

# ANNUAL REPORT 2009



MASSEY UNIVERSITY

Te Kunenga ki Pūrehuroa

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MASSEY UNIVERSITY

# Mission Statement

“By 2020 Massey will be acknowledged as New Zealand’s defining university and as a world centre of tertiary learning.”

## Six Big Goals for the University

### 1 RESEARCH AND SCHOLARSHIP

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

### 2 TEACHING AND LEARNING

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

### 3 CONNECTIONS

We will strengthen our connections with local, national and international partners and stakeholders to gain mutually beneficial outcomes.

### 4 RESPONSIBILITY

We will enhance our reputation as New Zealand’s defining university by contributing to understanding of, and innovative responses to, social, economic, cultural and environmental issues.

### 5 GENERATING INCOME

We will significantly increase our income to allow for more investment to enable the University to achieve its goals.

### 6 ENABLING EXCELLENCE

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



# Chancellor

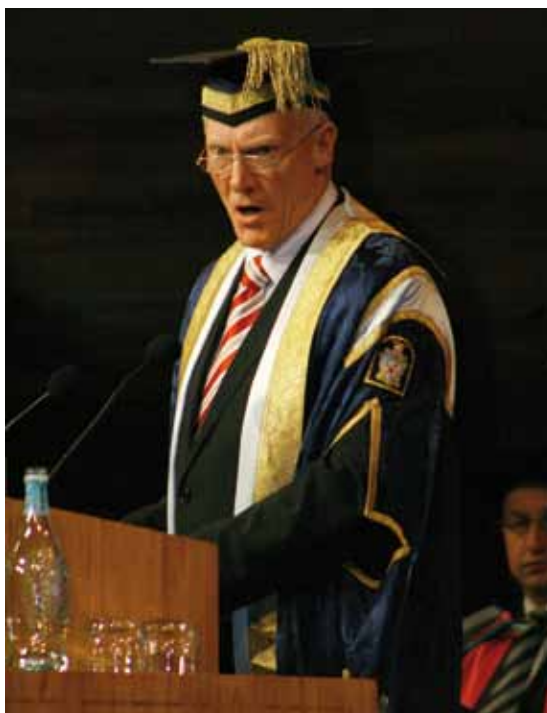
Although my involvement with the Council of Massey University stretches over many years, 2009 was my first year as Chancellor. I was delighted, therefore, that my first year coincided with the publication of a new strategic plan for the University titled *The Road to 2020*.

The plan is ambitious. It states that "By 2020 Massey will be acknowledged as New Zealand's defining university and as a world centre of tertiary learning". Members of the Massey Council are determined to see this mission statement fulfilled.

We believe that Massey is rightly seen as "New Zealand's defining University". It is the University which best gives expression to those things associated with being a New Zealander – creativity, innovation and a sense that knowledge should be applied in some way that is of practical benefit to the wider community.

Massey is most representative of New Zealand because it has main campuses in Wellington, Manawatu and Albany with smaller outposts in Hawkes' Bay and Taranaki. Massey farms are dotted throughout the North Island. Our distance education virtual campus serves the interests of students throughout the nation and around the world.

For close to 125 years Massey's combination of ground breaking research and outstanding teaching has been defining and shaping the world view of New Zealanders.



Our ambition to be acknowledged as a "world centre of tertiary learning" is equally well founded. There is no doubt that of all New Zealand universities it is Massey that is most recognised around the world. There is a simple reason for this. Massey is one of the world's leading agri-food universities. For over 80 years students have come from all around the world to study and do research at Massey. They have gone on to become our champions. Today we also have a world-wide reputation for our leadership in many other disciplines as diverse as design, defence, aviation, health, sport and finance upon which we intend to build.

During this year, the Council has been pleased with the progress that has been made toward the 2020 plan. The success Massey researchers have enjoyed nationally and internationally has been great to see. Moves to establish a new model of commercialisation through partnerships with the Bio-Commerce Centre in Palmerston North and the e-Centre in Albany have already led to a higher throughput of new ideas.

In the area of teaching and learning it has been particularly pleasing to see the surge in students keen to study at Massey,

the number of awards being given to teaching staff and the rapid development of the academic reform programme which will unfold more fully in 2010.

