

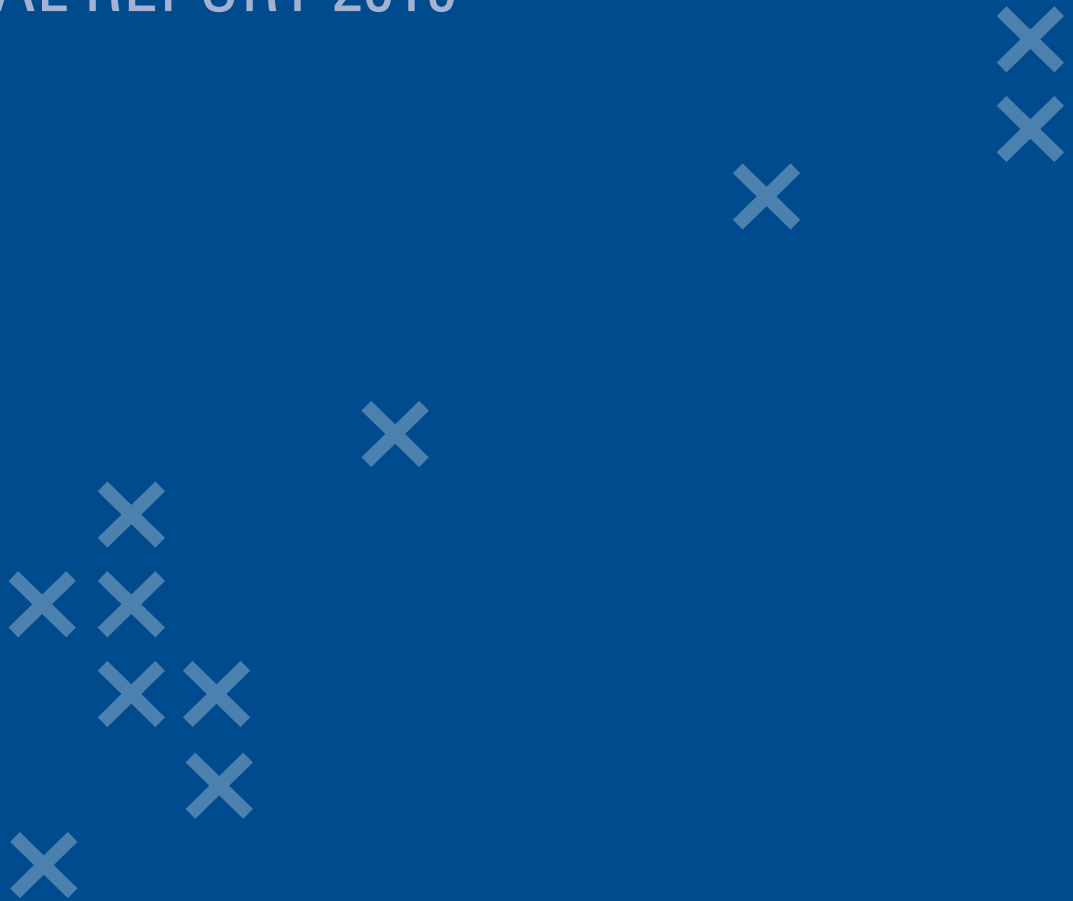


**MASSEY**  
**UNIVERSITY**  
TE KUNENGA KI PŪREHUROA

UNIVERSITY OF NEW ZEALAND

# TE KUNENGA KI PŪREHUROA

## ANNUAL REPORT 2019



# MIHI

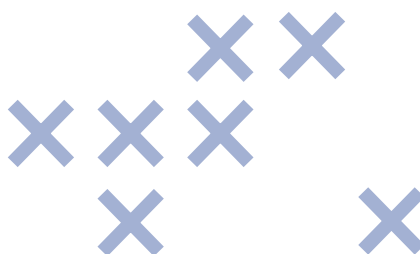
I whakaingoatia e te pūkenga mātauranga Māori o mua o te wānanga nei, e Kahu Stirling ko Te Kunenga ki Pūrehuroa hei ingoa Māori mō te wānanga nei i te tau 1997.

Ko Te Pūrehuroa e whakahuatia nei, he rarangi whetū ki te rangi, he hīnātore ki te māramatanga. Inā hoki, ahakoa he tīmatanga, kāhore he mutunga o tēnei mahi te whai i te mātauranga. Nō reira, nau mai, kia mārama ai ngā pūmanawa, kia pakari ai ngā pūkenga.

Te Kunenga ki Pūrehuroa was a name gifted to Massey University in 1997 by former Senior Lecturer in Māori Education, Uncle Kahu Stirling. Upon gazing upwards to the evening skies, he observed the multitude of stars shining brightly, stars that seemingly had no beginning or end. He could see the endless possibilities that arise through the pursuit of knowledge, that potential is limitless, and that there are no boundaries to what can be achieved. Welcome all those who aspire to the vision of lifelong learning that is the call of Te Kunenga ki Pūrehuroa.

## TABLE OF CONTENTS

04	Introduction
06	From the Chancellor
08	From the Vice-Chancellor
12	Governance and management
14	Statement of service performance
20	Ngā kete o te wānanga – Research
32	Te ako – Learning and teaching
48	Hei arataki – Civic leadership
62	Summary facts and figures
66	Equity and diversity at Massey University
70	Directory
71	Statement of responsibility
72	Independent auditor’s report
76	Statement of comprehensive revenue and expense
77	Statement of financial position
78	Statement of changes in equity
79	Statement of cash flows
80	Reconciliation of the net surplus from operations with the net cash flow from operating activities
81	Notes to the financial statements
112	Compulsory student services fees



# Ō MUA

## OUR PAST

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MASSEY UNIVERSITY AND ITS PREDECESSORS WERE ESTABLISHED TO DELIVER POSITIVE, RESEARCH-LED AND INNOVATIVE RESPONSES TO THE NEEDS OF A YOUNG NATION, AND TO DRIVE AND ENABLE ECONOMIC AND CULTURAL ADVANCEMENT. THIS ETHOS IMBUES MASSEY'S PAST, PRESENT AND FUTURE.

Massey University first founded its international reputation as a world-class agricultural college in Palmerston North in 1927. In 1960 Massey led the way in distance higher education. In 1993 it established a campus in Auckland, and in 1999 it incorporated the renowned School of Design, established in Wellington in 1886. It now delivers teaching and research across a range of areas that combine the universal search for knowledge with addressing real-world problems. Our world-leading reputation now extends across many diverse disciplines, all with international excellence and national significance in common.

# Ō NĀIANEI

## OUR PRESENT

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COMPETITION FOR STUDENTS AND STAFF – BOTH DOMESTIC AND INTERNATIONAL – AND FUNDING REMAINS INTENSE. DRAMATIC TECHNOLOGICAL INNOVATIONS CREATE NEW OPPORTUNITIES AND CHALLENGES IN TEACHING AND RESEARCH. STUDENTS DEMAND A SUPERB PERSONALISED LEARNING EXPERIENCE THAT IS STUDENT FOCUSED, IS FLEXIBLE AND DELIVERS TECHNOLOGICALLY APPROPRIATE LEARNING, WHEREVER AND HOWEVER THEY CHOOSE TO STUDY. BLENDED LEARNING CONTINUES TO REDUCE THE BARRIERS OF DISTANCE AS IT TRANSFORMS THE WAY INTERNAL STUDENTS LEARN.

Global megatrends such as climate change, population growth, urbanisation, demands for food and water security and sustainable energy, personalisation and geopolitical uncertainty require universities such as Massey to step forward and actively respond. They must create important new knowledge, educate the next generation of leaders and they must also be the critics and consciences of society.

As we look to the future, we will make sure that our research is exceptional, and that it expands knowledge and improves the lives of communities and individuals across the globe.

# Ō ĀPŌPŌ



## OUR FUTURE

AS AOTEAROA NEW ZEALAND TRANSFORMS, SO TOO DOES MASSEY UNIVERSITY. THIS TRANSFORMATION POSITIONS US TO LEAD GLOBALLY.

Massey is a world-leading university in many academic disciplines and fields of research. Our point of difference is our world-leading research, which is connected to community and industry. By strategically investing in disciplinary research excellence we will create a virtuous cycle that amplifies our international and national research impacts. Operating in the real world and through international collaborations, our researchers are developing expertise and skills to advance human knowledge and understanding. Working together across disciplines and locations, we solve national and global problems through fundamental, applied and interdisciplinary research, while culturally and artistically enriching our world.

As a Tiriti-led university we are committed to demonstrating authentic leadership in contemporary Aotearoa New Zealand as we uphold Te Tiriti o Waitangi, the founding document of our nation, and its principles through our practice. Massey embraces this not just as an obligation but as a real opportunity for the nation and its people. The University will champion new strategies for advancement and integration of te reo Māori and Māori knowledge, it will demonstrate informed practices consistent with tikanga Māori, and will embrace kaupapa Māori across our activities. Massey's teaching and research will contribute to advanced outcomes for whānau, hapū and iwi.

Our educators are preparing a new generation of global leaders. Our students are diverse and are attracted to Massey because they want to achieve their personal goals or make their mark in the world. Our programmes are research-led, informed by the best local and global experience, and have international standing.

Our students will experience world-class learning that recognises their intellectual and cultural strengths, expands their horizons and prepares them to contribute to a rapidly transforming world with skills, critical and creative thinking and leadership. We will integrate curricula, pedagogy and digitally supported learning environments to support our students' learning journeys.

All our students will have the opportunity to work in industry, with communities and community agencies or iwi, or as active citizens, artists, writers or researchers. Our students will be encouraged to develop entrepreneurial skills that ensure individual success. Our best advertisement is the achievement of our graduates, who make positive contributions and create jobs for others.

Massey will be renowned for its passion and its caring attitude. This will be particularly demonstrated in how we care for our staff, our students, our nation and our environment.

We will encourage evidence-based critical debate and ensure that a Massey education includes the skills of critical thinking, curiosity and commitment that are essential for national and global citizenship. Massey graduates will be equipped to lead in an uncertain future.

All Massey campuses will be innovation ecosystems, acting as magnets for smart enterprises. Wherever we are, we will operate in partnerships founded on respect, trust and mutual benefit.

Massey is not only defined by what we do, but by *how* we do it.



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## FROM THE CHANCELLOR

E NGĀ MANA, E NGĀ REO  
HUHUA O TE KUNENGA KI  
PŪREHUROA, PUTA NOA I  
TE MOTU WHĀNUI, TĒNĀ  
KOUTOU KATOA. HE KUPU  
WHAKAMĀRAMA TĒNEI  
E WHAI AKE NEI MŌ NGĀ  
TAUMATA WHAKATIKETIKE  
O TE TAU KUA PAHURE  
ATU MŌ TĀ TĀTOU NEI  
WĀNANGA.



It has been almost two years since the *Massey University Strategy 2018-2022* was launched. Among our goals to produce world-leading research, to nurture curious, world-ready graduates and to build on our heritage of excellence and integrity in scholarship and civic leadership, I'm particularly proud of our game-changing journey to be a role model as a Te Tiriti o Waitangi-led institution.

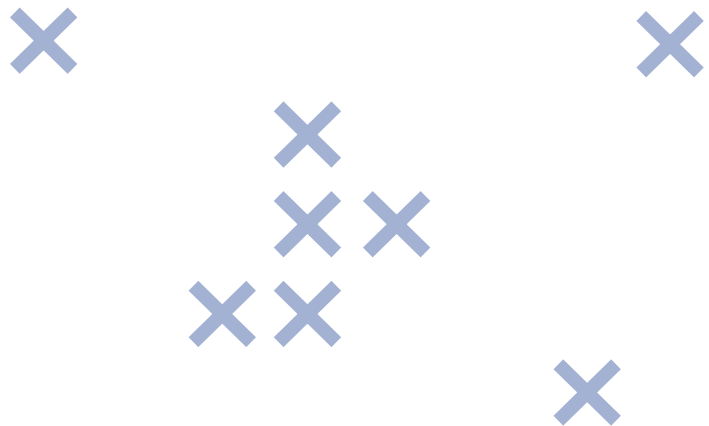
In June 2019, the implementation of our Strategy was evaluated. The evaluation found that nearly all our objectives had been either fully or partially activated through University activities, which indicated good progress had been made. The evaluation provided us with an opportunity to reassess and review goals as we begin to think about the next steps for our Strategy and the constantly evolving environment in which we are operating.

The financial performance in 2019 was satisfactory. Total operating revenue of \$551.4 million delivered a 1.6 per cent surplus. Our balance sheet continued to be very strong, which is reassuring given our challenging operating environment. We now have total assets valued at \$1.5 billion against a total liability of only \$0.3 billion.

In 2019 we enrolled 30,491 students, including 5,323 international students from more than 130 countries.

We graduated a total of 6,420 students, of whom 3,886 crossed the stage at ceremonies in Auckland, Palmerston North and Wellington in April, May and November respectively.

Dame Wendy Pye received Massey's first Doctor of Education (Honoris Causa) honorary doctorate in April. The doctorate was awarded in recognition of her outstanding contribution to the development of quality educational resources.



In November, an honorary Doctor of Science degree was awarded to renowned Dilmah Tea founder Merrill Fernando of Sri Lanka at our Manawatū graduation ceremony, in recognition of his strong leadership in ethical business in the food and beverage industry. At the same ceremony former Palmerston North mayor and former Manawatū MP Jill White was awarded an honorary doctorate, and United States-based Massey alumnus and health psychologist Professor Michael Ross was awarded a Doctor of Science.

Leadership from our Vice-Chancellor has been focused on advancing our strategic investment, particularly around digital innovation. A raft of exciting technologies and tools – including virtual, augmented and mixed reality in various teaching settings – are among features of the high-level context for our key digital innovation stream of work. In the coming years, these will transform how we deliver learning and teaching across our physical and virtual campuses, with a fit-for-purpose, future-oriented portfolio of programmes being delivered to our students to support their success.

The University Council enthusiastically engaged around the table and in graduation ceremonies and other University events. I feel there is a strong sense of duty in their governance responsibilities, goodwill towards Massey and its students and staff, and a desire to further the interests of the University. We farewell council members Carl Worker, Dr Helen Anderson and staff-elected members Jacqui Hofmann and Distinguished Professor Gaven Martin. My thanks go to all members of the council for their service and support.

**Kāti ake rā i konei. E mihi ana ki tēnā ki tēnā o koutou, e tautoko ana i ngā tini tūmanako, kaupapa hoki kei tēnei wānanga a tātou, arā, ko Te Kunenga ki Pūrehuroa. Kia ū, kia ita, kia mau tātou ki te ara o te mātauranga.**

Nāku noa.

**Michael Ahie**  
Chancellor

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## FROM THE VICE-CHANCELLOR

KEI AKU RAHI, KEI AKU NUI.  
NEI RĀ TE MIHI KAU AKE I  
ROTO I NGĀ ĀHUATANGA O  
TE WĀ.



I am pleased to present my third *Annual Report* as Massey Vice-Chancellor.

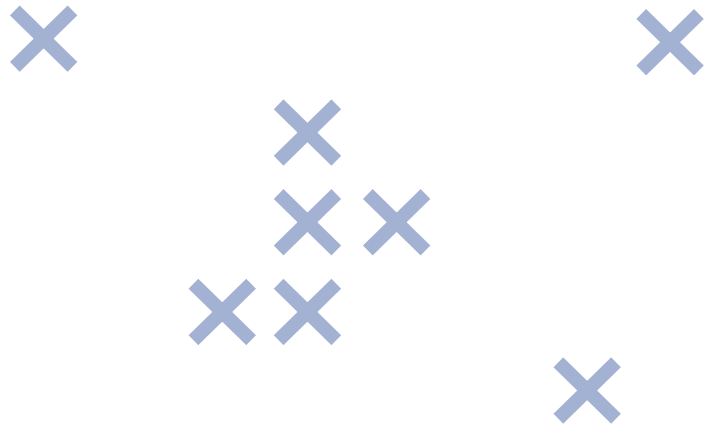
In 2019 we continued to deliver a programme of work comprising major initiatives that will continue as investment priorities for the next few years. These include Digital Plus, our flagship strategic concept to drive the co-ordinated consolidation of Massey's academic offering. We are aiming for an acceleration of world-class online teaching and learning to future-proof our University in the changing world.

We are on track to enhance student success with a refreshed focus on student enterprise – another of our key initiatives – and on continuing to deliver world-class research. Underpinning these initiatives is our aspiration to become a Te Tiriti o Waitangi-led university. With a robust strategy in place, we have developed resources and opportunities to enact our goals through workshops, hui and campus kōrero.

In August 2019 the Massey University Council approved *Paerangi: Massey University Learning and Teaching Strategy 2019-2022* (Paerangi), our new learning and teaching strategy. Paerangi, meaning "to raise up high" or to reference a horizon, has authentic meaning for us as a community of students and staff, with a commitment to supporting all our students to reach their potential and helping them to build their strengths and capacity as community leaders.

Our researchers continued to shine in 2019. Thirteen Massey University-led research projects received more than \$8 million from the Royal Society Te Apārangi annual Marsden Fund round in 2019. The projects – eight





standard grants and five “Fast-Start” grants for new and emerging researchers – include finding undiscovered planets for a future NASA mission, exploring Pāsifika funds of knowledge in mathematics, and recreating parts of volcanic eruptions.

A strong community of researchers is pivotal to the quality of teaching, underpinning the relevance and reputation of a university. Massey continues to flourish in this sphere and we are immensely proud of our world-class research. In 2019 Massey climbed up the rankings in the latest QS World University Rankings to be placed at 287th equal – up 45 places from 332nd equal last year – making Massey the most improved New Zealand university and returning it to the top 300 for the first time in a decade.

We have made some significant adjustments to our internal structure – a major goal achieved in 2019 was the separation of the distinct portfolios of global engagement, and students and alumni. I was delighted to welcome Tere McGonagle-Daly of Ngāti Whakaue ki Maketū in November as Massey’s first Deputy Vice-Chancellor Students and Alumni. The role was created to ensure students are supported throughout their time at Massey, and to foster an ethos of life-long learning.

Stuart Morriss’ portfolio was altered to the role of Deputy Vice-Chancellor Global Engagement. While he also retains his responsibilities for the University’s facilities and capital developments across its three campuses, this new role reflects the strategic importance of Massey continuing to grow and develop its international presence and operations.

The health and wellbeing of students is always top of mind. In 2019 we launched our *Wellbeing Strategy 2019-2022* and undertook substantial work to improve the pastoral care of our students. We developed tools designed to help staff raise concerns about students, as well as a process for creating a student care plan. We also employed wellbeing advisers and rolled out mental health first-aid training to staff.

Across our campuses we marked a number of milestones. In July, Massey University celebrated 20 years of being in New Zealand’s capital city. Our Wellington campus was established in July 1999 following the University’s merger with Wellington Polytechnic. Today the campus is a hub for creativity and innovation, with its College of Creative Arts the dominant provider of creative education in New Zealand and ranked the top school in the Asia Pacific region. Our Bachelor of Communication is the largest programme on the Wellington campus. Massey’s Bachelor of Nursing has a large number of students in Wellington and is ranked number one for research in New Zealand. The Wellington campus has a strong reputation for research, with a number of top-ranked centres including the Centre for Public Health Research, the Joint Centre for Disaster Research, the Centre for Defence and Security Studies, the Westpac Massey Financial Education and Research Centre and the Sleep/Wake Research Centre.

At the Auckland campus the Sir Neil Waters extension building, the new home of the College of Health, opened in October. The extension will provide five additional teaching spaces and workspace to accommodate doctoral students and 40 staff from the Schools of Health Sciences; Nursing; Sport, Exercise and Nutrition; and Social Work.



The extension, along with the construction of a 9,800sqm Innovation Complex, is part of a \$120 million plan for the next stage of development of the Auckland campus. Further development plans include an expansion of the library, a marae complex and additional teaching space to serve the region's fast-growing population.

In Palmerston North, Massey University's new state-of-the-art aviation centre was officially opened by Transport Minister Phil Twyford in October. Plans are underway for a significant transformation of the Manawātū campus library to make it even more integral to day-to-day campus life. The School of Veterinary Science Production Animal Isolation Facility was completed and the site preparations for the next stage – to house Post Mortem, Production Animal hospital and Wet Laboratory facilities – were well advanced.

The new food science building under construction at the Manawātū campus is near completion, and due to open in April 2020. The joint facility shared by Massey and AgResearch, known as Te Ohu Rangahau Kai, will house up to 140 researchers. In addition to general office spaces, it will have 1,800sqm of laboratories and 900sqm of meat and dairy pilot plants. The new section of the pilot plant will be immediately adjacent to the current Massey University FoodPilot, which is the largest in the Southern Hemisphere, meaning a significant enhancement of the facilities in close proximity that increase services to the food industry.

The restoration of the heritage-listed Refectory Building commenced, with the restoration scheduled to be completed mid-2021.

In Wellington, the campus marae project passed a major milestone in August, with code compliance certificates issued for the whareniui and wharekai buildings.

In 2019 the College of Humanities and Social Sciences welcomed a new Pro Vice-Chancellor, Professor Cynthia White, a highly respected Massey linguistics scholar, replacing Distinguished Professor Paul Spoonley, an eminent sociologist whose work has informed and contributed significantly to public debate and policy on population, immigration and race relations issues. Professor Spoonley stepped down in order to pursue further research.

We also welcomed Distinguished Professor Graham Hingangaroa Smith as Deputy Vice-Chancellor Māori, who in late 2019 took on the role of Te Toi Ihorei ki Pūrehuroa, to be replaced as Deputy Vice-Chancellor Māori by Professor Meihana Durie.

The Massey Business School was ranked third in Australasia and first in New Zealand for accounting research impact and productivity.

New undergraduate qualifications include the Bachelor of Animal Science, the Bachelor of Health Science (Mental Health and Addiction) and the Bachelor of Design (Concept Design). The establishment of the School of Built Environment in Auckland was another milestone.

And in response to some of the most pressing issues of our era, Massey University will offer a new Master of Sustainable Development Goals in 2020. The degree represents a cross-University collaboration to address the three main elements of the United Nations' Sustainable Development Goals – ecological, societal and economic. It also presents a unique opportunity to showcase Pacific and indigenous concepts of sustainability as alternatives to dominant Western models.

Several Massey alumni were sadly lost to us in 2019. Paddy Bassett, the first woman to graduate from Massey,



with a Bachelor of Agricultural Science, passed away on July 20, 2019. Dr Graeme Bassett, founder of the Media Studies programme and former Head of School (English and Media Studies) passed away in August.

Amid the challenges, there were also many highlights. Three former Massey University professors – Peter Lineham, Tom Prebble and the late Ivan Snook – received New Year’s Honours in 2019, alongside eight other alumni.

Seven Massey University graduates were among the recipients of the 2019 Queen’s Birthday Honours. These included Patricia Seymour, who was awarded the Queen’s Service Order for services to local government and the community, and Dr Hinemoa Elder, who received the New Zealand Order of Merit for her services to psychiatry and Māori.

We proudly shared the celebrations and pride of our newest graduates at ceremonies on all three campuses in April, May and November, with a record 59 graduates gaining doctoral degrees at the November ceremony in Manawatū.

We are well placed to continue on a positive trajectory, albeit in ways that will be altered by the unprecedented and massive impacts of the COVID-19 pandemic that unfolded at the start of the new year. The outbreak, which originated in China, was officially declared a global pandemic in mid-March 2020. Soon after this New Zealand entered a period of lockdown and a state of emergency to try to contain the spread of the virus. This has caused major disruptions to our normal operations, from teaching to travel, resulting in the partial closure of all campuses, the cancellation of University events and a rapid shift to maximising online teaching.

In short, the pandemic has affected everything and everyone, nationally and globally. The downstream impacts will no doubt provoke a range of major societal transformations. At the time of writing, we have yet to fathom the full scope and scale of the changes ahead of us. However, the health and wellbeing of our staff and students remains paramount. We have taken every care and precaution possible to ensure our Massey community is fully informed on how to stay safe, while providing contingency options for study, assessments and exams as well as access to vital pastoral, medical and other support services. Massey’s strength as an experienced provider of excellent distance learning has certainly been an advantage as we adapt to these extraordinary and challenging circumstances. I have every confidence that our robust systems and superb staff will stand us in good stead as we navigate this crisis.

I would like to acknowledge all the hard work of our dedicated University Council members and thank them for their steadfast governance in navigating critical issues and decisions amid testing yet exhilarating times. Strong, wise and responsive leadership is vital to Massey’s future as a provider of quality, life-long learning and the opportunities this creates for our diverse communities.

**Professor Jan Thomas**  
Vice-Chancellor





Massey University Council 2019, from left: Alistair Davis, Dr Helen Anderson, Distinguished Professor Gaven Martin, Professor Jan Thomas, Colin Harvey, Michael Ahie, Ben Vanderkolk, Distinguished Professor Sally Morgan, Jacqui Hofmann, Ian Marshall.  
Absent: Ngahuia Kirton, Tina Wilson, Carl Worker.

## GOVERNANCE AND MANAGEMENT

### UNIVERSITY COUNCIL MEMBERS

#### Chancellor

Michael Ahie BBS (Hons)

#### Pro Chancellor

Dr Helen Anderson QSO PhD *Cantab*, CRSNZ, CFInstD  
(to December 2019)

Ben Vanderkolk LLB *Cant*  
(from January 2020)

#### Vice-Chancellor

Professor Jan Thomas BSc *Murd*, BVMS *Murd*, MVS *Melb*,  
PhD *Murd*, MACVS, FAICD, FAIM

#### Members appointed by the Minister of Education

Michael Ahie BBS (Hons)  
Dr Helen Anderson QSO PhD *Cantab*, CRSNZ, CFInstD  
(to December 2019)

Colin Harvey ONZM BAgSc, BCC *Auck*  
Ben Vanderkolk LLB *Cant*

#### Elected permanent member of academic staff

Distinguished Professor Gaven Martin BSc (Hons), MSc,  
PhD *Michigan*, FRSNZ, FAMS, FNZMS  
(to December 2019)

Professor Sarah Leberman BA *Cambridge*, MA *Well*, PhD *Well*  
(from January 2020)

#### Elected permanent member of professional staff

Jacqui Hofmann BA *Well*, GDipInfSc  
(to December 2019)

Nigel Barker BBS, MALP  
(from January 2020)

#### Member elected by Massey University students

Ngahuia Kirton

#### Members appointed by Council on nomination of Vice-Chancellor

Alistair Davis LLB, BCA  
Ian Marshall BCom *Natal*, CAANZ, CA(SA)  
Tina Wilson BBS, BA (Māori representative)  
Carl Worker MA *Oxf* (to June 2019)

#### Ex officio members

Academic Board chairperson  
Distinguished Professor Sally Morgan  
BA (Hons) *Sheff Hallam*, MA *Warw*, PhD *Deakin*  
(to December 2019)





Massey University Senior Leadership Team 2019, from left: Cathy Magiannis, Distinguished Professor Graham Hingangaroa Smith, Tere McGonagle-Daly, Professor Stephen Kelly, Professor Claire Robinson, Alan Davis, Professor Jan Thomas, Professor Giselle Byrnes, Professor Cynthia White, Professor Ray Geor, Professor Jane Mills, Stuart Morriss.

