note 13. Cash and Cash Equivalents

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Cash at Bank and in Hand/(Overdraft)	4,282	7,050	5,527	9,296
Short-Term Deposits with Maturities of 3 Months or Less	25,350	25,335	26,861	26,840
<b>Total Cash and Cash Equivalents</b>	<b>29,632</b>	<b>32,385</b>	<b>32,388</b>	<b>36,136</b>

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

Refer to Note 18 for weighted average effective rates for cash and cash equivalents.

Included in Cash at Bank and In Hand were the following currencies:

	2013 (\$000)	2012 (\$000)
United States of America	1,693	1,218
Australia	1	2

All currencies shown as valued in NZD as at 31 December.

## Note 14. Trade and Other Receivables

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Trade Debtors	9,368	16,414	9,665	16,817
Other Amounts Receivable	10,359	7,656	10,451	7,661
Related Parties Receivables	553	560	-	-
Prepayments	8,968	8,149	8,978	8,205
Loans	53	125	53	125
	<b>29,301</b>	<b>32,904</b>	<b>29,147</b>	<b>32,808</b>
Less Provision for Doubtful Debts	(2,394)	(1,076)	(2,409)	(1,102)
<b>Total Trade and Other Receivables</b>	<b>26,907</b>	<b>31,828</b>	<b>26,738</b>	<b>31,706</b>
Less Non-Current Portion:				
Loans	53	125	53	125
<b>Total Non-Current Portion</b>	<b>53</b>	<b>125</b>	<b>53</b>	<b>125</b>
<b>Current Portion</b>	<b>26,854</b>	<b>31,703</b>	<b>26,685</b>	<b>31,581</b>

The carrying value of trade and other receivables (excluding loans to related parties) approximates their fair value and is the same as their 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.

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

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Current	5,403	7,046	5,576	7,273
One Month	2,574	5,883	2,575	5,884
Two Months	423	626	423	626
> Three Months	875	1,592	877	1,594
<b>Carrying Amount</b>	<b>9,275</b>	<b>15,147</b>	<b>9,451</b>	<b>15,377</b>

As at 31 December 2013 and 2012, all overdue receivables have been assessed for impairment and appropriate provisions applied. The University does not hold any collateral as security or other credit enhancements over receivables that are past due or impaired.

Movements in the provision for impairment of receivables are as follows:

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
At 1 January	1,076	657	1,102	678
Additions Made During the Year	1,318	419	1,318	419
Receivables Written Off During the Year	-	-	(11)	5
<b>At 31 December</b>	<b>2,394</b>	<b>1,076</b>	<b>2,409</b>	<b>1,102</b>

## Note 15. Inventories

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Material and Stores	1,537	1,474	1,537	1,474
<b>Total</b>	<b>1,537</b>	<b>1,474</b>	<b>1,537</b>	<b>1,474</b>

The carrying amount of inventories identified as held for distribution as at 31 December 2013 amounted to \$1,120,912 (2012: \$1,122,467). The carrying amount of inventories pledged as securities for liabilities is nil (2012: nil).

## Note 16. Biological Assets

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Livestock</b>				
Opening balance	3,540	3,544	3,540	3,544
Increase due to purchases	334	543	334	543
Gains/(losses) arising from changes in fair value	326	(7)	326	(7)
Decreases due to sales	(935)	(540)	(935)	(540)
<b>Closing Balance</b>	<b>3,265</b>	<b>3,540</b>	<b>3,265</b>	<b>3,540</b>
<b>Forestry</b>				
Opening balance	636	668	636	668
Gains/(losses) arising from changes in fair value	168	(32)	168	(32)
<b>Closing Balance</b>	<b>804</b>	<b>636</b>	<b>804</b>	<b>636</b>
Current	3,265	3,540	3,265	3,540
Non-Current	804	636	804	636
<b>Total</b>	<b>4,069</b>	<b>4,176</b>	<b>4,069</b>	<b>4,176</b>

Massey University owns 106 hectares of *pinus radiata* forest which are at varying stages of maturity.

No forests have been harvested in this period (2012: nil).

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.

## Note 17. Other Assets

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Non-Current Portion</b>				
Funds invested in Massey University Foundation Trust	17,043	17,043	-	-
Shares in subsidiaries	1,912	1,912	-	-
<b>Total Non-Current Portion</b>	<b>18,955</b>	<b>18,955</b>	<b>-</b>	<b>-</b>

## Note 18. Other Financial Assets

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Other Financial Assets</b>				
Loans and receivables:				
Short-term deposits with maturities of 4-12 months	17,712	27,355	18,459	27,355
Term deposits originally maturing between 1 and 5 years	40,450	-	40,450	-
<b>Total Current Portion</b>	<b>58,162</b>	<b>27,355</b>	<b>58,909</b>	<b>27,355</b>
<b>Non-Current Portion</b>				
<b>Other Financial Assets</b>				
Term deposits originally maturing between 1 and 5 years	-	20,450	-	20,450
Loans and receivables	-	-	102	140
Available for sale - shares	2,311	1,786	2,311	1,786
Fair value through profit or loss - managed funds	-	-	18,032	15,639
Unlisted shares	-	607	1,750	2,357
<b>Total Non-Current Portion</b>	<b>2,311</b>	<b>22,843</b>	<b>22,195</b>	<b>40,372</b>

There were no impairment provisions for other financial assets.

Unlisted shares: No market exists for the unlisted shares and these are shown 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.

Available for sale - shares: market values as at 31 December are used to ascertain the fair value of this category of investment. Gains and losses are recognised in comprehensive income.

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

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Maturity analysis and effective interest rate:</b>				
Short-term deposits with maturities of 3 months or less	25,350	25,335	26,861	26,840
Weighted average interest rate	3.05%	3.70%	3.11%	3.73%
Short-term deposits with maturities of 4-12 months	17,712	27,355	18,459	27,355
Weighted average interest rate	3.88%	4.25%	3.88%	4.25%
Term deposits maturing between 1 and 2 Years	40,450	20,450	40,450	20,450
Weighted average interest rate	4.29%	4.53%	4.29%	4.53%
	<b>83,512</b>	<b>73,140</b>	<b>85,770</b>	<b>74,645</b>

The fair values of Term Deposits are as follows:

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Fair Value on Term Deposits (&gt;3 Months):</b>				
<b>Fair Value as at 31 December</b>	<b>57,933</b>	<b>48,278</b>	<b>57,933</b>	<b>48,278</b>

The fair value of Term Deposits is determined by applying the actual rates that existed as at 31 December to the investments held by the University, with the gain or loss being added to the fair value of the investment.

## Note 19. Non-Current Assets Held for Sale

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Non-Current Assets Held for Sale are:</b>				
Aircraft	65	205	65	205
<b>Total Non-Current Assets Held for Sale</b>	<b>65</b>	<b>205</b>	<b>65</b>	<b>205</b>

On 5 September 2008 the Council approved the replacement of the University's fleet of aircraft. At 31 December 2013 seven aircraft have been sold, with the balance of the fleet being actively marketed.

Note 20. Property Plant and Equipment

University 2013	Cost/ Valuation 01 Jan 2013 (\$000)	Accumulated Depreciation & Impairment 01 Jan 2013 (\$000)	Carrying Amount 01 Jan 2013 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Depreciation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Depreciation Recovered on Revaluation & Impairment (\$000)	Depreciation (\$000)	Cost/ Valuation 31 Dec 2013 (\$000)	Accumulated Depreciation & Impairment 31 Dec 2013 (\$000)	Carrying Amount 31 Dec 2013 (\$000)
Land	166,939	-	166,939	108	600	-	-	-	-	-	166,447	-	166,447
Buildings	677,973	22,397	655,576	14,350	3	1	(1,141)	-	95	22,831	691,179	45,132	646,047
Leasehold Improvement	3,020	987	2,033	117	-	-	-	-	-	448	3,137	1,435	1,702
Aircraft	4,320	295	4,025	136	24	24	-	-	-	260	4,432	531	3,901
Furniture	2,994	2,052	942	78	-	-	-	-	-	131	3,072	2,183	889
Equipment	140,274	93,825	46,449	14,399	3,131	3,072	-	-	-	14,244	151,542	104,997	46,545
Implements	306	196	110	10	-	-	-	-	-	15	316	211	105
Vehicles	3,190	1,909	1,281	655	172	159	-	-	-	375	3,673	2,125	1,548
Art	1,740	-	1,740	16	2	-	-	-	-	-	1,754	-	1,754
Library	97,966	66,486	31,480	6,604	-	-	-	-	-	6,120	104,570	72,606	31,964
Work in Progress	30,447	-	30,447	13,048	-	-	-	-	-	-	43,495	-	43,495
	1,129,169	188,147	941,022	49,521	3,932	3,256	(1,141)	-	95	44,424	1,173,617	229,220	944,397

University 2012	Cost/ Valuation 01 Jan 2012 (\$000)	Accumulated Depreciation & Impairment 01 Jan 2012 (\$000)	Carrying Amount 01 Jan 2012 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Depreciation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Depreciation Recovered on Revaluation & Impairment (\$000)	Depreciation (\$000)	Cost/ Valuation 31 Dec 2012 (\$000)	Accumulated Depreciation & Impairment 31 Dec 2012 (\$000)	Carrying Amount 31 Dec 2012 (\$000)
Land	165,080	-	165,080	1,950	91	-	-	-	-	-	166,939	-	166,939
Buildings	650,851	618	650,233	38,864	47	30	(11,695)	-	375	22,184	677,973	22,397	655,576
Leasehold Improvement	3,007	564	2,443	13	-	-	-	-	-	423	3,020	987	2,033
Aircraft	4,320	-	4,320	-	-	-	-	-	-	295	4,320	295	4,025
Furniture	2,309	1,955	354	695	10	10	-	-	-	107	2,994	2,052	942
Equipment	128,760	87,231	41,529	18,450	6,936	6,456	-	-	-	13,050	140,274	93,825	46,449
Implements	220	187	33	89	3	3	-	-	-	12	306	196	110
Vehicles	3,466	2,584	882	644	920	920	-	-	-	245	3,190	1,909	1,281
Art	1,721	-	1,721	19	-	-	-	-	-	-	1,740	-	1,740
Library	91,849	60,582	31,267	6,117	-	-	-	-	-	5,904	97,966	66,486	31,480
Work in Progress	44,363	-	44,363	(13,916)	-	-	-	-	-	-	30,447	-	30,447
	1,095,946	153,721	942,225	52,925	8,007	7,419	(11,695)	-	375	42,220	1,129,169	188,147	941,022

Transfers from Work in Progress to the Asset Register were \$36,428 (2012: \$66,841).



Consolidated 2013	Cost/ Valuation 01 Jan 2013 (\$000)	Accumulated Depreciation & Impairment 01 Jan 2013 (\$000)	Carrying Amount 01 Jan 2013 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Depreciation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Depreciation Recovered on Revaluation & Impairment (\$000)	Depreciation (\$000)	Cost/ Valuation 31 Dec 2013 (\$000)	Accumulated Depreciation & Impairment 31 Dec 2013 (\$000)	Carrying Amount 31 Dec 2013 (\$000)
	Land	166,939	-	166,939	108	600	-	-	-	-	-	166,447	-
Buildings	677,973	22,397	655,576	14,350	3	1	(1,141)	-	95	22,831	691,179	45,132	646,047
Leasehold Improvement	3,035	1,001	2,034	117	-	-	-	-	-	448	3,152	1,449	1,703
Aircraft	4,320	295	4,025	136	24	24	-	-	-	260	4,432	531	3,901
Furniture	3,020	2,068	952	82	-	-	-	-	-	134	3,102	2,202	900
Equipment	141,381	94,128	47,253	14,531	3,131	3,072	-	-	-	14,340	152,781	105,396	47,385
Implements	306	196	110	10	-	-	-	-	-	15	316	211	105
Vehicles	3,190	1,909	1,281	656	172	159	-	-	-	375	3,674	2,125	1,549
Art	1,740	-	1,740	16	2	-	-	-	-	-	1,754	-	1,754
Library	97,966	66,486	31,480	6,604	-	-	-	-	-	6,120	104,570	72,606	31,964
Work in Progress	30,447	-	30,447	13,048	-	-	-	-	-	-	43,495	-	43,495
	1,130,317	188,480	941,837	49,658	3,932	3,256	(1,141)	-	95	44,523	1,174,902	229,652	945,250

Consolidated 2012	Cost/ Valuation 01 Jan 2012 (\$000)	Accumulated Depreciation & Impairment 01 Jan 2012 (\$000)	Carrying Amount 01 Jan 2012 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Depreciation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Depreciation Recovered on Revaluation & Impairment (\$000)	Depreciation (\$000)	Cost/ Valuation 31 Dec 2012 (\$000)	Accumulated Depreciation & Impairment 31 Dec 2012 (\$000)	Carrying Amount 31 Dec 2012 (\$000)
	Land	165,609	-	165,609	1,950	620	-	-	-	-	-	166,939	-
Buildings	651,128	618	650,510	38,864	324	30	(11,695)	-	375	22,184	677,973	22,397	655,576
Leasehold Improvement	3,072	580	2,492	13	50	3	-	-	-	424	3,035	1,001	2,034
Aircraft	4,320	-	4,320	-	-	-	-	-	-	295	4,320	295	4,025
Furniture	2,361	1,988	373	696	37	30	-	-	-	110	3,020	2,068	952
Equipment	129,609	87,641	41,968	19,027	7,255	6,643	-	-	-	13,130	141,381	94,128	47,253
Implements	220	187	33	89	3	3	-	-	-	12	306	196	110
Vehicles	3,555	2,629	926	644	1,009	965	-	-	-	245	3,190	1,909	1,281
Art	1,721	-	1,721	19	-	-	-	-	-	-	1,740	-	1,740
Library	91,849	60,582	31,267	6,117	-	-	-	-	-	5,904	97,966	66,486	31,480
Work in Progress	44,363	-	44,363	(13,916)	-	-	-	-	-	-	30,447	-	30,447
	1,097,807	154,225	943,582	53,503	9,298	7,674	(11,695)	-	375	42,304	1,130,317	188,480	941,837

Impairment losses of \$1,046,000 (2012: \$11,320,000) have been recognised, all of which were for the impairment of operational buildings (2012: \$10,882,000), which reflects the impact and cost of buildings that were identified as earthquake risks and thus impaired.

The University does not have any finance leases.

Asset values included in the balance sheet as at 31 December 2013 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	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
i. Massey University Owned	87,889	85,109	420,904	412,282
ii. Crown Owned (includes buildings on Crown-owned land)	78,558	81,830	225,143	243,294
	<b>166,447</b>	<b>166,939</b>	<b>646,047</b>	<b>655,576</b>

Land and buildings were valued at the end of 2011 by Kerry Stewart FPINZ, FPINZ of Quotable Value New Zealand Limited.

Aircraft were valued at the end of 2011 by Harry Maidment MIPMV (Registered Valuer) of Premi-Air Aviation Ltd to assess any impairment.

The BNZ holds a registered mortgage over the Albany campus. Please refer to Note 23.

### Seismic Risk Analysis

During 2013 the University progressed its programme of seismic assessments of buildings across the portfolio. While the Building (Earthquake-prone Buildings) Amendment Bill 2013 (the "Bill") is progressing through parliament, the University will continue to proactively assess buildings to ensure the safety of all stakeholders and effective management of the portfolio. The University may be required to undertake assessments of some of its more modern buildings in the future if criteria outlined in the Bill are enacted.

The University's Facility Management groups have an active 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-prone buildings with high occupancy. If a DSA indicates the building is earthquake-prone, a full costing of the repairs is compiled, and at that point the building is deemed to be impaired and revalued accordingly. Revaluation reserves are used to cover the impairments.

This is an extremely large project, and it will take several years to complete the initial assessments. The University has a significant portfolio of over 600 buildings. There are no buildings at Albany that currently fall within the Building Act definition of earthquake-prone. In the Manawatū, of those buildings requiring assessments, 70 assessments are complete covering the majority of the campus. There is a proactive programme of assessments scheduled to mitigate risk to stakeholders, enable holistic planning and ensure compliance with the legislation. All Wellington buildings have been assessed with remediation of earthquake-prone buildings completed.

The University has progressed planning and design to remediate the Sir Geoffrey Peren, Refectory and Hokowhitu Library buildings. Seismic remediation was completed on three buildings at Hokowhitu campus and Block 4 in Wellington. The Hokowhitu gymnasium had been fully impaired by \$690,836 as at 1 January 2013.