A great deal of work has gone into extending the engagements Massey has with stakeholders and partners around New Zealand and the world. Massey has always placed great emphasis on connections and this will continue.

Throughout the year sustainability has been a key area of work for the University. Gaining funding for the Life Cycle Management Centre, the Greenhouse Gas Research Centre and the Natural Hazards Platform are just three examples of Massey being recognised for its leadership in this crucial area.

A range of new approaches to lifting the revenue of the University were started during the year and I would point to the relaunch of the Massey Foundation with its goal of raising \$100 million over ten years as evidence of a spirit of entrepreneurialism that is vital to the future of the University.

Finally, efforts to improve the working and learning environment for staff and students have seen such notable developments as a close partnership between student representatives and the University, the completion of the new library at Albany and a strong emphasis on Māori and Pasifika students.

These achievements have taken place against the backdrop of a very challenging policy and financial environment. Current government policy is directed at lifting quality and gaining more

value for the dollars invested in tertiary education. Tertiary funding was reduced in 2009 and a cap was imposed on the number of students the Government was willing to fund. Despite this, Massey has managed to move its plans forward and retain a modest level of earnings for future investment. However the Council and University Senior Leadership Team recognise that in an environment of constrained Government funding we must lift the level of both revenue and retained earnings if we are to achieve our ambitious goals

Council is an enthusiastic supporter of the University's strategic plan. But we are aware that all plans come to nothing without sound management and financial stability. Throughout the year, Council has supported moves to reduce costs and raise the revenue of the University. A close relationship between senior management and the Council has ensured that, despite challenges, the year has been a highly productive and satisfying one. My thanks go to the Vice-Chancellor and his Senior Leadership Team, staff, students and our partners for a year marked by outstanding accomplishments. I would also like to recognise my fellow Council members who have worked diligently and harmoniously during the year to ensure Massey is well positioned for the future.



Dr Russ Ballard  
Chancellor

REPORT FROM THE

## Vice-Chancellor

When I took up my post as the Vice-Chancellor of Massey University after 21 years in local and central politics, five as the Minister Responsible for Tertiary Education, many people asked me what it was like to turn from “gamekeeper to poacher”.

I can only say that I have greatly enjoyed the transition. The world of universities has changed significantly since I taught as a junior lecturer in business administration and then a lecturer and senior lecturer in sociology during the 1970s and 80s. I recall my time as an academic as enormously rewarding. I taught during a time of rapid expansion. I was able to be involved in new developments in teaching and research while taking on numerous new and exciting projects. It seemed that whatever new challenge I wanted to explore, the resources could always be found from somewhere.

Looking back from the vantage point of 2009, what was distinctive about teaching in a New Zealand university (as it was in most western democracies) through the 1970s and 80s was the ability of staff to define for themselves what they wanted to teach and research. Universities were very much their own masters.

This is not the case today. During the latter part of the 20th century the wider society began to take a close interest in the contribution universities might make to the future of the nation. Issues of quality, relevance, accessibility and connectedness



were raised and universities found themselves having to report on their performance.

An annual report is not the place to debate the merits or otherwise of the changes that have taken place in tertiary education, but it is important to acknowledge that changes have taken place and universities must respond if they are to thrive.

This is what we are seeking to do at Massey University. 2009 has seen us map out our future for the next 10 years in our newly released plan *The Road to 2020*. The plan sets out clearly our mission, defining qualities and six big goals. These goals make it clear that Massey is research-led and wants to be a world leader in its areas of specialisation;

that our teaching will be distinctive and exceptional; that we will be connected and engaged with our stakeholders and partners; that we will make a practical contribution to solving real world problems; that we will diversify our revenue base; and that we will provide a great environment for students and staff.

I hope Massey’s plan for the future is read by anyone who has an interest in the University. Be assured that we mean what we say to be put into action. That is why this year we have:

- made it clear that teaching and research are our core activities and that we intend to excel in both;
- ensured that each of our campuses (Wellington, Manawatu, Albany) has a distinct identity while operating within a “one university” model;
- focused on gaining financial stability so appropriate investment can be made in the key areas;
- stressed the importance of collegiality amongst staff across all campuses;
- strengthened the role of management while encouraging a more inclusive style that makes the most of talent throughout the University;
- ensured a close working relationship between the University Council and senior management;
- deepened and expanded our engagement with the various communities associated with the University;
- redeveloped the Massey brand;
- been ambitious about the future and reflected this in the way the university operates; and
- instituted a programme of change designed to focus the university on its strengths.