## SENIOR LEADERSHIP TEAM MEMBERS

### Vice-Chancellor

Professor Jan Thomas  
BSc *Murd*, BVMS *Murd*, MVS *Melb*,  
PhD *Murd*, MACVs, FAICD, FAIM

### Pro Vice-Chancellors (colleges)

#### BUSINESS

Professor Stephen Kelly  
BAdmin, MBus, PhD

#### CREATIVE ARTS

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

#### HEALTH

Professor Jane Mills  
BN *Tas*, MN *Tas*, MEd *C Sturt*, PhD *Monash*,  
MBA *Imp Lond*

#### HUMANITIES AND SOCIAL SCIENCES

Distinguished Professor Paul Spoonley  
DipEd *Auck*, BA *Well*, PGDipArts *Otago*,  
MA *Otago*, MSc *Brist*, PhD, FRSNZ  
(to June 2019)

Professor Michael Belgrave  
BSocSc *Waik*, MPhil *Auck*, PhD *Well*  
(acting from June to August 2019)

Professor Cynthia White  
BA, DipTESL, PhD  
(from August 2019)

#### SCIENCES

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

### Deputy Vice-Chancellors

#### FINANCE AND TECHNOLOGY

Cathy Magiannis  
BCA *Well*, CA

#### GLOBAL ENGAGEMENT

Stuart Morriss  
DipBusStuds, BAgSc, MPP *Well*

#### MĀORI

Robin Hapi  
CNZM MBA  
(acting to February 2019)

Distinguished Professor Graham Hingangaroa Smith  
CNZM, PhD, D Litt (Hon Causa), LL D (Hon Causa),  
MA (Hons), DipTchg  
(from February 2019 to January 2020)

Professor Meihana Durie  
DipTchg, DipBilTchg *Te Wananga o Raukawa*, BEd,  
MReo *Te Wananga o Raukawa*, PhD,  
HRC Hohua Tutengaehe Postdoctorate Fellow  
(from January 2020)

#### PEOPLE AND CULTURE

Alan Davis  
CertIndRel *Well*, LLB *Cant*, MBA *Well*

#### PROVOST

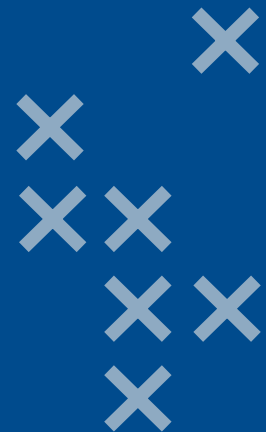
Professor Giselle Byrnes  
BA *Waik*, MA *Waik*, PhD *Auck*

#### STUDENTS AND ALUMNI

Tere McGonagle-Daly  
BLibs *Waik*, PGDipMgtSys *Waik*, MRes *Lond*  
(from 27 November 2019)



# **STATEMENT OF SERVICE PERFORMANCE**



The *Massey University Strategy 2018-2022* (the Strategy), approved by the University Council in October 2017, positions the University's goals and ambitions. The Strategy is, in turn, guided by the Massey University Act 1963 and the *Tertiary Education Strategy 2014-2019* (the Tertiary Education Strategy). The Statement of Service Performance provides an update on the University's performance towards achieving its strategy goals, key performance indicators as published in our *Investment Plan 2019-2021* (the Investment Plan), and additional key performance indicators that support the achievement of the University's strategic goals.

By way of background, the targets used in this Statement of Service Performance were developed through the Investment Plan process and have been agreed with the Tertiary Education Commission (TEC) as part of our funding conditions.

Massey University actively measures its progress against its strategy through a series of performance measures under each of our goals: Research, Learning and Teaching, Civic Leadership and Enabling Excellence. The University's key outputs (research, learning and teaching,

and civic leadership) as expressed in our Investment Plan contribute to the impacts and outcomes sought from the tertiary education system. These impacts and outcomes are for an educated and skilled workforce, developing people with critical thinking skills, building New Zealand's knowledge base through research, and acting as a "critic and conscience" of society. Ultimately, the University contributes to the Government's vision of sustaining a world-leading tertiary education system that equips New Zealanders with the knowledge, skills and values to be successful citizens in the 21st century.

Massey University is currently developing an outcomes framework that will link our ambitions expressed through our Strategy with the Government's new Tertiary Education Strategy and the Investment Plan process. While this framework is currently under development, we anticipate it will reference our research that has impact, our commitment to developing world-ready graduates, and our ambition to be a Te Tiriti o Waitangi-led and sustainable university for the benefit of New Zealand. We expect to finalise this framework once the new Tertiary Education Strategy is published in 2020, with a view to begin reporting on this framework in the next *Annual Report*.



# MASSEY UNIVERSITY 2019 RESULTS

Massey University is New Zealand's national university, with major and established campuses in Auckland, Palmerston North and Wellington, as well as a virtual campus delivering online education that supports higher learning anywhere in New Zealand and around the world.

In 2019, Massey University engaged 30,491 students (18,835 equivalent full-time students [EFTS]) from New Zealand and from more than 134 other countries. Sixty per cent (18,146<sup>1</sup> students and 6,626 EFTS) studied partly or fully by distance, while 7,541 (4,972 EFTS) studied in Auckland, 6,452 (4,553 EFTS) in Manawatū and 3,355 (2,526 EFTS) in Wellington. Twenty-eight percent of all students who studied on campus also chose to study one or more courses by distance. This equates to around one-quarter of our distance students also studying on campus. The remaining three-quarters studied by distance only.

Our students were enrolled in 215 qualifications and supported by 1,399 academic staff and 1,901 professional staff. We were proud to have 6,420 graduates in 2019, with 3,886 crossing the stages at Auckland, Palmerston North and Wellington graduation ceremonies.

At the group level, Massey University achieved a surplus of \$9 million in 2019 against a budget of \$15.6 million. Significant growth in external research and teaching income was offset by higher-than-budgeted staff costs associated with this increase, multiple one-off staff-related expenses including a provision relating to the remediation of employee leave entitlements under the Holidays Act 2003, and a greater increase in the actuarial valuation of the staff retirement gratuity liability due to lower-than-expected interest rates. The group continues to have a very strong balance sheet, with assets of \$1.5 billion against total liabilities of only \$0.3 billion.

## **Massey University Strategy 2018-2022**

Massey University's Strategy is based on four goals: Research, Learning and Teaching, Civic Leadership and Enabling Excellence. Three of our goals are broadly in alignment with our outputs, which are described in the following sections of the Statement of Service Performance. The fourth goal – Enabling Excellence – is an internal overarching goal that supports the delivery of the research, learning and teaching and civic leadership outputs.

The Strategy sets Massey University's organisational direction, performance goals and resource allocations, including its strategic investment intent.

Our ambition through the Strategy is to build on Massey University's unique position and reputation based on:

- World-leading pure and applied research, conducted in partnership with industries and the communities we serve
- Curious, world-ready graduates with entrepreneurial acumen and capability, who create jobs for others and are committed to making a better world
- A heritage of excellence, high quality and integrity, which ensures authentic leadership in contemporary Aotearoa New Zealand
- Role-modelling excellent practice as a Tiriti o Waitangi-led institution
- A reputation for caring, and a commitment to our people and our places.

## **DELIVERING OUR STRATEGY**

In 2019 we continued to deliver a programme of work comprising four major initiatives that will continue as priorities for investment for the next two years. These major initiatives are Digital Plus (academic development and support, rationalisation of the academic offer and curriculum and pedagogical reform), student success (progressing into student enterprise), delivering world-class research (lifting the quantum and quality of our research and research impact), and business process improvement (redesigning business processes to ensure they are simple, efficient, fit for purpose, aligned and supporting a culture of service excellence). Underpinning these initiatives are our aspiration to become a Tiriti o Waitangi-led university and our commitment to excellence.

It has been almost two years since the Strategy was launched. In June 2019, its implementation was evaluated. It is too early to see significant shifts and impacts in some major key performance indicators, particularly those that carry historical data, and some results will inevitably take time to be realised. Notwithstanding this, almost all Strategy objectives had been either fully or partially activated through University activities.

<sup>1</sup> This includes all students who have completed any distance study component during the year. The distance student headcount numbers elsewhere in this document only include those who do the majority of their study by distance during the year (14,739 in 2019).



In its entirety, the Strategy has almost been wholly implemented. Of the 52 parts of the Strategy, 37 objectives (71 per cent) have been activated through specific and measurable activities, while 11 objectives (21 per cent) have been partially activated. Just four goals (or 8 per cent) could not be assessed because they were either too subjective for formal assessments or too wide in scope and therefore required separate evaluations. These results mean all goals assessed were found to have been activated. Moreover, the mid-term evaluation provided us with an opportunity to reassess and review goals that were no longer fitting, or to realign resources to fully activate objectives that continued to be priorities. It also provided us with a baseline for future evaluations.

## TE PAE O ANGITU ENABLING EXCELLENCE

To support the achievement of the University's outcomes, the Strategy has a goal designed to enable research excellence, teaching excellence and leadership through staff, business and financial excellence. The following section provides a progress update on this goal.

### Staff Excellence

Maximising staff engagement and wellness are key priorities for Massey University. In July, our *Wellbeing Strategy 2019-2022* was launched. This strategy scopes the path towards building and maintaining a healthy work environment and improving the quality of working life for our students and staff. It recognises that almost half of all New Zealanders will experience mental health issues in their lifetimes, and one in five will experience some form of mental health issue in any given year. In this strategy, we acknowledge too that our staff and students are our greatest resources. Planned initiatives in this strategy include encouraging healthy lifestyles, targeting mental health initiatives, celebrating diversity, providing personal and professional development opportunities and developing well-designed sustainable spaces in which to work and study.

Massey University has a strategic goal to maximise the advantages of a diverse staff through the pursuit of equity. The University has made significant progress in pay and employment equity; the latest *Pay and Employment Equity Report* was published in March. This report, part of a review jointly initiated by the University and the Tertiary Education Union a decade ago, compares data from 2009 to the same data from 2018. Women represent 60 per cent of the Massey workforce and the report reveals that, while the overall gender pay gap has reduced relatively marginally – from 21.5 per cent in 2009 to 19.6 per cent in 2018 – there has been significant and encouraging

progress in key areas as a result of Massey addressing the factors contributing to the gap.

Other key findings include:

- The proportion of women in senior academic and research leadership positions increased from 23 per cent in 2009 to 43 per cent in 2018, and the pay gap in those positions reduced from 20 per cent to 8 per cent
- More women than men were promoted to associate professor in 2018, which sets up a strong pipeline effect for more women to move to professor; there is no pay gap between men and women at associate professor level
- The percentage of women in professorial roles increased from 16 per cent to 25 per cent between 2009 and 2018
- For general staff, 20 per cent of women were in the top general pay grades, up from 13 per cent; and the pay gap had reduced from 17 per cent to 11 per cent.

The University's commitment to reducing the pay gap and improving gender equality is ongoing.

For staff facts and figures please refer to page 65.

### Financial Excellence

In line with our Strategy, the University has continued to increase investment in University-level strategic initiatives.

In August we launched a change in how we budget across the organisation. The new budget model, known as the Budget Allocation Framework, is an important step forward for the University. The new framework gives clarity on five key activities across the University and provides simple and clear financial information in relation to the earnings of and costs associated with these activities. The new framework will assist the University in providing more transparent information to our staff, in supporting more evidence-based financial decisions and in advancing our Strategy. For output costing please refer to page 19.

### Business Excellence

In line with our Strategy, the University has continued to simplify corporate and internal entities, has revised the University delegation framework and continues to focus on excellence in service quality, particularly through a focus on the student journey and experience.

Massey University is investing in enterprise-wide information technology systems to build efficiency and consistency for the business. Examples include improvements in our digital workplace, improvements

in the MyHR system and replacing some paper-based processes with online solutions. Significant improvements have been made to SITS Vision, our student management system introduced in mid-2017, to ensure difficulties faced by students enrolling are fixed. The enrolment management system and new processes across the University improved significantly in 2019.

Massey has also invested in the development of a digital roadmap as part of supporting our unique leading position in New Zealand in distance education through digital delivery, whilst ensuring the University is well positioned as a digital workplace. The intent of the roadmap is to ensure that information technology services and solutions support digital transformation. This will optimise our platforms, systems, services and solutions. Further, this will drive and support a digitally capable culture that succeeds through communication, collaboration and digital capability and will provide innovative approaches to support research excellence and drive value and satisfaction.

In addition to the digital investment, each campus has significant infrastructure projects, delivering new facilities for research, contemporary learning and teaching.

The Sir Neil Waters extension building on the University's Albany campus – the new home of the College of Health – opened in October. The extension, which increases the space from 2,484sqm to 4,373sqm, will provide five additional teaching spaces on the first floor and workspace to accommodate doctoral students and 40 staff from the Schools of Health Sciences, Nursing, Sport, Exercise and Nutrition, and Social Work. The extension, along with the construction of a 9,800sqm Innovation Complex, is part of a \$120 million plan for the next stage of development of the Albany campus.

Massey University's new state-of-the-art aviation centre in Palmerston North was officially opened by Transport Minister Phil Twyford in October. The 2,200sqm purpose-built facility brings School of Aviation students and staff together under one roof for the first time. The Massey University Aviation Centre sits in the centre of Palmerston North Airport's 20ha Ruapehu Business Park. The project is the result of many stakeholders working together to develop a strong cluster of aviation businesses around the airport to deliver economic benefits for the region. As well as the school's fleet of technically enhanced Diamond DA40 and DA42 aircraft, the new centre houses its ground-based training facilities, including a new-generation Diamond DA42 flight simulator. The school's academic programmes, along with its remotely piloted aircraft system courses, will now be delivered from the one location.

Other significant campus developments that have commenced in Palmerston North include upgrades and new buildings for the Veterinary School, the construction of an international-standard hockey turf and a redevelopment of Massey's Manawātū campus library. The library is an important learning and social hub for students, but also the base for about 120 staff members.

The Wellington campus marae project passed a major milestone in August, with code compliance certificates issued for the wharenuī and wharekai buildings. The next phase involves the installation of larger interior artworks and external landscaping that will integrate the marae with the heart of the campus at Pukeahu in Wellington.



## OUTPUT COSTING

Activity	ACTUAL 2019 \$'000			ACTUAL 2018 \$'000		
	Revenue	Expenditure	Net Total	Revenue	Expenditure	Net Total
Learning and teaching	348,277	294,610	53,667	339,373	275,291	64,082
Research	123,605	183,605	(60,000)	118,995	173,730	(54,735)
Student services levy	9,749	9,731	18	9,851	9,929	(78)
<b>Core Institution</b>	<b>481,631</b>	<b>487,946</b>	<b>(6,315)</b>	<b>468,219</b>	<b>458,950</b>	<b>9,269</b>
Central revenue and costs	57,618	53,030	4,588	55,593	50,541	5,052
<b>Total University</b>	<b>539,249</b>	<b>540,975</b>	<b>(1,726)</b>	<b>523,812</b>	<b>509,491</b>	<b>14,321</b>
Rest of Massey Group	12,139	1,437	10,702	4,471	3,920	551
<b>Total University Group</b>	<b>551,388</b>	<b>542,412</b>	<b>8,976</b>	<b>528,283</b>	<b>513,411</b>	<b>14,872</b>

As noted from the table above, the primary revenue-generating activities of Massey University are teaching and research. The revenue associated with the core outputs/activities of teaching and research is separately identifiable in the University's financial records.

The associated costs of teaching and research are allocated to these activities based on Massey University's budget allocation principles. While direct costs, such as the actual costs of conducting the activities, are allocated to the outputs/activities in full, indirect costs, such as the costs related to supporting the conduct of these activities, are allocated in proportion to the direct costs.

The activities of teaching, learning and research mutually reinforce, inform and support each other. The value of each is dependent on the others and is not well captured or reflected in the financial costs or revenue figures alone. Massey University is a research-intensive university with research one of our defining characteristics. Most research funding principally supports the direct activities and direct costs of conducting research. However, we incur significant expenses in supporting the research activities undertaken by academic staff. While this does not result, on an annual basis, in generating direct revenue, research produces multiple benefits and contributes to enhancing income from learning and teaching activities. The key benefits generated by research activities and outcomes that are not overtly captured in the standard annual financial analysis above include:

- Building Massey University's reputation for thought leadership and prioritising the University's capacity and capability to contribute to building social, economic and cultural capital in the many communities we serve through the impact of our research

- Creating new knowledge to address the world's problems, to understand and describe our world and to engage in discovery-based (or basic) research
- Informing the evidence base for stakeholders, planning and policy processes, decision-making, and assessments
- Developing or improving new services and systems, risk assessment and mitigation, and future-proofing for subsequent generations
- Leveraging knowledge and infrastructure not available in New Zealand through partnership and access arrangements
- Influencing investment in, and the achievement of, awards, scholarships, fellowships, research funding and donations that influence the University's reputation and ranking. In turn, the esteem factor from these helps to drive undergraduate and postgraduate admissions and attract talented academic staff.

Civic leadership is also not captured separately in the reconciliation above. Civic leadership includes those activities that contribute to the University's goal of being recognised and valued for our leadership on matters of interest nationally and internationally and the myriad social, economic, cultural and environmental challenges facing Aotearoa New Zealand.

The time spent, and costs incurred, in relation to civic leadership cannot be reliably estimated as this is an integral part of Massey University's wider societal mission and mandate. In addition, civic leadership is fundamentally integrated with our learning, teaching and research activities and outcomes. Further details regarding the activities that contribute to Massey University's civic leadership are included in pages 48-61.

# NGĀ KETE O TE WĀNANGA

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## RESEARCH

### **IMPACT**

WORLD-LEADING PURE AND APPLIED RESEARCH  
CONDUCTED IN PARTNERSHIP WITH INDUSTRIES  
AND THE COMMUNITIES WE SERVE.

### **GOAL**

WE WILL BE A WORLD LEADER IN OUR CHOSEN  
AREAS OF RESEARCH.





## NGĀ KETE O TE WĀNANGA RESEARCH

Massey University is a research-intensive New Zealand university with a reputation for excellence in innovation and the creation of new knowledge. Our research spans discovery, commercialisation, scholarship and the production of creative works and, significantly, is inclusive of both professional and clinical practice. At Massey University our research embodies excellence. Across a range of research domains, we value both pure and applied research. We are distinguished by our focus on solving “wicked problems” and contemporary societal challenges, in addition to maintaining our commitment to fundamental knowledge discovery.



This dual focus – based on our proud and distinctive history – along with our responsibility to make a real and lasting contribution to communities across New Zealand, differentiates Massey University from other New Zealand universities. This approach to our research also informs the connection with our teaching and postgraduate supervision through driving alignment of the teaching-research nexus.

Our goal, as stated in our Strategy, is to be a world leader in our chosen areas of research. To achieve this goal, we focus our activities on:

- Strategically investing in focused areas of both applied and discovery research
- Promoting and rewarding excellence in research
- Investing in the next generation of researchers by creating an environment where the world’s best young researchers can flourish
- Deepening strategic research collaborations and relationships nationally and internationally, and particularly with industry and communities for mutual benefits
- Maximising the commercial benefits of intellectual property and other outcomes derived from research
- Actively facilitating indigenous knowledge development and leadership, particularly among Māori as tangata whenua of Aotearoa New Zealand.

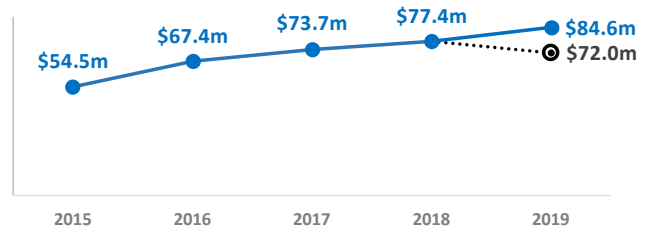
We have identified three types of contribution from research to New Zealand:

- The volume of our research funding and our international research partnerships. These are measured firstly by the size of our research income, calculated as total research income and external Performance-Based Research Fund (PBRF) income, and secondly by the number of international research partnerships we secure and activate
- Developing New Zealand’s knowledge base, by measuring postgraduate research students (their participation, completions and educational experience satisfaction)
- Innovation – the measures we use to quantify our contribution in this domain are based on new commercial research disclosures, licences and deals executed and the licensing revenue generated by our intellectual property.

## Our Performance in Research<sup>2</sup>

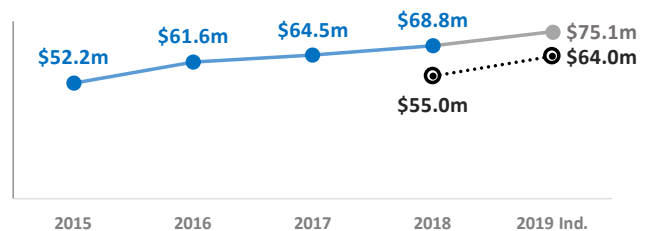
### RESEARCH INPUTS – FUNDING AND PARTNERSHIPS

#### External Research Income



Massey University’s external research income in 2019 was \$7.2 million (9.3 per cent) higher than in 2018 and exceeded the Investment Plan target by \$12.6 million (17.4 per cent). It is worth noting that the environment for securing contestable funding continues to be highly competitive. In 2019, Massey University received \$8.1 million from the Marsden Fund, \$1 million from the Endeavour Fund and \$5.6 million from the Health Research Council of New Zealand.

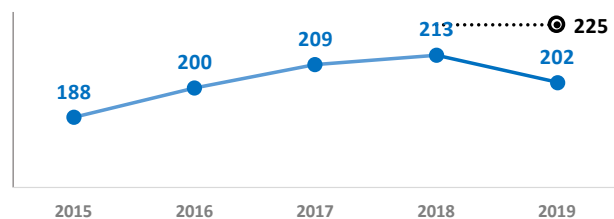
#### PBRF External Research Income



1 The 2019 interim result is pending confirmation of final data from the TEC. The 2018 interim result was \$68.8 million and is now confirmed as the actual result.

The PBRF external research income interim result of \$75.1 million is \$6.3 million above that for 2018 and \$11.1 million above the Investment Plan target of \$64 million for 2019.

#### Active International Research Partnerships



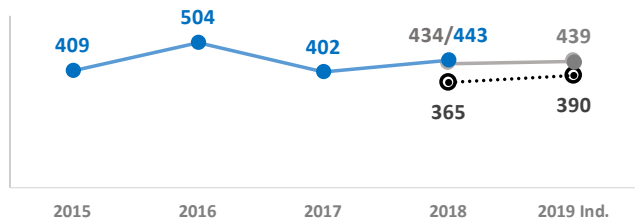
2 Active international research partnerships are partnerships for joint collaborative research at an educational institute level, not contracts to do research for international groups.

This is a new measure introduced in the Investment Plan to separately identify international partnerships involving research collaborations for the University (at an institutional level). The number of active research partnerships in 2019 decreased compared to the 2018 results and did not meet the Investment Plan target.

2 Results in blue indicate they are final; results in grey are indicative. Targets as per the Investment Plan are shown in black. Achievement of target is expressed by a green tick, non-achievement by a red cross. A grey ellipsis indicates the result is indicative and the target achievement cannot yet be confirmed. An asterisk in grey “\*” indicates there is no target set in the Investment Plan.

## RESEARCH OUTPUTS – POSTGRADUATE

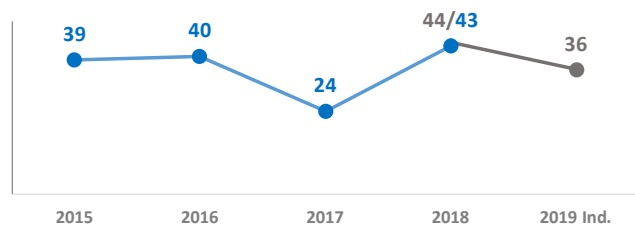
### Research Degree Completions



3 The total number of research degree completions for 2019 can only be reported once the Single Data Return has been submitted in April 2020. The indicative result shown in the 2018 *Annual Report* was 434; this has now been updated with the actual result. As new completions data is recorded and audited, results for earlier years can change. Previous results reported were 503 for 2016 and 398 for 2017.

The indicative result for research-degree completions shows that Massey University is likely to exceed the Investment Plan target of 390 by at least 49 completions. While the indicative result is also slightly below the 2018 final result, we expect the final result to be on par with the 2018 result. A reduction in master’s and taught doctorate-level completions compared with last year (35 fewer) has been largely offset by an increase in PhD completions (31 more).

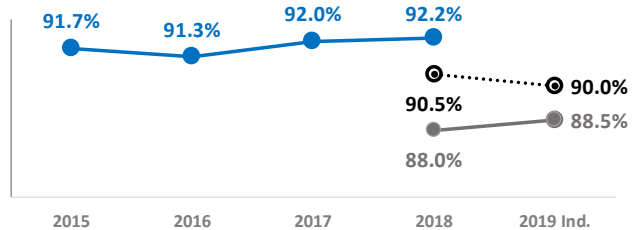
### Māori Research Degree Completions



4 The total number of Māori research degree completions for 2019 can only be reported once the Single Data Return has been submitted in April 2020. The indicative result shown in the 2018 *Annual Report* was 44; this has now been updated with the actual result. As new completions data is recorded and audited, results for earlier years can change. Previous results reported were 41 for 2016 and 22 for 2017.

The 2019 indicative result for Māori research degree completions is consistent with results from previous years.

### Postgraduate Successful Course Completion



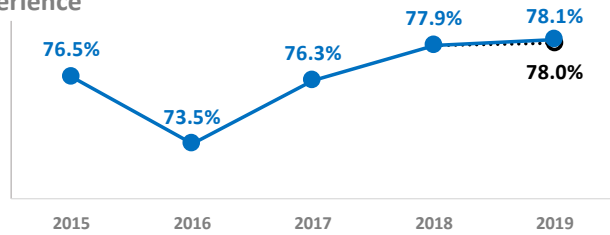
5 The 2016 historical result reported previously was 90.3% and has now been updated as per the TEC educational performance indicators (EPIs).

6 Indicative results for 2019 will be updated with final results in the 2020 *Annual Report*.

Results for postgraduate successful course completions are not due to be finalised until the Single Data Return is submitted in April 2020. However, indicative results are in line with previous years and show this target is likely to be met. The 2018 indicative result reported last year was 88.0 per cent and the final result can now be reported as 92.2 per cent, which was above the Investment Plan target for 2018.



### Postgraduate Satisfaction with Overall Research Experience

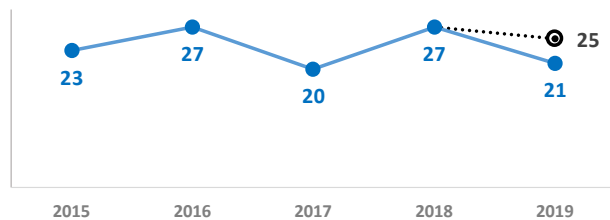


7 Postgraduate student satisfaction "with your entire research experience" is taken from the Postgraduate Research Experience Questionnaire. The 2019 survey included 652 respondents, which is a response rate of 33 per cent.

Postgraduate satisfaction with the overall research experience increased in 2019 compared to 2018 by 0.2 per cent, and the target was exceeded by 0.1 per cent for 2019.

### RESEARCH OUTPUTS – ENTREPRENEURSHIP

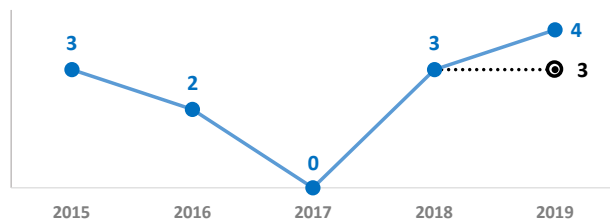
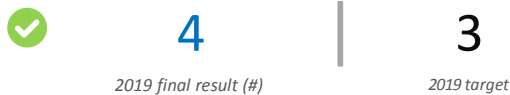
#### New Disclosures



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

The number of new disclosures in 2019 decreased by six compared to our 2018 result; this did not meet our Investment Plan target of 25 new disclosures. While the number of academic staff and researchers submitting disclosures for their inventions decreased in 2019, the Enterprise team were more actively supporting the development of student enterprise at Massey University.

#### Licences/Deals Executed



The number of licences and commercialisation deals executed in 2019 increased by one over our 2018 result and exceeded the Investment Plan target of three licences or deals executed. Licensing deals were achieved for both rapid freeze-drying and omega-3 encapsulation technologies.