## Note 21. Intangible Assets

University 2013	Cost/ Valuation 01 Jan 2013 (\$000)	Accumulated Amortisation & Impairment 01 Jan 2013 (\$000)	Carrying Amount 01 Jan 2013 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Amortisation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Amortisation Recovered on Revaluation (\$000)	Amortisation (\$000)	Cost/ Valuation 31 Dec 2013 (\$000)	Accumulated Amortisation & Impairment 31 Dec 2013 (\$000)	Carrying Amount 31 Dec 2013 (\$000)
Software	4,954	1,670	3,284	3,524	-	-	-	-	-	1,556	8,478	3,226	5,252
Work in Progress	4,661	-	4,661	251	-	-	-	-	-	-	4,912	-	4,912
	<b>9,615</b>	<b>1,670</b>	<b>7,945</b>	<b>3,775</b>	-	-	-	-	-	<b>1,556</b>	<b>13,390</b>	<b>3,226</b>	<b>10,164</b>

University 2012	Cost/ Valuation 01 Jan 2012 (\$000)	Accumulated Amortisation & Impairment 01 Jan 2012 (\$000)	Carrying Amount 01 Jan 2012 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Amortisation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Amortisation Recovered on Revaluation (\$000)	Amortisation (\$000)	Cost/ Valuation 31 Dec 2012 (\$000)	Accumulated Amortisation & Impairment 31 Dec 2012 (\$000)	Carrying Amount 31 Dec 2012 (\$000)
Software	2,342	513	1,829	2,612	-	-	-	-	-	1,157	4,954	1,670	3,284
Work in Progress	2,478	-	2,478	2,183	-	-	-	-	-	-	4,661	-	4,661
	<b>4,820</b>	<b>513</b>	<b>4,307</b>	<b>4,795</b>	-	-	-	-	-	<b>1,157</b>	<b>9,615</b>	<b>1,670</b>	<b>7,945</b>

Transfers from Work in Progress to the Asset Register were \$3,524,000 (2012: \$2,612,000).

Consolidated 2013	Cost/ Valuation 01 Jan 2013 (\$000)	Accumulated Amortisation & Impairment 01 Jan 2013 (\$000)	Carrying Amount 01 Jan 2013 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Amortisation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Amortisation Recovered on Revaluation (\$000)	Amortisation (\$000)	Cost/ Valuation 31 Dec 2013 (\$000)	Accumulated Amortisation & Impairment 31 Dec 2013 (\$000)	Carrying Amount 31 Dec 2013 (\$000)
Software	4,954	1,670	3,284	3,524	-	-	-	-	-	1,556	8,478	3,226	5,252
Work in Progress	4,661	-	4,661	251	-	-	-	-	-	-	4,912	-	4,912
	<b>9,615</b>	<b>1,670</b>	<b>7,945</b>	<b>3,775</b>	-	-	-	-	-	<b>1,556</b>	<b>13,390</b>	<b>3,226</b>	<b>10,164</b>

Consolidated 2012	Cost/ Valuation 01 Jan 2012 (\$000)	Accumulated Amortisation & Impairment 01 Jan 2012 (\$000)	Carrying Amount 01 Jan 2012 (\$000)	Additions (\$000)	Disposals at Cost (\$000)	Amortisation on Disposals (\$000)	Impairments (\$000)	Revaluations (\$000)	Amortisation Recovered on Revaluation (\$000)	Amortisation (\$000)	Cost/ Valuation 31 Dec 2012 (\$000)	Accumulated Amortisation & Impairment 31 Dec 2012 (\$000)	Carrying Amount 31 Dec 2012 (\$000)
Software	2,342	513	1,829	2,612	-	-	-	-	-	1,157	4,954	1,670	3,284
Work in Progress	2,478	-	2,478	2,183	-	-	-	-	-	-	4,661	-	4,661
	<b>4,820</b>	<b>513</b>	<b>4,307</b>	<b>4,795</b>	-	-	-	-	-	<b>1,157</b>	<b>9,615</b>	<b>1,670</b>	<b>7,945</b>

## Note 22. Trade and Other Payables

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Trade Payables	54	132	331	381
Other Payables	10,922	11,584	11,223	11,587
Accrued Expenses	15,163	14,791	15,163	14,804
Amounts Due to Related Parties	23	465	-	-
Building Retentions	685	697	685	697
<b>Total Trade Payables</b>	<b>26,847</b>	<b>27,669</b>	<b>27,402</b>	<b>27,469</b>

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.

## Note 23. Borrowings

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Current</b>				
Term Loans	664	620	664	620
<b>Total Current Borrowings</b>	<b>664</b>	<b>620</b>	<b>664</b>	<b>620</b>
<b>Non-Current</b>				
Term Loans	13,843	14,507	13,843	14,507
<b>Total Non-Current Borrowings</b>	<b>13,843</b>	<b>14,507</b>	<b>13,843</b>	<b>14,507</b>

The University has a fixed interest loan of \$14,507,187 (2012: \$15,127,011) with the BNZ. As security for the loan, the BNZ holds a registered mortgage over the Albany campus, which is included in Note 20.

### Maturity analysis and effective interest rate:

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Less than One Year	664	620	664	620
Weighted Average Interest Rate	6.98%	6.98%	6.98%	6.84%
Later than One Year but Less than 20 Years	13,843	14,507	13,843	14,507
Weighted Average Interest Rate	6.98%	6.98%	6.98%	6.98%
<b>Total Borrowings</b>	<b>14,507</b>	<b>15,127</b>	<b>14,507</b>	<b>15,127</b>

**Fair Value of Borrowings:**

The fair values of non-current borrowings are as follows:

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Fair Value as at 31 December</b>	<b>13,385</b>	<b>16,274</b>	<b>13,385</b>	<b>16,274</b>

**Contractual Maturity Analysis:**

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Less than One Year	1,653	1,653	1,653	1,653
Between One and Two Years	1,653	1,653	1,653	1,653
Between Two and Three Years	1,653	1,653	1,653	1,653
After Three Years	14,887	16,540	14,887	16,540
<b>Total Contractual Cash Flows</b>	<b>19,846</b>	<b>21,499</b>	<b>19,846</b>	<b>21,499</b>

The contractual maturity analysis is based on the fixed-term mortgages that existed as at 31 December.

## Note 24. Employee Entitlements

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Current Portion</b>				
Accrued Pay	5,930	6,454	5,933	6,454
Annual Leave	10,548	10,181	10,599	10,224
Long-service Leave	426	433	426	433
Restructuring Costs	100	1,334	100	1,334
<b>Total Current Portion</b>	<b>17,004</b>	<b>18,402</b>	<b>17,058</b>	<b>18,445</b>
<b>Non-Current Portion:</b>				
Long-service Leave	314	286	314	286
Retirement Gratuities	33,378	33,791	33,404	33,873
<b>Total Non-Current Portion</b>	<b>33,692</b>	<b>34,077</b>	<b>33,718</b>	<b>34,159</b>
<b>Total Employee Entitlements</b>	<b>50,696</b>	<b>52,479</b>	<b>50,776</b>	<b>52,604</b>

The long-service leave and retirement gratuities were independently assessed by Johnathan Eriksen of Eriksen & Associates as at 31 December 2013.

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 2.84% to 5.50% (2012: 2.44% to 6.00%).

Salary progression allows for a 3.00% increase per year (2012: 3.00%).

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

## Note 25. Receipts in Advance

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Current Portion</b>				
Student Fees	19,945	17,305	20,036	17,350
Receipts Other	38,306	35,261	38,337	35,461
<b>Total Current Portion</b>	<b>58,251</b>	<b>52,566</b>	<b>58,373</b>	<b>52,811</b>
<b>Non-Current Portion</b>				
Receipts Other	793	1,506	793	1,506
<b>Total Non-Current Portion</b>	<b>793</b>	<b>1,506</b>	<b>793</b>	<b>1,506</b>
<b>Total Receipts in Advance</b>	<b>59,044</b>	<b>54,072</b>	<b>59,166</b>	<b>54,317</b>

The current portion of receipts in advance is expected to be recognised as income during 2014.

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

The non-current portion of receipts in advance was discounted to net present value and approximates their fair value.

## Note 26. Asset Revaluation Reserves

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
<b>Land &amp; Buildings</b>				
Balance 1 January	378,973	390,293	378,973	390,374
Disposals	-	-	-	(81)
Impairment	(1,046)	(11,320)	(1,046)	(11,320)
<b>Balance 31 December</b>	<b>377,927</b>	<b>378,973</b>	<b>377,927</b>	<b>378,973</b>

## Note 27. Equity

	Notes	University 2013					University 2012			
		Opening Balance 01.01.13 (\$000)	Transfers (\$000)	Other Comprehensive Income (\$000)	Operating Surplus/ (Deficit) (\$000)	Closing Balance 31.12.13 (\$000)	Opening Balance 01.01.12 (\$000)	Other Comprehensive Income (\$000)	Operating Surplus/ (Deficit) (\$000)	Closing Balance 31.12.12 (\$000)
Trust Funds	28	24,155	(12,043)	-	168	12,280	20,787	-	3,368	24,155
Asset Revaluation Reserves	26	378,973	-	(1,046)	-	377,927	390,293	(11,320)	-	378,973
Special Reserves		26,964	(5,000)	-	-	21,964	26,964	-	-	26,964
General Reserves		508,749	17,043	471	6,671	532,934	502,990	8	5,751	508,749
<b>Total</b>		<b>938,841</b>	<b>-</b>	<b>(575)</b>	<b>6,839</b>	<b>945,105</b>	<b>941,034</b>	<b>(11,312)</b>	<b>9,119</b>	<b>938,841</b>

	Notes	Consolidated 2013					Consolidated 2012			
		Opening Balance 01.01.13 (\$000)	Transfers (\$000)	Other Comprehensive Income (\$000)	Operating Surplus/ (Deficit) (\$000)	Closing Balance 31.12.13 (\$000)	Opening Balance 01.01.12 (\$000)	Other Comprehensive Income (\$000)	Operating Surplus/ (Deficit) (\$000)	Closing Balance 31.12.12 (\$000)
Trust Funds	28	24,155	5,125	-	2,521	31,801	20,787	-	3,368	24,155
Asset Revaluation Reserves	26	378,973	-	(1,046)	-	377,927	390,374	(11,401)	-	378,973
Special Reserves		27,054	(5,000)	-	-	22,054	27,054	-	-	27,054
General Reserves		511,507	(125)	471	5,829	517,682	505,192	89	6,226	511,507
<b>Total</b>		<b>941,689</b>	<b>-</b>	<b>(575)</b>	<b>8,350</b>	<b>949,464</b>	<b>943,407</b>	<b>(11,312)</b>	<b>9,594</b>	<b>941,689</b>

## Note 28. Trust Funds (University and Consolidated)

	University 2013						University 2012			
	Opening Balance 01.01.13 (\$000)	Transfers In (\$000)	Transfers Out (\$000)	Income (\$000)	Expenses (\$000)	Closing Balance 31.12.13 (\$000)	Opening Balance 01.01.12 (\$000)	Income (\$000)	Expenses (\$000)	Closing Balance 31.12.12 (\$000)
Helen Akers Bequest	932	-	932	-	-	-	827	131	26	932
MU Common Fund	16,759	-	11,025	1,072	957	5,849	13,631	5,024	1,896	16,759
Sasakawa Foundation	5,605	-	-	299	266	5,638	5,506	297	198	5,605
Delahunty Trust	642	-	-	26	-	668	626	24	8	642
Norwood Trust	90	-	-	4	3	91	86	4	-	90
A G East Memorial Trust	41	-	-	9	16	34	32	17	8	41
Tony Drakeford Memorial Trust	86	-	86	-	-	-	79	7	-	86
<b>Total Trust Funds</b>	<b>24,155</b>	<b>-</b>	<b>12,043</b>	<b>1,410</b>	<b>1,242</b>	<b>12,280</b>	<b>20,787</b>	<b>5,504</b>	<b>2,136</b>	<b>24,155</b>

	Consolidated 2013						Consolidated 2012			
	Opening Balance 01.01.13 (\$000)	Transfers In (\$000)	Transfers Out (\$000)	Income (\$000)	Expenses (\$000)	Closing Balance 31.12.13 (\$000)	Opening Balance 01.01.12 (\$000)	Income (\$000)	Expenses (\$000)	Closing Balance 31.12.12 (\$000)
Helen Akers Bequest	932	940	932	92	75	957	827	131	26	932
MU Common Fund	16,759	16,142	11,025	4,052	1,609	24,319	13,631	5,024	1,896	16,759
Sasakawa Foundation	5,605	-	-	299	266	5,638	5,506	297	198	5,605
Delahunty Trust	642	-	-	26	-	668	626	24	8	642
Norwood Trust	90	-	-	4	3	91	86	4	-	90
A G East Memorial Trust	41	-	-	9	16	34	32	17	8	41
Tony Drakeford Memorial Trust	86	86	86	9	1	94	79	7	-	86
<b>Total Trust Funds</b>	<b>24,155</b>	<b>17,168</b>	<b>12,043</b>	<b>4,491</b>	<b>1,970</b>	<b>31,801</b>	<b>20,787</b>	<b>5,504</b>	<b>2,136</b>	<b>24,155</b>

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 balance sheet. Details of 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.

At the end of 2012 the conditions of a suspensory loan were fulfilled and at the start of 2013 the funds that were carried in a special Equity Reserve were transferred to Trust Equity.

At the same time certain Trusts managed by the University were transferred to Massey University Foundation.



## Note 29. Joint Venture

The University's interest in the New Zealand School of Music (NZSM) joint venture is accounted for as a jointly controlled entity. The University owns 50% of NZSM.

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

A summary of Massey University's interest in joint ventures follows:

	2013 (\$000)	2012 (\$000)
<b>University</b>		
Investment in Joint Ventures	250	250
<b>Group</b>		
Current Assets	2,156	2,083
Non-Current Assets	831	798
Current Liabilities	963	665
Non-Current Liabilities	26	82
Income	4,934	4,482
Expense	5,070	4,319

Joint Venture Commitment and Contingencies: there were no commitments or contingent liabilities in the joint ventures.

## Note 30. Council Members' Fees Paid

	2013	2012
R Ballard	25,350	25,350
M Ahie	3,840	-
K Denness	8,960	8,960
N Erueti-Satish	3,840	-
C Kelly	11,200	8,960
N Love	-	960
A Paterson	1,280	11,200
T Porter	640	5,440
A Scott	4,480	3,520
R Springett	5,120	5,280
B Thorpe	640	5,280
B Ullrich	5,440	5,140
B Vanderkolk	8,960	4,800
R Walker	3,200	-
L Whyte	4,640	3,040
<b>Total</b>	<b>87,590</b>	<b>87,930</b>

## Note 31. Related Party Information

The following tables provide the total amount of transactions that have been entered into with related parties for the relevant financial year (information regarding outstanding balances is as at 31 December 2013 and 2012):

### Material Related Party Transactions

<b>Key Management Personnel:</b>		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Ralph Springett, a Council member of Massey University, has an interest in Foodsystems Limited	2013	Nil	\$900	Nil	Nil
	2012	Nil	Nil	Nil	Nil
Professor J Chapman, a former Pro Vice-Chancellor of Massey University (role ceased on 31 December 2012) has an interest in Sterling Human Resources Limited	2013	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	2012	Nil	\$242,753	Nil	\$9,233
The above transactions include GST.					
<b>Organisations to which Massey University is Related:</b>		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Massey University owns 50% of the New Zealand School of Music Limited - Joint Venture	2013	\$2,927,000	Nil	\$639,000	Nil
	2012	\$2,342,000	Nil	\$366,000	Nil
Massey University Foundation - Subsidiary	2013	Nil	Nil	\$8,000	\$38,000
	2012	Nil	Nil	Nil	\$376,223
Massey Ventures Limited - Subsidiary	2013	Nil	Nil	\$208,224	Nil
	2012	Nil	Nil	\$137,460	Nil
E-Centre Limited - Subsidiary	2013	\$193,414	\$22,799	\$3,871	\$15,782
	2012	\$220,981	\$4,664	\$46,711	\$1,449
Massey Global Limited (formed 2013)	2013	Nil	Nil	Nil	Nil
Bio Caveo - Investment	2013	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil
BioLumic - Investment	2013	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil
Polybatics Limited - Investment	2013	\$505,367	Nil	\$716,838	Nil
	2012	\$618,663	Nil	\$679,298	Nil
Bio Commerce Limited - Investment	2013	\$39,867	\$182,218	\$6,640	Nil
	2012	Nil	Nil	Nil	Nil
Magritek Holdings Limited - Investment	2013	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil
New Zealand Vet Pathology Limited - Associate	2013	\$274,371	\$277,530	\$31,071	\$13,201
	2012	\$245,019	\$207,154	\$178,789	Nil
Massey University owns 50% of Agri One Limited - Joint Venture	2013	\$568,957	\$250,000	\$25,287	Nil
	2012	\$329,689	Nil	\$385,172	Nil
Synthodics Limited - Investment	2013	Nil	Nil	Nil	Nil

The above transactions include GST.

All transactions between related parties have been carried on an arms' length basis using commercial terms.

The University received from The Massey University Foundation Trust \$Nil (2012: \$1,407,139) by way of a return on funds vested with the Foundation.

The University vested \$Nil (2012: \$3,495,469) with The Massey University Foundation Trust (MUF) during the year.

For Massey Global Limited, as at balance date there were 100,000 uncalled shares.

MUF has paid the University \$627,843 to distribute grants and scholarships in line with MUF's Trust Deed.

**The Crown**

All related party transactions have been entered into on an arms' length basis.

The Government influences the roles of the University as well as being a major source of revenue.

**Significant transactions with government-related entities:**

Operating Revenue	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
TEC Grants	182,760	179,003	185,462	181,904
Research Grants funded by the Crown	40,855	47,854	40,855	47,854
<b>Total Grants funded by the Crown</b>	<b>223,615</b>	<b>226,857</b>	<b>226,317</b>	<b>229,758</b>

**Collectively, but not individually, significant transactions with government-related entities**

In conducting its activities, the University is required to pay various taxes and levies (such as GST, FBT and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, are based on the standard terms and conditions that apply to all tax and levy payers. The University is exempt from paying income tax.