2009 is the first year of a 10 year plan. There is a long way to go and the road is not going to be smooth. Changes in Government

policy and financial constraints will demand a lot of staff, students and our supporters. But we are determined to move forward with confidence because that is our responsibility. Of all New Zealand universities, Massey has always been most closely associated with the economic, social, cultural and environmental future of the nation. Of all universities it is Massey that carries the responsibility of upholding the nation’s academic reputation around the world. We take these responsibilities seriously.

In closing, I want to thank staff and students for their outstanding contribution during 2009. Thanks must also go to supporters of Massey including alumni, the business community, professional organisations, local government, iwi, Pasifika, new migrant communities, and of course our major funder the Government of New Zealand.

If a lot was accomplished in 2009, our intention is to do more in 2010.



Hon Steve Maharey  
Vice-Chancellor.



# Campuses and Colleges

## Albany campus

- More than 800 new students, friends and families, packed North Harbour Stadium for a record attendance to a Welcome Reception in the campus' 17-year history.
- The Ferguson Bar opened on campus next to the Recreation Centre in February, owned and run by North Shore businessmen and College of Business graduates, Andrew Waite and Andrew Jackson.
- The *Let's Beat Diabetes Nutrition Scholarship* programme was launched, aiming to turn the tide on the growing number of diabetes sufferers in South Auckland – a workforce development partnership between the College of Sciences, the Counties-Manukau District Health Board and the Ministry of Health.
- A team of Massey engineering students took the top title in the university category at the Vex Robotics World championships in Dallas, Texas. Dr Johan Potgeiter, senior lecturer in mechatronics, engineering and industrial management at the School of Engineering and Advanced Technology, won Volunteer of the Year at the event. It was the first time New Zealand has competed.
- Ecology and conservation postgraduate students at the Institute of Natural Sciences won praise for their work from prominent British conservationist



Albany's new library building

Professor David Bellamy, who gave a public lecture at the campus and visited PhD students at the institute to discuss topics such as sustainable farming, biofuels and carbon capping.

- The first stage of the Albany Library Extension building opened in November, and was blessed during a dawn ceremony in December. The \$30 million, five-level building features state-of-the-art study pods for group study, expanded information commons and new Māori and Pasifika collections.
- The University joined the Waitemata District Health Board's *Health Campus* initiative, to provide education, research and innovation to support the training of

health professionals in the district. The objective is to build on existing education and research strengths in the region and to foster new centres of excellence.



Professor David Bellamy in discussion with postgraduate Ecology and Conservation Group students at the Institute of Natural Sciences.



Animal welfare collaborating centre management committee members, from left: Professor Paul Hemsworth, Dr Peter Thornber, Professor Kevin Stafford, Dr Kate Littin, Professor David Mellor, Dr Lindsey Matthews, Dr David Bayvel, Dr Chris Prideaux and Dr Andrew Tribe.

## Manawatu campus

- Consumer demand for leaner meat led to the establishment of New Zealand's first computed technology scanning unit for large animals. Located at the University's Veterinary Teaching Hospital, the \$470,000 scanner will be used for any animals that require it, though the initiative came from Landcorp Farming. A purpose-built facility costing \$1.1 million has been constructed around it.
- The first management committee meeting of an expanded Australasian animal welfare collaborating centre was hosted at the campus in October. With Massey support, the World Organisation for Animal Health expanded the collaborating centre to include partner groups at AgResearch, the University of Melbourne, the University of Queensland and the Commonwealth Scientific and Industrial Research Organisation in New South Wales.
- More than 200 secondary school pupils and teachers visited the campus for a three-day scholarship symposium involving some of the University's top academics. Hosted by the College of Education, the symposium is aimed at year-13 pupils sitting one or more



The heritage Refectory building to be restored and refurbished

scholarship subjects and their teachers. Strengthening the relationship between local government and education providers was a key issue on the agenda for educators and community leaders at the first Community Engagement in Education Forum, held at the campus in July.