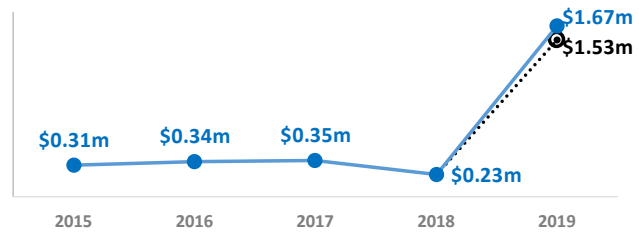
## Licensing Revenue



**\$1.67m** | **\$1.53m**

2019 final result

2019 target



The amount of licensing revenue in 2019 increased significantly compared to 2018 and exceeded the Investment Plan target of \$1.53 million. The increase in licensing revenue for 2019 was expected as a result of the FERRI PRO licensing deal with the world food giant, Nestlé. FERRI PRO was created by the Riddet Institute at Massey University as a new, cost-effective and easy-to-produce method of placing iron into food products without affecting quality or taste.

## Our Performance in Context

### RESEARCH STRATEGY

Massey University continues to work to implement our two key dedicated strategies for research. *He Rautaki Rangahau Research Strategy 2018-2022* supports the University’s Strategy and links to the college research plans, and *He Waihanga Ake i te Whare Rangahau – Building a Research Powerhouse 2018-2022* is our collective University-wide strategy for specifically improving our performance in international research rankings.

We are acutely aware of the importance that research rankings have in terms of a university’s international reputation. Research rankings are seen by prospective students and their influencers, academic peers and partnering universities, as well as our funders, as quality indicators of both our research and our teaching. Moreover, we recognise the value that benchmarking has for informing and improving our performance in research rankings.

### RESEARCH RANKINGS

#### PBRF

The TEC released the PBRF 2018 Quality Evaluation results in April 2019. Massey University did exceptionally well in the 2018 round, with a 40 per cent increase in the number of our highest-rated academics, from 94.7 A-rated staff in 2012 to 131.1 in 2018, noting A-rated researchers are considered to be of international standing in their fields of expertise. The number of nationally esteemed (B-rated) researchers also increased, by 23 per cent, from 340.7 in 2012 to 419.6 in 2018. Overall, Massey University will receive \$39 million in PBRF funding annually for the next six years, representing 12.4 per cent of the total pool. This remains the third-highest funding share in New Zealand.

In addition, all Massey University colleges increased their number of A- and B-rated academics since the previous PBRF evaluation exercise in 2012. Subject areas of particular research excellence for the University, relative to other institutions, included chemistry, design, nursing, other health studies, sport and exercise science, and veterinary studies and large animal science.

Massey University continues to reflect on our experience in the PBRF with a view to informing planning for the 2024 PBRF round. By way of example, we continue to position the PBRF positively as an indicator of research excellence and as a fundamental part of our University’s research culture. We are ensuring that research planning, professional development and the building of a culture of research excellence are the basis of our current efforts. As well as working to lift our Cs and focus on developing our researchers rated at C(NE), we are targeting investment in academic staff and strategic support for researchers, and making strategic investments in areas of significance. Finally, we are adopting, in everything we do, an “impact-centric” approach to our research culture across the University.

#### QS

In 2019 Massey University significantly lifted its performance in the QS World University Rankings. The University is now placed at 287th equal, up 45 places from 332nd equal in 2018, making Massey University the most improved New Zealand university in 2019 and returning us to the top 300 for the first time in a decade. In addition, Massey University lifted 17 positions in our academic reputation ranking and 25 positions in our employer reputation ranking, increased citations per publication by 27 positions, and improved significantly on our ratio of academic staff to students, as well as increasing our ratio of international students.

In the QS World University Rankings by subject area, released in late February 2019, Massey University continued to rank in all five Faculty Area rankings and was in the top 100 for four subjects: veterinary science (29th), agriculture and forestry (30th), arts and design (51-100) and development studies (51-100).

### Red Dot Design

The School of Design Ngā Pae Māhutonga has been ranked number one in the Asia Pacific region by global design award agency Red Dot. This ranking returns the school to the top of the Design Concepts category, after being in the top three for the past five years. Notably, it is the only school of design in Australasia to be ranked in the top 15.

School of Design staff and students won 31 awards, including 12 gold pins, out of 52 nominated projects in the Designers Institute of New Zealand Best Design Awards. These included our first Creative Media Production student winners.

### Shanghai Academic World University Ranking

Massey University was ranked in 19 subjects in the Shanghai ranking in 2019. These included two rankings in the top 50 in the world, for Food Science and Technology (41st) and Veterinary Sciences (46th). Massey University also ranked first or first equal in New Zealand for five subjects: veterinary sciences, communication, business administration, agricultural sciences and finance.

Of all New Zealand universities, Massey University had the third-most ranked subjects in the Shanghai subject rankings.

### RESEARCHER DEVELOPMENT

We are creating an environment at Massey University where the world's best young researchers can flourish. Our University is committed to supporting researchers in their development by providing opportunities at key points in their academic careers, ranging from possibilities for enterprise as undergraduates to Three Minute Thesis (3MT) competitions for postgraduate and doctoral students,





Higher Education Academy Fellowships, and a full researcher development programme that is guided by the international VITAE Researcher Development Framework.

Five of 11 Rutherford Discovery Fellowships were awarded to Massey University researchers in 2019, with funding totalling \$4 million for the following five years. The fellowships seek to support New Zealand's most talented early- to mid-career researchers to accelerate their research careers in Aotearoa. Each fellowship is worth \$800,000. The Massey Fellows' research includes work that aims to help protect coral reefs and kelp forests, understand and promote ageing well in multicultural societies, understand social capital from a Māori perspective, improve online algorithms, and better understand the mathematical experiences of diverse learners. These researchers are being acknowledged for their applied and discovery research and for attracting further external investment to further it and their careers. It is very exciting to see many of these researchers facilitating indigenous knowledge development and leadership.

The new International Indigenous Centre for Critical Doctoral Studies, Te Wheke a Toi, was launched in July. The centre was developed by Massey University's Te Mata o te Tau, Academy for Māori Research and Scholarship, and aims to enhance scholarly skill sets through building doctoral capacity and capabilities. The centre is a vital step in helping to build up the number of indigenous scholars whose research is aimed at helping in the development of their communities. The name, Te Wheke a Toi, relates to the mythical octopus that led the explorer Kupe across the Pacific to Aotearoa and speaks to the international reach of the centre.

## INTERNAL RESEARCH FUNDING INVESTMENT

In addition to providing devolved research funding through the Massey University Research Fund, administered by each college, the University offers two centrally administered funds designed to support high-quality research that aligns with the University's strategic goals: the Strategic Research Excellence Fund and the International Visitor Research Fund. These research funds are designed and implemented to drive and support a strong culture of research excellence.

Massey University aims to optimise the breadth of its research expertise and drive more interdisciplinary and transdisciplinary research. For the second year, the University called for applications to its 'Solving contemporary societal challenges' Strategic Investment Fund for Research, and following a contestable application process, funded three projects:

- Healing, recovery and wellbeing: Designing sleep interventions for the hospital environment, with researchers from the College of Health and College of Creative Arts
- Building a transdisciplinary platform to inform effective cannabis policy reform in New Zealand, with researchers from the College of Health and College of Creative Arts
- Transformative research and capability to address the defining issues of the Anthropocene, with researchers from the College of Humanities and Social Sciences, and the College of Creative Arts.

The University is committed to continuing this internal fund to support key and new research strengths, focusing on both applied and pure research.







## INTERNATIONAL RANKINGS

2019<sup>9</sup>  
Latest results

<b>QUACQUARELLI SYMONDS (QS) RANKINGS</b>	
Overall world ranking	287th equal
Graduate employability ranking	301-500
<b>QS STARS</b>	
	5 stars +
<b>QS SUBJECT AREA WORLD RANKINGS</b>	
Veterinary Science	29th
Agriculture and Forestry	30th
Art and Design	51-100
Development Studies	51-100
Education	101-150
Accounting and Finance	151-200
Architecture/Built Environment	151-200
Communication and Media Studies	151-200
Geography and Area Studies	151-200
Statistics and Operational Research	151-200
Business and Management Studies	201-250
Economics and Econometrics	201-250
Environmental Sciences	201-250
Sociology	201-250
Biological Sciences	251-300
Engineering – Chemical	251-300
Mathematics	251-300
Psychology	251-300
Computer Science and Information Systems	351-400
Engineering Electrical and Electronic	351-400
Chemistry	451-500
Physics and Astronomy	451-500
<b>QS UNIVERSITY FACULTY RANKINGS</b>	
Social Sciences and Management	245th equal
Life Sciences and Medicine	344th equal
Arts and Humanities	345th equal
Engineering and Technology	401-450
Natural Sciences	451-500

**TIMES HIGHER EDUCATION RANKINGS**

Overall world ranking	501-600
Impact ranking	38th
<i>Individual ranks for each measured Sustainable Development Goal:</i>	
SDG3 – Good Health and Wellbeing	94th
SDG4 – Quality Education	101-200
SDG5 – Gender Equality	21st
SDG8 – Decent Work and Economic Growth	46th
SDG9 – Industry, Innovation and Infrastructure	101-200
SDG10 – Reduced Inequalities	74th equal
SDG11 – Sustainable Cities and Communities	15th
SDG12 – Responsible Consumption and Production	51st equal
SDG13 – Climate Action	101-200
SDG16 – Peace, Justice and Strong Institutions	101-200
SDG17 – Partnership for the Goals	31st

**RED DOT DESIGN RANKINGS****1st in Asia Pacific****SHANGHAI RANKINGS**

Food Science and Technology	41st equal
Veterinary Science	46th
Business Administration	101-150
Communication	101-150
Hospitality and Tourism Management	101-150
Agricultural Science	151-200
Finance	151-200
Ecology	201-300
Education	201-300
Geography	201-300
Nursing	201-300
Public Health	201-300
Clinical Medicine	301-400
Biological Sciences	401-500
Biotechnology	401-500
Earth Sciences	401-500
Economics	401-500
Environmental Science and Engineering	401-500
Management	401-500

# TE AKO

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## LEARNING AND TEACHING

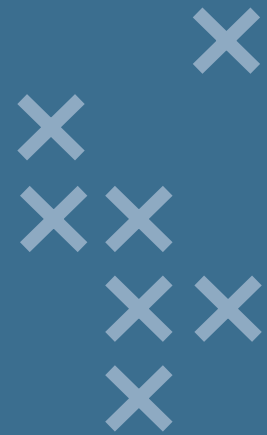
### **IMPACT**

CURIOUS, WORLD-READY GRADUATES WITH ENTREPRENEURIAL ACUMEN AND CAPABILITIES, WHO CREATE JOBS FOR OTHERS AND ARE COMMITTED TO MAKING A BETTER WORLD.

### **GOAL**

WE WILL PROVIDE A DISTINCTIVE, STUDENT-CENTRED LEARNING EXPERIENCE FOR ALL STUDENTS AND GRADUATES WILL BE ENABLED TO ACTIVELY PARTICIPATE IN THE EXISTING AND NEW ECONOMIES AS EDUCATED CITIZENS AROUND THE WORLD.





## OBJECTIVES

- Ensuring our graduate attributes include entrepreneurial capability by maximising work-integrated learning and student access to innovation precincts
- Delivering programmes that are flexible, contemporary in design, research-led in content, and either strategically important or financially successful
- Building international education to extend the Massey University global influence in areas of strength
- Gaining international accreditation for programmes and strong rankings for subject areas wherever possible
- Providing first-class, digitally enhanced learning experiences informed by the student voice
- Delivering high-level outcomes for Māori academic excellence, whānau-centred participation and Māori student success at all levels of study
- Growing the participation and success of Pasifika students at all levels of study
- Supporting access and success for students for whom English is a second language
- Leveraging data analytics to support student learning and the student experience
- Promoting and rewarding excellence in teaching scholarship
- Building student scholarships that encourage the academic progression of undergraduate students, particularly to postgraduate level/advanced degrees.



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## TE AKO LEARNING AND TEACHING

Massey University provides excellent learning opportunities for all students, regardless of their locations and life circumstances. We are committed to supporting students to develop their knowledge and learning capabilities, relevant to our country and to the wider world. We know that student expectations of learning are changing. We acknowledge that students expect and deserve superb learning experiences wherever and however they choose to study. We recognise, too, that blended learning increasingly plays a role in supporting personalised learning experiences and reducing the traditional barriers inherent in distance education.

At Massey University we work to ensure all students have excellent and equivalent learning experiences, where our teaching is digitally enabled, accessible to all students and fit for purpose for 21st-century learners. Our teaching is research led and research informed and we believe that quality learning and teaching uses assessment information in a coherent way for continual improvement, for both learners and teachers. We are committed to student-centric, holistic and whānau-supported opportunities for learning, as detailed in *Paerangi: Massey University Learning and Teaching Strategy 2019-2022* (Paerangi).



Our goal, as stated in our Strategy, is to provide distinctive, student-centred learning experiences for all students. Graduates will be enabled to participate actively in the existing and new economies as educated citizens around the world. To achieve this goal, we focus our activities on:

- Ensuring our graduate attributes include entrepreneurial capability by maximising work-integrated learning and student access to innovation precincts
- Delivering programmes that are flexible, contemporary in design, research-led in content and either strategically important or financially successful
- Building international education to extend the Massey University global influence in areas of strength
- Gaining international accreditations for programmes and strong rankings for subject areas wherever possible
- Providing first-class, digitally enhanced learning experiences informed by the student voice
- Delivering high-level outcomes for Māori academic excellence, whānau-centred participation and Māori student success at all levels of study
- Growing the participation and success of Pacific students at all levels of study
- Supporting access and success for students for whom English is a second language
- Leveraging data analytics to support student learning and the student experience
- Promoting and rewarding excellence in teaching and scholarship
- Building student scholarships that encourage the academic progression of undergraduate students, particularly to postgraduate level/advanced degrees.

We have identified three types of contribution from learning and teaching to New Zealand:

- Participation, measured by the size of our student body, both domestic and international, and proportion of participation across different study levels
- Quality educational delivery, measured through student retention, course completion rates and student satisfaction with their experiences at Massey University
- Graduate outcomes.

## Our Performance in Learning and Teaching<sup>3</sup>

### INPUTS – STUDENT ENROLMENTS AND PARTICIPATION

#### Total Students

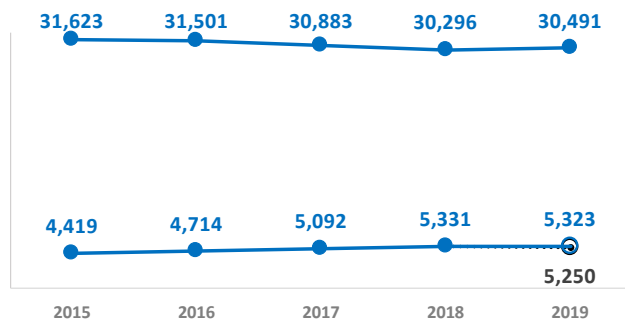
\* 30,491  
2019 headcount

-  
No target

#### International Students

✓ 5,323  
2019 headcount

5,250  
2019 target



- 10 The Total Students measure was not included in this section in previous reports. Historical data is unaudited and shown for information purposes only.
- 11 From 2017 onward, the International Students measure excludes New Zealand citizens and permanent residents, and Australian residents and permanent residents. Previous years' numbers included all international students regardless of New Zealand Government funding status.

#### Internal Students

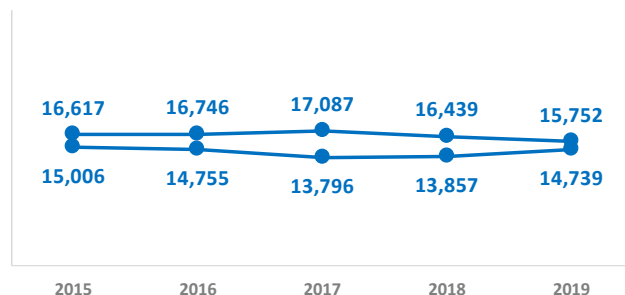
\* 15,752  
2019 headcount

-  
No target

#### Distance Students

\* 14,739  
2019 headcount

-  
No target



- 12 These measures were not included in this section in previous reports. Historical data for 2015-2018 is unaudited and shown for information purposes only.
- 13 By student mode, which is based on where the majority of a student's study occurs. Data for 2015 and 2016 has been restated for consistency with this methodology.

Massey University has a distinctive student demographic compared to other New Zealand universities, and these numbers demonstrate our longstanding and unwavering commitment to supporting and enabling life-long learning: in 2019, 59.7 per cent of our students were part-time, 54.8 per cent were 25 years or older and 48.3 per cent studied mainly by distance. As a result of this diverse cohort, Massey University has different course and qualification completion rates (when compared with those of other New Zealand universities). Notwithstanding this, our success measures benchmark well with international research-intensive universities with similar student profiles to our own.

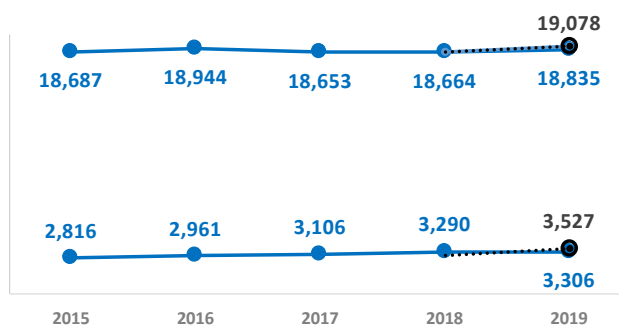
The total student headcount for 2019 showed an increase over 2018. Although the international student headcount declined slightly compared to 2018, the 2019 result was above target.

<sup>3</sup> Results in blue indicate they are final, results in grey are indicative. Targets as per the Investment Plan are shown in black. Achievement of target is expressed by a green tick, non-achievement by a red cross. A grey ellipsis indicates the result is indicative and target achievement cannot yet be confirmed. An asterisk in grey “\*” indicates there is no target set in the Investment Plan.

### Total University Students (EFTS)



### International Full-Fee-Paying Students (EFTS)

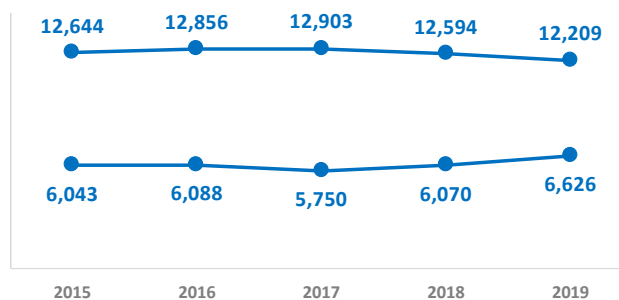


- 14 International full-fee-paying (IFF) EFTS were first included in this section of the report in 2017. Historical data for 2015-2016 is unaudited and shown for information purposes only.
- 15 From 2017 international full-fee-paying students includes TEC funding classification 02 only as per Single Data Return submissions. Data for 2015 and 2016 is as per TEC funding classifications 02, 03, 12 and 20.

### Internal Students (EFTS)

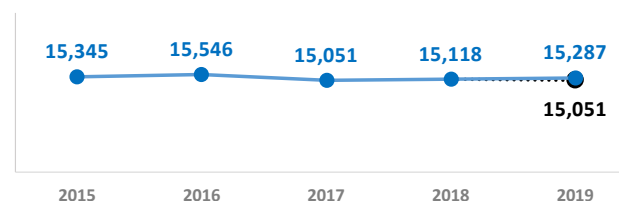
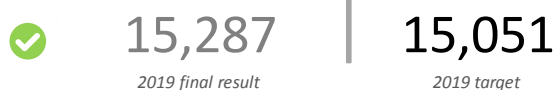


### Distance Students (EFTS)



- 16 These measures were not included in this section in previous reports. Historical data for 2015-2018 is unaudited and shown for information purposes only.

### TEC-Funded Students (SAC EFTS)



- 17 This measure was first included in this section of the report in 2017. Historical data for 2015-2016 is unaudited and shown for information purposes only.

The University achieved an increase in total EFTS, TEC-funded student achievement component EFTS (SAC EFTS) and international full-fee-paying EFTS for 2019 compared to the 2018 results. While TEC-funded SAC EFTS were above the Investment Plan target for the year, international fee-paying and total EFTS were below target.

The University’s educational performance indicator (EPI) commitments are set out in the Investment Plan. Results are now reported using data sourced from the TEC’s Ngā Kete information portal.

## Participation by Study Level

(% SAC EFTS)	2018 Actual	2019 Actual	2019 Target	Status
<b>NON-DEGREE LEVEL (L04-07)</b>				
Non-Māori, non-Pacific Peoples	74.3	71.8	72.5	✗ Not achieved
Māori	16.7	20.2	16.5	✓ Achieved
Pacific Peoples	10.0	9.5	11.0	✗ Not achieved
<b>DEGREE LEVEL (L07)</b>				
Non-Māori, non-Pacific Peoples	82.1	81.1	80.7	✓ Achieved
Māori	13.1	14.0	13.3	✓ Achieved
Pacific Peoples	5.5	5.7	6.00	✗ Not achieved
<b>POSTGRADUATE LEVEL (L08-10)</b>				
Non-Māori, non-Pacific Peoples	87.3	87.0	86.8	✓ Achieved
Māori	9.5	9.7	9.2	✓ Achieved
Pacific Peoples	3.7	3.9	4.0	✗ Not achieved

18 Note that actual participation results within a study level category may not add to 100 per cent due to students identifying as more than one ethnicity.

## Retention/First-Year Retention

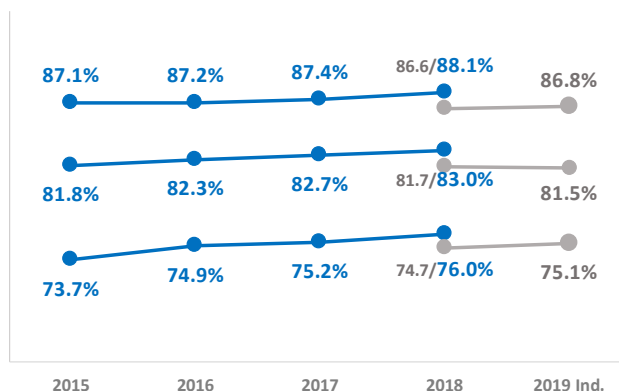
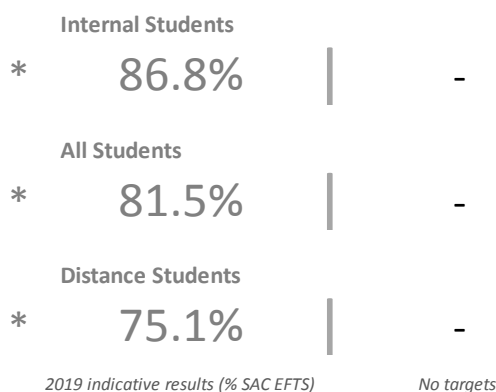
(% EFTS)	2018 Actual	2019 Actual	2019 Target	Status
<b>NON-DEGREE LEVEL (L04-07)</b>				
Non-Māori, non-Pacific Peoples	S	S	75.0	S
Māori	-	-	75.0	-
Pacific Peoples	-	-	75.0	-
<b>DEGREE LEVEL (L07)</b>				
Non-Māori, non-Pacific Peoples	75.3	77.5	68.5	✓ Achieved
Māori	57.2	56.8	62.0	✗ Not achieved
Pacific Peoples	61.5	61.2	62.0	✗ Not achieved

Retention/First-year retention is a new measure introduced by the TEC for the Investment Plan. The 2019 results for first-year, non-degree students are suppressed (S) as they are based on a very low number of students (< 10). This is because very few non-degree Massey qualifications meet the measure's criterion of two EFTS or more. For degree-level students, while the 2019 results were generally in line with those of previous years, targets were achieved for the non-Māori, non-Pacific Peoples ethnicity grouping only.



## LEARNING AND TEACHING OUTPUTS – COMPLETIONS

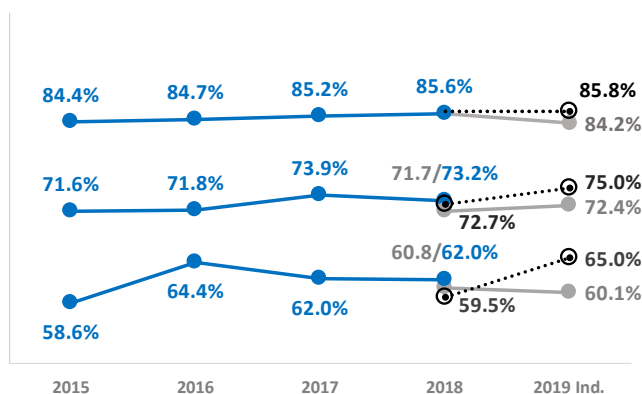
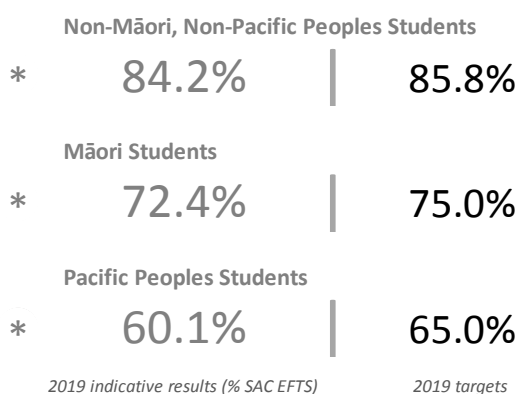
### Successful Course Completion



19 Indicative results for 2019 successful course completions are taken from the TEC EPIs, but will not be finalised until all results have been processed and Massey University's Single Data Return is submitted in April 2020. These results are likely to increase as additional 2019 completions are reported.

Indicative successful course completions for 2019 are shown for both our traditional student groupings and the ethnicity-based groupings (below) introduced by the TEC for the Investment Plan. Historically, internal students achieve higher results than distance students and this is reflected in the 2019 indicative results.

### Successful Course Completion All Study Levels (L01-10)



20 The Non-Māori, Non-Pacific Peoples grouping is a new measure introduced by the TEC for the Investment Plan. As such no target applies for 2018.

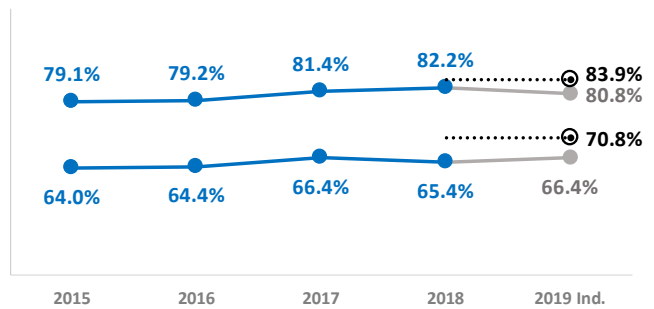
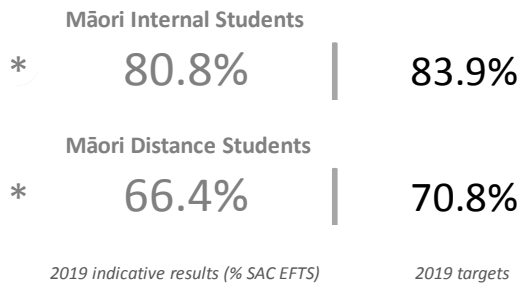
21 Indicative results for 2019 successful course completions are taken from the TEC EPIs, but will not be finalised until all results have been processed and Massey University's Single Data Return is submitted in April 2020. These results are likely to increase as additional 2019 completions are reported.

22 Historical data is sourced from the TEC EPIs.

The indicative 2019 successful course completion result for each ethnicity grouping measure is in line with historical performance but below target. The 2018 final results for Māori and Pacific Peoples students were above their 2018 targets by 1.5 per cent and 2.5 per cent respectively.