The University also purchased goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown. Purchases from these government-related parties are as per the following table:

Operating Expenses	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Operating Expenses paid to the Crown	18,784	18,803	18,832	18,860
<b>Operating Expenses paid to the Crown</b>	<b>18,784</b>	<b>18,803</b>	<b>18,832</b>	<b>18,860</b>

These expenses include the purchase of electricity from Meridian, air travel from Air New Zealand and postal services from New Zealand Post.

All goods were supplied under normal commercial terms.

There were no other transactions between Massey University and related parties.

**Key Management Personnel**

Key Management Personnel	University		Consolidated	
	2013 \$	2012 \$	2013 \$	2012 \$
Remuneration				
Short-Term Employment Benefits	3,301,335	3,333,445	3,673,130	3,333,445
Post-Employment Benefits	217,931	191,070	217,931	191,070
Council Fees	87,590	87,930	87,625	87,965
	<b>3,606,856</b>	<b>3,612,445</b>	<b>3,978,686</b>	<b>3,612,480</b>

Key management personnel include the Council, the Vice-Chancellor, the Deputy Vice-Chancellor, five pro vice-chancellors and six assistant vice-chancellors.

## Note 32. Statement of Commitments

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

	Projected Total Cost of Project (\$000)	Expenditure to 31 December (\$000)	Unspent Commitment (\$000)
Total Project Commitments 2013	55,645	33,870	21,775
Total Project Commitments 2012	31,383	19,609	11,774

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

Operating Leases	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Due Not Later than One Year	2,599	2,684	2,599	2,684
Due Later than One Year and Not Later than Five Years	2,025	3,764	2,025	3,764
Due Later than Five Years	1,609	1,635	1,609	1,635
<b>Total</b>	<b>6,233</b>	<b>8,083</b>	<b>6,233</b>	<b>8,083</b>

Other Commitments	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Due Not Later than One Year	4,670	2,311	4,670	2,311
Due Later than One Year and Not Later than Five Years	2,834	146	2,834	146
<b>Total</b>	<b>7,504</b>	<b>2,457</b>	<b>7,504</b>	<b>2,457</b>

## Note 33. Statement of Contingent Assets and Liabilities

As at 31 December 2013, the University and group were not aware of any contingent assets (2012: \$259,000).

## Note 34. Post Balance Date Events

In January 2014, an unsolicited offer was received by the University to purchase Ruawhoro campus. The offer of \$1,300,000 was accepted on 24 January 2014.

## Note 35. Financial Instruments Risk

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

### Credit Risk

Credit risk is the risk that a third party will default on its obligations to the University, 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 date are:

	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
Bank Deposits	83,512	80,190	85,770	83,941
Receivables and Prepayments	32,659	31,828	32,490	31,706
Managed Funds	-	-	18,032	15,639
Guarantee Bond	30	30	30	30
Credit Facility on Credit Card	4,000	4,000	4,000	4,000

The above maximum exposures are net of any recognised provision for losses on these financial instruments. No collateral is held on the above amounts.

Bank Deposits are represented by the following:

Credit Rating	University		Consolidated	
	2013 (\$000)	2012 (\$000)	2013 (\$000)	2012 (\$000)
ASB Bank Limited AA- (Very Strong)	15,000	27,135	15,000	27,135
Bank of New Zealand AA- (Very Strong)	5,000	7,050	6,511	9,183
Kiwibank Limited A+ (Strong)	30,480	10,480	30,480	10,480
ANZ Bank Limited AA- (Very Strong)	22,350	5,000	22,350	6,618
Westpac New Zealand Limited AA- (Very Strong)	10,682	30,525	11,429	30,525
	<b>83,512</b>	<b>80,190</b>	<b>85,770</b>	<b>83,941</b>

Standard and Poor's Credit Ratings sourced from the Reserve Bank of New Zealand: [www.rbnz.govt.nz/nzbanks](http://www.rbnz.govt.nz/nzbanks)

### Liquidity Risk

Liquidity risk is the risk that the University 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 aims 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 18.

#### 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 that it does business. The amount on deposit is determined by the amount that is expected to be incurred against that currency over the next 12 months. Holdings of foreign currencies are disclosed in Note 13.

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

The only significant exposure to currency risk is funds held in our United States bank account as disclosed in Note 13. If the United States dollar had moved up or down by 1% the effect on surplus and equity would have been \$16,929 based on a closing balance of US\$ 1,381,816. All other variables are held constant.

#### Interest Rate Risk

The interest rates on Massey University's investments are disclosed in Note 18, and borrowings in Note 23.

#### 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 is 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 \$520,259. 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 interest rate 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 does 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 does not hold any significant financial instruments that are subject to this risk.

## Note 36. Critical Accounting Estimates and Assumptions

In preparing the financial statements the University has 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 NZ IAS 19. (Refer Note 24 for assumptions).

## Note 37. Critical Judgements in Applying Massey University Accounting Policies

Management has exercised the following critical judgements in applying the University's policies for the year ended 31 December 2013.

### Impairment of Trade Receivables

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

### Impairment of Property, Plant and Equipment

When considering whether any impairment of property, plant and equipment exists, the cash generating unit for the University is taken to be at campus level. During the year a seismic review of two buildings was completed at the Hokowhitu campus. As a result these buildings were impaired in total by \$1,045,836. In 2012 a seismic review of two buildings was completed at the Tiritea campus and at the Wellington campus. As a result these buildings were impaired by \$10,882,000.

### Carrying Value of Land and Buildings

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.

## Note 38. World Bank Funding

	Opening Balance (\$000)	Income (\$000)	Expenses (\$000)	Closing Balance (\$000)
<b>One Health Hub - Phase One</b>				
2012	(86)	1,412	1,326	-
2011	1,551	-	1,637	(86)
2010	-	3,546	1,995	1,551
<b>One Health Hub - Phase Two</b>				
2013	221	2,814	2,434	601
2012	-	1,520	1,299	221
<b>Global Food Safety</b>				
2013	-	480	454	26

Cash in transit at balance date Nil (2012: \$400).

The above table is a summary of projects funded by the World Bank.



## COMPULSORY STUDENT SERVICES FEES

### FOR THE YEAR ENDED 31 DECEMBER 2013

Compulsory Student Services Fees	Advocacy, Legal and Financial Support (\$000)	Careers and Employment Advice (\$000)	Health and Counselling (\$000)	Pastoral Care (\$000)	Clubs, Societies, Sports, Recreation (\$000)	Media (\$000)	Total (\$000)
<b>Revenue</b>							
Compulsory Student Services Fees Collected	700	392	2,682	2,725	1,085	347	7,931
Expenses	694	389	2,658	2,701	1,076	343	7,861
<b>Surplus(Deficit)</b>	<b>6</b>	<b>3</b>	<b>24</b>	<b>24</b>	<b>9</b>	<b>4</b>	<b>70</b>

### Categories of Compulsory Student Services Fee

**Advocacy and legal services:** Advocating on behalf of students (individuals and groups) to provide support including legal and financial advice, welfare including hardship grants.

**Career 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.

**Counselling and health services:** 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.

**Media communications:** Supporting the production and dissemination of information by students to students, which covers student radio, printed media and web/online communications.

**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.

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

## STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2013

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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 and guided by the *Tertiary Education Strategy 2010-2015*. Through its vision and mission, Massey University continues to deliver on the expectations of universities held by the Government to:

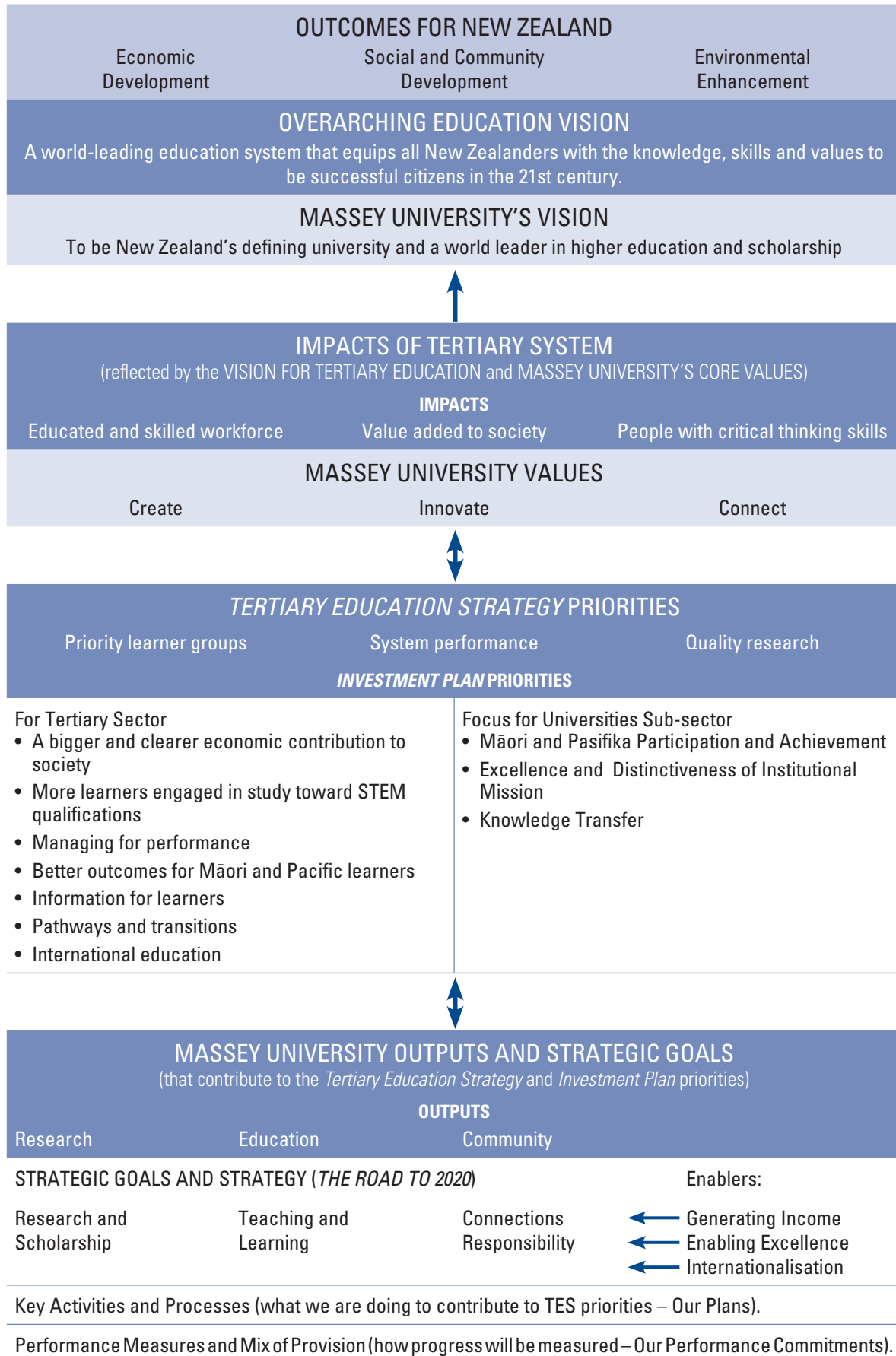
- enable a wide range of students to complete degree and postgraduate qualifications successfully;
- undertake internationally recognised original research and scholarship; and
- create and share knowledge that contributes to the economic and social development and environmental management of the nation.

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 *Investment Plan* period is illustrated in the following diagram, “Massey University Outcomes Framework”. The framework illustrates the links between Massey University’s outputs, strategic goals and vision, the priorities for tertiary education, the overarching vision for education in New Zealand and, at the highest level, outcomes for New Zealand. The 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 universities’ national contribution and informs the preparation of Massey University’s *Investment Plan*.

Massey University frames the strategic goals of the institution and the strategy for delivery in *The Road to 2020*, Massey University’s strategic plan, through key activities in our plans and the processes that underpin them. We actively measure our 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 support learning through research, education (teaching) and community engagement (public and private sector contribution). They are strongly aligned with the priorities for the sector as identified in the *Tertiary Education Strategy*. *The Road to 2020* strategic goals are founded on the values of creativity, innovation and connectedness. By delivering on the strategic goals, Massey University contributes to outcomes for New Zealand and the overarching vision for education that links this nation to a wider global community.

## Massey University Outcomes Framework



Massey University's current operating climate continues to be challenging. The key influences in the operating environment provide context for Massey University's performance in 2013. These include:

- a constrained global economic environment within which the New Zealand Government has signalled lower levels of government spending than those of the past decade. Where additional resources are available they will be targeted at areas where there is high alignment with Government strategy. Private sector investment is also constrained;
- the Government continues to reduce funding in real terms for student programmes and to reprioritise existing funding amongst tertiary education providers through policy that is moving tertiary funding away from "low-quality" qualifications (such as those with low completion rates or poor educational or labour market outcomes) to funding growth in "high-quality" qualifications that benefit New Zealand and contribute to economic growth;
- although Performance-linked Funding (PLF) for the Student Achievement Component (SAC) of tertiary sector funding continues to be a challenge for Massey University, its performance improved in 2013 with the changes in the calculation methodology. The PLF still represents a significant challenge to Massey University given its distinctive student demographic profile, where 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, possibly due to competing demands such as family and work;
- the demographic profile of New Zealand's population is becoming older and the ethnic mix has changed since the 2006 census. The 2013 census showed a slight increase in the proportion of New Zealanders identifying as Māori or Pasifika people, and a larger increase for Asian people. The Asian population has almost doubled since 2011. These demographic changes pose a significant challenge to Massey University in terms of future student recruitment, but also present an opportunity given Massey University's strength in blended and distance education provision and lifelong learning;
- Massey University needs to ensure that the portfolio of qualifications remains relevant and aligned with regional and national needs; and
- a strategic context for international education, which comes from the Government's *Leadership Strategy for Institutional Education*, recognises that international education is an important enabler in strengthening New Zealand's economic, cultural and social links with the world. Massey University needs to ensure that it remains focused on realising its international aspirations despite intense and increased competition from other universities in New Zealand and overseas.

## OUTPUTS

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Massey University provides three core services or outputs – Research, Education and Services to the Community.

### Research

Massey University will promote the highest standards of research and scholarship and will be a world leader in its areas of specialisation.

Massey University's research outputs will drive innovation, knowledge transfer and economic development both regionally and nationally. Such research will also enhance education outcomes for students.

### Activities

Activities contributing to this output include:

- project-based contractual research for the private and public sectors;
- teaching-related research;
- commercialisation of research outputs;
- supervision of research-based Masters and doctoral students; and
- participation in and hosting of Centres of Research Excellence.

### Research and Scholarship Big Goal<sup>1</sup>

"We will promote the highest standards of research and scholarship and be a world leader in our areas of specialisation."

### Associated Goals

- Implement the Massey University 2012-2014 Research Strategy, which focuses on excellence, academic leadership and engagement.
- Promote and build on the key areas of research excellence identified in the TEC PBRF 2012 assessment exercise.
- Develop a stronger international dimension to the 2012-2014 Research Strategy which frames more clearly how we might best add value to, and gain support from, a portfolio of international relationships that is rich with potential.
- Build, foster and support creative collaborations with other universities, research institutions and businesses both in New Zealand and internationally to promote knowledge exchange and underpin innovation so that we are recognised as the partner of first choice.
- Advance sustainable centres of excellence in our defining areas of research specialisation that enable meaningful contributions to the economic and social development of New Zealand and to other communities globally.
- Develop postgraduate research programmes that benchmark to international standards and attract an increased number of higher research degree students to work with Massey University academics.
- Develop our knowledge-sharing capabilities and build our entrepreneurship model to ensure that Massey research is relevant and connected, that the outcomes of this work are used for best purpose and that the expertise of our researchers is valued.
- Promote and extend our engagement with academic scholarship to ensure that it is relevant to the 21st century.

<sup>1</sup> The Research and Scholarship Big Goal and associated goals were specified in the 2013 update of *The Road to 2020*.

### **Performance 2013**

The Massey University *Research Strategy* was further implemented in 2013 to promote academic excellence, leadership and engagement at Massey University. The Massey University Research Fund is now used to aid the implementation of the college research plans and new scholarship allocations (including summer studentships). Likewise, in 2014 the Massey University Doctoral Scholarships will be allocated on a strategic basis as opposed to an "open" model. Other activities undertaken in this area included: completion of the data warehousing of 2012 and 2013 research outputs; completion of the Research website to promote Massey University's long-term areas of specialisation; implementation of the *Research Communications Strategy* to provide a stronger profile of Massey University research and researchers; completion of the restructure of research services to improve research support infrastructure and to grow research commercialisation and business development; and completion of a draft "Code of Responsible Research Conduct and Procedures for dealing with Misconduct in Research", which takes a research and researcher integrity approach compliant with New Zealand and international standards.

It has been recognised that the *Research Strategy* requires a stronger international strand to ensure that Massey University adds value to and gains support from a portfolio of international relationships that are rich with potential. A new *International Research Strategy* will be developed in 2014 and will link where possible to Massey University's new long-term strategy *The Road to 2025*, as it is important that the two documents connect where possible. Particular areas of focus will include international professional doctorates and affiliated research centres.