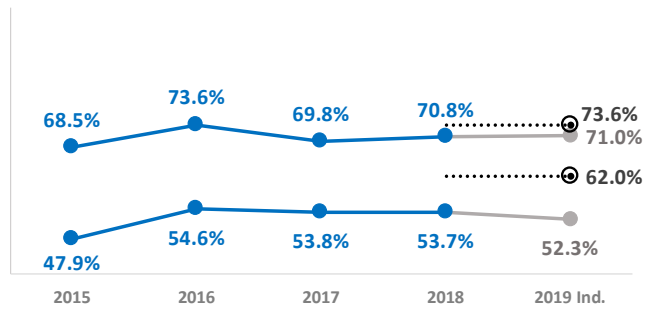
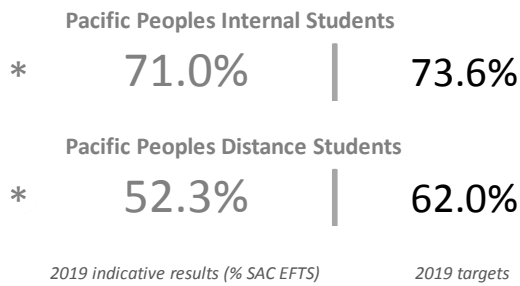


### Successful Course Completion



- 23 These are new measures introduced for the Investment Plan as part of the *Māori Learner Success Plan*.
- 24 Indicative results for these measures are taken from the TEC EPIs, but will not be finalised until all results have been processed and Massey University's Single Data Return is submitted in April 2020. These results are likely to increase as additional 2019 completions are reported.

### Successful Course Completion



- 25 These are new measures introduced for the Investment Plan as part of the *Pacific Peoples Learner Success Plan*.
- 26 Indicative results for these measures are taken from the TEC EPIs, but will not be finalised until all results have been processed and Massey University's Single Data Return is submitted in April 2020. These results are likely to increase as additional 2019 completions are reported.

Successful course completions for Māori and Pacific Peoples internal and distance students are new measures included in the Investment Plan and reflect the performance levels for overall internal and distance students. Indicative results for 2019 show that while internal students may achieve the Investment Plan targets, distance students will likely not achieve targets.



## LEARNING AND TEACHING OUTPUTS – SATISFACTION

### Student Satisfaction with Entire Educational Experience

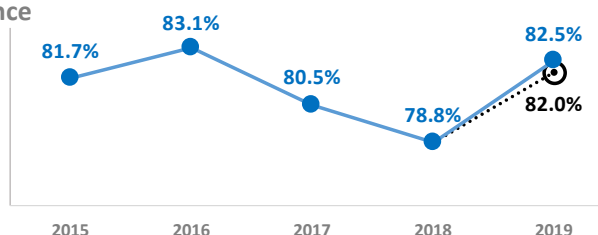


**82.5%**

2019 final result for all students

**82.0%**

2019 target



### Student Satisfaction with Services and Facilities

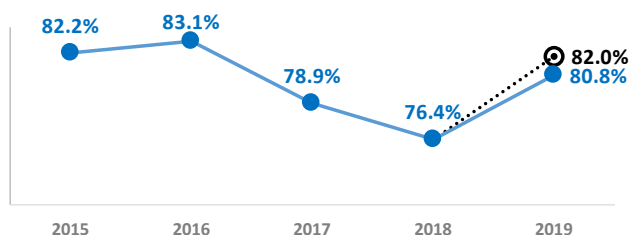


**80.8%**

2019 final result for all students

**82.0%**

2019 target



27 Percentage of students rating good/very good.

28 This data has been collected from the Student Experience Survey. In 2019 a total of 8,230 students participated in the survey, a response rate of 33 per cent.

Student satisfaction is measured through the University’s annual Student Experience Survey. In 2019 satisfaction with the entire educational experience increased compared with the previous year and met the Investment Plan target of 82 per cent. This result indicated a return to levels experienced in 2016 as issues relating to the introduction of the new student management system in 2017-2018 were resolved.

Satisfaction with quality of teaching increased to 81 per cent, with improvements across indicators relating to commencement, engagement, courses and teaching compared with the previous year’s results. Satisfaction with the online learning environment and the online enrolment process increased to 74 per cent and 71 per cent respectively (from 71 per cent and 60 per cent respectively in 2018). Massey University is investing heavily to improve the student digital experience and has recently launched Digital Plus, an ambitious strategic concept designed to future-proof our academic offer and accelerate our digital capabilities and capacity.

Student satisfaction with services and facilities in 2019 also showed an improvement compared to 2018, increasing from 76 to 81 per cent, slightly below the Investment Plan target of 82 per cent. Student services with the highest satisfaction rates included the library (91 per cent), recreation services (81 per cent) and academic study skills (80 per cent), all of which showed increases in 2019. Catering (50 per cent), childcare centres (62 per cent) and career services (63 per cent) received the lowest satisfaction scores.

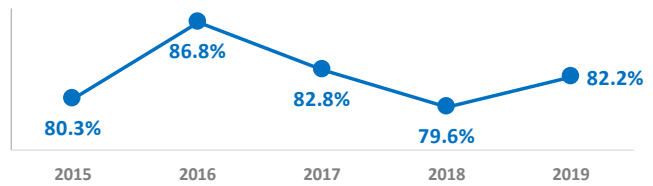




### Māori Student Satisfaction with Entire Educational Experience

\* **82.2%**  
2019 result

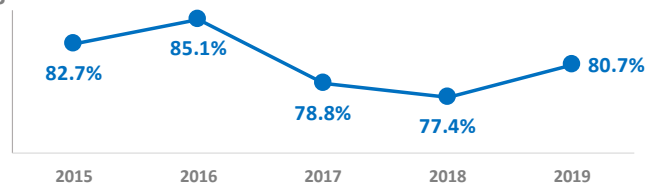
— No target



### Māori Student Satisfaction with Services and Facilities

\* **80.7%**  
2019 result

— No target



29 Percentage of students rating good/very good.

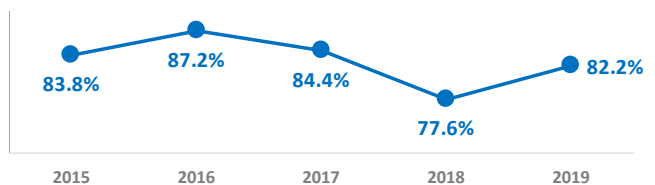
30 This data has been collected from the Student Experience Survey. In 2019 a total of 888 Māori students participated in the survey, a response rate of 34 per cent.

Māori students' satisfaction with their educational experiences and with services and facilities showed an increase over previous years, which is consistent with the results of satisfaction reported by all students. The improvement in Māori students' satisfaction results reflects the launch of the new Te Rau Tauawhi Māori student support centre and the ongoing work to increase our support for Māori students and staff. Preparedness for study still remains lower for this cohort than it does for other students (all Massey University students 65 per cent versus 53 per cent for Māori students).

### Pacific Peoples Student Satisfaction with Entire Educational Experience

\* **82.2%**  
2019 result

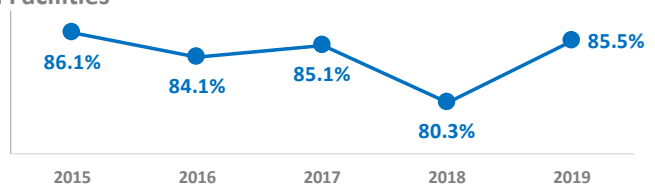
— No target



### Pacific Peoples Student Satisfaction with Services and Facilities

\* **85.5%**  
2019 result

— No target



31 These are new measures shown in support of the *Pacific Peoples Learner Success Plan* and reported for the first time.

32 Percentage of students rating good/very good.

33 This data has been collected from the Student Experience Survey. In 2019 a total of 422 Pacific Peoples students participated in the survey, a response rate of 37 per cent.

Pacific Peoples students' satisfaction with their educational experiences and with services and facilities showed an increase over previous years, which is consistent with the results reported by all students. Pacific Peoples students' results have always shown a much higher sense of belonging than all-University results (56 per cent compared with 41 per cent overall).

## LEARNING AND TEACHING OUTPUTS – DELIVERING SKILLS FOR INDUSTRY

WORK PLACEMENTS AND INTERNSHIPS	2018 Actual	2018 Target	2019 Actual	2019 Target	Status
<b>PLACEMENTS (#)</b>					
Undergraduate	4,294	No target	TBC	4,100	TBC
Postgraduate	800	No target	TBC	No target	*

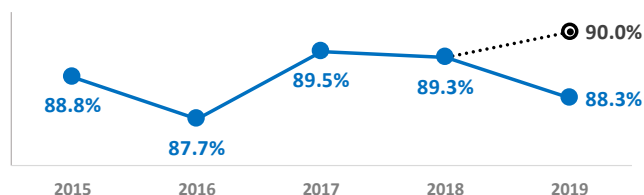
- 34 Undergraduate work placements and internships is a new measure introduced for the Investment Plan with an interim target for 2019 and final target for 2021 only. No target was set for 2018. The measure should also include entrepreneurship activities; however, this data is not currently available.
- 35 The latest available data is for 2018; the 2019 result will be updated in the 2020 *Annual Report*.
- 36 Postgraduate work placements are also shown here as supplementary information.

Work placements and internships is a new measure put forward in the Investment Plan for this category. Results are not yet available for 2019. These will be updated in the 2020 *Annual Report*. Targets were not set for 2018; however, the undergraduate placements result for 2018 is in line with expectations.

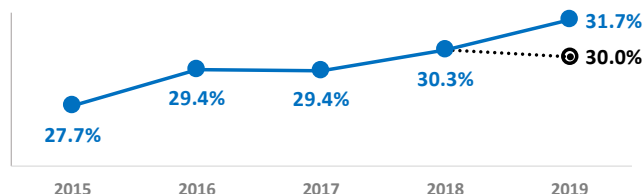
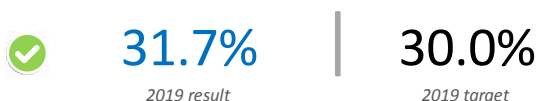
## LEARNING AND TEACHING OUTPUTS – GRADUATE OUTCOMES

In 2019, 6,420 students graduated from Massey University, with 3,886 students crossing the stages at graduation ceremonies in Auckland, Palmerston North and Wellington.

### Student Progression to Employment



### Student Engagement in Further Study



- 37 This data has been collected from the Graduate Destination Survey. In 2019 a total of 2,163 students participated in the survey, a response rate of 37 per cent. These results are not mutually exclusive and can total more than 100 per cent.
- 38 Includes both full- and part-time employment.

Graduates' progression to employment remained high in 2019 but lower compared to the previous year. High rates related especially to our professional programmes such as nursing (100 per cent), veterinary science (98 per cent) and social work (92 per cent), but did not meet the overall Investment Plan target of 90 per cent. While progressions to employment decreased by 1 per cent, progressions to further study increased by 1.4 per cent compared to 2018 and were ahead of target in 2019. Most of those undertaking further study were studying master's degrees at Massey University. Their motivations were generally that they had always intended to undertake such further study.

### Māori Student Progression to Employment

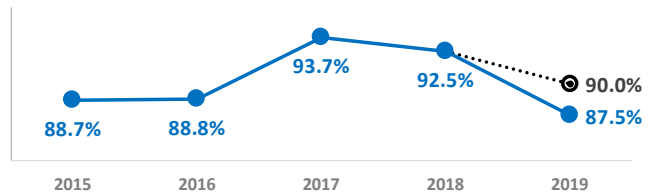


**87.5%**

2019 result

**90.0%**

2019 target



### Māori Student Engagement in Further Study

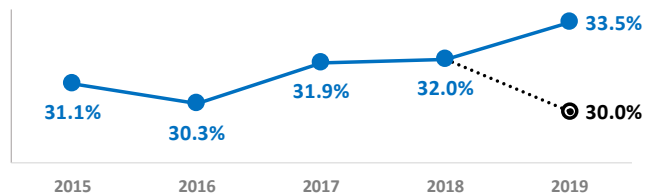


**33.5%**

2019 result

**30.0%**

2019 target



39 This data has been collected from the Graduate Destination Survey. In 2019 a total of 429 Māori students participated in the survey, a response rate of 41 per cent. These results are not mutually exclusive and can total more than 100 per cent.

40 Includes both full- and part-time employment.

Both graduate outcome measures for Māori students surveyed were different from those in previous years. Māori students achieved almost the same progression-to-employment rate (87.5 per cent) as the overall student body (88.0 per cent) but did not meet the Investment Plan target of 90.0 per cent. A number were not working and not seeking work because they were due to commence further postgraduate study or were doing voluntary or other unpaid work.

Māori students had a higher rate of engagement in further study (33.5 per cent) than the overall student body (31.7 per cent) and exceeded the Investment Plan target of 30 per cent. Most of those doing further study were doing it part-time at Massey University, for master's degrees, postgraduate certificates or postgraduate diplomas.

### Pacific Peoples Student Progression to Employment

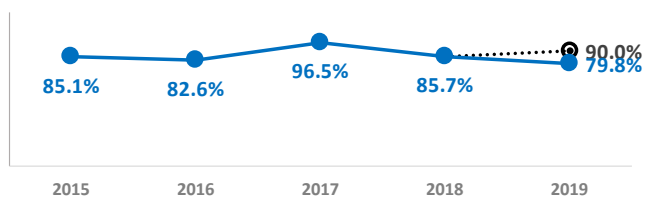


**79.8%**

2019 result

**90.0%**

2019 target



### Pacific Peoples Student Engagement in Further Study

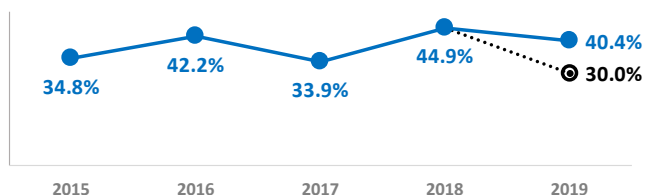


**40.4%**

2019 result

**30.0%**

2019 target



41 These are new measures introduced for the Investment Plan as part of the *Pacific Peoples Learner Success Plan*.

42 This data has been collected from the Graduate Destination Survey. In 2019 a total of 94 Pacific Peoples students participated in the survey, a response rate of 48 per cent. These results are not mutually exclusive and can total more than 100 per cent.

43 Includes both full- and part-time employment.

Pacific Peoples students showed a lower rate of progression to employment (79.8 per cent) than the overall student body (88.0 per cent) and did not meet the Investment Plan target of 90.0 per cent. The results for 2019 were also 5.9 per cent lower than the results achieved in 2018. Most students were employed in the healthcare or education industrial group, although 65 different job titles were described.

Pacific Peoples students showed a higher rate of engagement in further study (40.4 per cent) than the overall student body (31.7 per cent) and exceeded the Investment Plan target of 30 per cent. Most were studying master's or other postgraduate programmes at Massey University.

## Our Performance in Context

### PAERANGI

Paerangi, Massey University's new learning and teaching strategy, was approved by the Massey University Council in August 2019. The new strategy, which was the result of a highly collaborative development process, will guide our priorities with regard to pedagogical practices (i.e. "how we teach") and inform our digital learning and teaching initiatives.

The language throughout Paerangi signifies a prioritisation of the learning experience (and notes too that learning involves both students and staff). This is a subtle yet important signal that is aligned with Massey University's intention to truly be a student-centred learning community where we prioritise student success. The term Paerangi refers to a person being at the height of their career, or in their prime, and a further meaning is "to raise up high" or to reference a horizon. We share an ethos of continual learning and support our students to choose learning pathways that enable them to be excited and to excel. Finally, we contribute to the communities we serve through teaching by building our students' capacity to participate in and lead these communities, so that Massey University graduates continue to 'make a difference'.

### FOCUSED LEADERSHIP

A new senior leadership role, Deputy Vice-Chancellor Students and Alumni, was created in 2019 with the intention of enhancing and better coordinating students' experiences of Massey University. Tere McGonagle-Daly of Ngāti Whakaue ki Maketū arrived in November 2019 as the inaugural appointee to this role. His aim is to focus specifically on enhancing the student journey, from recruitment to graduation, and the ongoing relationship with alumni and life-long learning (Massey University has more than 140,000 graduates globally). The role will

also concentrate on domestic student recruitment, the student experience, the student voice and the intersection of these for the entire student journey to create student environments – both digital and physical – that are exemplars of best practice.

### DIGITAL TRANSFORMATION

As noted above, Massey University has recently launched Digital Plus, a new strategic concept designed to future-proof our academic offer through coordinated rationalisation and accelerate our digital capabilities and capacity. The implementation of the concept is currently in its discussion phase. Guided by Digital Plus, the University has committed to a three-year process of intensive digital innovation in learning and teaching. The *Digital Education Transformation Plan 2019-2022* provides the high-level context in which key digital innovation projects will be situated, and outlines the goals and success measures of the digital innovation initiative and the key projects and areas of focus. The plan aligns with Massey University's strategy and sub-strategies.

The plan is based on specific principles and goals that have been created by and with our students and staff. The principles for digital transformation are: evidence-based using current pedagogical research; structured to prioritise the needs of learners and teachers; focused on supporting and enhancing the learning experience across the University; used to make teaching and learning more active and efficient through the development of digital resources and approaches that reduce and support the time spent on synchronous teaching of basic content and concepts; and supported by initiatives to enhance the digital and information literacies of all students, providing them with the skills required to succeed in the knowledge economy.

To support the plan, the University recruited 15 new staff and aligned existing resources to create a focused team and systems and processes to underpin the transformation of teaching and learning. By embedding digital transformation into the curriculum design process, we are ensuring that it is done in a pedagogically sound, sustainable and evidence-based manner. Key areas of focus involve systematically, course-by-course, upgrading and standardising the digital experience and building capability across the University. A range of innovation projects is also underway. The projects include the Massey University 3D collection, the increasing use of virtual, augmented and mixed reality in various teaching contexts, the development of an otoscope simulator for veterinary students, and an exploration of the "Zapper" tool to create affordable and scalable mixed reality. Tools such as these have great potential to deliver more engaging learning experiences for our distance students.





## PASTORAL CARE AND WELLBEING

Substantial work to improve the pastoral care and wellbeing of our students took place in 2019. Progress was made in the development of an internal tool designed to help staff proactively support our students. The development process included the development of a student care plan process, the creation of a “students of concern” assessment, and the employment of wellbeing advisers to work with staff to manage complex cases.

We also developed a student wellbeing workplan, which is aligned to the objectives of the *Wellbeing Strategy 2019-2022*, launched in 2019. Other practical examples included:

- The further development of information and procedures relating to responding to and reducing sexually harmful behaviour
- The further roll-out of mental health first-aid training to staff
- Enhancements to campus emergency welfare plans and further resource development
- The continued delivery of the Strengths@Massey programme – a development programme aimed at helping students to develop growth mindsets

- Participation in the Piki (youth mental health programme) pilot
- The distribution, in collaboration with our student associations, of emergency hardship grants
- The development of a data analytics approach to student support
- The allocation of additional funding for student hardship for 2020.

## BUILDING STUDENT SCHOLARSHIPS

Massey University recognises the important part scholarships play in easing the financial burden of university study, encouraging academic progression and recognising high achievement. Many awards are designed to ease the burden of university fees or allow students to focus on their studies without having to work part-time jobs, and they represent a broader commitment to developing future leaders. A number of new scholarships were announced in 2019; these included the McEwan Pacific Student Scholarship to support Pacific Peoples students enrolled in undergraduate degrees with practical applications. In 2019, more than 1,800 scholarships were awarded to our students.

## MĀORI AND PACIFIC LEARNER SUCCESS PLANS

Massey University has a strong commitment to all our students, wherever they may be and regardless of the mode in which they study, in realising their goals and achieving success. Our responsibility as a university is to ensure that all our students are provided with the necessary environment in which to succeed and realise their ambitions. We know, however, that when we are looking at course and programme completion as one measure of success, there are currently significant disparities in the completion rates of Māori and non-Māori students and Pacific and non-Pacific students. This is due in large part to the fact that many of the Māori and Pacific learners we support are studying part-time and at a distance and are often juggling multiple responsibilities alongside their studies.

The Māori and Pacific Peoples Learner Success Plans will ensure that the University provides culturally appropriate and enhanced student services to achieve improved outcomes for our students. While existing initiatives have supported improved outcomes in recent times, under these two plans we are accelerating our efforts to enable student success. We are doing this by improving support systems (academic and pastoral support) and ensuring that they are appropriate, they create a sense of belonging and students get what they need to succeed.

In 2019, guided by these plans, Massey University commenced a new programme of work aimed at further enhancing student success. We expect these activities and projects, which have specific actions around students, staff and institutional management and coordination, to improve our service delivery and lift the achievements of all learners, including Māori and Pacific learners.

## ENTERPRISE, AND WORK-INTEGRATED EXPERIENCE

In August 2019, Massey University signed the first Global Charter for Co-operative and Work-Integrated Education. The charter formalises a commitment to increase the number and quality of partnerships between students, industries and universities around the world. Massey University was one of 50 signatories and one of two New Zealand universities to sign the agreement at the World Association of Co-operative Education conference, hosted by the University of Cincinnati, United States.

Engaging with employer partners to provide students with access to international work-based experiences will prepare them more effectively for productive and rewarding employment anywhere in the world. Massey

University's strategic goals focus on further advancing our efforts to provide students with "real-world" learning opportunities. The focus of the charter and the values resonate strongly with Massey University. In our Strategy, we commit to producing world-ready graduates with entrepreneurial acumen and capability, who create jobs for others and are committed to making a better world.

As part of our entrepreneurship efforts, two new student spaces – the Student Enterprise Studio and the Massey University Investment Room – were officially opened in August 2019. The Student Enterprise Studio forms part of a collective across the University's three campuses and is an important part of Massey University's enterprise ecosystem, which encourages and enables students from all disciplines to develop enterprise mindsets and apply them to their ideas, learning and employment. The Massey University Investment Room in Manawatū provides a high-tech space of all things financial, including Bloomberg terminals, workstations running Morningstar software and large screens with rolling CNBC news coverage and Rise financial market displays. It is the second of its kind in New Zealand, with the first student Investment Room having opened at Massey University's Auckland campus in 2015. Students can gain experience working with the tools and data used by industry, as well as achieve their Bloomberg Market Concepts certification while still at university. The Investment Room is there to support students with career and business advice, and aims to stimulate their thinking about investing for their long-term future. It is also about social connection – the room is home to the Student Investment Club, and students are already having a lot of fun participating in stock market challenges and other activities.

Students also have an opportunity to access work-integrated learning through defined courses in a broad range of programmes and disciplines to enhance their employability and support life-long learning. Co-curricular options and competitions also provide students with opportunities to expand their knowledge and experience. Examples in 2019 included:

- Students helping out in various roles based on their experience levels in the Massey University-SPCA low-cost de-sexing clinic, running small farmlets, weighing ewes and lambs and checking pasture intakes and pasture residues
- Creative media production students pairing with real-world clients and mentors to respond to industry briefs and challenges
- Students delivering creative interventions that explored issues of positive ageing and dementia.







# HEI ARATAKI

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## CIVIC LEADERSHIP

### IMPACT

A HERITAGE OF EXCELLENCE, HIGH QUALITY AND INTEGRITY THAT ENSURES AUTHENTIC LEADERSHIP IN CONTEMPORARY AOTEAROA NEW ZEALAND.

ROLE-MODELLING EXCELLENT PRACTICE AS A TIRITI O WAITANGI-LED INSTITUTION.

### GOAL

WE WILL BE KNOWN FOR OUR LEADERSHIP ON MATTERS OF INTEREST NATIONALLY AND INTERNATIONALLY, IN PARTICULAR ON THE SOCIAL, ECONOMIC, CULTURAL AND ENVIRONMENTAL ISSUES FACED BY AOTEAROA NEW ZEALAND, INCLUDING THOSE THAT AFFECT TANGATA WHENUA.





## HEI ARATAKI CIVIC LEADERSHIP

Massey University has a legislated mandate to act as a critic and conscience of society. While this is a responsibility carried by all New Zealand universities, we remain strongly committed at Massey University to promoting evidence-based research alongside our teaching role and communicating that research in a way that has real and lasting societal impact and benefit. As part of our commitment, in 2019 the University advanced on its journey to become a Te Tiriti o Waitangi-led university, further developed the sustainability agenda, and worked to improve international partnerships and the dissemination of knowledge and increase alumni engagement. In November 2019, the University Council approved a new policy on academic freedom, free speech and freedom of expression, designed to reaffirm our commitment to academic freedom and to support our academics in exercising these rights while noting the attendant responsibilities.

Our goal, as stated in our Strategy, is to be known for our leadership in matters of interest nationally and internationally, in particular the social, economic, cultural and environmental issues faced by Aotearoa New Zealand, including those that affect tangata whenua. To achieve this goal, we focus our activities on:

- Contributing to a socially progressive and constantly changing Aotearoa
- Supporting staff to publicly disseminate research findings and act as critic and conscience of society
- Promoting leadership and career development that includes communication training
- Promoting informed, evidence-based and inclusive public debate that respects diversity of opinion and is grounded in research and scholarship
- Publicly advocating for the value of universities in a mature, democratic society
- Facilitating discussions and consultation with relevant economic and social development agencies, whānau, hapū and iwi, Pacific communities and local government to maximise our impact
- Enabling capability development across New Zealand, the Pacific region and the world to prepare citizens for the changing nature of work and society

- Leading by example through the promotion of Māori leadership and bicultural leadership models
- Building student ambition to actively participate and lead within our University, their communities and nations
- Providing all staff with opportunities to actively contribute to civic leadership in the University and in the wider community.

We have identified five types of contribution from civic leadership to New Zealand:

- Our journey to become a Te Tiriti o Waitangi-led university, measured by our engagement with staff to increase cultural capability
- International partnerships
- Dissemination of knowledge
- Sustainability
- Alumni engagement.

### Our Te Tiriti o Waitangi Journey

We are actively building staff awareness and capability as the University continues on its Te Tiriti o Waitangi-led journey. There is strong demand from our staff (and students) to learn both te reo Māori and about tikanga Māori. To meet this demand we have produced a rich set of resources that is available on our intranet, and also developed two free online courses, Toro Mai, which enable learners to use te reo Māori at home and in everyday situations, and deepen their understanding and awareness of tikanga Māori.

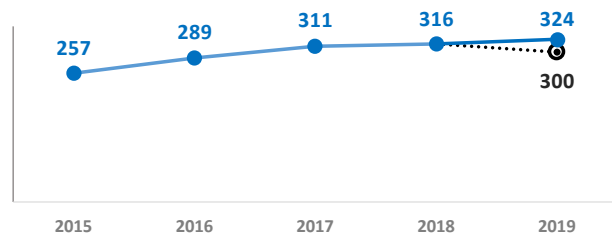
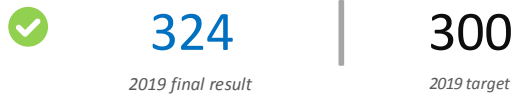
Distinguished Professor Hingangaroa Smith took up the inaugural position of Te Toi Ihorei ki Pūrehuroa, focusing on Māori academic and iwi advancement. This role is supporting our Deputy Vice-Chancellor Māori and Senior Leadership Team to drive our Te Tiriti o Waitangi aspiration forward into reality.

Māori activist Tāme Iti was Massey University's activist in residence in 2019 in the Center for Culture-Centred Approach to Research and Evaluation. The purpose of the programme is to generate knowledge, and an activist brings different experiences. The theme of Iti's residency was *Decolonising ourselves – indigenising the university*.

## Our Performance in Civic Leadership<sup>4</sup>

### CIVIC LEADERSHIP INPUTS – INTERNATIONAL

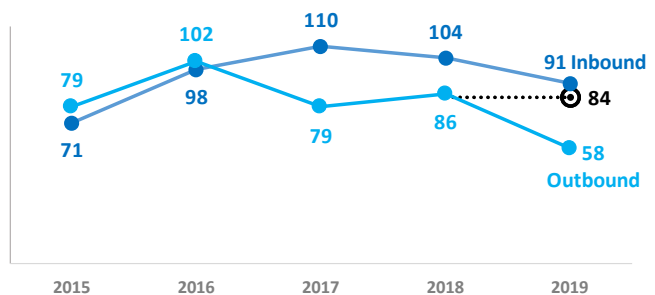
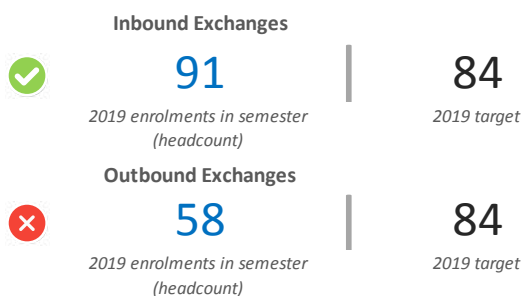
#### Active International Partnerships



44 Active international partnerships are those partnerships where Massey University is the first party (the lead contractor) to the programmes/contracts. The introduction of a new measure in the Investment Plan for international research partnerships required a revision of historical data for both measures. This measure includes international research partnerships. Previous results reported were 263, 292, 310 and 321 for 2015-2018.

The number of active international partnerships was higher in 2019 than in 2018 and exceeded the Investment Plan target for 2019. A total of 90 international partner agreements were signed through the International Relations Office, consisting of 28 memoranda of understanding (MOUs) and 62 agreements.

#### Students Participating in Exchanges



45 These new measures were originally combined when included in the Investment Plan. They are now shown separately and reported for the first time. Historical data shown in the Investment Plan has been revised accordingly.

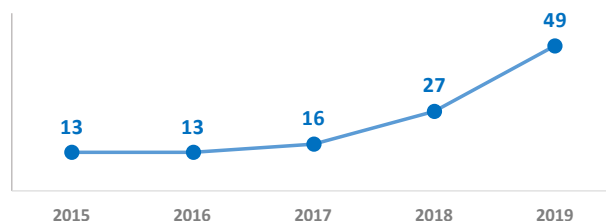
In 2019 there were 13 fewer inbound and 28 fewer outbound students participating in exchanges than in the previous year. The Investment Plan target for 2019 was met for inbound exchanges but not for outbound exchanges. The decline in outbound enrolments reflects the desire of Massey University colleges to sign new exchange agreements, particularly for accreditation purposes, requiring the University to accept additional inbound students to support these agreements.

4 Results in blue indicate they are final, results in grey are indicative. Targets as per the Investment Plan are shown in black. Achievement of target is expressed by a green tick, non-achievement by a red cross. A grey ellipsis indicates the result is indicative and target achievement cannot yet be confirmed. An asterisk in grey “\*” indicates there is no target set in the Investment Plan.

## CIVIC LEADERSHIP OUTPUTS – DISSEMINATION OF KNOWLEDGE

National print, radio and television media articles featuring comment by the University:

### Articles – TheConversation.com

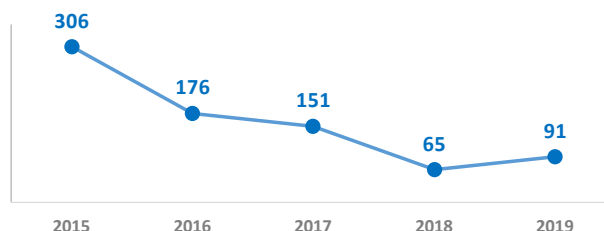
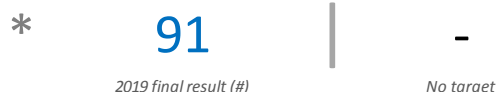


46 This is a new measure included in the Investment Plan and is reported for the first time.

The number of articles featuring comment by the University is a new measure put forward in the Investment Plan for this category that is still under development. As a proxy measure, the number of articles published by registered University authors on the online platform *The Conversation* is being used by the University, and the 2019 result shows a significant increase of 22 over 2018. This result also shows an improvement in Massey University’s reach and impact, achieved by proactively promoting our world-leading pure and applied research and extending across many diverse disciplines, all with international excellence and national significance in common.

Non-peer-reviewed research outputs:

### Oral Presentations



47 This is a new measure included in the Investment Plan and is reported for the first time. Historical data shown in the Investment Plan has been revised to align with improved reporting methodology.

The number of non-peer-reviewed research outputs in the form of oral presentations is also a new measure put forward in the Investment Plan for this category. It represents oral presentations to community and organisational groups, not conference presentations. While the 2019 result was 26 above that for the previous year, it was still lower compared with previous years.

As well as the above initiatives, Massey University produces a number of reports and provides a variety of opportunities for the general public to engage with University experts and their work. As an example, the University started a new free public lecture series, *Health by Design*, in 2019. In *Designing healthy cities and communities* Professor Karen Witten discussed how to support the wellbeing of children by providing opportunities for play and their engagement in community life. Other free public lecture series during the year included: *Our Changing World*, *Free Trade in the time of Brexit*, *Lunchtime Learnings: Responses to terrorism in New Zealand*, *Fascination Science*, the *Pint of Science Festival*, *Big Issues in Business*, which featured the *Shared Prosperity Index*, and *Arts + Climate Innovate: The role of the arts*.

Reports produced in 2019 included: *Retirement Expenditure Guidelines* and the *Home Affordability Report*, on the back of which The Property Foundation housed at Massey University organised a panel discussion involving Housing Minister Megan Woods and property industry experts on the issue of housing affordability. Housing affordability is not a short-term issue and the panel agreed that it spans political and economic cycles and the tenure of decision-makers within the agencies that are critical to delivery. The concept of build-to-rent was also explored.

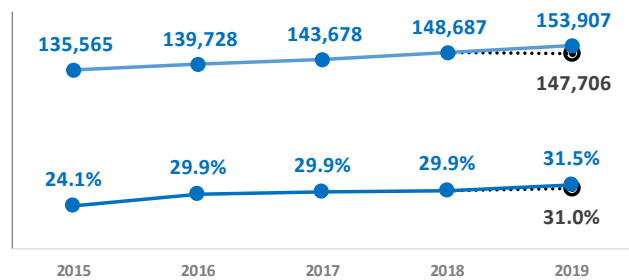
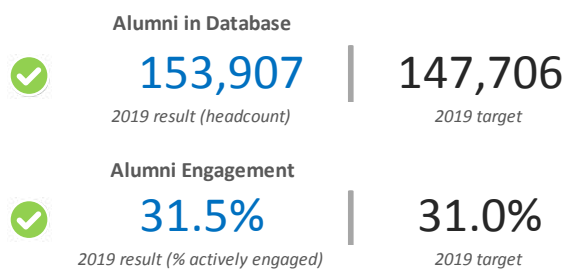
Additionally, our staff responded actively to apply their expertise to the different environmental emergency situations the nation confronted during the year, such as the forest fires to the south of Nelson and the Fox River landfill and Fox River rubbish clean-up.

### Freedom of Speech

Massey University remains strongly committed to the values of academic freedom, free speech and freedom of expression – values that lie at the very heart of the tradition of a university and at the centre of academic inquiry. We recognise that academic freedom, free speech and freedom of expression are contentious and nuanced issues worldwide. In November 2019, as noted above, Massey University developed a *Policy on Academic Freedom, Free Speech and Freedom of Expression* as a public statement to reaffirm our commitment to academic freedom and free speech. To support the policy, an External Speaker Code of Practice was developed to provide more guidance to staff hosting speakers wishing to speak on and present at our campuses.

### CIVIC LEADERSHIP OUTPUTS

#### Alumni Outreach



48 These are new measures included in the Investment Plan and are reported for the first time.

The total number of past students and staff on the Massey University alumni database continues its growth trend and exceeded the Investment Plan target for 2019. The percentage of alumni actively engaged in 2019 increased by 1.6 per cent over 2018 and also exceeded the Investment Plan target. Active engagement is defined as attending an alumni event, clicking through on the alumni e-newsletter, donating to the Massey University Foundation, contacting the alumni office, updating information, joining the alumni library scheme, belonging to an alumni social media group, visiting the alumni office and registering on the internet community pages.





## Sustainability

At Massey University the sustainability agenda recognises the intersection between planetary concerns, caring for people and an aspiration to be a Te Tiriti o Waitangi-led organisation. There are strong overlaps between those objectives and they are mutually reinforcing. In 2018 the University approved a Sustainability Planning Framework based on the draft *Sustainability Strategic Plan*. The framework was further developed in 2019.

In July 2019 we announced that we were setting an ambitious target to be carbon neutral by 2030. As a university we recognise the very serious challenges posed by climate change to the planet and its inhabitants. We teach and undertake research on the impacts of climate change and how we can mitigate and adapt to what many recognise as a global emergency. The research and engagement activities of our academics are contributing to the development of a low-carbon society. We are committed to managing down our own greenhouse gas emissions so that over time the University's carbon footprint will decrease. At the same time as we are reducing emissions we will need to find ways to offset the emissions that cannot be avoided. Initiatives around energy, transport, waste and our buildings and infrastructure will help us to achieve carbon neutrality.

We have already made a start with numerous schemes, including becoming the first university in New Zealand to offset carbon emissions from our air travel. In an agreement with Air New Zealand, Massey University will purchase carbon credits in the airline's carbon-offsetting scheme, FlyNeutral. The agreement has been put in place as part of a Climate Action Plan to help staff and students adopt sustainable travel options. Also, as part of our plan, biological emissions from our farms will be significantly reduced over time. Details of these carbon-reducing initiatives and our on-farm methane-reduction project are under development.

All staff were invited to contribute to the process of developing the plan. The draft was developed by a group of academic and professional services staff. The University held fora for academic and professional services staff to discuss the teaching, research and operational aspects of the plan and suggested actions and responses to questions in the document.

To reduce its energy emissions the University is focusing on improving its business intelligence – such as by increasing metering, analysing, modelling and reducing energy use and switching from fossil fuels to renewable energy sources. To achieve carbon neutrality by 2030 we are undertaking a strategic assessment process,

examining where carbon savings can be made given the current carbon profile of the University, and where opportunities exist to use fossil-free technologies, or develop policies and make behavioural changes to meet the target.

Massey University has committed funding to develop a *Carbon Management Plan*, which we have started to implement. The key elements of the plan include:

- Project management and governance for carbon management
- A baseline carbon footprint
- Business-as-usual emissions
- The identification of key projects that can reduce greenhouse gas emissions in the areas of energy, transport, waste, farms and buildings over 10 years
- An examination of how carbon sequestration and offsetting can contribute to the net-zero-carbon goal.

Initiatives being explored include the following, with some initiatives already underway:

- Shifting modes of transport from high-emitting transport modes (e.g. air, single-occupant vehicles) to lower-emitting ones (e.g. mass transit, active transport through cycling and walking, carpooling)
- Converting natural gas boilers to electric heat pump technology
- Installing rooftop solar panels to offset daytime campus electricity demand
- Replacing fluorescent lights with LEDs
- Upgrading the thermal performance of buildings' walls and windows, by improving insulation and replacing single with double-glazed windows
- Installing light sensors
- Electrifying the vehicle fleet (the University now has four electric vehicles in its fleet)
- Developing on-site composting of organic and food waste.

## OUR CONTRIBUTIONS TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) were established in 2015 and agreed to by all United Nations member nations. Massey University began reporting against the SDGs in 2018.

Especially noteworthy is that Massey University is offering a new Master of Sustainable Development Goals in 2020. The degree represents a cross-University collaboration to address the three main elements of the SDGs – ecological,

societal and economic. It also presents a unique opportunity to showcase Pacific and indigenous concepts of sustainability as alternatives to Western models. The degree focuses on implementing the SDGs, in particular how to measure an organisation's, community's or country's performance against the goals and how to work with others to achieve more sustainable outcomes. It is aimed at recent graduates looking for work-ready skills in sustainability, and professionals from diverse backgrounds thinking about career changes.

Massey Business School will also offer a Master of Management in Sustainability from 2020. This new major has been designed for students who wish to gain management skills while incorporating a sustainability perspective. Areas of focus include social and environmental sustainability, corporate social responsibility, ethics, the carbon-free economy and the SDGs, and specific management applications such as the ethical behaviour of management within businesses and organisations.

## TIMES HIGHER EDUCATION

In April 2019 Massey University was ranked 38th in the world in the inaugural Times Higher Education Impact Rankings, which measure the extent to which universities are working towards fulfilling the SDGs. In the first year of this ranking, the contributions and performance of universities in response to 11 of the 17 SDGs were measured, with the goals including areas such as health and wellbeing, reducing inequality, gender equality, climate action and quality education.

Massey University was the only New Zealand university to receive rankings in the top 200 for all 11 goals. Seven of those were in the top 100, and of those, four were in the top 50, with our highest ranking – 15th in the world – for our contribution to the Sustainable Cities and Communities SDG. The 17 SDGs, and examples of ways that Massey is contributing to meeting them, are as follows:





### SDG 1 | NO POVERTY

- New research by Massey’s Health and Ageing Research Team shows that physical, mental and social health in older people is directly related to childhood disadvantage. This emphasises the need to address poverty urgently to curb both immediate and long-term disadvantage
- Massey University and Volunteer Service Abroad have signed a five-year MOU to continue to work together to promote and deliver great development outcomes in the Pacific and beyond
- Massey University continues to help farmers and educators in Indonesia to build a more sustainable and successful agriculture sector through an innovative aid programme, the “East Indonesia Innovative Farm Systems and Capability in Agribusiness Activity”. Recent achievements have included building several cattle-feeding units and a village-level grading shed for fresh fruit and vegetables. The latter will assist villagers to supply high-quality fresh fruit and vegetables to high-end hotels on Lombok’s tourism coast



### SDG 2 | ZERO HUNGER

- New research published by Massey University showed overwhelming support for sustainability characteristics to be included in the *Eating and Activity Guidelines for New Zealand Adults*, set out by the Ministry of Health. In particular, there was strong agreement to promote whole foods, sustainable seafood, sustainable lifestyle behaviours (e.g. physical activity), limited processed foods and reduced food waste
- Massey University Nutrition and Dietetics Centre students helped teach more than 500 Year 10 students at Manurewa High School – one of the largest Decile 1 schools in New Zealand – how to make healthy, tasty, easy and affordable meals together. This was the third year that Massey students had contributed to Nestlé’s “Cook for Life” programme
- Research on promoting agrobiodiverse food systems to help achieve zero hunger in Pacific Island developing states was presented at the Agriculture, Nutrition and Health Academy Week in India
- A Bachelor of Horticultural Science was offered by Massey University for the first time in 2019



### SDG 3 | GOOD HEALTH AND WELLBEING

- Professor Helen Moewaka Barnes from Massey University’s SHORE & Whariki Research Centre has been awarded nearly \$5 million to lead an investigation of environmental and kaupapa Māori initiatives aimed at providing much-needed gains in Māori health outcomes. The research programme is funded through the Health Research Council’s rangahau hauora Māori investment stream
- The Health Research Council has also awarded Massey’s Centre for Public Health Research almost \$1.2 million for a four-year project to assess whether biodiversity reduces allergy and asthma risks in children through differences in exposure to microorganisms in the environment and the gut. The research will help inform urban design with the aim of reducing the global burden of childhood asthma
- More than 20 Massey University staff and students presented their research at the 23rd World Conference on Health Promotion, attended by more than 3,000 delegates. The conference was hosted in New Zealand for the first time, and the theme was *Waiora: Promoting Planetary Health and Sustainable Development for All*
- Massey University is part of One Health, which promotes collaborative relationships between the human health, animal health and wildlife health professions. A current project aims to strengthen the surveillance systems for antimicrobial resistance and antimicrobial use in 24 countries in South Asia, Southeast Asia, West Africa and East-Southern Africa





#### SDG 4 | QUALITY EDUCATION

- There has been much interest in Toro Mai, two free online courses in te reo Māori and tikanga Māori. These courses, developed by Massey University, enable learners to use te reo Māori at home and in everyday situations, and deepen their understanding and awareness of Māori knowledge
- Massey University has established a new Master of Sustainable Development Goals and added a sustainability major to the Master of Management. Both focus on the most pressing issue facing humanity and the planet: sustainability
- Massey University runs several free public lecture series. These include Our Changing World, Health by Design, Fascination Science and the WH Oliver Humanities Research seminar series



#### SDG 5 | GENDER EQUALITY

- Massey University ran the annual “Young Women’s Leadership Programme” for Year 12 female students at secondary school. Women are significantly underrepresented in leadership positions in New Zealand and the hope is that this programme will help increase the number of women leaders in the future
- Dr Jenny Coleman published her new book, *Petticoats in Parliament: From women’s suffrage to a seat in the House*. This explores the people and stories behind the law introduced 100 years ago to allow New Zealand women to stand for Parliament
- In 2019 five women were promoted to Professors (50 per cent of the promotions) and 17 were promoted to Associate Professors (55 per cent). Our Senior Leadership Team comprised 46 per cent females in 2019
- Westpac Massey Financial Education and Research Centre (Fin-Ed) director Dr Pushpa Wood was awarded a Zonta New Zealand Women of Achievement Award in 2019 and named a finalist in the 2019 NEXT Woman of the Year Awards. These were for her work on improving financial literacy and translating this into practical training programmes that make a difference, which includes research projects to identify the best way to support Māori women



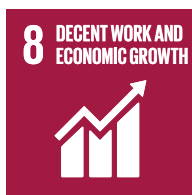
#### SDG 6 | CLEAN WATER AND SANITATION

- Massey University staff and students have benchmarked plastic pollution in the Manawatū River in conjunction with local and regional councils and non-government organisations. This information will inform the development of a community-based plastic pollution strategy for Palmerston North
- Six new water fountains were installed on the Manawatū campus. This was as a result of a student-led initiative and will reduce plastic wastage, as bottles can be refilled using the fountains
- Massey University researchers organised a second Catalyst-funded workshop for councils, scientists and farmers on effective and targeted water-management solutions in sensitive agricultural catchments
- The “Innovative Drainage Management Technologies” project is now in its second year of exploring ways to reduce nitrogen-leaching losses from farm production systems, using controlled drainage, bioreactors and drainage water recycling. This project is supported by industry partners and the Ministry for Primary Industries’ Sustainable Farming Fund



#### SDG 7 | AFFORDABLE AND CLEAN ENERGY

- Massey University research, which involved monitoring Superhomes and identifying the benefits of recessed SuperWindows, was presented. SuperWindows increase a home’s energy efficiency, warmth, health and comfort
- Several professional-development courses focused on energy efficiency were run by Massey University, including ones focused on cost-effective refrigeration and kiwifruit post-harvest storage



### SDG 8 | DECENT WORK AND ECONOMIC GROWTH

- Researchers from the interdisciplinary Marsden-funded Project GLOW (Global Living Organisational Wage) were invited to speak at the International Labour Organization Regulating for Decent Work Conference in Geneva, where the key focus was on decent work and people’s wellbeing
- Massey University and AUT researchers won the HR Research Team of the Year Award at the 2019 NZ HR Awards, further boosting awareness of the Living Wage
- Massey University agreed that from January 2020 the minimum annual salary for all Massey staff who are on the collective employment agreement would be \$41,925. This is equivalent to \$21.50 per hour, which is higher than the 2019 Living Wage of \$21.15



### SDG 9 | INDUSTRY, INNOVATION AND INFRASTRUCTURE

- As in previous years, Massey University provided mentors for the annual entrepreneurship start-up competition, Innovate. This included a mentor for the eventual winner of the UCOL-sponsored “Rising Star” award for “Naked Sprout” – a mobile app platform that links boutique producers to discerning consumers and chefs, making it easy for them to identify and support local, high-quality food producers
- GDPLive, a real-time gross domestic product (GDP) tracker, was developed by Massey University researchers. It is believed to be the first of its kind in the world. GDPLive allows users to instantly see estimates of how the New Zealand economy is performing and provides GDP forecasts



### SDG 10 | REDUCED INEQUALITIES

- A new practice framework and resource, Tōu Ake Mana, aimed at those working with vulnerable Māori youth (rangatahi) was launched. This resource, based on Massey research, aims to restore and maintain young people’s mana to help empower them to achieve better outcomes
- Massey University’s quarterly *Home Affordability Report* showed that although national affordability had barely changed in the previous 12 months, the results masked significant regional changes in both directions. These included an improvement in affordability for the West Coast in the previous year, but a decline in affordability for Gisborne
- A Marsden Fund Fast-Start Grant was received to explore what ageing well means for migrants. The research will investigate migrants’ capabilities to age well, and the social and institutional factors that may create systemic barriers to accessing resources



### SDG 11 | SUSTAINABLE CITIES AND COMMUNITIES

- Massey University initiated and convened the world’s first Tourism and the Sustainable Development Goals Conference. This brought together academics and industry representatives from more than 30 countries to discuss the environmental and social impacts of tourism and how to balance these with the benefits
- A Marsden Fund Fast-Start Grant was received to explore how landowners and settlers in urban Papua New Guinea can work together to create safer homes in towns often considered dangerous
- An enterprising Massey University engineering team won a top prize in the Keysight IoT Innovation Challenge in New York City for their real-time, low-cost Internet of Things-based air-quality-monitoring network, CAIRNet. The real-time air pollution data it provides can be used by governments, policymakers and others to make decisions that will minimise air pollution in cities and towns
- He Ara Kotahi, a 7.1km track that connects Massey University to Palmerston North city, has been opened. The track will encourage more people to make the choice to cycle, walk or run rather than using their vehicles. Several significant native trees were shifted during the construction of the path, and many native plants were planted to minimise the impacts of construction on the environment



- A Massey University student won the 2019 NZ Esri Young Scholar Award for research using ArcGIS (an online geographic information system) to explore the effects of the built environment on depression in the Wellington region. An association between walkability and symptoms of depression in adolescents was found and the research demonstrated that a walkable neighbourhood may help to reduce depressive symptoms
- A research project to develop a set of social vulnerability indicators for flooding in New Zealand was completed by the Environmental Health Indicators Programme team at Massey University. The project included a case study on Porirua



### SDG 12 | RESPONSIBLE CONSUMPTION AND PRODUCTION

- Massey University was awarded \$400,000 from the Government's Provincial Growth Fund to help establish a Rural Innovation Lab in the Manawatū-Whanganui region. The lab was launched in February 2019 and aims to commercialise new ideas and technologies in order to improve land use in the primary sector. Initial projects funded by the lab include an on-farm carbon-emissions calculator and the development of a Māori agribusiness collective that will support whānau to develop their land in sustainable ways for future generations
- The Westpac Massey Fin-Ed Centre has trained more than 250 people in the community on how to have serious money conversations at home, in community groups, on marae and at work, as a means of improving their financial literacy
- Massey's Fertilizer and Lime Research Centre was renamed the Farmed Landscapes Research Centre (FLRC), reflecting the fact that research and extension activities are now primarily focused on environmental matters and sustainability in agricultural systems
- The 2019 FLRC annual workshop was on nutrient loss mitigations in agriculture. The workshop was very well attended, attracting more than 200 people with backgrounds in science, research, consultancy, farm nutrient advice, farming, and national and regional policy and management
- Massey University researchers have started working with DairyNZ, farmers and Horizons Regional Council on the "Taranua Plantain Project" – a seven-year plan to test the benefits of plantain on 125 dairy farms in the area. The hope is that planting plantain will reduce nitrogen leaching from farmland
- A Global Partnership in Livestock Emissions Research-funded project, "Mapping and managing urine patches to reduce nitrous oxide emissions", is investigating the accuracy of different methods of detecting, mapping and treating cattle urine patches. Cattle urine contributes to both nitrogen leaching and climate change



### SDG 13 | CLIMATE ACTION

- Massey University has made a commitment to become carbon neutral by 2030
- Massey University students filmed a documentary, *Vaka*, which explores how climate change is affecting the people of Tokelau. The team hope their film will help people to understand the urgency of climate change. The film was made in collaboration with the Ministry of Foreign Affairs and Trade and the Government of Tokelau
- Submissions were invited on Massey University's draft *Climate Action Plan*, with around 300 staff and students responding. The plan will help us to reduce our carbon footprint. The draft has also been shared with the Palmerston North City and Wellington City Councils and EECA, the Energy Efficiency and Conservation Authority
- A greenhouse gas emissions inventory was completed by Massey University. This has been verified by Toitū Envirocare and will help us determine where we can make changes to reduce greenhouse gas emissions at all sources
- Massey University is working with local authorities in Auckland, Wellington and Palmerston North to improve public transport options for campuses. There is a 25 per cent discount for students who use buses in Auckland and Wellington, and students and staff in Palmerston North can use buses for free

- Massey’s second fully online international conference, “Feral”, featured in 2019 on the London School of Economics Impact Blog as an example of how academics are deploying sustainable practices in research and education. Feral explored human interactions with the natural world and was co-hosted by Massey’s Political Ecology Research Centre in November 2018. It featured 43 presenters and panellists from eight countries



#### SDG 14 | LIFE BELOW WATER

- The architecture for a new international, legally binding agreement on toxic plastic pollution in our oceans is being developed by the UN Environment Assembly, with expertise contributed by one of the co-directors of Massey’s Political Ecology Research Centre
- Existing models and frameworks of mātauranga Māori used in the management of the marine ecosystem and economy were examined as part of the Sustainable Seas National Science Challenge project, *Whai Rawa, Whai Mana, Whai Oranga: Creating a world-leading indigenous blue economy*. The combined Massey and University of Canterbury research found that successful Māori marine businesses place Māori values at the core of their business practices
- Massey University was one of the partners in a Ministry of Business, Innovation and Employment-funded multi-year project: *Oranga Taiao Oranga Tangata – Healthy environment, healthy people*. The project aims to develop tools, knowledge and processes to empower iwi and hapū, so improving Tauranga Harbour’s ecological health



#### SDG 15 | LIFE ON LAND

- Life-saving, pioneering brain surgery was successfully carried out on a young kākāpō chick at Massey University’s Wildbase Hospital. Wildbase is a dedicated wildlife hospital that provides veterinary services and research to support conservation in New Zealand. Around half of the patients seen are threatened or endangered species
- A Marsden Fund grant of \$936,000 was received by Massey University researchers to quantify and predict global-scale responses of ecological communities to environmental change, using mathematical modelling
- Massey University hosted a workshop, *Hyperspectral and Thermal Remote Sensing: From data to applications*. Topics included remote-sensing applications in volcano research, soil and environmental management, and natural hazards’ assessment



#### SDG 16 | PEACE, JUSTICE AND STRONG INSTITUTIONS

- Massey University prides itself on contributing to a socially progressive and constantly changing Aotearoa. The University stood together against hate and to show solidarity for those affected by the terror attacks in Christchurch on March 15, with hundreds of Massey University staff and students gathering on all three campuses on March 22 to pay tribute to the victims
- Massey University’s School of Veterinary Science has created a scholarship in the name of 16-year-old aspiring veterinarian Hamza Mustafa, who was killed in the Christchurch shootings
- Academic staff delivered a series of lunchtime lectures in response to the mosque attacks. The Centre for Defence and Security Studies also hosted a symposium in May on security and religion, which drew together multidisciplinary experts in the study of religion, sociology, philosophy, international relations and security to consider the question of how we can all live together safely
- Well known Māori activist Tāme Iti was Massey University’s activist in residence in 2019. The purpose of the programme is to generate knowledge, and an activist brings different experiences. The theme of Iti’s residency was *Decolonising ourselves – indigenising the university*. He held a public talk and a workshop and released a paper
- The first edition of the *National Security Journal* was issued in October 2019. Produced by academics from Massey University’s Centre for Defence and Security Studies, it aims to provide original thinking and informed debate

- Massey University offers New Zealand's only specialist education in security studies, which examines security challenges such as biosecurity, conflict resolution and cyber-crime at community and government levels. Current research includes investigating the interplay of the UN's Women, Peace and Security Agenda and international policing in, increasing female participation and equity in UN operation, gender-sensitive policing and alternatives to militarisation

## 17 PARTNERSHIPS FOR THE GOALS



### SDG 17 | PARTNERSHIPS FOR THE GOALS

- Massey University was a major sponsor of Festival for the Future, an annual weekend of inspiring speakers, future-focused panels and workshops discussing and creating positive solutions to urgent social, environmental and economic issues. These included the climate crisis, plastic waste, political representation, social inequality and discrimination. More than 1,200 predominantly millennial (aged 16-35) people attended, with Massey staff and students actively involved as keynote speakers and panellists
- Massey University is a member of Universities New Zealand's Working Group on Sustainability and the SDGs. A report on the status of NZ universities with regard to sustainability and the UN's SDGs was developed in 2019
- The Living Lab partnership between Massey University and the Palmerston North City Council focused on catalysing action around climate change and co-sponsored a meeting of key public sector organisations in Palmerston North to discuss how the city can make progress towards low-carbon goals
- Massey University is part of an Australasian cohort of universities that is participating in the pilot Sustainability Tracking, Assessment & Rating System (STARS) programme for Australia and New Zealand. STARS is a transparent, self-reporting framework that allows higher education institutions to measure their sustainability performance in a wide variety of areas



# SUMMARY FACTS AND FIGURES

## STUDENTS

STUDENT NUMBERS (HEADCOUNT)	Note	2016	2017	2018	2019
Internal	49	16,746	17,087	16,439	15,752
Distance		14,755	13,796	13,857	14,739
<b>UNIVERSITY TOTAL</b>		<b>31,501</b>	<b>30,883</b>	<b>30,296</b>	<b>30,491</b>
% change over previous year		-0.4%	-2.0%	-1.9%	+0.6%
<b>INTERNATIONAL STUDENTS INCLUDED IN TOTALS ABOVE</b>	50	<b>4,714</b>	<b>5,092</b>	<b>5,331</b>	<b>5,323</b>
% change over previous year		+6.7%	+8.0%	+4.7%	-0.2%
<b>EQUIVALENT FULL-TIME STUDENTS (EFTS)</b>	Note	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Internal	51	12,856	12,903	12,594	12,209
Distance		6,088	5,750	6,070	6,626
<b>UNIVERSITY TOTAL for all students (regardless of funding sources)</b>		<b>18,944</b>	<b>18,653</b>	<b>18,664</b>	<b>18,835</b>
% change over previous year		+1.4%	-1.5%	+0.1%	+0.9%
<b>INTERNATIONAL FULL FEE-PAYING STUDENTS INCLUDED IN TOTALS ABOVE</b>	52	<b>2,961</b>	<b>3,106</b>	<b>3,290</b>	<b>3,306</b>
% change over previous year		+5.1%	+4.9%	+5.9%	+0.5%
<b>EFTS FUNDED BY TEC</b>	53	<b>15,546</b>	<b>15,051</b>	<b>15,118</b>	<b>15,287</b>
% change over previous year		+1.3%	-3.2%	+0.4%	+1.1%

49 By student mode, which from 2017 is based on the mode in which the majority of a student's study occurs. Data for 2016 has been restated for consistency with this methodology.