International benchmarking is crucial in portraying a positive perception of Massey University on the national and world stages. Massey University's agriculture programme was ranked 21st in the world in the Quacquarelli Symonds world university subject rankings in 2013. It is the third-highest-ranked agriculture programme in the Southern Hemisphere, with no other New Zealand university's agriculture programme ranking in the top 200. The College of Creative Arts also maintained its current ranking as the highest-ranked Australasian university; this is a key achievement for Massey University. Alongside this, the United States National Association of Schools of Art and Design granted the college "substantial equivalency", the most comprehensive international benchmark of quality in art and design education in the world. This is a substantial achievement towards the college's aim of being ranked in the top 10 of the international league tables.

Massey University's key areas of research excellence were confirmed through analysing the results of the TEC PBRF 2012 assessment. Massey University submitted evidence portfolios to 96% of the nominated subject areas for assessment, which confirmed the breadth and depth of Massey University's academic authority. The results of 1,108 submitted evidence portfolios across 27 subject panels identified Massey University as one of the leading New Zealand research institutions meeting international standards of research excellence (based on the number of A or B ranked researchers). Massey University secured the second-highest level of improvement in a Tertiary Education Organisation (TEO) and achieved further significant improvements in its research quality profile, with an aggregated quality score of 4.31 (2003: 3.74; 2006: 3.89), which was well above the sector average. Notably, two-thirds of new staff appointed in the PRBF assessment period were rated A or B. More than 50% of Massey University's units achieved more than a 10% improvement in their aggregated quality scores, which is a powerful indicator of Massey University's commitment to developing and sustaining research excellence. Well over 50% of Massey University's researchers were assessed by the independent subject experts as meeting or exceeding national/international benchmarks for excellence in their disciplines, a 47% increase in the number of Massey University academic staff being rated at the highest levels in their chosen fields. Massey University shows a strong commitment to nurturing early-career researchers, with 7.3% of Massey University's funded evidence portfolios submitted by new and emerging researchers. In absolute terms this is a very good result for Massey University in a very challenging and competitive environment.

The success of Nursing (1)<sup>2</sup>, Health Studies (2) and Sport and Exercise Science (3) has provided a strong statement of support for Massey University's new College of Health. Design (2) and Visual Arts (2) re-asserted their dominance as the premier research-led units in New Zealand, with the highest proportion of A or B rated researchers and the largest researcher cohort of any New Zealand TEO. Massey University's core strengths in Agri-Science were underpinned by continuing excellence in Veterinary Sciences (1) and Agricultural Sciences (3) and very strong performances were seen in fundamental sciences – Physics (2) and Chemistry (3). The growing depth and quality of Massey University's research capacity in Social Sciences was acknowledged with excellent results for Architecture and Planning (1), Māori Knowledge Development (3), Human Geography (3), Political Sciences (3), Anthropology and Archaeology (3), and Social Science and Social Policy (4).

Creating strong research collaborations with domestic and international universities, research institutions and businesses is a vital strand in achieving Massey University's strategic plan. Activities completed in 2013 included: the launch of a new Massey University-hosted research network that uses theoretical economics to help solve real-world problems; the hosting by Massey University of a Food Futures seminar in Hastings (with partner organisations the Hawke's Bay Regional Council, Business Hawke's Bay, Food Hawke's Bay and the New Zealand Food Innovation Network); the development of a new product that alerts farmers to potential faults in their electric fencing system, in collaboration with the technology company "Gallagher"; the No.1 Dairy farm at Massey University's collaboration with dairy farmers, wider industry agencies, relevant agribusiness companies and local government to identify management systems and technologies to make farming more environmentally responsible; the launch of the new Food and Beverage Innovation Cluster situated in Blenheim, which is made up of 12 food and beverage companies and co-ordinated by the Marlborough Research Centre and Massey University's Riddet Institute; and the establishment of a new joint venture between Massey University, Victoria University of Wellington and the New Zealand School of Music, with a new board made up of vice-chancellors from both universities and senior staff.

Massey University has the capacity and capabilities to meet national research priorities like the National Science Challenges. Activities completed in 2013 included the ongoing mapping of research contributing to the National Science Challenges and key engagements in National Science Challenge themes. Massey University has actively bid into processes for National Science Challenges in domains that match Massey University's expertise, such as High Value Nutrition, Natural Hazards, Land and Water, and Aging Well. To date, Requests for Proposals have been published for High Value Nutrition, Natural Hazards, and Land and Water, with partnership discussions being facilitated around National Science Challenge bids.

Building the capacity of Massey University's research community to advance new research centres gained momentum in 2013. The new FoodHQ innovation hub was officially launched at the Manawatū campus by Science and Innovation Minister Steven Joyce. FoodHQ will form the largest food innovation hub in the Southern Hemisphere, with Massey University being one of the seven collaboration partners (the others are AgResearch, Fonterra, Plant & Food Research, the Riddet Institute, the Bio Commerce Centre and Assure Quality) and are supported by both the Palmerston North City Council and the Manawatū District Council. The new hub is ready to deliver on the Government's Business Growth Agenda, which calls for a trebling of the real value of food exports in the next 12 years. It is expected that there will be an investment into the Palmerston North-based campus of \$250 million over 20 years. A number of other research centres were also developed or considered, including the W.H. Oliver Humanities Research Academy (launched in December 2013), the Centre for Governance and Government (establishment due in early 2014), the Centre for Māori Business Research and Leadership (operational in February 2014), the Centre for Educational Policy Analysis, the Centre for Māori Social Research, Complex Systems, Food Security, and the Pacific Research and Policy Centre. Massey University's EpiCentre<sup>3</sup>

2 Brackets indicate where the subject area was ranked in the PBRF 2012 exercise.

3 EpiCentre is the largest veterinary epidemiology training and research centre in Australasia.

and mEpiLab<sup>4</sup> were made a collaborating centre for veterinary epidemiology and public health by the World Organisation for Animal Health. Collaborating centres provide scientific expertise and excellence in specific designated fields of competence.

Improving the student research experience and completion rates remained a priority in 2013. Initiatives that were completed to promote postgraduate research included: consultation relating to the production of the Doctoral Handbook; the launch of a new doctoral web book; approval by the Information Systems and Services Oversight Committee of the new developments proposed by the Research Management Information Systems group to provide tracking of data to Massey University; a reduction in research application times due to improved business efficiency and process dynamics; and the delivery of a paper on the postgraduate experience at Massey University by the Assistant Vice-Chancellor (Research and Enterprise) to the Academic Board.

Good progress was made in growing research postgraduate numbers through the establishment of a new quality assurance framework, which underpins researcher development and support for the Higher Research Degree (HRD) community. The recruitment and induction of HRD students at doctoral level were reviewed and new processes were documented for discussion and future approval by the Doctoral Research Committee. The Doctoral Research Committee and University Research Committee have both focused on securing an improvement in PhD completions and affirmed a commitment to international benchmarks (eg. within four years).

Current research initiatives, particularly with Te Wānanga o Raukawa, have provided articulation opportunities for Māori students, particularly those interested in research careers. A Memorandum of Understanding (MOU) signed with Te Whānau o Waipereira in 2013 also provided an opportunity for Massey University to develop initiatives with this trust, with the aim of increasing staff participation in Massey University programmes. Similar arrangements are being actively sought with the Waitemata District Health Board through its Māori manager. Stronger connections have been made with three key institutions, with a commitment to work more collaboratively in the interests of current and prospective Māori students.

In 2013 Massey University's Senior Leadership Team (SLT) approved the Massey University *Enterprise Strategy* and "Enterprise Strategy" platforms, which highlights Massey University's commitment to translating innovative research into commercial opportunities. The architecture of the *Enterprise Strategy* is still under review, as wider framing is required. Other initiatives that were completed in 2013 to support commercialisation at Massey University included: the appointment of a Director of Business Development and Commercialisation; focused effort on the Manawatū campus on strategic partnerships such as Proliant and FoodHQ; the management of intellectual property in the College of Creative Arts associated with student work being shown in 2013 BLOW; advanced discussions on student internships in a number of the colleges; the drafting of research plans with Sport Wellington to support the recently signed MOU; and the development of the Innovation Precinct at the Albany campus, which is being discussed for an old brasserie site that will link to the Auckland Knowledge Enterprise Hub (commercial business development and graduate enterprise). As part of developing the Massey University *Enterprise Strategy*, a key focus was to diversify Massey University's contract and trading income and to increase the number of externally funded studentships/scholarships. Major successes were seen in: the development of funding such as the Primary Growth Partnership (PGP) Ravensdown; the spin-out of new companies (BioLumic and Smart Measuring Optical Device [SMOD]); and the negotiation of summer studentships. With the renewed focus on commercialisation new spin-outs were approved for investment (such as BioLumic and Lifeonics) and an increase in royalty income recovery from licensed intellectual property. Business support for new college developments, such as OpenLab in the College of Creative Arts, provided an enabling framework for these initiatives and supported the maturation of successful bids to the Ministry of Business, Innovation and Employment, new student placements and internships and PGP funding as seen in the Ravensdown agreement for precision agriculture.

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4 mEpiLab specialises in molecular veterinary epidemiology, food safety and public health.



The regional business development resources are now aligned to the Business Development and Commercialisation team to maximise support for delivering on agreed revenue targets. A forum for all business development staff from across Massey University was held to improve the co-ordination of business development activity, and it has become a regular event. Regional business managers are tasked with increasing engagements with external business partners to diversify and increase Massey University's contract and trading income. New projects introduced by business development managers are being discussed in a number of areas and contracts are imminent.

Another key focus for 2013 was to advance "research leadership" debates around academic scholarship at Massey University and the research/teaching interfaces and to provide models for defining the 21st-century academic. This will thereby clarify and enhance Massey University's models of support for research, teaching and other related strategic activities. In the first quarter of 2013, the development of the framing agenda for "research leadership" was completed, with the implementation of the framing agenda progressing throughout the year. The agreed framework for research reviews was implemented by colleges with ongoing development.

In terms of the performance indicators for Research, the following are highlighted:

Key Performance Indicator	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>EXTERNAL RESEARCH INCOME (\$M)</b>	70	75	58	63

Massey University's performance in terms of external research income reflects the challenges in the current economic climate. Total external research income did not meet target for the year and was below the 2012 actual and the five-year rolling average, mainly due to decreased funding from public funding sources.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>PBRF EXTERNAL RESEARCH INCOME (\$M)</b>	1	53	55	54	55

PBRF income exceeded the five-year rolling average; however, the decrease in total PBRF income compared with 2012 reflects the decrease in overall external research income received. This therefore affected Massey University's ability to meet target in 2013.

**Note 1:** 2013 Actual is an interim figure only, pending confirmation of final data from the Tertiary Education Commission (TEC)

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>RESEARCH OUTPUTS (NUMBER OF)</b>	2	2,671	2,865	2,506	2,729

Research outputs in 2013 were below target, the 2012 actual and the five-year rolling average. This result was expected as 2013 research outputs are still being updated as publications become available, whereas historical data is complete.

**Note 2:** Research outputs include: papers published in externally reviewed journals, series or books; refereed conference papers and abstracts; books and monographs; and non-text based research outputs. Figures provided are rolling three-year averages therefore 2013 actual is the rolling average of 2011 to 2013. 2012 actual is the rolling average of 2010 to 2012.

Key Performance Indicator	5-Year Rolling Average (2008-2012)	2013 Target	2013 Indicative	2012 Actual
<b>RESEARCH DEGREE COMPLETIONS (NUMBER OF)</b>				
All Students	346	360	342	421

**Indicative** results for 2013 research degree completions are available from Massey University's Student Management System. The indicative figure is lower than the 2013 target, however the total number of research degree completions in 2013 will be reported in Massey University's Single Data Return to be submitted in April 2014. The indicative figure for 2012 was 368 in total.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>COMMERCIALISATION</b>					
New Disclosures (Number of)	4	26	40	33	29
Licences/Commercialisation Deals Executed (Number of)		3	8	4	4
Licensing Revenue (\$000)		368	450	416	436

All commercialisation indicators for 2013 showed an improvement on the five-year rolling average but came in below target for each dimension. While new disclosures increased by four when compared with 2012, the focus in 2013 was on quality disclosures rather than volume, therefore resulting in the shortfall against target in 2013. Achieving target is somewhat dependent on the amount and mix of research undertaken.

The number of licences/commercialisation deals executed remained equal to 2012 levels and relates to the number of disclosures in the pipeline. In 2013, the establishment of a significant new spin-out company required more resourcing and will provide more upside potential relative to a licence deal.

Licensing revenue was very close to target in 2013. The decrease on last year's levels was because 2012 included a one-off milestone payment that did not occur in 2013.

**Note 4:** The rolling-average column for New Disclosures is based on a four-year rolling average (2009 to 2012).

Key Performance Indicator	Notes	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>POSTGRADUATE STUDENTS</b>					
Student Participation by Equivalent Full-Time Students (EFTS) as % of Total EFTS – Postgraduate Research	5	8	8	8	8
Overall Student Satisfaction with Educational Experience (%) – Postgraduate Students	6	New Measure	80-82	N/A	New Measure

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Indicative	2012 Actual
Successful Course Completion (%) – Postgraduate Students	7	87	85-87	89	90

Performance indicators relating to postgraduate students in 2013 illustrate the work undertaken in recent years to improve postgraduate student research and completions at Massey University. From 2008 to 2013, Massey University consistently maintained having 8% of all EFTS enrolments as postgraduate research students. Indicative results for successful course completion for postgraduate students in 2013 have exceeded target and the five-year rolling average.

**Indicative** results for 2013 successful course completions are available from Massey University's Student Management System and will not be finalised until all results have been processed and Massey University's Single Data Return is submitted in April 2014.

**Note 5:** Postgraduate research: Paper enrolments in papers at Funding Category Levels 4 and 5 as defined by the TEC.

**Note 6:** A new survey mechanism will be established in 2014 to measure postgraduate student's satisfaction with educational experience as current surveys do not record the postgraduate dimension.

**Note 7:** Successful course completion is measured by successful course completion EFTS as a proportion of the total EFTS delivered.

## Education

Massey University will ensure an exceptional and distinctive learning experience for all 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 fully realise the potential of each area.

### Activities

Activities contributing to this output include:

- Higher Level Tertiary Education (teaching, learning and assessment)<sup>5</sup>;
- Foundation Level Tertiary Education<sup>6</sup>;
- A comprehensive portfolio of education offerings including:
  - professional degrees (for professional groups, eg. Veterinary, Nursing, Accounting, 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, 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.

## Teaching and Learning Big Goal<sup>7</sup>

"We will ensure an exceptional and distinctive learning experience at Massey for all students."

### Associated Goals

- Build on our reputation for providing applied, real-world learning opportunities.
- Exploit the opportunities that new digital media offer for learners and institutions and extend our capabilities and expertise in blended and distance education in New Zealand and offshore.
- Strengthen the connections between our academic platforms and our research themes.
- Provide our staff with formal and informal professional development opportunities through the National Centre for Teaching and Learning and affiliated campus-based centres.
- Support innovative curriculum design that has a whole-of-programme focus on curriculum, teaching and assessment, and student engagement.
- Implement our Student Success Strategy<sup>8</sup> and build high levels of student success, retention and progression to postgraduate study.
- Offer students continued opportunities to contribute to academic decision-making.
- Strengthen our academic advice, learning support and pastoral care services to students.

<sup>5</sup> Higher Level Tertiary Education: primarily degree-level (undergraduate and postgraduate) education at qualification levels 7 and above.

<sup>6</sup> Foundation Level Tertiary Education: sub-degree-level education at qualification levels 5 and 6.

<sup>7</sup> The Teaching and Learning Big Goal and associated goals were specified in the 2013 update of *The Road to 2020*.

<sup>8</sup> Massey University *Student Success Strategy 2013-2015*.

- Strengthen our careers advice and employment preparation services for all students on all campuses, including our distance campus, and apply our knowledge gained from the Graduate Destination Survey.
- Ensure that we are well positioned to meet the educational needs of New Zealanders, build our international student community and grow our school leaver and Māori and Pasifika student base.
- Enhance and align academic and administrative connectivity in all parts of the University.
- Ensure continuous improvement in our enrolment and admissions management.

### **Performance 2013**

A number of key actions undertaken in 2013 that have contributed to the achievement of this Big Goal have been included in other Big Goals' performance commentary.

An important part of Massey University's Teaching and Learning Framework is to provide applied, real-world learning opportunities to students. Consistent with this goal, in 2013 Massey University launched the country's first university trading room on the Albany campus to provide finance students with a real-life fund management experience. Massey University also opened New Zealand's first dedicated 24-hour, seven days a week, emergency centre for pets on the Manawatū campus. This facility will provide fifth-year Veterinary students with the emergency practice they are likely to experience as new graduates. Business students were also provided with valuable networking opportunities with the local business community, providing local firms with the opportunity to scout out potential candidates for Massey University's Business Internship Programme in 2014.

Short-course provision at Massey University was advanced in 2013 with a new professional development team appointed within the Centre for Professional and Continuing Education. This team will assist with the provision of short-course opportunities for organisations, businesses and members of the wider community on a tailor-made basis. This involves assessing needs and providing solutions from within the expertise of Massey University. A Customer Relationship Management system is being investigated to monitor the professional development short courses and, once developed, it will link into the key stakeholder engagement project.

Massey University extended its capabilities and expertise in blended and distance learning both in New Zealand and offshore by becoming the first New Zealand tertiary education provider to join an international consortium offering open online courses by partnering with Open2Study (created by Open Universities Australia). Open2Study currently offers more than 20 free tertiary- and professional-level subjects online. Massey University offers its expertise in three of its core disciplines: Agriculture, Emergency Management and Māori Studies. The first open online courses went live in October 2013 and received more than 1,000 registrations.