50 From 2017 onward, the International Students measure excludes New Zealand citizens and permanent residents, and Australian residents and permanent residents. Previous years' numbers included all international students regardless of New Zealand Government funding status.

51 Data is now shown by course mode.

52 From 2017 international full fee-paying students includes TEC funding classification 02 only as per Single Data Return submissions. Previous years' numbers are as per TEC funding classifications 02, 03, 12 and 20.

53 As per TEC funding classification 01.

STUDENT AGE AND GENDER (HEADCOUNT)	Gender Diverse	Male	Female	2019 Total
Students under 25 years	1	5,405	8,375	13,781
	0.0%	17.7%	27.5%	45.2%
Students 25 years+	0	5,636	11,074	16,710
	0.0%	18.5%	36.3%	54.8%
<b>UNIVERSITY TOTAL</b>	<b>1</b>	<b>11,041</b>	<b>19,449</b>	<b>30,491</b>
	0.0%	36.2%	63.8%	

STUDENT WORKLOAD (HEADCOUNT)	2019 Total
Full-time	12,297
	40.3%
Part-time	18,194
	59.7%
<b>UNIVERSITY TOTAL</b>	<b>30,491</b>

STUDENT EFTS BY CAMPUS	Note	2019 Total
Auckland		4,972
Manawatū		4,553
Wellington		2,526
Other locations	54	158
Distance		6,626
<b>UNIVERSITY TOTAL</b>		<b>18,835</b>

54 Includes EFTS consumed at locations elsewhere in New Zealand and overseas.

## Students – Māori, Pacific Peoples and International

MĀORI STUDENT AGE AND GENDER (HEADCOUNT)	Gender Diverse	Male	Female	2019 Total
Students under 25 years	-	407	891	1,298
	0%	12.1%	26.5%	38.6%
Students 25 years+	-	536	1,530	2,066
	0%	15.9%	45.5%	61.4%
<b>UNIVERSITY TOTAL</b>	<b>0</b>	<b>943</b>	<b>2,421</b>	<b>3,364</b>
	0%	28.0%	72.0%	100%

PACIFIC PEOPLES STUDENT AGE AND GENDER (HEADCOUNT)	Gender Diverse	Male	Female	2019 Total
Students under 25 years	-	182	406	588
	0%	11.8%	26.3%	38.0%
Students 25 years+	-	257	701	958
	0%	16.6%	45.3%	62.0%
<b>UNIVERSITY TOTAL</b>	<b>0</b>	<b>439</b>	<b>1,107</b>	<b>1,546</b>
	0%	28.4%	71.6%	100%

COMPLETIONS BY LEVEL AND GENDER <sup>55</sup>	Gender Diverse	Male	Female	2018 Total
Sub-degree	0	385 (15%)	535 (11%)	920 (13%)
Degree-level	1	1,246 (49%)	2,198 (47%)	3,445 (47%)
Postgraduate	0	931 (36%)	1,967 (42%)	2,898 (40%)
<b>UNIVERSITY TOTAL</b>	<b>1</b>	<b>2,562</b>	<b>4,700</b>	<b>7,263</b>

55 These are the number of students who met the requirements of their qualifications in 2018 (qualification completion numbers for 2019 were not finalised at the time of publication). They differ from graduation numbers, which are the number of students who were conferred at a graduation ceremony or academic board meeting in 2019. The percentage of males and females at each level is shown in parentheses.





STUDENT HEADCOUNT BY COUNTRY OF ORIGIN (CITIZENSHIP) <sup>56</sup>	2019
New Zealand	21,779
China	3,799
Great Britain/United Kingdom	715
India	455
Australia	350
United States of America	349
Other (130 countries)	3,044
<b>TOTAL</b>	<b>30,491</b>

<sup>56</sup> Count based on the United Nations Secretariat’s Statistics Division M49 standard country codes for statistical use.

### Fees-Free:

In 2019, 10.4 per cent of our students (3,162 of 30,491 students) were fees-free<sup>57</sup>. Of these students, 583 (1.9 per cent of the total) were also fees-free in 2018, as they had remaining fees-free entitlements. This compares with 8.7 per cent of our students (2,640 of 30,296 students) who were fees-free in 2018.

<sup>57</sup> Results for 2019 are indicative only and have yet to be confirmed with TEC.

## STAFF

STAFF BY TYPE <sup>58</sup>	2016	2017	2018	2019
<b>FULL-TIME-EQUIVALENT (FTE) STAFF</b>				
Total academic staff*	1,401	1,431	1,419	1,399
Total professional staff*	1,812	1,880	1,850	1,901
<b>UNIVERSITY TOTAL</b>	<b>3,213</b>	<b>3,311</b>	<b>3,269</b>	<b>3,300</b>

STAFF RATIOS <sup>58</sup>	2016	2017	2018	2019
<b>UNIVERSITY RATIO OF EFTS TO ACADEMIC STAFF</b>	<b>13.5 :1</b>	<b>13.0 :1</b>	<b>13.2 :1</b>	<b>13.5 :1</b>
<b>UNIVERSITY RATIO OF PROFESSIONAL SERVICES STAFF TO ACADEMIC STAFF</b>	<b>1.29 :1</b>	<b>1.31 :1</b>	<b>1.30 :1</b>	<b>1.36 :1</b>

58 Staff FTE was previously reported in three categories. To align more closely with other New Zealand universities, the category Contract and Trading (used for Research and Capital Projects) has been removed. For 2016-2017, FTE in this category has been redistributed into the Academic and Professional Service categories.

WOMEN IN SENIOR POSITIONS (HEADCOUNT) <sup>59</sup>	2016	2017	2018	2019
Senior Leadership Team	5 (42%)	6 (55%)	5 (50%)	6 (50%)
Senior managers/directors/managers	106 (43%)	131 (47%)	134 (46%)	141 (46%)
Professors/Associate professors	87 (31%)	84 (31%)	97 (34%)	99 (35%)
<b>OVERALL</b>	<b>198 (37%)</b>	<b>221 (39%)</b>	<b>236 (40%)</b>	<b>246 (41%)</b>

59 Staff headcount as at December 31 for each year. Percentages shown are the proportion of women in each category.



# **EQUITY AND DIVERSITY AT MASSEY UNIVERSITY**





# EQUAL EMPLOYMENT OPPORTUNITY STATEMENT

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MASSEY UNIVERSITY IS COMMITTED TO UPHOLDING OUR RESPONSIBILITIES AS AN EQUAL OPPORTUNITIES EMPLOYER AND CREATING A WORKPLACE THAT ATTRACTS, RETAINS AND VALUES DIVERSITY AMONG OUR STAFF.

To enable this policy, Massey University:

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

Massey University has made significant progress in pay and employment equity. The *Pay and Employment Equity* report prepared in 2018 and released on March 8, 2019, found that the proportion of women in senior academic and research leadership positions increased from 23 per cent in 2009 to 43 per cent in 2018, and the pay gap in those positions reduced from 20 per cent to 8 per cent. The report also found that there was no gender pay gap at Associate Professor level, and that in 2018 more women academics were promoted than men. For professional service staff, the wage gap reduced from 17 per cent to 11 per cent.

# EQUITY OF ACCESS TO EDUCATIONAL OPPORTUNITY



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

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

To further remove barriers to student participation and success, the University continued to implement a number of systems and strategies designed to support students during their academic journeys and improve equity outcomes. These included:

- *The Student Success Strategy*: The strategy advances initiatives to facilitate student success and retention. It aims to ensure that students have the best possible chance of succeeding in tertiary study by assisting them to integrate successfully into university life and academic study
- *Bursaries and scholarships*: The University offers and facilitates a wide range of bursaries and scholarships that assist students who may otherwise be excluded or disadvantaged from participating in a course of study
- *Student support services*: The University offers a variety of student support services, including pastoral care, advocacy, counselling and health services, disability services, career and employment services, childcare services, student success advisers and support services specifically for Māori and Pacific Peoples students. Our commitment to Te Tiriti o Waitangi governs our approach to enabling and supporting the achievement of equity for our Māori staff and students.



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# DIRECTORY

## BANKER

Bank of New Zealand

## AUDITOR

Mr Clint Ramoo, Audit New Zealand  
on behalf of the Auditor-General

## LEGAL ADVISERS

Buddle Findlay  
Cooper Rapley  
Andrea Craven  
Kensington Swan  
Davenports Harbour Lawyers  
AJ Park, Wellington  
McElroys  
Simpson Grierson  
Darroch Forrest Lawyers  
Greenwood Roche

## INSURERS

Vero Insurance New Zealand Limited  
AIG New Zealand  
Berkshire Hathaway Speciality Insurance  
QBE Insurance (Australia) Limited  
Zurich Australia Insurance Limited  
Allianz Global Assistance New Zealand Limited  
Allianz Global Corporate and Specialty (Pacific)  
Marsh Leamouth, London

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## STATEMENT OF RESPONSIBILITY

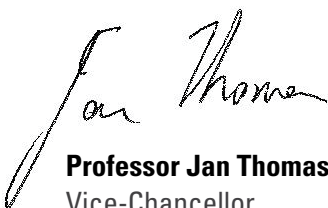
In the financial year ended 31 December 2019, the Council and management of Massey University were responsible for:

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

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



**Michael Ahie**  
Chancellor



**Professor Jan Thomas**  
Vice-Chancellor



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# 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 2019

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

The Auditor-General is the auditor of Massey University (the University) and group. The Auditor-General has appointed me, Clint Ramoo using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the University and group on his behalf.

## OPINION

### We have audited:

- the financial statements of the University and group on pages 76 to 111, that comprise the statement of financial position as at 31 December 2019, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the University and group on pages 19, 23 to 26, 35 to 43 and 51 to 53.

In our opinion:

- the financial statements of the University and group on pages 76 to 111:
  - ✦ present fairly, in all material respects:
    - the financial position as at 31 December 2019; and
    - the financial performance and cash flows for the year then ended; and
  - ✦ comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the statement of service performance on pages 19, 23 to 26, 35 to 43 and 51 to 53:

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

Our audit was completed on 15 April 2020. This is the date at which our opinion is expressed.

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

## EMPHASIS OF MATTER – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 28(a) on pages 110 and 111 which outline the possible effects to the University and group as a result of the COVID-19 pandemic. It is difficult to determine the full effect of it on the University and group at this time.

## BASIS FOR OUR OPINION

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

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

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

## RESPONSIBILITIES OF THE COUNCIL FOR THE FINANCIAL STATEMENTS AND THE STATEMENT OF SERVICE PERFORMANCE

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

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

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

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

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

## RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND THE STATEMENT OF SERVICE PERFORMANCE

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University and group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University and group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the statement of service performance of the entities or business activities within the group to express an opinion on the consolidated financial statements and the consolidated statement of service performance. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Our responsibilities arise from the Public Audit Act 2001.

## OTHER INFORMATION

The Council is responsible for the other information. The other information comprises the information included on pages 1 to 18, 20 to 22, 27 to 34, 44 to 50, 54 to 71, and 112, but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

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

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

## Independence

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

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



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

# FINANCIAL STATEMENTS





# STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	CONSOLIDATED			UNIVERSITY		
		Actual	Budget	Actual	Actual	Budget	Actual
		2019	2019	2018	2019	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING REVENUE</b>							
Government Grants	2	199,211	198,698	197,013	199,211	198,698	197,013
Student Fees	2	196,727	191,366	192,715	196,727	191,366	192,715
Interest	2	5,269	4,468	5,498	5,051	4,302	5,294
Charges for Services	2	139,217	122,543	129,291	137,611	118,244	127,315
Trust Funds	2,19	10,011	3,891	3,400	1,356	3,676	1,099
Other Gains / (Losses)	2,3	953	-	366	(707)	-	376
<b>Total Operating Revenue</b>		<b>551,388</b>	<b>520,966</b>	<b>528,283</b>	<b>539,249</b>	<b>516,286</b>	<b>523,812</b>
<b>OPERATING EXPENSES</b>							
Staff Related Costs	4	319,432	300,315	297,202	317,245	298,334	294,892
Depreciation and Amortisation	5	61,600	60,146	58,413	60,992	59,569	57,874
Other Direct Costs	6	159,238	143,510	156,279	159,215	141,314	155,798
Trust Funds	19	2,085	1,356	1,432	3,523	941	927
<b>Total Cost of Operations</b>		<b>542,355</b>	<b>505,327</b>	<b>513,326</b>	<b>540,975</b>	<b>500,158</b>	<b>509,491</b>
Share of Associates' Surplus / (Deficit)	23	2	-	(70)	-	-	-
<b>Surplus / (Deficit) before Income Tax</b>		<b>9,035</b>	<b>15,639</b>	<b>14,887</b>	<b>(1,726)</b>	<b>16,128</b>	<b>14,321</b>
Income Tax Expense		59	-	15	-	-	-
<b>Surplus / (Deficit) for the Year</b>		<b>8,976</b>	<b>15,639</b>	<b>14,872</b>	<b>(1,726)</b>	<b>16,128</b>	<b>14,321</b>
Massey University Group		8,963	15,639	14,874	(1,726)	16,128	14,321
Non-controlling Interest		13	-	(2)	-	-	-
<b>Total</b>		<b>8,976</b>	<b>15,639</b>	<b>14,872</b>	<b>(1,726)</b>	<b>16,128</b>	<b>14,321</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>							
Net (Loss) on Available for Sale Assets		(682)	-	(844)	(216)	-	(630)
(Loss) on Revaluation of Fixed Assets	17	(96)	-	(507)	(96)	-	(507)
Other		(69)	-	35	-	-	35
<b>Total Other Comprehensive Revenue and Expense</b>		<b>(847)</b>	<b>-</b>	<b>(1,316)</b>	<b>(312)</b>	<b>-</b>	<b>(1,102)</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>8,129</b>	<b>15,639</b>	<b>13,556</b>	<b>(2,038)</b>	<b>16,128</b>	<b>13,219</b>
Massey University Group		8,116	15,639	13,558	(2,038)	16,128	13,219
Non-controlling Interest		13	-	(2)	-	-	-
<b>Total</b>		<b>8,129</b>	<b>15,639</b>	<b>13,556</b>	<b>(2,038)</b>	<b>16,128</b>	<b>13,219</b>

# STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	CONSOLIDATED			UNIVERSITY		
		Actual	Budget	Actual	Actual	Budget	Actual
		2019	2019	2018	2019	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>							
<b>CURRENT ASSETS</b>							
Cash and Cash Equivalents	8	24,466	44,751	45,392	20,408	39,493	42,240
Student and Other Receivables	9	122,228	45,204	109,787	122,323	50,715	113,746
Inventories		1,967	1,599	1,942	1,967	1,599	1,942
Other Financial Assets	10	117,839	39,210	110,511	112,004	38,692	107,771
Biological Assets – Livestock		4,203	3,961	3,977	4,203	3,961	3,977
<b>Total Current Assets</b>		<b>270,703</b>	<b>134,725</b>	<b>271,609</b>	<b>260,905</b>	<b>134,460</b>	<b>269,676</b>
<b>NON-CURRENT ASSETS</b>							
Other Receivables		-	-	400	-	-	400
Investment in Associates	23	-	112	72	-	-	-
Other Assets	11	-	-	-	21,873	19,473	19,473
Other Financial Assets	10	46,035	43,476	39,870	3,709	2,479	1,850
Biological Assets – Forestry		1,239	987	1,097	1,239	987	1,097
Property, Plant and Equipment	12	1,191,608	1,238,651	1,162,725	1,191,598	1,238,601	1,162,678
Intangible Assets	13	39,760	46,628	36,008	38,486	44,931	34,354
<b>Total Non-current Assets</b>		<b>1,278,642</b>	<b>1,329,854</b>	<b>1,240,172</b>	<b>1,256,905</b>	<b>1,306,471</b>	<b>1,219,852</b>
<b>Total Assets</b>		<b>1,549,345</b>	<b>1,464,579</b>	<b>1,511,781</b>	<b>1,517,810</b>	<b>1,440,931</b>	<b>1,489,528</b>
<b>LIABILITIES</b>							
<b>CURRENT LIABILITIES</b>							
Trade and Other Payables	14	51,569	40,159	47,686	56,871	44,700	52,191
Employee Entitlements	15	25,850	19,979	17,040	25,765	19,874	16,939
Receipts in Advance	16	160,726	87,729	154,290	159,638	86,520	153,125
Current Tax Liabilities	5	-	-	-	-	-	-
<b>Total Current Liabilities</b>		<b>238,150</b>	<b>147,867</b>	<b>219,016</b>	<b>242,274</b>	<b>151,094</b>	<b>222,255</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee Entitlements	15	36,385	39,297	30,860	36,385	39,297	30,860
Other Payables		2,180	1,496	2,670	2,180	1,496	2,670
Receipts in Advance	16	5,833	122	567	5,833	122	567
<b>Total Non-current Liabilities</b>		<b>44,398</b>	<b>40,915</b>	<b>34,097</b>	<b>44,398</b>	<b>40,915</b>	<b>34,097</b>
<b>Total Liabilities</b>		<b>282,548</b>	<b>188,782</b>	<b>253,113</b>	<b>286,672</b>	<b>192,009</b>	<b>256,352</b>
<b>Net Assets</b>		<b>1,266,797</b>	<b>1,275,797</b>	<b>1,258,668</b>	<b>1,231,138</b>	<b>1,248,922</b>	<b>1,233,176</b>
<b>Total Equity</b>	18	<b>1,266,797</b>	<b>1,275,797</b>	<b>1,258,668</b>	<b>1,231,138</b>	<b>1,248,922</b>	<b>1,233,176</b>

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	CONSOLIDATED			UNIVERSITY		
		Actual	Budget	Actual	Actual	Budget	Actual
		2019	2019	2018	2019	2019	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Equity as at 1 January</b>	18	1,258,668	1,260,158	1,245,112	1,233,176	1,232,794	1,219,957
Surplus / (Deficit)		8,963	15,639	14,874	(1,726)	16,128	14,321
Other Comprehensive Revenue and Expense		(847)	-	(1,316)	(312)	-	(1,102)
<b>Total Comprehensive Revenue and Expense Attributable to Massey University Group</b>		<b>8,116</b>	<b>15,639</b>	<b>13,558</b>	<b>(2,038)</b>	<b>16,128</b>	<b>13,219</b>
Non-controlling Interest		13	-	(2)	-	-	-
<b>Equity as at 31 December</b>	18	<b>1,266,797</b>	<b>1,275,797</b>	<b>1,258,668</b>	<b>1,231,138</b>	<b>1,248,922</b>	<b>1,233,176</b>

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	CONSOLIDATED			UNIVERSITY		
	Actual	Budget	Actual	Actual	Budget	Actual
	2019	2019	2018	2019	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Government Grants	198,766	200,477	195,000	198,766	200,477	195,000
Receipts from Student Fees	202,771	193,366	193,205	202,771	193,366	192,780
Other Revenue	133,399	128,808	129,961	131,489	127,244	125,003
Interest Received	5,535	4,038	6,233	5,343	3,872	6,040
Trust Funds	3,668	3,395	3,753	882	3,676	850
	<b>544,139</b>	<b>530,084</b>	<b>528,152</b>	<b>539,251</b>	<b>528,635</b>	<b>519,673</b>
<i>Cash was applied to:</i>						
Payments to Employees and Suppliers	462,962	455,000	462,268	463,434	452,235	458,743
Net GST	2,061	-	(1,207)	1,977	-	(1,253)
	<b>465,023</b>	<b>455,000</b>	<b>461,061</b>	<b>465,411</b>	<b>452,235</b>	<b>457,490</b>
<b>Net Cash Flow from Operating Activities</b>	<b>79,116</b>	<b>75,084</b>	<b>67,091</b>	<b>73,840</b>	<b>76,400</b>	<b>62,183</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Withdrawal from Investments	252,538	64,948	240,928	246,104	64,948	239,367
Sale of Fixed Assets	245	-	359	245	-	300
Funds from Subsidiaries	-	-	-	3,515	-	2,540
	<b>252,783</b>	<b>64,948</b>	<b>241,287</b>	<b>249,864</b>	<b>64,948</b>	<b>242,207</b>
<i>Cash was applied to:</i>						
Purchase of Investments	259,267	(2,123)	227,926	252,175	-	223,795
Loans to Subsidiaries	-	-	-	64	560	237
Purchase of Property, Plant, Equipment and Intangibles	93,604	133,445	67,757	93,343	133,145	67,406
	<b>352,871</b>	<b>131,322</b>	<b>295,683</b>	<b>345,582</b>	<b>133,705</b>	<b>291,438</b>
<b>Net Cash Flow from Investing Activities</b>	<b>(100,088)</b>	<b>(66,374)</b>	<b>(54,396)</b>	<b>(95,718)</b>	<b>(68,757)</b>	<b>(49,231)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(20,972)</b>	<b>8,710</b>	<b>12,695</b>	<b>(21,878)</b>	<b>7,643</b>	<b>12,952</b>
Net Foreign Exchange Gain	46	-	89	46	-	79
<b>Cash and Cash Equivalents Brought Forward</b>	<b>45,392</b>	<b>36,041</b>	<b>32,608</b>	<b>42,240</b>	<b>31,850</b>	<b>29,209</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>24,466</b>	<b>44,751</b>	<b>45,392</b>	<b>20,408</b>	<b>39,493</b>	<b>42,240</b>



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

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	CONSOLIDATED		UNIVERSITY	
		Actual	Actual	Actual	Actual
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
<b>Surplus for the Year</b>		<b>8,976</b>	<b>14,872</b>	<b>(1,726)</b>	<b>14,321</b>
<b>Add / (Less) Non-cash Items</b>					
Depreciation and Amortisation Expense	5	61,600	58,413	60,992	57,874
Fair Value Gains	3	(239)	(160)	(239)	(164)
Unrealised (Gain) / Loss from Managed Funds		(5,826)	1,053	(236)	-
Share of (Gain) / Loss from Associates		(2)	70	-	-
Bad Debts Written Off	6	1,118	797	1,101	3,435
Movement in Provision for Doubtful Debts	6	(692)	(329)	(603)	(2,816)
Increase / (Decrease) in Employee Entitlements		14,335	(14,398)	14,351	(14,397)
<b>Total Non cash Items</b>		<b>70,294</b>	<b>45,446</b>	<b>75,366</b>	<b>43,932</b>
<b>(Less) / Add Items Classified as Investing or Financing Activities</b>					
Gain on Disposal of Investment		(1,701)	-	-	-
Loss / (Gain) on Disposal of Property, Plant and Equipment	3	981	(206)	946	(212)
<b>Total Items Classified as Investing or Financing Activities</b>		<b>(720)</b>	<b>(206)</b>	<b>946</b>	<b>(212)</b>
<b>Add / (Less) Movements in Working Capital Items</b>					
(Increase) / Decrease in Prepayments		(5,077)	904	(5,063)	905
Increase in Student and Other Receivables		(7,309)	(43,658)	(7,534)	(43,860)
Increase in Inventories and Biological Assets		(58)	(219)	(58)	(219)
Increase in Accounts Payable		1,308	13,855	130	11,360
Increase in Receipts in Advance		11,702	36,097	11,779	35,956
<b>Net Movement in Working Capital Items</b>		<b>566</b>	<b>6,979</b>	<b>(746)</b>	<b>4,142</b>
<b>Net Cash Inflow from Operating Activities</b>		<b>79,116</b>	<b>67,091</b>	<b>73,840</b>	<b>62,183</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 1 STATEMENT OF ACCOUNTING POLICIES

### THE REPORTING ENTITY

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

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

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

The Massey Group (the Group) consists of the University and its subsidiaries, associates and joint venture. All entities within the Group are domiciled in New Zealand, except for Massey Global Singapore Private Limited, which is domiciled in Singapore. Refer to note 25 for further details. The University and its controlled entities were established as tertiary education providers, researchers and intellectual property commercialisation vehicles. Accordingly, the University and its controlled entities have designated themselves as public benefit entities. All applicable public benefit entity exemptions have been adopted.

The financial statements of the Group are for the year ended 31 December 2019. The financial statements were authorised for issue by the Council on 15 April 2020.

### STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

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

### 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 surplus and deficit;
- Financial assets available for sale;
- Financial instruments held for trading;
- Non current assets held for sale; and
- Land and buildings, and leasehold improvements classified as property, plant and equipment.

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

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements the Group 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.

Management has exercised the following critical judgements in applying the University's policies for the year ended 31 December 2019.

### **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 EriksensGlobal in accordance with PBE IPSAS 25. (Refer to note 15 for assumptions).

### **Impairment of Student and Other Receivables**

Student and other receivables have been reviewed fully and impairment provided as necessary.

### **Carrying Value of Land, Buildings and Leasehold Improvements**

To ensure that the carrying value of the University's land and buildings, and leasehold improvements closely approximates their fair values, these assets are valued by an independent registered valuer on a regular basis.