The Distance Education and Learning Futures Alliance will play an important part in the Massey University Worldwide initiative (which was launched in February 2014). Massey University Worldwide is a model under which Massey University will expand its defining course offerings in partnership with international governments and organisations to learners living overseas. This initiative is designed to meet the specific needs of cohorts in targeted regions and countries, backed by Massey University's experience and expertise in flexible, blended learning. Through developing partnerships with relevant international agencies, organisations and governments, Massey University Worldwide will enable learners across the globe to have access to breakthrough New Zealand thinking and a unique learning experience. A new Business Development Manager has been recruited who will identify, promote and secure opportunities for the delivery of online and offshore academic programmes and short courses to cohort-based international learners living overseas. This initiative received establishment funding from Education New Zealand. More information can be found at [www.massey.ac.nz/worldwide](http://www.massey.ac.nz/worldwide).

There is increasing recognition of DELFA on the international stage, evidenced by invitations to present at conferences and requests for consultancy services. A number of international delegations have visited or plan to visit Massey University to learn more about Massey University's digital and distance education capabilities. Massey University's expertise in distance education was also highlighted through the award of a grant from Education New Zealand to develop a network of distance education consultants in Indonesia.

The *Digital Teaching and Learning Strategy* was further implemented with a Stream upgrade progressing smoothly throughout semester one. In response to student feedback a new IT (information technology) solution was developed to improve the process for requesting printed study resources, and this was implemented in time for semester two. The new system streamlines the student request-for-materials process, has increased responsiveness to student demand and is further evidence of Massey University's world-class innovation in this area. Also part of the *Digital Teaching and Learning Strategy* was the approval of the Rich Media Learning Project. Plans are currently underway to implement a mobile theme for Stream and work has also started on a refreshed login page and video promoting the use of Stream. Work is progressing to support full-online delivery for international students living overseas and promote Massey University's transnational offerings supported by new digital technologies. This will become more important with education becoming more globalised.

Work progressed on strengthening the connections between Massey University's academic platforms and research themes. The College of Health and Institute of Education are now both successfully established with long-term strategic planning being undertaken. The College of Sciences' new structure was positively implemented with key subject platforms clearly defined. A new Institute of Agriculture and Environment was established to provide knowledge in how to maximise the potential of the primary sector while protecting New Zealand's natural resources.

Academic Reform Phase 2 comprised two areas of activity: paper rationalisation and campus academic plans. Pro Vice-Chancellors have agreed to the principles for rationalisation being applied to new and existing papers, as well as being responsible for leading the implementation of the Paper Rationalisation component of Academic Reform Phase 2 within their respective colleges. The *Campus Academic Plans* were advanced through colleges identifying significant changes in disciplines and qualifications in the next 10 years. The outcomes of those discussions have been summarised in academic planning tables for each campus, with market research commencing in a number of new areas to assess potential demand.

Providing formal and informal professional development opportunities for staff progressed well as shown by the strong demand for the services provided by the National Centre for Teaching and Learning and affiliated campus-based centres. The Teaching and Learning Committee has endorsed the redesigned Postgraduate Certificate in Tertiary Teaching. This new qualification structure lays a strong foundation for supporting more innovative and effective approaches to teaching. Notably, the College of Sciences has made a policy decision that all new staff who are expected to teach will be required to complete the foundation modules of the certificate. In October, a funding agreement was signed by TEC and Massey University to continue Ako Aotearoa, the National Centre for Tertiary Teaching Excellence, for a further five-year term. Based at the Wellington campus, Ako Aotearoa's focus is on partnerships with Tertiary Education Organisations to enhance the effectiveness of teaching and learning.

Implementing Massey University's *Student Success Strategy* alongside strengthening our academic advice, learning support and pastoral care services to students played a pivotal role in 2013 in building high levels of student success, retention and progression to postgraduate study. The Student Success Framework was approved in 2013 and is aimed at improving student satisfaction with Student Life Services and campus life. Major initiatives in this area that were progressed included establishing a readiness platform, revising the orientation programme, reviewing student communications, and monitoring academic standing (student progress). The impacts of these initiatives will be assessed in 2014.

Strengthening learning support and administration services for students also advanced well with all operational service areas functional and performing within service standards. Planning for further improvements to academic advising services, the expansion of Student Advising Services, and the integration of financial support and fee management is in progress. Good progress was made towards aligning academic and administrative connectivity in all parts of Massey University through the implementation of the Student Administration Alignment project. An account management structure is now in place to augment the portfolio-based management of advice and administration. This will enable students to make more informed course choices. Good working relationships

were developed between the academic leadership of programmes and shared services administrative support. Also developed was a contact management plan to ensure that prospective students who have shown an interest in Massey University get information that is relevant to what they are studying. As part of this, the “Apply to Enrol” system was implemented in collaboration with student administration, which allows people interested in studying at Massey University to apply before enrolments are opened.

Massey University students were provided with opportunities to contribute to academic decision-making through the Massey Online Survey Tool (MOST). MOST surveys provide an evaluation of courses, to measure student feedback on papers offered at Massey University. Feedback from MOST is provided to students, showing how others perceived the papers that semester. This feedback then aids in fostering continual improvement in courses. The review of the MOST Teacher Survey was also completed and recommendations for change are in progress.

In terms of the performance indicators for Education, the following are highlighted:

Key Performance Indicator	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>STUDENT PARTICIPATION BY EFTS</b>				
Total University EFTS Delivered	19,615	20,281	19,101	19,704

In 2013 Massey University did not achieve the targeted number of EFTS delivered (down 5.8%). The target was not met due to a softening of domestic enrolments, despite significant efforts to monitor enrolment levels and promote our offerings.

Key Performance Indicator	Notes	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>STUDENT PARTICIPATION BY EFTS AS A % OF TOTAL EFTS</b>					
All International Students	1	13	15-16	15	14
Postgraduate Taught Students	2	13	13	13	13

Massey University performed well in terms of increasing its international student base in 2013. The percentage of international students based against total EFTS enrolments met target in 2013, and increased on the 2012 level and the five-year rolling average. This indicates that Massey University’s *Internationalisation Strategy* is having the intended effect. The level of postgraduate taught students has remained at constant levels since 2008.

**Note 1:** All international students include students that pay full international fees and subsidised international students, e.g. Foreign wholly research students.

**Note 2:** Postgraduate taught students includes paper enrolments in papers at Funding Category Level 3 as defined by the TEC.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Indicative	2012 Actual
<b>STUDENT RETENTION (%)</b>					
	3	69	68-69	75	72

**Indicative** results for 2013 show that student retention has significantly exceeded target, improved on 2012, and exceeded the five-year rolling average. The improvement is attributed to the implementation of the *Student Success Strategy* at Massey University.

**Indicative** results for student retention based on 2013 data are available from the data provided in Massey University’s Single Data Return in December 2013, and will not be finalised until Massey University’s Single Data Return is submitted in April 2014.

**Note 3:** Student retention is measured by the proportion of SAC eligible students in a year who either re-enrol in the next year or complete a qualification.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Indicative	2012 Actual
<b>SUCCESSFUL COURSE COMPLETION (%)</b>	4				
All Students		79	81-82	78	80
Internal Students		84	84-85	84	85
Distance Students		71	72-73	70	73

**Indicative** successful course (paper) completion rates in 2013 showed lower results against all reported dimensions (all students, internal students and distance students) when compared with 2012 data. The internal rate met the 2013 target while distance was lower than target. The *Student Success Strategy* will be a key factor in strengthening the performance relating to this indicator in the future.

**Indicative** results for 2013 successful course completions are based on 2013 data available from the data provided in Massey University's Single Data Return in December 2013, and will not be finalised until Massey University's Single Data Return is submitted in April 2014.

**Note 4:** Successful course completion is measured by SAC eligible successful course completion EFTS, as a proportion of the total SAC eligible EFTS delivered.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Indicative	2012 Actual
<b>QUALIFICATION COMPLETION (%)</b>	5				
All Students		55	47-50	62	72

Massey University's 2013 **indicative** qualification completion rates significantly exceeded target and improved when compared with the five-year rolling average. The *Student Success Strategy* also played a fundamental role in the improvement of this indicator. Year-on-year comparisons for this indicator are problematic due to the methodology employed in this measure.

**Indicative** results for 2013 qualification completions are based on 2013 data available from the data provided in Massey University's Single Data Return in December 2013, and will not be finalised until Massey University's Single Data Return is submitted in April 2014.

**Note 5:** Qualification completion is measured by qualifications completed by students, weighted by the EFTS value of the qualification, as a proportion of total SAC eligible EFTS enrolled in the qualification.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Indicative	2012 Actual
<b>STUDENT PROGRESSION (%)</b>	6				
All Students		32	13-14	58	22

The **indicative** student progression rate for 2013 significantly increased on the 2012 rate, the five-year rolling average, and target. Massey University has less than 1% of its total provision at sub-degree level. As this measure only reflects SAC funded students and those enrolled in levels 1-4, high levels of fluctuation in this rate can happen.

**Indicative** results for 2013 student progression are based on 2013 data available from the data provided in Massey University's Single Data Return in December 2013, and will not be finalised until Massey University's Single Data Return is submitted in April 2014.

**Note 6:** Student progression is measured by progression to higher levels of study in the tertiary sector by students (at qualification levels 1-4).

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>OVERALL STUDENT SATISFACTION (%)</b>					
With Educational Experience	7	83	80-82	81	83
With Services and Facilities (% of Students Rating Services Good/Very Good)		81	85-90	79	86

The Student Experience Survey (SES) was revamped in 2013 to include one high-level block of questions relating to services and student experiences. This was completed as an online survey in 2013 by 10,543 students (37% response rate).

Overall satisfaction with the education experience was within the target range, but decreased by 2% on the two-year rolling average and 2012 result. Student satisfaction with services and facilities decreased on 2012 levels and did not meet target in 2013. However, the 2013 result was only marginally below the five-year rolling average. The decrease in satisfaction with services and facilities shown in 2013 may be due to methodological changes that occurred in 2013 as students were surveyed four months later than in 2012. This time lag may have changed perceptions of these services negatively. The 2014 SES survey will reveal with more confidence if this is the case.

**Note 7:** Student satisfaction with the educational experience was previously measured by the Australasian Survey of Student Engagement (AUSSE). AUSSE was not run in 2013; however, the same question was included in the SES in 2013, and the figure from the SES has been provided for 2013. Please note that for this dimension, a two-year rolling average is provided as AUSSE has only been run twice.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>GRADUATE OUTCOMES (%)</b>					
Progression to Employment	8	N/A	80-85	87	82
Engaged in Further Study		N/A	8-10	30	33

Pleasing results were shown for the graduate outcomes indicators for Massey University graduates, with 87% of all graduates in employment approximately six months after graduating. This surpassed both the target and 2012 results. While the percentage of Massey University graduates who engaged in further study decreased on 2012 levels, the 2013 results significantly exceeded target. The differences shown between 2012 and 2013 data for both dimensions may be caused by methodological adjustments to the survey sample, which excluded diploma and certificate graduates from the survey population in 2013.

A total of 5,042 graduates were sent invitations to participate in the Graduate Destination Survey. Partial and complete responses were returned by 1,697 graduates (34% response rate).

**Note 8:** Graduate outcomes are measured by the Graduate Destination Survey. This survey has only been run twice, therefore a rolling average cannot be provided for comparison purposes. Percentages provided do not include "no response".



## Services to the Community

Massey University will enhance its reputation as New Zealand's defining university by contributing to an understanding of, and innovative responses to, social, economic, cultural and environmental issues, and will promote and value citizenship and leadership across Massey University staff and students.

Massey University will strengthen connections with local, national and international partners and stakeholders to gain beneficial outcomes.

Academic staff and students contribute to the community with their advanced critical thinking on matters relevant to society, including providing expert commentary and advice locally, nationally and internationally.

### Activities

Activities contributing to this output include:

- engaging 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 providing 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; and
- supporting and contributing to a diverse range of community-oriented programmes and initiatives.

## Connections Big Goal<sup>9</sup>

"We will strengthen our connections with local, national, and international partners and stakeholders, creating mutual benefit."

### Associated Goals

- Ensure that Massey is seen as the university of choice in priority markets.
- Ensure that Massey University is viewed as an internationally competitive distance education provider and is acknowledged as New Zealand's pre-eminent distance learning provider.
- Establish and reinforce the perception that Massey is the local university within targeted regions.
- Ensure that Massey communicates in a manner embodying innovation and creativity.
- Communicate Massey's strategies and successes in ways that instil pride in staff, students and alumni, equipping them to serve as informal ambassadors.
- Continue to increase the positive perception of Massey University with key stakeholders and the public.
- Deliver a rich portfolio of distinctive, sustainable, well-attended events that showcase key areas of specialisation and support the work of the Massey University Foundation.
- Ensure that communications reach and engage with stakeholders and relevant audiences, demonstrating the value of Massey's extensive connections nationally and internationally.

<sup>9</sup> The Connections Big Goal and associated goals were specified in the 2013 update of *The Road to 2020*.

## Performance 2013

To ensure that Massey University is seen as both the university of choice in priority markets and the local university within targeted regions, multiple External Relations strategies and plans were developed and/or implemented to increase Massey University's student market share. These strategies and plans included: the implementation of the *School Recruitment Strategy*, which resulted in extensive recruitment undertaken in Hawke's Bay, Taranaki and the northern South Island regions; the implementation of a *School Engagement Plan* for the Wellington region, from which an associated wider External Relations plan was developed based on the research completed with schools and influencers; the implementation of a Pasifika students' plan and a separate Māori students' plan to increase the profile of Massey University among and enrolments from within these two demographics; the targeting of the mature market in the lead-up to semester two 2013 through cohort-specific recruitment events in Auckland, Palmerston North, Wellington, Hawke's Bay and Bay of Plenty; the establishment of a new partnership with McDonald's Restaurants (NZ) Limited to enable its restaurant managers to work towards business qualifications with Massey University; the agreement signed with Takapuna Grammar School to provide foundation education for future Massey University students; and the development of a *Non-School Leaver Market Recruitment Strategy* with implementation expected in 2014.

Massey University continued to increase its presence in all forms of media during 2013. The Massey University *Media Strategy* was progressed through the development and launch of a distance learning and national brand campaign, especially around key schools in the Albany region. This resulted in Massey University being named as a bronze award-winner in the 2013 New Zealand Direct Marketing Awards for its campaigns promoting Summer School, and a finalist for its Māori and Pasifika campaign, and also a finalist for the Television New Zealand Marketing Awards, for the Māori and Pasifika campaign. A new *Social Media Strategy* was developed to take into account the new ways that Massey University can communicate with its stakeholders. This was actioned through the implementation of a content schedule that tailors social media activity to relevant targeted audiences. Through the active implementation of this strategy, Massey University has created a strong online social media presence, as shown by the increased usage of Facebook interactions (increased by 58% [7,995 headcount] since December 2012) and through the use of Twitter, with a number of events, such as Massey Blues and Future New Zealand, trending well.

Massey University was highly proactive with its engagement with the media throughout the year. More than 650 positive media results were achieved in 2013 through the pitching of stories across all colleges, championing the Massey University brand and key messages. Also achieved in 2013 was the Massey University website redesign, which now actively promotes targeted Massey University homepages. Improved search capabilities were incorporated into the redesign, which provide Massey University with greater control to drive people to the enrolment section through the provision of richer information for prospective and returning students.

Massey University aims to create New Zealand's biggest network of actively engaged alumni. The alumni body has now grown to more than 128,000 members (of whom 70% are contactable), who include recent graduates, former staff and alumni from former Massey University entities. Owing to the high number of Massey University alumni, an Alumni Expertise Directory is currently under development that will give the alumni site improved capabilities as well as give alumni the ability to network with one another and find people with particular expertise. Considerable alumni engagement also took place in 2013: nearly 12,000 alumni engaged with via social media; nearly 3,000 guests attended alumni events; six newsletters were sent to 49,000 alumni, as well as a special United States of America/United Kingdom edition that went by post and via email; and a magazine was sent to 90,000 alumni. The active engagement of Massey University alumni stands at 33% of contactable alumni, which means that 33% of Massey University alumni are making proactive attempts to engage with Massey University by donating, attending events, responding to newsletters, sending stories or volunteering.

Massey University's relationships with Māori alumni were enriched with a new "Te Rau Whakaara" (Māori advisors) approach to graduation ceremonies on all campuses. This initiative has provided an opportunity to

start an accurate database of Massey University Māori alumni. Through this increased focus on Māori graduates at graduation ceremonies, a number of benefits were realised, which included an increase in the number of Māori alumni offering to support future Massey University recruitment and retention activities, and an increased involvement of Māori alumni in recruitment activities with their former secondary schools.