### **Crown-owned Land**

Property in the legal name of the Crown that is occupied by the University is recognised as an asset in the Statement of Financial Position. The Group considers it has assumed all of the risks and rewards of ownership of this property despite legal ownership not being transferred as 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 Group accounts for the funding as a capital contribution directly to equity.

## **ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE**

The Group has elected to early adopt the PBE Financial Reporting Standard 48: *Service Performance Reporting* that was issued on 9 November 2017 but not yet effective as at 31 December 2019. The Group has not elected to early adopt any other new standards or interpretations that are issued but not yet effective as at 31 December 2019.

## **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 of the financial statements of the Group as at 31 December 2019.

The Group has adopted the new Accounting Standards, PBE IPSAS 34 to 38, in preparing these financial statements. In adopting these new standards, the Group has updated its accounting policies for its investments in subsidiaries, associates and joint ventures. Disclosures have been updated for the new disclosure requirements of PBE IPSAS 38: *Disclosure of Interests in Other Entities*. The impact on adoption of these new standards is negligible.

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

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

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

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

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

## **B) Budget Figures**

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

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

## **C) Allocation of Overheads**

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

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

## **D) Revenue**

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

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

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

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

SAC funding is the University's main source of operational funding from the Tertiary Education Commission (TEC). The University considers SAC funding to be non-exchange and recognises SAC funding as revenue when the course withdrawal date has passed, based on the number of eligible students enrolled in the course at that date and the value of the course.

### **Fees Free Funding**

Fees Free Funding is considered a part of the domestic student tuition fees and is reported as such.

### **Student Tuition Fees**

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

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

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

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

### **Research Revenue**

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

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

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

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

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

#### **Other Grants Received**

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

#### **Donations, Bequests and Pledges**

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

#### **Accommodation Services**

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

#### **Interest and Dividends**

Interest revenue is recognised using the effective interest method.

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

### **E) Foreign Currencies**

The functional and presentation currency of the Group is New Zealand dollars (NZ\$). Transactions in foreign currencies are translated into NZ\$ using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet date. Exchange rate differences are included in determining the net surplus / (deficit) for the year.

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

### **F) Cash and Cash Equivalents**

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



### G) Student and Other Receivables

Student 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 Group will not be able to collect all amounts according to the original settlement terms of the receivables.

### H) Non-current Assets Held for Sale

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

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

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

### I) Property, Plant and Equipment

#### (i) Initial Measurement

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

#### (ii) Subsequent Measurement

ASSET CLASS	VALUATION POLICY	LAST VALUATION
Land and buildings and leasehold improvements	Revalued amount less accumulated depreciation (except for land) and impairment subsequent to last valuation	31 December 2017
Other assets	Historical cost less accumulated depreciation and impairment	

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

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

Buildings (which include land improvements and reticulated services) are valued at fair market value using market based evidence or optimised depreciated replacement cost (ODRC) as appropriate.

The 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.

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

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to the fixed asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the fixed asset revaluation reserve for a particular class of asset, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit to the extent previously expensed, and then recognised in other comprehensive revenue and expense.

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

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

**(iii) Depreciation**

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

ASSET CLASS	DEPRECIATION RATE / USEFUL LIFE	DEPRECIATION METHOD
Buildings (from Land and Buildings)	1% - 32%	Straight line
Leasehold improvements	Lesser of 11 years or lease term	Straight line
Equipment and implements	2% - 33%	Straight line
Furniture	5% - 25%	Straight line
Motor vehicles	5% - 25%	Straight line
Aircraft	3% - 30%	Straight line
Library collection (current use)	10%	Straight line

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

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

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

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

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

**(iv) Crown-owned Assets**

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

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

**(v) Impairment**

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

- A material asset's market value has declined significantly;
- Significant changes have taken place in the technological, market, economic or legal environment in which a material asset operates;
- Market interest rates have significantly increased;
- Evidence is available of obsolescence or physical damage of a material asset;
- Significant changes have taken place in the extent or manner in which a material asset is used; or
- Other evidence is available that the economic performance of a material asset is worse than expected.

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

**(vi) Disposal / Derecognition of Assets**

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

## J) Intangible Assets

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

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

An intangible asset arising from development (i.e. development phase of an internal project) is recognised only when the Group can demonstrate:

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

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

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

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

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

Intangible capital work in progress is valued on the basis of expenditure incurred up to the balance sheet date. The threshold at which individual intangible assets are capitalised is set at \$20,000.

ASSET CLASS	AMORTISATION RATE	AMORTISATION METHOD
Software	6% - 33%	Straight line

## K) Employee Entitlements

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

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

## L) Goods and Services Tax (GST)

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

The GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

## **M) Taxation**

Tertiary Education Institutions and their wholly owned subsidiaries are exempt from the payment of New Zealand income tax under Income Tax Act 2007. Accordingly, no provision has been made for income tax.

Income from Massey Global Singapore Private Limited, a wholly owned subsidiary incorporated in Singapore, and Hyper Analytics Research and Development Limited, a partially owned subsidiary, are subject to income tax and appropriate provision has been provided for and reported accordingly.

## **N) Leases**

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

## **O) Financial Instruments**

The Group classifies its financial assets into the following categories: financial assets at fair value through surplus or deficit (including those held for trading), loans and receivables and available for sale. Management determines the classification of financial assets at initial recognition. Financial assets are initially measured at fair value plus transaction costs unless carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit. Impairment losses are recognised immediately in the surplus or deficit.

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

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

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

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

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

### **(ii) Loans and Receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these 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 student and other receivables in the Statement of Financial Position. Cash and cash equivalents and bank deposits with an original maturity of more than three months are classified as loans and receivables.

### **(iii) Available for Sale Financial Assets**

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

### **(iv) Borrowings**

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

**(v) Impairment of Financial Assets**

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

Objective evidence of impairment could include:

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

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

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

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

**P) 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 Group prior to the end of the financial year that are unpaid, and arise when the Group becomes obliged to make future payments in respect of the purchases of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

**Q) Borrowing Costs**

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

**R) Derivative Financial Instruments**

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

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

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



## 2 REVENUE

	Notes	CONSOLIDATED		UNIVERSITY	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Government grants					
Students		158,932	154,491	158,932	154,491
Other		40,279	42,522	40,279	42,522
		<b>199,211</b>	<b>197,013</b>	<b>199,211</b>	<b>197,013</b>
Student fees					
Domestic students		112,682	108,621	112,682	108,621
International students		84,045	84,094	84,045	84,094
		<b>196,727</b>	<b>192,715</b>	<b>196,727</b>	<b>192,715</b>
Charges for services					
Research		83,393	76,512	84,562	77,370
Other		55,824	52,779	53,049	49,945
		<b>139,217</b>	<b>129,291</b>	<b>137,611</b>	<b>127,315</b>
Interest		5,269	5,498	5,051	5,294
Trust funds	19	10,011	3,400	1,356	1,099
Other gains / (losses)	3	953	366	(707)	376
<b>Total Revenue</b>		<b>551,388</b>	<b>528,283</b>	<b>539,249</b>	<b>523,812</b>
<b>REVENUE CLASSIFICATION</b>					
Revenue from exchange transactions		171,026	166,003	164,990	164,452
Revenue from non-exchange transactions		380,362	362,280	374,259	359,360
		<b>551,388</b>	<b>528,283</b>	<b>539,249</b>	<b>523,812</b>

Domestic student fees include \$14.9 million of Fees Free revenue (2018 \$13.4 million).

## 3 OTHER GAINS / (LOSSES)

	CONSOLIDATED		UNIVERSITY	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Fair value and foreign exchange gain	239	160	239	164
(Loss) / Gain on disposal of property, plant, and equipment	(981)	206	(946)	212
Gain on disposal of shares	1,701	-	-	-
Impairment of investments	(90)	-	-	-
Dividend income	84	-	-	-
<b>Total Other Gains / (Losses)</b>	<b>953</b>	<b>366</b>	<b>(707)</b>	<b>376</b>

## 4 STAFF-RELATED COSTS

	CONSOLIDATED		UNIVERSITY	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	294,869	285,311	292,797	283,098
Superannuation	12,484	12,104	12,419	12,035
Movement in employee entitlements	6,074	(3,152)	6,074	(3,152)
Other	6,005	2,939	5,955	2,911
<b>Total Staff-related Costs</b>	<b>319,432</b>	<b>297,202</b>	<b>317,245</b>	<b>294,892</b>

## 5 DEPRECIATION AND AMORTISATION

	Notes	CONSOLIDATED		UNIVERSITY	
		2019	2018	2019	2018
		\$'000	\$'000	\$'000	\$'000
Depreciation	12	56,768	52,921	56,760	52,907
Amortisation	13	4,832	5,492	4,232	4,967
<b>Total Depreciation and Amortisation</b>		<b>61,600</b>	<b>58,413</b>	<b>60,992</b>	<b>57,874</b>

## 6 OTHER DIRECT COSTS

	CONSOLIDATED		UNIVERSITY	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Annual audit fee	248	242	231	202
Other assurance services provided by principal auditors	12	12	12	12
Bad debts written off	1,118	797	1,101	3,435
(Decrease) in provision for bad debts	(692)	(329)	(603)	(2,816)
Operating lease rentals	6,774	7,381	6,622	7,144
Other operating expenses*	151,778	148,176	151,852	147,821
<b>Total Other Direct Costs</b>	<b>159,238</b>	<b>156,279</b>	<b>159,215</b>	<b>155,798</b>

\*Other operating expenses include consumables, scholarships, repairs and maintenance, travel and accommodation, contracted services, and other miscellaneous expenses.

## 7 SIGNIFICANT BUDGET VARIANCES

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE	CONSOLIDATED VARIANCE TO / FROM BUDGET \$'000		
Total operating revenue	30,422	Favourable	Higher than budgeted revenue due to strong student enrolments, increases in research income, donations and higher than anticipated return on investments
Total cost of operations	37,028	Unfavourable	Higher than budgeted staff related costs associated with increased research and teaching activity.  Multiple non-cash one-off staff-related items were higher than budgeted including: <ul style="list-style-type: none"> <li>• greater increase in the actuarial valuation of staff retirement gratuity liability due to lower than expected interest rates; and</li> <li>• provision for payments in relation to Holiday's Act compliance</li> </ul>
Surplus for the year	6,606	Unfavourable	See above
STATEMENT OF FINANCIAL POSITION	CONSOLIDATED VARIANCE TO / FROM BUDGET \$'000		
Total assets	84,766	Favourable	A change in the timing of invoicing students resulting in higher than budgeted future student debts and corresponding revenue in advance liability
Total liabilities	93,766	Unfavourable	Revenue in advance liability associated with future student debts, higher than expected staff retirement gratuity liability valuation and un-budgeted staff related provisions

## 8 CASH AND CASH EQUIVALENTS

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
Cash at bank and in hand	5,896	5,673	1,838	2,606
Short-term deposits with original maturities of 3 months or less	18,570	39,719	18,570	39,634
<b>Total Cash and Cash Equivalents</b>	<b>24,466</b>	<b>45,392</b>	<b>20,408</b>	<b>42,240</b>

Refer to note 10 for weighted average effective rate of interest for cash and cash equivalents.

Consolidated cash at bank and in hand included USD, AUD, GBP, and SGD valued in NZ \$570k (2018: \$1,111k), \$277k (2018: \$265k), \$247k (2018: \$376k) and \$1,734k (2018: \$1,086k) respectively.

At 31 December 2019, the Group had available \$nil (2018: \$15m) of undrawn committed borrowing facility. This facility was secured through a negative pledge agreement between the University and BNZ signed on 5 December 2014, and was closed during 2019.

## 9 STUDENT AND OTHER RECEIVABLES

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>CURRENT PORTION</b>				
Trade debtors	107,649	100,645	107,238	100,112
Other amounts receivables	490	822	406	699
Prepayments	15,226	10,149	15,194	10,131
Related party receivables	-	-	612	4,534
	<b>123,365</b>	<b>111,616</b>	<b>123,450</b>	<b>115,476</b>

Less provision for doubtful debts	(1,137)	(1,829)	(1,127)	(1,730)
<b>Total Student and Other Receivables</b>	<b>122,228</b>	<b>109,787</b>	<b>122,323</b>	<b>113,746</b>
<b>Total Student and Other Receivables from Exchange Transactions</b>	<b>69,602</b>	<b>50,024</b>	<b>69,790</b>	<b>53,983</b>
<b>Total Student and Other Receivables from Non-exchange Transactions</b>	<b>52,626</b>	<b>59,763</b>	<b>52,533</b>	<b>59,763</b>

Student and other receivables are generally receivable within 50 days. There are no external or internal ratings used to identify the credit quality of financial assets not past due or impaired.

The University's debtors amounting to \$nil (2018: \$362k) are determined to be individually impaired because of either significant financial difficulties being experienced by the debtor, or due to the nature of the dispute.

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

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

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

	CONSOLIDATED		UNIVERSITY	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Less than one month	14,725	8,320	14,024	7,787
One month	2,570	2,318	2,570	2,318
Two months	708	800	708	800
Three months and over	1,427	1,058	1,427	1,058
<b>Total</b>	<b>19,430</b>	<b>12,496</b>	<b>18,729</b>	<b>11,963</b>

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

	CONSOLIDATED		UNIVERSITY	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
At 1 January	1,829	2,158	1,730	4,545
(Decrease) during the year	(692)	(329)	(603)	(2,815)
<b>At 31 December</b>	<b>1,137</b>	<b>1,829</b>	<b>1,127</b>	<b>1,730</b>

## 10 OTHER FINANCIAL ASSETS

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>CURRENT PORTION</b>				
Short-term investments maturing between 4 and 12 months	117,839	110,261	112,004	107,521
Term deposits originally maturing between 1 and 5 years	-	250	-	250
<b>Total Current Portion</b>	<b>117,839</b>	<b>110,511</b>	<b>112,004</b>	<b>107,771</b>
<b>NON-CURRENT PORTION</b>				
Financial instruments at fair value through surplus or deficit	42,986	35,367	2,074	-
Loans and receivables	168	249	-	-
Listed shares	1,635	1,850	1,635	1,850
Unlisted shares	1,246	2,404	-	-
<b>Total Non-current Portion</b>	<b>46,035</b>	<b>39,870</b>	<b>3,709</b>	<b>1,850</b>

There were no impairment provisions for other financial assets.

The accompanying notes form part of these financial statements.

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

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

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

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
Short-term deposits with original maturities of 3 months or less	18,570	39,719	18,570	39,634
Weighted average interest rate	1.52%	2.76%	1.52%	2.76%
Short-term investments maturing between 4 and 12 months	97,589	110,261	91,754	107,521
Weighted average interest rate	2.55%	3.35%	2.55%	3.35%
Term deposits originally maturing between 1 and 2 years	20,250	250	20,250	250
Weighted average interest rate	3.65%	3.53%	3.65%	3.53%
<b>Total</b>	<b>136,409</b>	<b>150,230</b>	<b>130,574</b>	<b>147,405</b>

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

## 11 OTHER ASSETS

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>NON-CURRENT PORTION</b>				
Investment in Massey University Foundation Trust	-	-	17,043	17,043
Investment in Massey Ventures Limited	-	-	4,830	2,430
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>21,873</b>	<b>19,473</b>



12 PROPERTY, PLANT AND EQUIPMENT

	Cost/ Revaluation 1 Jan 2019 \$'000	Accumulated Depreciation and Impairment Charges 1 Jan 2019 \$'000	Carrying Amount 1 Jan 2019 \$'000	Additions \$'000	Disposals / Transfer at Cost \$'000	Depreciation on Disposals \$'000	Revaluation 31 Dec 2019 \$'000	Cost / Revaluation 31 Dec 2019 \$'000	Accumulated Depreciation and Impairment Charges 31 Dec 2019 \$'000	Carrying Amount 31 Dec 2019 \$'000
<b>CONSOLIDATED 2019</b>										
Land and Buildings	1,053,076	30,224	1,022,852	9,293	2,209	879	1,060,160	1,060,160	61,224	998,936
Leasehold Improvement	3,824	341	3,483	35	29	18	3,830	3,830	711	3,119
Aircrafts	5,013	1,553	3,460	296	130	130	5,179	5,179	1,703	3,476
Furniture	7,138	3,666	3,472	721	40	28	7,819	7,819	4,226	3,593
Equipment and Implements	196,943	141,239	55,704	18,191	6,246	4,761	208,888	208,888	152,273	56,615
Vehicles	4,177	3,054	1,123	1,839	122	101	5,894	5,894	3,520	2,374
Art	2,374	-	2,374	59	-	-	2,433	2,433	-	2,433
Library	142,964	105,168	37,796	9,345	-	-	152,309	152,309	112,439	39,870
Work in Progress	32,461	-	32,461	48,731	-	-	81,192	81,192	-	81,192
<b>Total</b>	<b>1,447,970</b>	<b>285,245</b>	<b>1,162,725</b>	<b>88,510</b>	<b>8,776</b>	<b>5,917</b>	<b>1,527,704</b>	<b>1,527,704</b>	<b>336,096</b>	<b>1,191,608</b>

	Cost/ Revaluation 1 Jan 2018 \$'000	Accumulated Depreciation and Impairment Charges 1 Jan 2018 \$'000	Carrying Amount 1 Jan 2018 \$'000	Additions \$'000	Disposals / Transfer at Cost \$'000	Depreciation on Disposals \$'000	Revaluation 31 Dec 2018 \$'000	Cost / Revaluation 31 Dec 2018 \$'000	Accumulated Depreciation and Impairment Charges 31 Dec 2018 \$'000	Carrying Amount 31 Dec 2018 \$'000
<b>CONSOLIDATED 2018</b>										
Land and Buildings	1,018,601	-	1,018,601	34,508	33	1	1,053,076	1,053,076	30,224	1,022,852
Leasehold Improvement	3,917	20	3,897	401	494	12	3,824	3,824	341	3,483
Aircrafts	4,954	1,495	3,459	235	176	176	5,013	5,013	1,553	3,460
Furniture	5,958	3,245	2,713	1,218	38	37	7,138	7,138	3,666	3,472
Equipment and Implements	180,150	131,717	48,433	21,491	4,698	4,697	196,943	196,943	141,239	55,704
Vehicles	4,099	2,807	1,292	327	249	220	4,177	4,177	3,054	1,123
Art	2,295	-	2,295	135	56	-	2,374	2,374	-	2,374
Library	134,102	98,183	35,919	8,862	-	-	142,964	142,964	105,168	37,796
Work in Progress	38,407	-	38,407	-	5,946	-	32,461	32,461	-	32,461
<b>Total</b>	<b>1,392,483</b>	<b>237,467</b>	<b>1,155,016</b>	<b>67,177</b>	<b>11,690</b>	<b>5,143</b>	<b>1,447,970</b>	<b>1,447,970</b>	<b>285,245</b>	<b>1,162,725</b>

	Cost/ Revaluation 1 Jan 2019 \$'000	Accumulated Depreciation and Impairment Charges 1 Jan 2019 \$'000	Carrying Amount 1 Jan 2019 \$'000	Additions \$'000	Disposals / Transfer at Cost \$'000	Depreciation on Disposals \$'000	Revaluation 31 Dec 2019 \$'000	Cost / Revaluation 31 Dec 2019 \$'000	Accumulated Depreciation and Impairment Charges 31 Dec 2019 \$'000	Carrying Amount 31 Dec 2019 \$'000
<b>UNIVERSITY 2019</b>										
Land and Buildings	1,053,076	30,224	1,022,852	9,293	2,209	879	31,879	1,060,160	61,224	998,936
Leasehold Improvement	3,795	323	3,472	35	-	-	388	3,830	711	3,119
Aircrafts	5,013	1,553	3,460	296	130	130	280	5,179	1,703	3,476
Furniture	7,098	3,638	3,460	721	-	-	588	7,819	4,226	3,593
Equipment and Implements	196,873	141,193	55,680	18,191	6,203	4,724	15,787	208,861	152,256	56,605
Vehicles	4,176	3,053	1,123	1,839	121	100	567	5,894	3,520	2,374
Art	2,374	-	2,374	59	-	-	-	2,433	-	2,433
Library	142,964	105,168	37,796	9,345	-	-	7,271	152,309	112,439	39,870
Work in Progress	32,461	-	32,461	48,731	-	-	-	81,192	-	81,192
<b>Total</b>	<b>1,447,830</b>	<b>285,152</b>	<b>1,162,678</b>	<b>88,510</b>	<b>8,663</b>	<b>5,833</b>	<b>56,760</b>	<b>1,527,677</b>	<b>336,079</b>	<b>1,191,598</b>

	Cost/ Revaluation 1 Jan 2018 \$'000	Accumulated Depreciation and Impairment Charges 1 Jan 2018 \$'000	Carrying Amount 1 Jan 2018 \$'000	Additions \$'000	Disposals / Transfer at Cost \$'000	Depreciation on Disposals \$'000	Revaluation 31 Dec 2018 \$'000	Cost / Revaluation 31 Dec 2018 \$'000	Accumulated Depreciation and Impairment Charges 31 Dec 2018 \$'000	Carrying Amount 31 Dec 2018 \$'000
<b>UNIVERSITY 2018</b>										
Land and Buildings	1,018,601	-	1,018,601	34,508	32	-	30,225	1,053,076	30,224	1,022,852
Leasehold Improvement	3,871	-	3,871	401	477	5	328	3,795	323	3,472
Aircrafts	4,954	1,495	3,459	235	175	175	234	5,013	1,553	3,460
Furniture	5,918	3,218	2,700	1,218	38	38	458	7,098	3,638	3,460
Equipment and Implements	180,070	131,668	48,402	21,491	4,688	4,685	14,210	196,873	141,193	55,680
Vehicles	4,098	2,806	1,292	327	249	220	467	4,176	3,053	1,123
Art	2,295	-	2,295	135	56	-	-	2,374	-	2,374
Library	134,102	98,183	35,919	8,862	-	-	6,985	142,964	105,168	37,796
Work in Progress	38,407	-	38,407	-	5,946	-	-	32,461	-	32,461
<b>Total</b>	<b>1,392,316</b>	<b>237,370</b>	<b>1,154,946</b>	<b>67,177</b>	<b>11,661</b>	<b>5,123</b>	<b>52,907</b>	<b>1,447,830</b>	<b>285,152</b>	<b>1,162,678</b>

Transfers from work in progress to the other property, plant and equipment categories were \$39.8 million (2018: \$67.2 million).

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

The Group does not have any finance leases.

Asset values included in the balance sheet as at 31 December 2019 and 2018 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	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
Massey University owned	204,650	204,650	640,228	660,368
Crown owned (includes buildings on Crown-owned land)	35,364	35,364	118,694	122,470
<b>Total</b>	<b>240,014</b>	<b>240,014</b>	<b>758,922</b>	<b>782,838</b>

Land, buildings and leasehold improvements were valued at the end of 2017 by Alan Chadderton MPINZ, of Quotable Value Limited.

### Seismic Risk Analysis

Legislative changes mandated by the Building (Earthquake-prone Buildings) Amendment Act 2016 are being progressively implemented by Territorial Authorities. The University has not received any notices from Territorial Authorities related to seismic issues. Seismic assessments and remediation 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 (< 34% National Building Standard (NBS)) or potential earthquake risk buildings with high occupancy.

During 2019, the University continued seismic assessment of buildings in Manawatu to mitigate stakeholder risk. Assessment will continue in 2020. In Manawatu, one building is noted as having a compliance of circa 30% NBS (Importance Level 2) by the University's structural engineers. The building is currently being decanted and will be demolished once decant is completed. There are two further buildings in Manawatu that have had issues identified with secondary building elements. These issues will be corrected prior to the commencement of semester one 2020.

## 13 INTANGIBLE ASSETS

	Cost / Valuation 1 Jan 2019 \$'000	Accumulated Amortisation and Impairment 1 Jan 2019 \$'000	Carrying Amount 1 Jan 2019 \$'000	Additions \$'000	Disposals/ Transfer at Cost \$'000	Amortisation on Disposals \$'000	Amortisation \$'000	Cost / Valuation 31 Dec 2019 \$'000	Accumulated Amortisation and Impairment 31 Dec 2019 \$'000	Carrying Amount 31 Dec 2019 \$'000
<b>CONSOLIDATED 2019</b>										
Software	59,541	26,500	33,041	6,752	963	504	4,832	67,256	30,828	36,428
Work in Progress	2,967	-	2,967	365	-	-	-	3,332	-	3,332
<b>Total</b>	<b>62,508</b>	<b>26,500</b>	<b>36,008</b>	<b>7,117</b>	<b>963</b>	<b>504</b>	<b>4,832</b>	<b>70,588</b>	<b>30,828</b>	<b>39,760</b>
<b>CONSOLIDATED 2018</b>										
Software	47,419	21,012	26,407	12,126	4	4	5,492	59,541	26,500	33,041
Work in Progress	9,812	-	9,812	-	6,845	-	-	2,967	-	2,967
<b>Total</b>	<b>57,231</b>	<b>21,012</b>	<b>36,219</b>	<b>12,126</b>	<b>6,849</b>	<b>4</b>	<b>5,492</b>	<b>62,508</b>	<b>26,500</b>	<b>36,008</b>
<b>UNIVERSITY 2019</b>										
Software	56,131	24,744	31,387	6,527	1,472	-	4,232	64,130	28,976	35,154
Work in Progress	2,967	-	2,967	365	-	-	-	3,332	-	3,332
<b>Total</b>	<b>59,098</b>	<b>24,744</b>	<b>34,354</b>	<b>6,892</b>	<b>1,472</b>	<b>-</b>	<b>4,232</b>	<b>67,462</b>	<b>28,976</b>	<b>38,486</b>
<b>UNIVERSITY 2018</b>										
Software	44,405	19,778	24,627	11,728	2	1	4,967	56,131	24,744	31,387
Work in Progress	9,812	-	9,812	-	6,845	-	-	2,967	-	2,967
<b>Total</b>	<b>54,217</b>	<b>19,778</b>	<b>34,439</b>	<b>11,728</b>	<b>6,847</b>	<b>1</b>	<b>4,967</b>	<b>59,098</b>	<b>24,744</b>	<b>34,354</b>

Transfers from work in progress to software were \$6.5 million (2018: \$11.7 million).

## 14 TRADE AND OTHER PAYABLES

	CONSOLIDATED		UNIVERSITY	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Trade payables	8,122	5,332	8,266	5,091
Deposits and bonds	731	813	731	812
Accrued expenses	21,200	18,738	21,166	18,710
Amounts due to related parties	-	-	5,273	4,837
Other payables	21,516	22,803	21,435	22,741
<b>Total Trade and Other Payables</b>	<b>51,569</b>	<b>47,686</b>	<b>56,871</b>	<b>52,191</b>
<b>Total Trade and Other Payables from Exchange Transactions</b>	<b>51,569</b>	<b>47,686</b>	<b>56,871</b>	<b>52,191</b>

Trade and other payables are non interest bearing and are normally settled on 30 day terms.

## 15 EMPLOYEE ENTITLEMENTS

	CONSOLIDATED		UNIVERSITY	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>CURRENT PORTION</b>				
Accrued pay	8,774	978	8,709	897
Annual leave	11,785	11,320	11,765	11,300
Long service leave	264	272	264	272
Retirement gratuities	5,027	4,470	5,027	4,470
<b>Total Current Portion</b>	<b>25,850</b>	<b>17,040</b>	<b>25,765</b>	<b>16,939</b>
<b>NON-CURRENT PORTION</b>				
Long service leave	364	535	364	535
Retirement gratuities	36,021	30,325	36,021	30,325
<b>Total Non-current Portion</b>	<b>36,385</b>	<b>30,860</b>	<b>36,385</b>	<b>30,860</b>
<b>Total Employee Entitlements</b>	<b>62,235</b>	<b>47,900</b>	<b>62,150</b>	<b>47,799</b>

The long service leave and retirement gratuities were independently assessed by Johnathan Eriksen of EriksensGlobal as at 31 December 2019.

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 0.92% to 4.30% (2018: 1.72% to 4.75%).