A number of initiatives were undertaken in 2013 to improve the perceptions of Massey University among key stakeholders and the public. All Massey University key stakeholders have now been identified by the SLT with a strategic focus on targeted engagement taking place throughout the year. Other initiatives that were progressed to improve the perception of Massey University included: the *Agri-food Business Strategy*, launched by the Vice-Chancellor with the aim of growing New Zealand's agri-food economy; Massey University's expertise receiving positive feedback from the One Health Symposium in Paro Bhutan; the completion of a draft strategy to strengthen Massey University's relationships with new migrant communities in New Zealand; the signing of an MOU with Sport Wellington; the completion of an Economic Impact Study for the Wellington campus; three key 'Wellington Success' events run by Massey University (which included a Mayoral Debate); Massey University becoming the first university from outside Australia to join "The Conversation", Australia's largest virtual newsroom; the Vice-Chancellor being a guest commentator on two episodes of the TV3 International Affairs programme "three60"; and the appointment of two new business development managers in Hawke's Bay and Taranaki in partnership with the Hawke's Bay Regional Council and Venture Taranaki respectively. Both business development managers are to promote and develop opportunities for business and research from within the two regions.

Excellent progress was made in extending iwi partnerships in line with the *Strategic Iwi Partnerships Plan* through the fostering of Massey University's positive relationships with a number of iwi and pan-tribal organisations. A discussion document that outlined the preferred management approach to iwi partnerships was received by senior management for analysis, and while this was in progress relationships with Te Whānau o Waipereira Trust, Ngāti Kahungunu, Ngāti Raukawa and Te Arawa iwi were supported. The conferring of a PhD to Te Pōroa (Joe) Malcolm (Ngāti Tarawhai, Ngāti Pūkiao) on his marae (Waikōhatu, Rotoiti) in December 2013 helped to lift Massey University's reputation in the region.

In November 2013 Massey University and *The New Zealand Herald* published the inaugural *Future New Zealand* magazine. *Future New Zealand* is a publication that maps out the transformations expected to shape lives, health, business and technology in the coming decades. It also contains some short-term predictions for the coming election. The magazine additionally celebrates *The New Zealand Herald's* 150th anniversary and Massey University's 50 years as an independent university.

Massey University has always been a strong advocate of community events. Massey University was the major sponsor and/or a supporter of the: Athletics New Zealand Track and Field Championships and Aurora Series; Ballance Farm Environment Awards, which are held throughout New Zealand; Central Districts and National Field Days; Eventing New Zealand and the Young Rider Series; 2013 Reel Earth Film Festival held in Palmerston North; partnership with the Inspiring Stories Trust for the Festival of the Future, and Live the Dream; 2013 Taranaki Art Fashion Awards; Careers and Transitions Education Association's three-day annual conference in Queenstown; Sir Paul Callaghan Awards; and Young Enterprise Trust, which includes events such as Enterprise in Action Weekend, Money Day and Dragons' Den activity.

A rich portfolio of distinctive, sustainable, well attended events was held in 2013 to showcase key areas of specialisation and to support the Massey Foundation. These included the: Massey University Defining Excellence Awards; 2013 New Zealand Food Awards – New Zealand's most recognised event for food producers; 2013 Ngā Kupu Ora Aotearoa Māori Book Awards, which also featured the launch of Massey University's Te Reo and Tikanga Māori Smart app; 50 years of veterinary education celebration, which included a veterinary symposium, a gala dinner and a special graduation ceremony; and the College of Creative Arts-hosted symposium on behalf of the University Commercialisation Offices of New Zealand. Preparations are now underway to celebrate

Massey University's 50th year of excellence in tertiary education in 2014. A special archives page has been established on Massey University's DefiningNZ website, and in addition to this a programme of events and activities is being planned throughout 2014. This includes the publication of *Chaff History*, with all profits from the sale of this book going directly to the Massey Foundation.

Massey University aims to support all staff to become ambassadors for Massey University. All major external relations activities were included in the People@Massey newsletters, internally on the staffroom website or externally on the Massey News website. To enhance communication with Massey University staff, Massey University launched "OneMassey" at all-staff forums in December 2013. OneMassey will provide a platform for the majority (or all) of our internal electronic communications and will encourage and facilitate the sharing of information, meeting agendas and project reports among teams, departments and all staff. All Massey University staff received a Massey University strategy, profile and key facts fold-out (as part of the 2013 update of *The Road to 2020*) to enable them to tell the Massey University story to a wider audience.

## Responsibility Big Goal<sup>10</sup>

"We will 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."

### Associated Goals

- Promote the capabilities and expertise of Massey University staff and students across all campuses and to wider audiences.
- Foster engagement models that support campus-wide participation in projects that contribute to framing and/or resolving the complex problems affecting our communities and society at large.
- Promote and value citizenship and leadership in Massey staff and students and the communities they support, with which they engage and from which they benefit.
- Secure and direct resources to support projects addressing defined 'grand challenges' of national and/or global significance.

### Performance 2013

To promote Massey University's academic contributions to both national and international audiences, the staff expertise and profiling system was redeveloped to provide a more robust and targeted profile of Massey University staff. The system now provides better integration across current data sources while also allowing individual customisation in terms of ranking relevant data. The Expertise Database was launched to staff in November 2013 and information on the new system will be incorporated into future communications with staff to ensure they are aware of the importance of updating their profiles to showcase their skills and areas of expertise to an external audience.

Massey University's expertise in wildlife health care was extensively recognised throughout 2013. Wildbase, situated on the Manawatū campus, is New Zealand's only dedicated wildlife hospital, and it is having a huge impact on the survival of some of New Zealand's most endangered birds and animals. In 2013 Shell provided a \$400,000 donation for the hospital and also committed to providing annual support for 10 years. The hospital was also the recipient of \$25,000 from a charity auction in July 2013.

Massey University's Sustainability Framework was further embedded in 2013 with the appointment of a Sustainability Project Officer. This appointment enabled an extensive period of internal stakeholder engagement

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10 The Responsibility Big Goal and associated goals were specified in the 2013 update of *The Road to 2020*.

to take place, which secured “buy-in” from many sectors of Massey University to use the LiFE<sup>11</sup> Index to grow our sustainability goals. Good progress was also made in achieving a number of key campus-based Living Labs that showcased Massey University’s expertise; these are likely to be profiled in 2014.

During 2013 Massey University continued to advance the strategic plan *The Road to 2020* through the continuation of the Strategic Innovations Fund (SIF). This fund was established to support projects in areas relevant to the strategy. In 2013 the SIF granted \$545,000 to seven Responsibility platform initiatives, \$411,044 to 14 Enabling Excellence platform initiatives, and \$512,324 for nine consolidation initiatives. The Responsibility platform provided opportunities to apply Massey University-led expertise in delivering solutions to major issues confronting New Zealand and the world. The Responsibility projects that were funded in 2013 included: Growing the agrifood economy; developing the new Centre of Research Excellence in Design, which addresses the under-use of design in New Zealand; Study Abroad 3.0, which will address the steady decline in study-abroad students from the United States (this project has also received matching funding from Education New Zealand); the Responsive Schools and Community Systems initiative, which will address the needs of underachieving, marginalised and vulnerable children and youth in New Zealand schools; Distance Learning Promotion and engagement initiatives (part funded from Consolidation); the initiation of the Massey University Centre for Government and Governance; and collecting and safeguarding the genetic biodiversity within New Zealand’s flora.

Throughout the year Massey University made available the expertise of its academic staff to a number of programmes in both the local and international communities. Professor Steve LaGrow returned to Mongolia to review instructors whom he had trained to teach orientation and mobility for the blind. The instructors have now taught up to 50 blind people how to use white canes and apply adaptive skills to enable them to move safely within communities and cities. Prior to that, the country had no mobility training programme and blind people had very limited opportunities. Within New Zealand: the Ministry of Health contracted emergency management specialists from the Joint Centre for Disaster Research to review and update the *National Health Emergency Plan*; the Palmerston North City Council and Massey University agreed to establish rehabilitation aviaries in the Esplanade; and an MOU was signed between the Joint Centre for Disaster Research and Ngāi Tahu to provide research collaboration opportunities.

In response to the Christchurch earthquakes, emergency management preparedness played a key role throughout 2013 to ensure Massey University will be prepared in the event of a disaster at any one (or all) of its campuses. The implementation of the recommended outcomes of the Emergency Management Preparedness Project to reduce risk in Massey University progressed steadily over 2013 and is now business-as-usual work. It was further recognised in the year that more resourcing was required to support both Campus Emergency Management Committees and Emergency Management Committees to deliver the agreed outcomes. An Emergency Management National Co-ordinator was therefore appointed in October 2013 to support this progressive development. Other initiatives completed in this area included: the approval of the *Emergency Communications Plan*; operational and effective Campus Emergency Management Committees; the establishment of Emergency Operation Centres (EOC) on each campus; and the completion of the EOC Operational procedures.

In terms of the performance indicators for Services to the Community, the following are highlighted:

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>ACTIVE INTERNATIONAL PARTNERSHIPS (NUMBER OF)</b>	1	173	224	218	201

The number of formal international partnerships with overseas institutions demonstrates the success of Massey University’s new *Internationalisation Strategy*. Massey University significantly surpassed the five-year rolling average and showed an increase when compared with 2012. Massey University is placing a greater emphasis on quality

11 LiFE is a comprehensive performance improvement system developed specifically to help tertiary education institutions to manage, measure, improve and promote their social responsibility and sustainability performance.

of partnerships as opposed to quantity. With the rapid growth of partnerships in the past 5-10 years, a large number of MOUs and agreements expire each year, but only those deemed of sufficient strategic value and/or implementable quality and that have the active support of current Massey University staff are renewed. The International Office plans to conduct a thorough audit of all international partnerships in 2014 and it is expected that a sizable number of longstanding MOUs and agreements hitherto classified as "active" will be reclassified as 'inactive'. This will result in a reduced number of active partnerships overall, but more accurately reflect the quantity and quality of Massey University's international partnerships. This change in focus accounts for the 2013 active international partnerships coming in six agreements under target. However, this is not representative of poor performance for this measure.

**Note 1:** Active international partnerships are those partnerships where Massey University is the first party (the lead contractor) to the programmes/contracts.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>MASSEY UNIVERSITY ACADEMIC STAFF INVOLVED IN COMMUNITY SERVICE ACTIVITIES (%)</b>	2	New Measure	> 80	87	New Measure

Massey University's strategy places great importance on community engagement, with 87% of academic staff involved in community service activities in 2013.

**Note 2:** This is a new measure, with data collected in 2013 using a proxy based on academic staff "community engagement" as reflected in the PBRF evidence portfolios for academic staff members. This question was not included in the all-staff survey as stated in the *Investment Plan*.

Key Performance Indicator	Note	5-Year Rolling Average (2008-2012)	2013 Target	2013 Actual	2012 Actual
<b>MASSEY UNIVERSITY ACADEMIC STAFF SERVING ON ADVISORY BOARDS AND COMMITTEES (%)</b>	3	New Measure	> 20	41	New Measure

The number of academic staff serving on advisory boards and committees significantly exceeded target in 2013. This shows that the expertise of Massey University's staff is valued and sought after in the community.

**Note 3:** This is a new measure, with data collected in 2013 using a proxy based on academic staff "community engagement" as reflected in the PBRF evidence portfolios for academic staff members. This question was not included in the all-staff survey as stated in the *Investment Plan*.

## ENABLING GOALS

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### Internationalisation Big Goal<sup>12</sup>

“We will take Massey University to the world so that our students, whether studying onshore or offshore, experience a unique education with a distinctive Massey flavour, and our academic community is engaged in knowledge-sharing with scholars and researchers from all parts of the globe.”

#### Associated Goals

- Develop close relationships with key domestic and international government agencies and diplomatic personnel and build enduring and productive relationships with appropriate University partners, higher education providers, and onshore pathway providers.
- Build our international student marketing and recruitment capability to leading industry standards that acknowledge the specificities of our distinctive academic offerings, and maintain best practice in admission and enrolment processes.
- Provide exemplary international student support and develop and implement highly effective student engagement and success strategies.
- Build internal capacity with robust administration and financial systems and business case (approval) processes.
- Internationalise the academic environment and student learning experience with a comprehensive programme of academic development for staff and curriculum and teaching that prepare students for life and work within a global community.
- Provide a rich, quality-assured experience for international postgraduate students.
- Establish a comprehensive and sustainable suite of programmes for offshore delivery through online, blended and face-to-face learning.
- Broaden opportunities for new student commencement by augmenting new programme commencement opportunities in the calendar year.
- Build a rich suite of intensive study-abroad offerings and further develop international study tour opportunities.
- Recruit research collaborations and exchanges that enhance the quality and breadth of our research and support the development of Massey researchers.

#### Performance 2013

In 2013 an Internationalisation Big Goal was included in *The Road to 2020* in recognition of this critical element of Massey University’s future economic, academic and cultural vitality. Taking the best of New Zealand to the rest of the world is at the heart of Massey University’s strategy, and its future prosperity.

A number of initiatives were progressed in 2013 to increase the number of international students coming to Massey University. In 2013 Massey University offered new programme commencement dates in the spring enrolment window to coincide with the Northern and Southern Hemisphere school years. This specifically targeted school-leavers from Europe, North America, Asia and the Middle East who finished school in the middle of the calendar year. Following this announcement, social media traffic to Massey University’s International Students’ website increased by 500% (as at the beginning of May), and this initiative resulted in 49 new enrolments for 2013. A new Study Abroad 3.0 modular programme was also established, and promotion and marketing were completed in the United States for a 2014 intake.

<sup>12</sup> The Internationalisation Big Goal and associated goals were specified in the 2013 update of *The Road to 2020*.

Massey University has gained a strong online international social media presence, with the Massey University International Students' Facebook page having 128,500 "likes"; the next closest is the University of Auckland with just over 71,000. What this means is that more than 128,000 people from around the world have now heard of Massey University, and every time they engage with this Facebook page by liking a post or commenting, Massey University's reach grows to include their friends. This is a new medium allowing Massey University to promote its brand and key stories, provide support, enhance the recruitment of international students, and provide an online community for Massey University's international students both on and off campus, and for current international students and alumni.

Providing internationally recognised accreditations for qualifications, to help drive future international student recruitment and to enhance Massey University's reputation, progressed well in 2013. Massey University's College of Creative Arts became the first art and design school outside North America to be awarded a highly prestigious mark of quality. The United States National Association of Schools of Art and Design (NASAD) granted the college "substantial equivalency", the most comprehensive international benchmark of quality in art and design education in the world. Within the College of Business, the *Standard Alignment Plan* for the Association to Advance Collegiate Schools of Business (AACSB) accounting accreditation was completed and submitted to AACSB. Preparation has since begun for AACSB re-accreditation in 2015, with the project scoped and the Peer Review Team advised and confirmed. Work also continued evaluating the feasibility of the European Quality Improvement System (EQUIS), the European Foundation for Management Development Programme Accreditation System (EPAS) and the Accrediting Council on Education in Journalism and Mass Communication (ACEJMC) accreditations.

Massey University was successful in the first round of Education New Zealand's new contestable fund for innovative export education, winning two of the three university projects put forward. The fund was designed to help New Zealand's education providers to achieve significant growth by making the most of international education opportunities, offering up to 50% of the total project cost. The successful projects included: "Study Abroad 3.0 – Modular Themed Study Abroad", to focus on developing a strategically targeted package offer to reinvigorate study-abroad recruitment; and "Distance Education Agent Platform in Indonesia", to focus on the development of off shore delivery of programmes, papers, short courses/seminars and professional development opportunities in Indonesia. Massey University was also successful in a bid to Education New Zealand in late 2013, to support the new Massey University Worldwide initiative. This initiative builds on Massey University's extensive capabilities and experience in distance and online learning, to extend Massey University's offshore education delivery.

In 2013 Massey University provided a number of learning opportunities for students offshore, including, for example, an agreement for Massey University to provide a Spanish major to University of New England students (located in New South Wales, Australia). To date 155 students have been enrolled in one of the four online language papers offered.

Consistent with the *Internationalisation Strategy 2011-2015*, relationship-building with key domestic and international government agencies and diplomatic personnel was a key focus during the year, along with building enduring and productive relationships with appropriate university providers and onshore pathway providers. In June the Vice-Chancellor led a mission to China (Xiamen, Wuhan and Beijing) to meet with his Chinese counterparts to advance a range of Massey University's strategic interests in China. This included collaborative student recruitment, research, distance and online education and professional development training, as well as Chinese Government, New Zealand Embassy, alumni and academic partner engagement and the renewal of multiple MOUs. Other collaborative relationships formed during 2013 included: a new agreement signed between Massey University and Qatar Airways to deliver a two-year MBA programme for Qatar Airways staff; an MOU signed with Guangzhou Medical University to formalise opportunities for international students to experience New Zealand education; foundations being established for a series of professional development short courses on governance for senior management of the Tokelauan Government; a Chinese Government



delegation's visit to Massey University to expand the recognition in China of Massey University's expertise in agriculture, business and emergency management; a visit from a delegation from Maejo University (Thailand) to Massey University's Manawatū campus to further cement their agribusiness working relationship and discuss opportunities for student exchange; a 12 week English teaching skills course attended by 17 Thai university lecturers on the Manawatū campus; and Massey University's Professional and Continuing Education staff hosting and celebrating five years of successfully running a Chinese interpreters and translators professional development programme.

A programme to build Massey University's internal capacity with robust administration and financial systems progressed well in 2013. International process reviews were completed for both international pathway teaching agreements and international offshore delivery teaching agreements. These formed the basis for a number of new international pathway/articulation and offshore delivery teaching agreements.

Massey University continued to provide high-quality international student support throughout 2013. The International Student Support Office on each campus provided targeted assistance and support to international students to ensure that international students gained the greatest benefit from their stay on campus and in New Zealand. A range of support tools was made available for international students, from academic support, examination preparation, visa services, the international insurance scheme and employment/CV-writing workshops to more enjoyable experiences such as off-campus trips to showcase what New Zealand has to offer. On the Albany campus, a specialist pastoral support person for international students was appointed to work with students on an individual basis in the International and Migrant Student Office. The purpose of this role was to provide early intervention for international students at risk, assessing support requirements and working closely with colleagues across Massey University to ensure that the most appropriate support was made available to international students to increase their chances of success.

## Generating Income Big Goal<sup>13</sup>

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

### Associated Goals

- Diversify our revenue base to generate income while reducing our exposure to risk through economic change.
- Control our costs through smart strategies, to ensure that we deliver services efficiently and effectively.
- Manage our balance sheet effectively by maximising asset performance, leveraging those assets to drive value, managing our liabilities and reducing our risks.

### Performance 2013

A number of key actions undertaken in 2013 that have contributed to the achievement of this Big Goal have been included in other Big Goals' performance commentary.

A highlight in 2013 was that Massey University received an overall Financial Monitoring Framework risk rating of "Low", which is a change from the "Moderate" overall risk rating assessment in 2012. The change in risk rating reflects an improvement TEC has in Massey University's forecasts and the improvements made in the quality and robustness of budgets. These arose from better budgeting processes and improved staff capabilities.

Massey University's long-term *Finance Strategy* will be developed further in 2014, pending the completion of Massey University's long-term strategy, *The Road to 2025* (due early 2014). The development of the *Financial Strategy* will progress thereafter. However, many activities and initiatives (such as the preparation of five-year financial forecasts to meet TEC reporting requirements) were completed in 2013 and will support the future development of the *Financial Strategy*.

<sup>13</sup> The Generating Income Big Goal and associated goals were specified in the 2013 update of *The Road to 2020*.

In early 2013 the Reporting Framework was reviewed to enhance the financial understanding of monthly reporting and enable better financial decisions to be made. This has now moved into activity reporting development and this development itself is a precursor to eventual absorption into the Massey Enterprise Reporting environment. Further work on updating the attribution of time to activities was undertaken in early 2013, with further refinements to the activity definitions and breakout of information to further enhance analysis occurring. Progress towards achieving the development of activity reporting is on schedule, with the basic design of the report complete; ongoing evolutionary changes will come from user feedback. Once these reports have been formally implemented, there will be a greater financial awareness of the performance of the various activities across the Massey University business and evidence that Massey University's key processes are value for money.

The implementation of the *Procurement Strategy* resulted in impressive cost-saving results in 2013. More than \$6.8 million in savings in operating and capital expenditure were made through colleges and departments working with the Procurement and Contracts Group. The largest savings included \$1.2 million achieved through a Massey University-wide Adobe Software Licence, \$1.3 million savings in electricity supply over two years, a natural gas supply agreement saving \$1.1 million over three years and \$450,000 of savings in multi-function print devices. The *Procurement Strategy* also made other multiple points of progress to ensure cost savings that included: the creation of draft procedures (currently under consultation) on how to achieve good procurement practice; the maintenance of effective communication through the procurement and programme website; increased engagement and support to achieve strategic aims through procurement; and the development of a centralised Contract Management Framework.

Many initiatives were progressed in 2013 that were targeted to diversify Massey University's revenue base and to generate income. Work progressed on facilitating the transfer of Crown assets to Massey University title with the completion of a stakeholder analysis, asset verification and title search for compilation into the transfer application. In December 2013 approval to request the transfer was presented to the Massey University Council, and the transfer application was subsequently made to TEC. This is now scheduled for ministerial approval in mid-2014. Other initiatives that were completed in capital asset management included: a positive independent review of asset management capability; the divestment of the Atawhai sections; further negotiations on the Ruawharo site; and the commencement of a procurement process on the Hokowhitū site for commercial property brokerage services (marketing to commence in the second quarter of 2014).

Initiatives to diversify Massey University's revenue base that were completed in 2013 included: the restructure of the College of Business to gain synergies from MBA, executive education and contract research by establishing an Institute for Executive Education and Enterprise that encompasses all three; securing new Māori doctoral scholarships through Ngā Pae o te Māramatanga; the active implementation of Massey University's *Health and Safety Plan*, which resulted in Massey University maintaining its secondary audit status that provides ACC levy discounts; the Massey Foundation receiving \$500,000 in lottery funding to fund three volumes of the *Centenary History of New Zealand* and the First World War project; and an anonymous donation of \$50,000 to a Massey University literacy programme.

Another key focus in 2013 was to manage Massey University's balance sheet effectively by maximising asset performance, leveraging assets to drive value, managing our liabilities, and reducing our risks. In 2013 Massey University implemented a new Council-approved treasury framework and policies. This allowed for improved treasury management and was instrumental in establishing new funding sources for new projects such as student accommodation on the Albany campus (by achieving higher returns as a result of more efficient cash management). Another initiative that was progressed was to improve financial decision-making by reviewing project accounts. This is ongoing work that will inform both the redesign of the Chart of Accounts and the further refinement of the budget process to strengthen the links between strategy, plans and resource allocation.

## Enabling Excellence Big Goal<sup>14</sup>

“We will provide the best working and learning environment for our staff and students.”

### Associated Goals

#### Our Staff

- Align our systems and culture so that our people-related processes work for us.
- Continue to focus on our people’s professional development, so that they can excel.
- Engage with our people so that they can and want to contribute their talent.
- Reward and recognise high levels of performance.
- Develop a service culture and service capabilities.

#### Our Students

- Continually develop and align student learning and life services across our campuses and among distance students within our one-university strategy, in line with student feedback and from engagement with the student body and with student associations.
- Continue implementing enrolment system improvements as part of our Enrolment Management Plan, including systems to improve our advice to students on qualification and enrolment planning.
- Further develop systems for engaging with the student body.
- Further develop service quality programmes aimed at enhancing services for students.
- Improve our responsiveness to student feedback through surveys and other forms of evaluation.
- Actively enhance career and employment outcomes for students by integrating scholarship, career and employment advice, guidance, support and services.
- Strengthen our pastoral care services for students.
- Strengthen student clubs, societies and cultural groups and the support they are provided.
- Provide experiences for students that, combined with their formal learning programmes, help to make them better citizens and contributors in the workplace.

#### Our Information Technology

- Carry out a \$7million program of upgrades to core areas or server storage, communications, audio visual, support systems, student computer laboratories and personal communications.
- Support business-led projects in the replacement of the Student Management System, Rich Media Learning, Electronic Document and Records Management, Stream extensions and Web content Management.
- Continue with current implementations for Security Access and Telephony which will simplify access for staff, integrate traditional telephony and video conferencing with web based document collaboration, and provide a new style of working that can be supported by conventional personal computing and mobile devices.
- Provide staff with a variety of online workflow and data-management tools, improving access to files via the web, providing a consistent interface to operational reporting, and enabling them to establish and share their own collaborative workspaces.
- Encourage a culture of service delivery, communication, innovation, rapid response and consistent practice among IT support staff.

<sup>14</sup> The Enabling Excellence Big Goal and associated goals were specified in the 2013 update of *The Road to 2020*.

### Our Campuses

- Align campus services, coordinate campus operations, and prioritise our investments in buildings, facilities and infrastructure on all campuses in line with the University's Capital Asset Management Plan.
- Align our campus development plans with our academic, research and enrolment strategies, in particular in support of our Albany growth plan, while continuing to ensure the effective use of space.
- Progress capital development projects in line with our investment priorities, including those relating to health and safety and requirements for seismic strengthening of buildings.
- Ensure that the campus experience for students is a model for social cohesion, healthy lifestyles and environmental sustainability.
- Model, to the extent possible, sound social and cultural and sustainable environmental practices.

### Performance 2013

An important highlight in 2013 was that Massey University was ranked number five of New Zealand's most attractive employer brands in the annual Randstad Awards, an international survey conducted across 14 countries. It was also the education sector winner. Research company ICMA International conducted the survey, and asked 160,000 respondents to rate employers by 17 factors including the financial health of the organisation, its management and leadership, job security, career progression opportunities, learning and development opportunities, work-life balance, environmental and social awareness, salaries and benefits, workplace culture and whether it offers quality products and services. The results of this award indicate that Massey University is a genuine New Zealand brand that is widely recognised and liked – a university of and for New Zealand.

Significant work was undertaken in 2013 in developing and extending Massey University's long-term strategy and sub-strategies. The office of the Assistant Vice-Chancellor (Finance, Strategy and IT) consulted widely in extending *The Road to 2020* five further years to 2025. More than 200 staff attended nine strategy forums and 101 submissions were provided by students, staff, alumni, businesses and other stakeholders on what 2025 may mean for Massey University. The bottom-up review of Massey University's long-term strategy culminated in a successful Council strategy day. This provided an opportunity for the Council to form its view on what Massey University would look like in 2025 and advise the key strategic shifts that may be needed to move Massey University into the future. The SLT was provided with feedback from each phase of the consultation, which informed its update of *The Road to 2020*. This strategic document will be published in early 2014. Other important sub-strategy documents that were updated in 2013 included *Kia Marama* (Māori) and *Growing Pearls of Wisdom* (Pasifika), which provide Massey University with strategic leadership and aspirational goals for the development of Māori and Pasifika students.

As required by the Education Act 1989, Massey University completed its fifth Academic Audit in November 2013, with preliminary feedback indicating an overall positive picture with few areas in which to improve. The audit is intended to assure the University community that the processes that Massey University uses to achieve good outcomes for students are acceptable, appropriate and effective. It is enhancement-led, with areas identified where Massey University uses good practice as well as where Massey University might be assisted to enhance its activity. This audit focused on seven key academic activities and quality assurance processes: Leadership and Management of Teaching and Learning; Student Profile: Access, Transition and Admission Processes; Curriculum and Assessment; Student Engagement and Achievement; Student Feedback and Support; Teaching Quality; and Supervision of Research Students.

### OUR STAFF

Throughout 2013 Massey University spent considerable time engaging with and developing staff. A Massey University-wide staff engagement survey was initiated in September 2013, in which all permanent and fixed-

term staff were invited to participate. The survey provided staff with the opportunity to raise their opinions and provide valuable feedback to Massey University. The survey was conducted by VOICE Project, an independent and respected survey specialist agency that has provided this survey to 40 Australian and New Zealand universities. The SLT was briefed on the results of the survey and high-level results were communicated to staff in all-staff forums on each campus in early December. Action planning in response to the group survey reports commenced in late November, with an initial priority list for action identified by the SLT. All SLT reporting lines are required to submit *Action Plans* in response to their results by the end of March 2014.

Other engagement activities that were initiated in 2013 included: the completion of the fourth annual internal communication survey, with all Massey University staff invited to participate; the development of a framework to formally recognise staff who reach significant milestones as Massey University employees; the development of a Massey University Harassment Contact Network available to staff (if required); the completion of a flexible staffing arrangements project by a Women in Leadership Project team (implementation is now underway); and the SLT attending Campus Engagement Days to engage with staff on Massey University's progress and campus developments, and to answer questions that staff had. Several new recognition awards were introduced – for service excellence and contribution to health and safety – which will be incorporated with the annual Massey University Defining Excellence Awards.

A significant programme of work was undertaken throughout 2013 in providing leadership development programmes - not only to heads of department but to all academic and professional services staff at Massey University. This resulted in a significant increase in the leadership programmes available to staff in the past two years in both offerings (17 programmes in 2011 increased to 51 in 2013) and participation rates (917 participants in 2011 compared with 2,199 in 2013). Such programmes included the Emerging Managers Programme, which expects to improve the capability of future Massey University managers. The Manager Induction Planner Programme (piloted in 2012) was reviewed and officially launched in 2013. This programme is a comprehensive and flexible package with supporting tools and a support system in place. Of particular note was a new Intercultural Communication Programme developed by one of Massey University's academics who specialises in this field. This was developed with support from Massey University's Strategic Innovations Fund and was the most attended staff programme in 2013. Other professional development opportunities provided to Massey University staff included: a one-day workshop on accelerating change and strategic initiatives; 14 Massey University staff members took part in the annual Women@Massey leadership seminar; Māori and Pasifika women (of academic and professional services staff) were invited to apply for the New Zealand Women in Leadership Programme Scholarships in order to attend a week-long course in strategic leadership; and improving staff management financial capability and understanding through reviewing and developing best practice service models (including training on policies, financial processes and procurement). An example of the high levels of leadership that Massey University provides to its staff can be seen in Massey University's Manawatū campus grounds department winning a Business Achievement Award at the Trades' Connections Graduation organised by Vision Manawatū. This award recognised the commitment and support that the grounds department gives to its trade trainees.

Evaluations of 153 job positions were completed in 2013 and the job data derived from this work will be used to inform the development of a new pay scale for professional services staff. Several potential frameworks for a new pay scale have been discussed by the Remuneration Working Group and the options are being developed more fully with a view to having a recommended proposal available for consideration in the first half of 2014.

## OUR STUDENTS

Massey University places great importance on providing high-quality services and advice to students, with a number of initiatives completed in 2013. The Student Administrative Alignment Implementation Project was completed, and will improve Massey University's academic advice and administrative support to students to

help them make more informed course choices. Other initiatives targeted to enhance student services included: the establishment of a Distance Students' Centre on the Manawatū campus to provide services to students who study away from any one of the Massey University campuses; the implementation of a *Student Accommodation Strategy* on each campus to provide a framework for the provision of student accommodation on or close to the campus; the review and development of "Career and Employment Services"; the further enhancement of the Academy of Sport, and the establishment of the Manawatū Athlete Development Academy to develop the next generation of elite athletes who are not yet eligible for High Performance New Zealand assistance; the further development of student levy-funded services, including additional support to student clubs and societies; and a successful pilot was completed on the Wellington campus of a "non-residential halls" programme.

A number of surveys have been utilised to allow Massey University to measure student engagement and satisfaction in a number of areas on either an annual or biennial basis. The Student Experience Survey is run every year to measure students' satisfaction with Massey University services, which include Massey University's administrative and student support dimensions. The analysis of this data helps to identify priorities for improving student services and assists in training staff to better meet the needs of the student population. The Massey Online Survey Tool (MOST) survey provides an evaluation of courses to measure student feedback on papers offered at Massey University. Feedback from MOST is provided to students, showing how others perceived the papers that semester. This feedback then aids in fostering continual improvement in courses. The review of the MOST Teacher Survey was also completed and recommendations for change are in progress.

## OUR IT

Having a sound, robust and high-calibre IT infrastructure is of vital importance to Massey University in order to achieve its aspirational goals. Throughout 2013 Massey University continued its strategic investment in ICT as outlined in Massey University's comprehensive *Information Systems Plan*. The Student Management System Replacement project was initiated in 2013, a preferred supplier chosen, and a business case targeting completion in 2017 approved by the Council. Alongside a full organisational restructure promoting service and business innovation improvements, achievements in the IT area included: replacement projects for core infrastructure; the completion of the first stage of migrating Massey University's telephone system to the Microsoft Lync Unified Communications system; the approval of the business case for the Information Security Project; the completion of the SharePoint collaboration environment; the rollout of the new CommVault data backup and archival system; the release of the ITS online Service Catalog; the release of the first subject area relating to "Student Paper Enrolments" in the Massey Enterprise Reporting (MER) project; the implementation of a structured IT training programme to enhance IT skills for students and staff across all campuses; and the release of a range of apps enhancing the student experience on campus and in the Recreation Centre, as well as the *DefiningNZ* Massey University magazine now available in the Apple App Store (the first of the New Zealand universities to do so).

## OUR CAMPUSES

Massey University is continuing to align campus development plans with its academic, research and enrolment strategies. The campus *Asset Management Plan* has been progressed and building condition audit preliminaries commenced, which will provide base information for the plan.

2013 was a significant year for infrastructure development on all campuses. Significant campus development initiatives that were advanced in 2013 included: the initiation of the Albany Accommodation Village; the announcement of the FoodHQ integrated campus development plan (more information on this is provided in the Research and Scholarship Big Goal); the approval and initiation of the Veterinary Complex upgrade on the Manawatū campus; the completion of Stage 1 of the Sir Geoffrey Peren Building strengthening and restoration project; the Wellington Library upgrade; and the School of Public Health relocation on the Wellington campus as part of the consolidation of the Wellington campus heart. Seismic strengthening of Block 4 on the Wellington

campus was also completed. Along with infrastructure planning, a space reallocation project was undertaken at Albany to relocate staff in line with new college and service structures. 2013 also saw the procurement process and completion of the business case for the Student Management System Replacement project.

Massey University's investment in creating purpose-built, high-quality buildings, facilities and infrastructure was recognised with a number of facilities winning awards in 2013. For example: Massey University's student amenities building at the Albany campus, "Student Central", won the education category in the 2013 Auckland Architecture Awards; the College of Creative Arts building, Te Ara Hihiko, won the categories of Education and Sustainable Architecture in the 2013 Wellington Architecture awards; and Massey University's new multi-function teaching laboratories in AgHort C, located on the Manawatū campus, won the "Best Practice Award for Innovation" at the Association for Tertiary Education Management conference in Australia. This facility, which is unique in Australasia, allows each laboratory to be tailored to accommodate a variety of disciplines. Also in 2013, a new custom-made theatre lab and new Watson Science Laboratories were opened on the Albany campus.