An increase in the discount rate by 1% reduces the long service and retirement gratuities by \$3,402k (2018: \$2,660k), whereas a reduction in the discount rate by 1% increases the long service and retirement gratuities by \$4,013k (2018: \$3,098k).

Salary progression allows for a 2.5% increase per year in 2020 and 2021, and 1.5% increase per year after 2021 (2018: 1.5%).

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



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

Accrued pay includes a provision relating to the remediation of employee leave entitlements under the Holidays Act 2003. The provision is the estimated liability as at 31 December 2019, which is expected to be paid by February 2021.

## 16 RECEIPTS IN ADVANCE

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>CURRENT PORTION</b>				
Student fees	105,854	93,582	105,854	93,582
Other receipts	54,872	60,708	53,784	59,543
<b>Total Current Portion</b>	<b>160,726</b>	<b>154,290</b>	<b>159,638</b>	<b>153,125</b>
<b>NON-CURRENT PORTION</b>				
Other receipts	5,833	567	5,833	567
<b>Total Non-current Portion</b>	<b>5,833</b>	<b>567</b>	<b>5,833</b>	<b>567</b>
<b>Total Receipts in Advance</b>	<b>166,559</b>	<b>154,857</b>	<b>165,471</b>	<b>153,692</b>

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

## 17 ASSET REVALUATION RESERVES

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
Balance at 1 January	583,690	584,197	583,690	584,197
Revaluation	(96)	(507)	(96)	(507)
Transferred to general reserve	1,718	-	1,718	-
<b>Balance at 31 December</b>	<b>585,312</b>	<b>583,690</b>	<b>585,312</b>	<b>583,690</b>

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

## 18 EQUITY

	Opening Balance 1 Jan 2019 \$'000	Movement in Reserves \$'000	Other Comprehensive Revenue and Expense \$'000	Operating Surplus \$'000	Closing Balance 31 Dec 2019 \$'000
<b>CONSOLIDATED 2019</b>					
Trust funds	53,937	-	-	7,926	61,863
Asset revaluation reserves	583,690	1,718	(96)	-	585,312
Special reserves	22,054	-	-	-	22,054
General reserves	598,954	(1,718)	(751)	1,037	597,522
<b>Total Massey University Group</b>	<b>1,258,635</b>	<b>-</b>	<b>(847)</b>	<b>8,963</b>	<b>1,266,751</b>
Non-controlling Interest	33	-	-	13	46
<b>Total</b>	<b>1,258,668</b>	<b>-</b>	<b>(847)</b>	<b>8,976</b>	<b>1,266,797</b>

	Opening Balance 1 Jan 2018	Movement in Reserves	Other Comprehensive Revenue and Expense	Operating Surplus	Closing Balance 31 Dec 2018
CONSOLIDATED 2018	\$'000	\$'000	\$'000	\$'000	\$'000
Trust funds	51,969	-	-	1,968	53,937
Asset revaluation reserves	584,197	-	(507)	-	583,690
Special reserves	22,054	-	-	-	22,054
General reserves	586,857	-	(809)	12,906	598,954
<b>Total Massey University Group</b>	<b>1,245,077</b>	<b>-</b>	<b>(1,316)</b>	<b>14,874</b>	<b>1,258,635</b>
Non-controlling Interest	35	-	-	(2)	33
<b>Total</b>	<b>1,245,112</b>	<b>-</b>	<b>(1,316)</b>	<b>14,872</b>	<b>1,258,668</b>

	Opening Balance 1 Jan 2019	Movement in Reserves	Other Comprehensive Revenue and Expense	Operating Surplus	Closing Balance 31 Dec 2019
UNIVERSITY 2019	\$'000	\$'000	\$'000	\$'000	\$'000
Trust funds	13,682	-	-	(2,167)	11,515
Asset revaluation reserves	583,690	1,718	(96)	-	585,312
Special reserves	21,964	-	-	-	21,964
General reserves	613,840	(1,718)	(216)	441	612,347
<b>Total</b>	<b>1,233,176</b>	<b>-</b>	<b>(312)</b>	<b>(1,726)</b>	<b>1,231,138</b>

	Opening Balance 1 Jan 2018	Movement in Reserves	Other Comprehensive Revenue and Expense	Operating Surplus	Closing Balance 31 Dec 2018
UNIVERSITY 2018	\$'000	\$'000	\$'000	\$'000	\$'000
Trust funds	13,510	-	-	172	13,682
Asset revaluation reserves	584,197	-	(507)	-	583,690
Special reserves	21,964	-	-	-	21,964
General reserves	600,286	-	(595)	14,149	613,840
<b>Total</b>	<b>1,219,957</b>	<b>-</b>	<b>(1,102)</b>	<b>14,321</b>	<b>1,233,176</b>

## 19 TRUST FUNDS

	CONSOLIDATED		UNIVERSITY	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Balance on 1 January	53,937	51,969	13,682	13,510
Income	10,011	3,400	1,356	1,099
Expenses	(2,085)	(1,432)	(868)	(927)
Transfers to Massey University Foundation Trust	-	-	(2,655)	-
<b>Balance on 31 December</b>	<b>61,863</b>	<b>53,937</b>	<b>11,515</b>	<b>13,682</b>

The Group has control over these trust funds and obtains benefits associated with ownership of them. They have therefore been treated as equity in the Group Statement of Financial Position. Details of significant trust funds held by the University are as follows:

- 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; and
- Massey Lincoln Agricultural Industry Trust (MLAIT) is a joint operation between Massey and Lincoln Universities created to facilitate collaboration between, and capability development by, Massey and Lincoln Universities in the fields of Agricultural and Life Sciences. MLAIT has been accounted for by including Massey University's share of its Assets, Liabilities, Revenue and Expenses within the Parent.

During the year trust funds of \$2.6 million were transferred from Massey University to Massey University Foundation Trust to allow funds to be invested at better returns. This transaction consolidates out at the Group level. The Net Assets held in Massey University Foundation Trust (MUF) may only be applied to further the charitable purposes of MUF or to further purposes which are incidental or ancillary to the charitable purposes of MUF.

## 20 FINANCIAL INSTRUMENTS RISK AND SUMMARY OF FINANCIAL ASSETS AND LIABILITIES

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

### (a) CREDIT RISK

Credit risk is the risk that a third party will default on its obligations to the Group, causing any 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 exposures to credit risk at balance sheet date are:

	CONSOLIDATED		UNIVERSITY	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash at bank and term deposits	142,305	154,065	132,412	148,173
Receivables	107,002	99,638	107,129	103,615
Loans	168	249	-	-
Managed funds	42,986	37,205	2,074	1,838
Credit facility on credit card	4,000	4,000	4,000	4,000
<b>Total Credit Risk</b>	<b>296,461</b>	<b>295,157</b>	<b>245,615</b>	<b>257,626</b>

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

No collateral is held on the above amounts.

	CONSOLIDATED		UNIVERSITY	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>COUNTERPARTIES WITH CREDIT RATINGS</b>				
<b>Cash at Bank and Term Deposits</b>				
AA- (Very strong)	117,005	132,738	107,112	126,846
A (Strong)	25,300	21,327	25,300	21,327
<b>Total Cash at Bank and Term Deposits</b>	<b>142,305</b>	<b>154,065</b>	<b>132,412</b>	<b>148,173</b>
<b>Credit Facility on Credit Card</b>				
AA- (Very Strong)	4,000	4,000	4,000	4,000
<b>COUNTERPARTIES WITHOUT CREDIT RATINGS</b>				
Receivables	107,002	99,638	107,129	103,615
Loans	168	249	-	-
	<b>107,170</b>	<b>99,887</b>	<b>107,129</b>	<b>103,615</b>

### Managed Funds

Managed Funds of \$43.0 million (2018: \$37.2 million) have not been included in the table above, because while these portfolios of debt and equity investments managed by fund managers on behalf of the Group do not have credit ratings at a portfolio level, many of the underlying individual debt and equity instruments have credit ratings.

Standard and Poor's Credit Ratings sourced from the Reserve Bank of New Zealand:

<https://www.rbnz.govt.nz/regulation-and-supervision/banks/prudential-requirements/credit-ratings>

**(b) LIQUIDITY RISK**

	Carrying Amount \$'000	Contractual Cash Flows \$'000	6 Months and Less \$'000	7-12 Months \$'000	2 Years \$'000	More than 2 Years \$'000
<b>CONSOLIDATED 2019</b>						
Trade and other payables	53,749	53,749	51,062	507	2,180	-
Accrued pay	20,823	20,823	20,823	-	-	-
<b>Total</b>	<b>74,572</b>	<b>74,572</b>	<b>71,885</b>	<b>507</b>	<b>2,180</b>	<b>-</b>
<b>CONSOLIDATED 2018</b>						
Trade and other payables	50,356	50,356	46,842	-	-	3,514
Accrued pay	12,570	12,570	12,570	-	-	-
<b>Total</b>	<b>62,926</b>	<b>62,926</b>	<b>59,412</b>	<b>-</b>	<b>-</b>	<b>3,514</b>
<b>UNIVERSITY 2019</b>						
Trade and other payables	59,051	59,051	56,364	507	2,180	-
Accrued pay	20,738	20,738	20,738	-	-	-
<b>Total</b>	<b>79,789</b>	<b>79,789</b>	<b>77,102</b>	<b>507</b>	<b>2,180</b>	<b>-</b>
<b>UNIVERSITY 2018</b>						
Trade and other payables	54,861	54,861	51,347	-	-	3,514
Accrued pay	12,469	12,469	12,469	-	-	-
<b>Total</b>	<b>67,330</b>	<b>67,330</b>	<b>63,816</b>	<b>-</b>	<b>-</b>	<b>3,514</b>

Liquidity risk is the risk that the Group will encounter difficulty raising funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and ensuring the availability of funding through an adequate amount of committed credit facilities. The Group 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 maturity profiles of the University's interest-bearing investments are disclosed in note 10.

**(c) MARKET RISK****Currency Risk**

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

The University minimises the risk over expenditure by holding funds in the major foreign currencies in which it does business. The amount on deposit is determined by the amount that is expected to be incurred against that currency in the following 12 months. Holdings of foreign currencies are disclosed in note 8. The University manages currency risk associated with the purchase of assets from overseas that are above specified amounts by entering into forward foreign exchange contracts. This means the University is able to fix the New Zealand dollar amount payable prior to the delivery of the asset from overseas.

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

The only significant exposure to currency risk relates to funds held in United States, United Kingdom, and Australian bank accounts as disclosed in note 8. If the United States dollar had moved up or down by 1% the effect on surplus and equity would have been \$6k (2018: \$11k). If the British Pound sterling had moved up or down by 1% the effect on surplus and equity would have been \$2k (2018: \$4k). If the Australian Dollar had moved up or down by 1% the effect on surplus and equity would have been \$3k (2018: \$3k).

**Interest Rate Risk**

The interest rates on Massey University's investments are disclosed in note 10.

**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 Group 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 \$820k (2018: \$737k). The Group did not have any borrowings during the reporting period.

**Cash Flow Interest Rate Risk**

Cash flow risk is the risk that cash flows from financial instruments will fluctuate because of changes in market rates. Other than some deposits at call, held for liquidity purposes, the Group 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 Group does not hold any significant financial instruments that are subject to this risk.

**SUMMARY OF FINANCIAL ASSETS AND LIABILITIES**

<b>CONSOLIDATED 2019</b> Classification of Financial Assets and Liabilities	<b>Loans and Receivables</b> \$'000	<b>At Fair Value Through Surplus or Deficit</b> \$'000	<b>Available for Sale Financial Assets</b> \$'000	<b>Other Liabilities at Amortised Cost</b> \$'000	<b>Total</b> \$'000
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	24,466	-	-	-	24,466
Student and other receivables	107,002	-	-	-	107,002
Loans	168	-	-	-	168
Short term investments with maturities between 4 and 12 months	117,839	-	-	-	117,839
Term deposits maturing between 1 and 5 years	-	-	-	-	-
Unlisted shares	-	-	1,246	-	1,246
Listed shares	-	-	1,635	-	1,635
Managed funds	-	42,986	-	-	42,986
<b>Total Financial Assets</b>	<b>249,475</b>	<b>42,986</b>	<b>2,881</b>	<b>-</b>	<b>295,342</b>
<b>FINANCIAL LIABILITIES</b>					
Trade and other payables	-	129	-	32,420	32,549
Accrued expenses	-	-	-	42,023	42,023
<b>Total Financial Liabilities</b>	<b>-</b>	<b>129</b>	<b>-</b>	<b>74,443</b>	<b>74,572</b>

<b>CONSOLIDATED 2018</b> Classification of Financial Assets and Liabilities	<b>Loans and Receivables</b> \$'000	<b>At Fair Value Through Surplus or Deficit</b> \$'000	<b>Available for Sale Financial Assets</b> \$'000	<b>Other Liabilities at Amortised Cost</b> \$'000	<b>Total</b> \$'000
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	45,392	-	-	-	45,392
Student and other receivables	100,038	-	-	-	100,038
Loans	249	-	-	-	249
Short term investments with maturities between 4 and 12 months	110,261	-	-	-	110,261
Term deposits maturing between 1 and 5 years	250	-	-	-	250
Unlisted shares	-	-	2,404	-	2,404
List shares	-	-	1,850	-	1,850
Managed funds	-	35,367	-	-	35,367
<b>Total Financial Assets</b>	<b>256,190</b>	<b>35,367</b>	<b>4,254</b>	<b>-</b>	<b>295,811</b>
<b>FINANCIAL LIABILITIES</b>					
Trade and other payables	-	844	-	30,774	31,618
Accrued expenses	-	-	-	31,308	31,308
<b>Total Financial Liabilities</b>	<b>-</b>	<b>844</b>	<b>-</b>	<b>62,082</b>	<b>62,926</b>

The accompanying notes form part of these financial statements.



<b>UNIVERSITY 2019</b>	<b>Loans and</b>	<b>At Fair Value</b>	<b>Available for Sale</b>	<b>Other</b>	<b>Total</b>
<b>Classification of Financial Assets and Liabilities</b>	<b>Receivables</b>	<b>Through Surplus</b>	<b>Financial Assets</b>	<b>Liabilities at</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>or Deficit</b>	<b>\$'000</b>	<b>Amortised Cost</b>	<b>\$'000</b>
		<b>\$'000</b>		<b>\$'000</b>	
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	20,408	-	-	-	20,408
Student and other receivables	107,129	-	-	-	107,129
Short term investments with maturities between 4 and 12 months	112,004	-	-	-	112,004
Listed shares	-	-	1,635	-	1,635
Managed funds	-	2,074	-	-	2,074
<b>Total Financial Assets</b>	<b>239,541</b>	<b>2,074</b>	<b>1,635</b>	<b>-</b>	<b>243,250</b>
<b>FINANCIAL LIABILITIES</b>					
Trade and other payables	-	129	-	37,756	37,885
Accrued expenses	-	-	-	41,904	41,904
<b>Total Financial Liabilities</b>	<b>-</b>	<b>129</b>	<b>-</b>	<b>79,660</b>	<b>79,789</b>

<b>UNIVERSITY 2018</b>	<b>Loans and</b>	<b>At Fair Value</b>	<b>Available for Sale</b>	<b>Other</b>	<b>Total</b>
<b>Classification of Financial Assets and Liabilities</b>	<b>Receivables</b>	<b>Through Surplus</b>	<b>Financial Assets</b>	<b>Liabilities at</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>or Deficit</b>	<b>\$'000</b>	<b>Amortised Cost</b>	<b>\$'000</b>
		<b>\$'000</b>		<b>\$'000</b>	
<b>FINANCIAL ASSETS</b>					
Cash and cash equivalents	42,240	-	-	-	42,240
Student and other receivables	104,015	-	-	-	104,015
Short term investments with maturities between 4 and 12 months	107,521	-	-	-	107,521
Term deposits maturing between 1 and 5 years	250	-	-	-	250
Listed shares	-	-	1,850	-	1,850
<b>Total Financial Assets</b>	<b>254,026</b>	<b>-</b>	<b>1,850</b>	<b>-</b>	<b>255,876</b>
<b>FINANCIAL LIABILITIES</b>					
Trade and other payables	-	844	-	35,307	36,151
Accrued expenses	-	-	-	31,179	31,179
<b>Total Financial Liabilities</b>	<b>-</b>	<b>844</b>	<b>-</b>	<b>66,486</b>	<b>67,330</b>

## CAPITAL MANAGEMENT

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

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

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

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

## 21 FAIR VALUE HIERARCHY DISCLOSURES

The carrying values of all assets and liabilities approximate their fair values.

For those instruments recognised at fair value in the Statement of Financial Position, fair values are determined according to the following hierarchy:

- **Level 1** Quoted market price - Financial instruments with quoted prices for identical instruments in active markets.
- **Level 2** Valuation technique using observable inputs - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in an inactive market and financial instruments valued using models where significant inputs are observable.
- **Level 3** Valuation techniques with significant non observable inputs - Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation classes of financial assets measured at fair value in the Statement of Financial Position:

CONSOLIDATED 2019 Classification of Financial Assets	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>FINANCIAL ASSETS</b>				
Shares	1,635	-	1,246	2,881
Managed funds	-	42,986	-	42,986
<b>Total</b>	<b>1,635</b>	<b>42,986</b>	<b>1,246</b>	<b>45,867</b>

CONSOLIDATED 2018 Classification of Financial Assets	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>FINANCIAL ASSETS</b>				
Shares	1,850	-	2,404	4,254
Managed funds	-	37,205	-	37,205
<b>Total</b>	<b>1,850</b>	<b>37,205</b>	<b>2,404</b>	<b>41,459</b>

UNIVERSITY 2019 Classification of Financial Assets	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>FINANCIAL ASSETS</b>				
Shares	1,635	-	-	1,635
Managed Funds	-	2,074	-	2,074
<b>Total</b>	<b>1,635</b>	<b>2,074</b>	<b>-</b>	<b>3,709</b>

UNIVERSITY 2018 Classification of Financial Assets	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>FINANCIAL ASSETS</b>				
Shares	1,850	-	-	1,850
Managed Funds	-	1,838	-	1,838
<b>Total</b>	<b>1,850</b>	<b>1,838</b>	<b>-</b>	<b>3,688</b>

## 22 COUNCIL MEMBERS' FEES AND KEY MANAGEMENT REMUNERATION

	UNIVERSITY	
	Actual 2019	Actual 2018
Council members' remuneration	229,000	219,000
Senior executive team including Vice-Chancellor	3,511,161	3,434,838
<b>Total Council and Senior Executive Team's remuneration</b>	<b>3,740,161</b>	<b>3,653,838</b>

Total number of Council members remunerated in 2019 was 10 (2018: 11).

The senior executive team remunerated in 2019 included the Vice-Chancellor, a Provost, five Pro Vice-Chancellors, and five Deputy Vice-Chancellors.

## 23 ASSOCIATES

	CONSOLIDATED	
	Actual 2019 \$'000	Actual 2018 \$'000
<b>CONSUMER INSIGHTS LIMITED</b>		
<b>Balance sheet date:</b>	<b>31 March</b>	
<b>Principal activity:</b>	<b>Consumer Research</b>	
<i>Movement in the carrying amount of investment in associate</i>		
Balance at 1 January	44	47
Other changes	-	10
Distribution back to shareholders	(14)	-
Share of comprehensive revenue and expense	-	(13)
Impairment of investment	(30)	-
<b>Balance at 31 December</b>	<b>-</b>	<b>44</b>
<i>Summarised information:</i>		
Assets	-	66
Liabilities	-	1
Revenue	42	95
Surplus / (Deficit)	-	(32)
Group's interest %	40.0%	40.0%
<b>SKILL TRACKER LIMITED</b>		
<b>Balance sheet date:</b>	<b>31 March</b>	
<b>Principal activity:</b>	<b>Content Sharing Services</b>	
<i>Movement in the carrying amount of investment in associate</i>		
Balance at 1 January	28	185
New investments during the year	-	(100)
Share of comprehensive revenue and expense	2	(57)
Impairment of investment	(30)	-
<b>Balance at 31 December</b>	<b>-</b>	<b>28</b>

	CONSOLIDATED	
	Actual	Actual
	2019	2018
	\$'000	\$'000
<i>Summarised information:</i>		
Assets	138	116
Liabilities	133	117
Revenue	37	60
Surplus / (Deficit)	5	(137)
Group's interest %	41.5%	41.5%

## 24 JOINT VENTURE

The Group's 50% ownership in Agri One Limited, a joint venture, is accounted for as a jointly controlled entity. Agri One Limited wound up its operation and ceased to exist on 15 May 2019.

A summary of the Group's interest in the joint venture is as follows:

	CONSOLIDATED	
	Actual	Actual
	2019	2018
	\$'000	\$'000
<b>GROUP</b>		
Revenue	-	92
Expenses	-	15

## 25 RELATED PARTY INFORMATION

Massey University has inter-company balances receivable from the following Group entities at the end of the year.

	UNIVERSITY	
	Actual	Actual
	2019	2018
	\$'000	\$'000
<b>SUBSIDIARIES</b>		
Massey Ventures Limited	-	4,145
ecentre Limited	-	39
MUSAC Limited	16	11
Massey University Foundation Trust	-	1
Massey Global Singapore Private Limited	612	389
MVL Robotics Limited	1	-
Hyper Analytics Research and Development Limited	3	-
<b>ASSOCIATES</b>		
Polybatics Limited	-	92
Skill Tracker Limited	3	5
	<b>635</b>	<b>4,682</b>

Apart from Massey staff members performing certain work for the subsidiaries for no charge, all sales, purchases and income and expenses from rendering of services between related parties are carried out on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2019, the University has recorded no impairment of receivables relating to amounts owed by related parties (2018: \$92k). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Massey University Group structure and details of subsidiaries, associates and joint venture forming the Reporting Entity as referred to in Note 1 are as follows:

MASSEY UNIVERSITY GROUP Group Entities	OWNERSHIP	
	2019 %	2018 %
<b>SUBSIDIARIES</b>		
Massey University Foundation Trust	100	100
ALPP Limited	-	100
Massey Global Limited	100	100
Massey Global Singapore Private Limited	100	100
Massey Ventures Limited	100	100
ecentre Limited	100	100
MUSAC Limited	100	100
MVL Robotics Limited	100	-
Hyper Analytics Research and Development Limited (formerly Hyperceptions Limited)	67	67
<b>JOINT VENTURE</b>		
Agri One Limited	-	50
<b>ASSOCIATES</b>		
Consumer Insights Limited	40	40
Polybatics Limited	29	29
Skill Tracker Limited	42	42

Ownership percentages are the number of shares held by the group as a percentage of the total shares issued.

The University owned Agri One Limited jointly with Lincoln University (wound up on 15 May 2019).

Ultimate ownership in all other group entities is held by the University.

ALPP had wound up its operations and ceased to exist on 12 October 2019.

Consumer Insights Limited has wound up its operations and is expected to be removed from the New Zealand Companies Register during 2020.

## 26 STATEMENT OF COMMITMENTS

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

	CONSOLIDATED		UNIVERSITY	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>CAPITAL COMMITMENTS</b>				
Buildings	134,933	36,061	134,933	36,061
IT	3,102	3,339	3,102	3,339
Equipment	3,672	7,022	3,672	7,022
<b>Total Capital Commitments</b>	<b>141,707</b>	<b>46,422</b>	<b>141,707</b>	<b>46,422</b>



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

	CONSOLIDATED		UNIVERSITY	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>OPERATING LEASES AS A LESSEE</b>				
Due not later than one year	4,164	2,355	4,124	2,264
Due later than one year and not later than five years	12,190	13,736	12,190	13,524
Later than five years	8,530	7,377	8,530	7,240
<b>Total Non-cancellable Operating Leases as a Lessee</b>	<b>24,884</b>	<b>23,468</b>	<b>24,844</b>	<b>23,028</b>

	CONSOLIDATED		UNIVERSITY	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>OPERATING LEASES AS A LESSOR</b>				
Due not later than one year	2,931	2,931	2,931	2,931
Due later than one year and not later than five years	11,725	11,725	11,725	11,725
Later than five years	17,627	20,558	17,627	20,558
<b>Total Non-cancellable Operating Leases as a Lessor</b>	<b>32,283</b>	<b>35,214</b>	<b>32,283</b>	<b>35,214</b>

	CONSOLIDATED		UNIVERSITY	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>OTHER COMMITMENTS</b>				
Due not later than one year	3,526	2,847	3,526	2,847
Due later than one year and not later than five years	2,383	3,407	1,421	2,357
<b>Total Other Commitments</b>	<b>5,909</b>	<b>6,254</b>	<b>4,947</b>	<b>5,204</b>

The University has reassessed its operating lease as lessor disclosures which were not included in the 2018 notes to the financial statements and has now included these, including comparative year information. No changes were required to the primary financial statements.

The University leases property, as a lessee and lessor, in the normal course of business. These leases are predominantly for premises which have remaining non-cancellable leasing periods ranging from seven months to 58 years. The leases have varying terms and renewal rights. There are no restrictions placed on the University by any of its leasing arrangements.

No contingent rents have been recognised in revenue during the year.

## 27 STATEMENT OF CONTINGENT ASSETS AND LIABILITIES

Management is not aware of any significant contingent assets or liabilities related to the Group as at the year end. (2018: Nil)

## 28 POST BALANCE SHEET DATE EVENTS

### (a) Coronavirus

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic and two weeks later the New Zealand Government declared a State of National Emergency. From this the country is at Alert Level 4, and in lockdown. As a result, economic uncertainties have arisen which are likely to negatively affect our operations and services.

We describe below the possible effects that we have identified on the University as a result of the COVID-19 pandemic.

- Government Tuition Funding – for 2020 the Government has provided a guarantee that Student Achievement Component (SAC) funding will continue should enrolments fall below agreed targets as well as guaranteeing fees free revenue to Universities.
- Student fees revenue, including the potential loss of current and prospective students due to the disruption and/or pressures created by COVID-19.
- The impact on other income, including Government and external research funding and Charges for Services.
- The direct cost impact of the Alert Level 4 lockdown on salaries for staff, leases and other related costs.
- The direct cost for accelerated development of alternative methods of delivery to students.
- The impact on the University's ability to deliver on its capital plan and any ongoing associated operational costs.
- The impact on non-financial reporting.
- The value of investment portfolios which have been impacted by the decrease in value of marketable securities.
- Additional costs associated with provision of residential accommodation including student accommodation.

At this time, it is difficult to determine the full effect of the COVID-19 pandemic, and there could be other matters that affect the University and Group.

#### (b) Sale of MUSAC

On 26 February 2020 MUSAC Limited, a fully owned subsidiary of Massey Ventures Ltd (MVL), was sold.

# COMPULSORY STUDENT SERVICES FEES

FOR THE YEAR ENDED 31 DECEMBER 2019

	Advocacy, Legal and Financial Support \$'000	Careers and Employment Advice \$'000	Health and Counselling \$'000	Pastoral Care \$'000	Clubs, Societies, Sports and Recreation \$'000	Media \$'000	Building Levies \$'000	Total \$'000
Compulsory student services fees collected	929	694	2,967	1,801	1,998	229	1,131	9,749
Expenses	927	693	2,960	1,798	1,994	228	1,131	9,731
<b>Surplus (deficit)</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>18</b>

## CATEGORIES OF COMPULSORY STUDENT SERVICES FEE

### ADVOCACY, LEGAL AND FINANCIAL SUPPORT:

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

### CAREERS AND EMPLOYMENT ADVICE:

Supporting students to develop skills and experience for their transition to post-study employment or the next stage of their career path.

Support provided includes career consultations, internship opportunities, developing job interview techniques and preparing curriculum vitae.

### 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/on-line 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.

#### Notes:

The compulsory student services fee for an internal student undertaking a full-time programme of study in 2019 was set at \$573.60 (GST inclusive).

Building levies are charged as follows:

- Manawatu \$30.20 per EFTS

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

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

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