A number of initiatives were completed during the year to enhance the campus experience and provide a model for social cohesion and sound cultural practices. The development of campus environments and facilities for Māori students and staff progressed well, with guidelines developed and updated for Massey University's marae, with a specific focus on improving the visibility, utility and presence of the marae in Wellington. Also progressed was the significant increase of te reo Māori language on building signage on each campus.

A number of successful Māori-oriented events were held at Massey University in 2013, including: Matariki activities; celebrations for Māori graduates; Science for Hauora and Kura Putaiao events on both the Albany and Manawatū campuses; secondary school Māori students were invited to each campus to experience first-hand what Massey University offers; Kuratini Marae on the Wellington campus was used by more external groups and internally by teaching staff and students; and Māori student roopu at the Manawatū and Wellington campuses held several events for students in 2013.

Various Pasifika initiatives were also progressed throughout Massey University in 2013. These included: celebrations for Pasifika graduates; several engagement events for Pasifika students and their communities; professional development opportunities for all Massey University staff on Pasifika aspirations and development; and a Pasifika component as part of the new-to-Massey-University staff orientation. On the Manawatū campus, a Pasifika Research Symposium took place for Pasifika students, staff and alumni.

## APPENDICES

### STUDENT NUMBERS

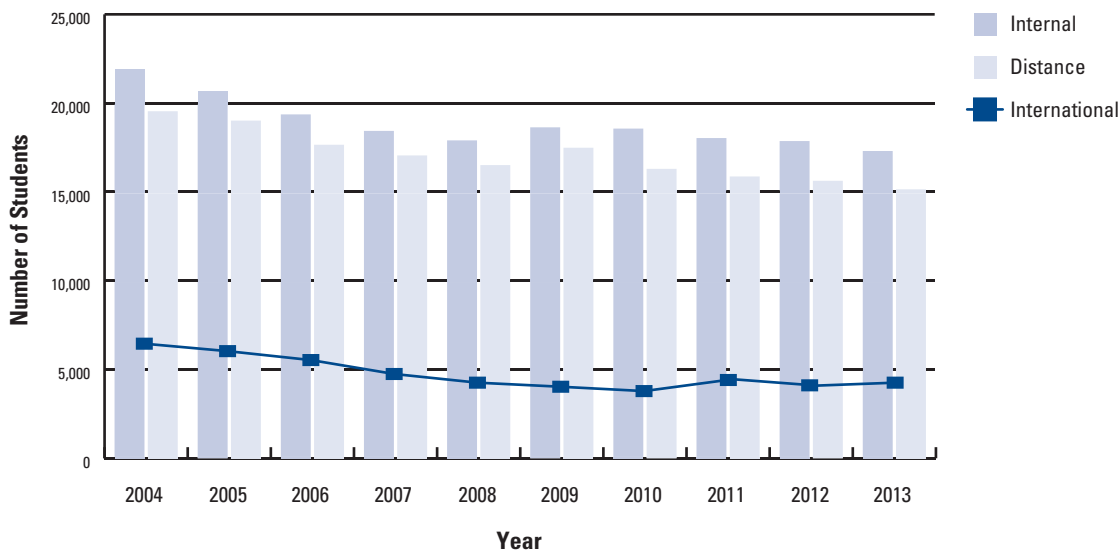
Note: Figures below are student headcount, and include all students enrolled regardless of funding source.

#### Massey University Totals

	Notes	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Internal	1	21,893	20,640	19,366	18,436	17,902	18,637	18,566	18,034	17,864	17,303
Distance	1	19,543	19,017	17,656	17,055	16,511	17,488	16,299	15,870	15,627	15,146
<b>Total</b>		<b>41,436</b>	<b>39,657</b>	<b>37,022</b>	<b>35,491</b>	<b>34,413</b>	<b>36,125</b>	<b>34,865</b>	<b>33,904</b>	<b>33,491</b>	<b>32,449</b>
% Change Over Previous Year		(0.54%)	(4.49%)	(6.64%)	(4.14%)	(3.03%)	4.97%	(3.49%)	(2.76%)	(1.22%)	(3.11%)
Number of International Students Included in Totals Above	2	6,216	5,790	5,279	4,481	3,985	3,752	3,503	3,947	3,806	3,859

#### Notes:

1. By student mode.
2. Includes all international students regardless of New Zealand residency or funding status.



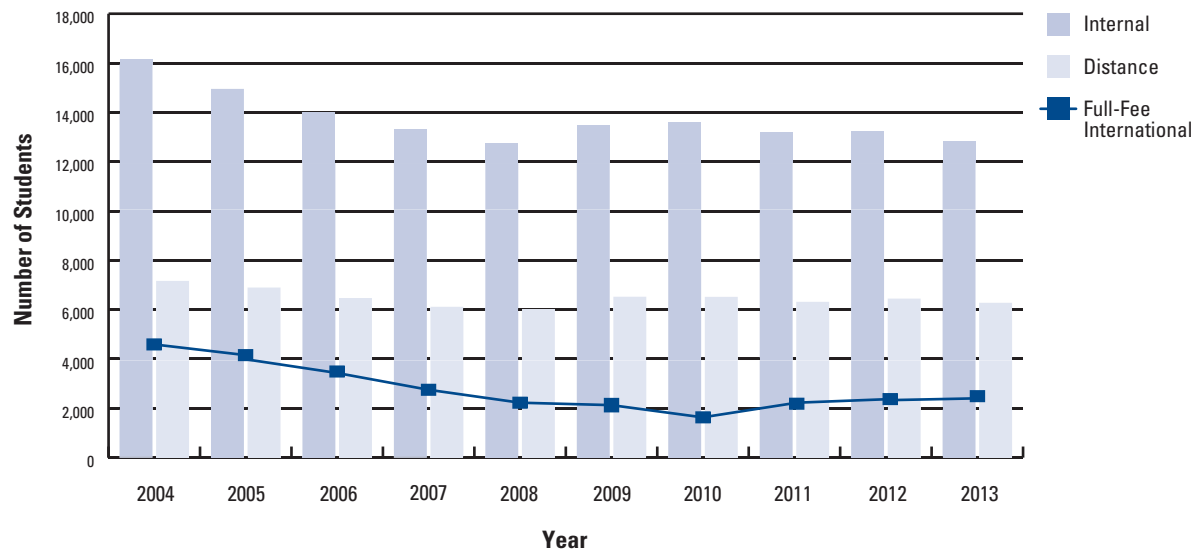


## EQUIVALENT FULL-TIME STUDENTS (EFTS)

	Notes	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Internal	1	16,159	14,952	14,002	13,315	12,749	13,469	13,599	13,201	13,256	12,822
Distance	1	7,167	6,897	6,473	6,117	5,989	6,525	6,520	6,318	6,449	6,279
<b>Total All Students (Regardless of Funding Sources)</b>		<b>23,326</b>	<b>21,850</b>	<b>20,475</b>	<b>19,432</b>	<b>18,738</b>	<b>19,994</b>	<b>20,119</b>	<b>19,519</b>	<b>19,704</b>	<b>19,101</b>
% Change Over Previous Year		(0.07%)	(6.33%)	(6.29%)	(5.09%)	(3.57%)	6.70%	0.63%	(2.98%)	0.94%	(3.06%)
Full-Fee International Students Included in Totals Above	2	4,809	4,197	3,412	2,671	2,084	2,021	1,886	2,050	2,222	2,289
<b>EFTS Funded by TEC</b>	3	<b>17,840</b>	<b>16,931</b>	<b>16,297</b>	<b>16,085</b>	<b>15,996</b>	<b>17,360</b>	<b>17,673</b>	<b>16,784</b>	<b>16,852</b>	<b>16,140</b>
% Change Over Previous Year		(2.77%)	(5.10%)	(3.07%)	(1.99%)	(0.55%)	8.52%	1.80%	(5.03%)	0.41%	(4.22%)

### Notes:

1. By paper mode.
2. These are full-fee international students as per TEC funding classifications 02, 03 and 20.
3. As per TEC Funding Classification 01.



## STUDENT AGE DISTRIBUTION (HEADCOUNT)

Ethnicity	Gender	2013							Total	Total All (%)
		<17	17-19	20-24	25-29	30-34	35-39	40+		
New Zealand Māori	Female	6	249	603	359	263	219	520	2,219	7%
	Male	3	117	282	166	109	97	199	973	3%
	<b>Total</b>	<b>9</b>	<b>366</b>	<b>885</b>	<b>525</b>	<b>372</b>	<b>316</b>	<b>719</b>	<b>3,192</b>	<b>10%</b>
European	Female	2	1,491	3,613	1,717	1,229	993	3,097	12,142	37%
	Male	2	870	2,093	990	719	543	1,393	6,610	20%
	<b>Total</b>	<b>4</b>	<b>2,361</b>	<b>5,706</b>	<b>2,707</b>	<b>1,948</b>	<b>1,536</b>	<b>4,490</b>	<b>18,752</b>	<b>58%</b>
Pasifika	Female	-	64	217	144	98	85	145	753	2%
	Male	-	41	104	76	43	39	78	381	1%
	<b>Total</b>	<b>-</b>	<b>105</b>	<b>321</b>	<b>220</b>	<b>141</b>	<b>124</b>	<b>223</b>	<b>1,134</b>	<b>3%</b>
Asian	Female	2	220	1,058	533	323	135	204	2,475	8%
	Male	2	148	871	448	262	115	121	1,967	6%
	<b>Total</b>	<b>4</b>	<b>368</b>	<b>1,929</b>	<b>981</b>	<b>585</b>	<b>250</b>	<b>325</b>	<b>4,442</b>	<b>14%</b>
Other	Female	-	60	354	205	170	126	232	1,147	4%
	Male	-	47	286	215	125	109	164	946	3%
	<b>Total</b>	<b>-</b>	<b>107</b>	<b>640</b>	<b>420</b>	<b>295</b>	<b>235</b>	<b>396</b>	<b>2,093</b>	<b>6%</b>
Unspecified	Female	-	176	430	270	190	156	343	1,565	5%
	Male	-	152	415	189	166	117	232	1,271	4%
	<b>Total</b>	<b>-</b>	<b>328</b>	<b>845</b>	<b>459</b>	<b>356</b>	<b>273</b>	<b>575</b>	<b>2,836</b>	<b>9%</b>
Total	Female	10	2,260	6,275	3,228	2,273	1,714	4,541	20,301	63%
	Male	7	1,375	4,051	2,084	1,424	1,020	2,187	12,148	37%
	<b>Total</b>	<b>17</b>	<b>3,635</b>	<b>10,326</b>	<b>5,312</b>	<b>3,697</b>	<b>2,734</b>	<b>6,728</b>	<b>32,449</b>	
	<b>Total (%)</b>	<b>0.05%</b>	<b>11%</b>	<b>32%</b>	<b>16%</b>	<b>11%</b>	<b>8%</b>	<b>21%</b>		

**Notes:**

1. Total all (%) column and row is the percent of the total year figure: 2013 = 32,449.
2. Figures above include all students regardless of funding source.
3. Student data as at 31 December 2013 (extracted 29 December 2013).

## STUDENT ETHNICITY, MODE AND GENDER (HEADCOUNT)

Ethnicity	Mode	2013			Total All (%)
		Female	Male	Total	
New Zealand Māori	Internal	845	454	1,299	4%
	Distance	1,374	519	1,893	6%
	<b>Total</b>	<b>2,219</b>	<b>973</b>	<b>3,192</b>	<b>10%</b>
European	Internal	5,599	3,185	8,784	27%
	Distance	6,543	3,425	9,968	31%
	<b>Total</b>	<b>12,142</b>	<b>6,610</b>	<b>18,752</b>	<b>58%</b>
Pasifika	Internal	320	207	527	2%
	Distance	433	174	607	2%
	<b>Total</b>	<b>753</b>	<b>381</b>	<b>1,134</b>	<b>3%</b>
Asian	Internal	1,931	1,622	3,553	11%
	Distance	544	345	889	3%
	<b>Total</b>	<b>2,475</b>	<b>1,967</b>	<b>4,442</b>	<b>14%</b>
Other	Internal	723	718	1,441	4%
	Distance	424	228	652	2%
	<b>Total</b>	<b>1,147</b>	<b>946</b>	<b>2,093</b>	<b>6%</b>
Unspecified	Internal	878	821	1,699	5%
	Distance	687	450	1,137	4%
	<b>Total</b>	<b>1,565</b>	<b>1,271</b>	<b>2,836</b>	<b>9%</b>
Total	Internal	10,296	7,007	17,303	53%
	Distance	10,005	5,141	15,146	47%
	<b>Total</b>	<b>20,301</b>	<b>12,148</b>	<b>32,449</b>	<b>100%</b>

**Notes:**

1. Total all (%) column and row is the percent of the total year figure: 2013 = 32,449.
2. Figures above include all students regardless of funding source.
3. Student data as at 31 December 2013 (extracted 29 December 2013).

## STAFFING LEVELS

**FULL-TIME EQUIVALENT (FTE) STAFF**

	2012	2013
<b>Colleges</b>		
Academic	1,072	1,081
Professional Services	426	430
Contract and Trading	367	377
<b>Total Colleges</b>	<b>1,865</b>	<b>1,887</b>
<b>Centres of Research Excellence, Support Services and Administration</b>		
Vice-Chancellor's Office	17	16
Assistant Vice-Chancellor (Academic and International)	381	389
Assistant Vice-Chancellor (External Relations)	43	48
Assistant Vice-Chancellor (Finance, Strategy and IT)	204	198
Assistant Vice-Chancellor (Māori and Pasifika)	25	22
Assistant Vice-Chancellor (Operations) and University Registrar	326	323
Assistant Vice-Chancellor (People and Organisational Development)	30	33
Assistant Vice-Chancellor (Research and Enterprise)	80	77
<b>Total Centres of Research Excellence, Support Services and Administration</b>	<b>1,106</b>	<b>1,107</b>
<b>Total Staff</b>	<b>2,972</b>	<b>2,994</b>

**STAFF (FTE), BY COLLEGE**

College		2006	2007	2008	2009	2010	2011	2012	2013
College of Business	Academic	290	282	251	240	221	210	207	212
	Professional Services	113	97	97	103	106	89	86	81
	Contract and Trading	17	16	11	9	12	9	9	8
College of Creative Arts	Academic	115	105	101	113	113	107	98	93
	Professional Services	34	35	35	37	38	37	40	44
	Contract and Trading	2	2	6	6	3	3	4	1
College of Education	Academic	121	113	104	107	104	102	99	N/A
	Professional Services	62	48	47	47	47	34	32	N/A
	Contract and Trading	110	111	94	85	73	65	49	N/A
College of Health	Academic	N/A	N/A	N/A	N/A	N/A	N/A	N/A	138
	Professional Services	N/A	N/A	N/A	N/A	N/A	N/A	N/A	50
	Contract and Trading	N/A	N/A	N/A	N/A	N/A	N/A	N/A	130
College of Humanities and Social Sciences	Academic	252	244	226	234	245	258	257	299
	Professional Services	55	62	49	55	56	49	47	66
	Contract and Trading	118	115	137	154	147	146	139	84
College of Sciences	Academic	436	445	432	423	408	403	411	339
	Professional Services	253	284	242	255	233	221	222	189
	Contract and Trading	206	174	158	156	170	160	166	153
Total Colleges	Academic	1,214	1,189	1,114	1,117	1,091	1,080	1,072	1,081
	Professional Services	517	526	470	497	481	430	426	430
	Contract and Trading	453	418	402	410	405	383	367	377
Total FTE		2,184	2,133	1,987	2,023	1,976	1,893	1,865	1,887

**Note:**

In 2013, the College of Education became an Institute of Education, based in the College of Humanities and Social Sciences. The College of Health was created in 2013, formed from a combination of departments/schools/institutes in the College of Humanities and Social Sciences and the College of Sciences.

## STAFFING RATIOS

	2006	2007	2008	2009	2010	2011	2012	2013
Funded EFTS (Excluding Professional and Continuing Education)	19,490	18,549	17,869	18,889	19,048	18,493	19,316	18,761
Total Academic Staff Incl Casual Academic	1,214	1,188	1,114	1,117	1,091	1,080	1,072	1,081
Total Professional Services Staff Incl Casual Professional Services	1,507	1,522	1,456	1,553	1,552	1,519	1,533	1,536

College	2011		2012		2013	
	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff
College of Business	25.6 : 1	0.43 : 1	24.9 : 1	0.48 : 1	25.3 : 1	0.38 : 1
College of Creative Arts	15.9 : 1	0.34 : 1	14.7 : 1	0.33 : 1	17.7 : 1	0.47 : 1
College of Education	17.5 : 1	0.33 : 1	16.5 : 1	0.46 : 1	N/A	N/A
College of Health	N/A	N/A	N/A	N/A	15.5 : 1	0.36 : 1
College of Humanities and Social Sciences	17.8 : 1	0.19 : 1	19.2 : 1	0.23 : 1	17.2 : 1	0.22 : 1
College of Sciences	12.5 : 1	0.55 : 1	12.6 : 1	0.57 : 1	11.4 : 1	0.56 : 1
<b>University Total</b>	<b>17.1 : 1</b>	<b>1.41 : 1</b>	<b>17.1 : 1</b>	<b>1.41 : 1</b>	<b>16.8 : 1</b>	<b>1.42 : 1</b>