- The Graduate Research School's first writing retreat for doctoral scholars, was

held in November. The retreat provided an opportunity for intensive writing time away from the normal demands of work and domestic life, interspersed with optional workshops.

- The University announced a major fundraising initiative to raise \$18 million to restore and refurbish two of the campus' most iconic heritage buildings, Old Main Building and Refectory.



MAWSA representatives celebrated their 10th anniversary in a typically off-beat student way in a year in which the campus also marked the milestone in a more formal manner.



The annual research medals dinner was held in the Great Hall of the Museum building

## Wellington campus

- The 10th anniversary of Wellington's campus was celebrated with numerous events. Highlights included a VIP cocktail function and the opening of an exhibition in the Museum Building celebrating the building's illustrious history.
- Celebrations also included the presentation of 'once in a decade' staff excellence awards. To be eligible nominated staff must have worked at the campus for at least 10 years. Senior librarian Christine Alexander and senior technician and laboratory manager Marilyn Mabon were presented with separate silver service platters in honour of their achievement.
- Four special Wellington campus research awards were also made to coincide with the 10th anniversary. The awards were presented to Wellington academics from each college considered to have made a defining research contribution to that college. Recipients were: College of Business, Professor Frank Sligo, head of the Department of Communication, Journalism and Marketing; College of Creative Arts, Associate Professor David Cross, Litmus Research Initiative; College of Humanities and Social Sciences, Associate Professor Annette Huntington and Dr Jean Gilmour, nursing programmes, School of Health and Social services; College of Sciences, Mr Stan Abbott, senior lecturer in microbiology at the Institute of Food, Nutrition and Human Health.
- Students were also acknowledged with the awarding of one-off scholarships for school leavers and postgraduates. The scholarships, in total worth \$20,000 and sponsored by the Dominion Post, were available to New Zealand citizens and permanent residents for full-time study in Wellington in 2010.
- The Massey at Wellington Students Association (MAWSA) also celebrated its 10th anniversary in a typically off-beat student way with music and a mid-winter barbecue.
- The year saw separate inaugural celebrations acknowledging Māori sector and alumni in March, while in May Pasifika graduates were honoured with a special ceremony one evening before the main graduation events at the Michael Fowler Centre.
- The Wellington campus also organised a series of public lectures by staff with a wide variety of research disciplines around the theme of sustainability. These included lectures by rainwater specialist Stan Abbott, occupational health and asthma and cancer researcher Professor Jeroen Douwes and School of Fine Arts director of photography Associate Professor Wayne Barrar.
- The Great Hall of the Museum Building was the venue for the university's annual Research Medals Dinner, which included an address by guest speaker Professor Sir Peter Gluckman, the Government's chief science adviser.
- Two medals awarded of particular significance to Wellington staff were the presentation of an early career research medal to the associate director of the Sleep/Wake Research Centre, Dr Leigh Signal, and an individual medal to renowned photographer and Professor of Fine Arts, Professor Anne Noble.
- In September, Regional Chief Executive Professor Andrea McIlroy, represented the university at two separate conferences in China, including the 4th World Women's University Forum in Nanjing.
- New Zealand School of Music senior lecturer Flora Edwards was made an officer of the New Zealand Order of Merit for services to music.



Graduation ceremonies included an inaugural ceremony to honour Pasifika graduates.

## Massey University is now a programme partner with the Chartered Financial Analyst Institute based on the Bachelor of Business Studies with a major in Finance.

### College of Business

- The College achieved accreditation from the Association to Advance Collegiate Schools of Business. It is now one of only 570 business schools out of 10,000 worldwide to have this accreditation. The British Association of Master of Business Administration has accredited Massey's Executive Master of Business Administration.
- Massey University is now a programme partner with the Chartered Financial Analyst Institute based on the Bachelor of Business Studies with a major in Finance. The School of Accountancy secured accreditation from the Association of Chartered Certified Accountants and was recredited by the Chartered Institute of Management Accountants.
- The University showed its commitment to having a world-leading aviation school by investing \$8 million in a fleet of 14 new aircraft. Massey is one of a few universities worldwide to offer degrees in aviation with professional pilot training incorporated. The two high performance twin-engine Diamond Aircraft 42 and 12 DA40 single-engine aircraft will keep the school at the forefront of pilot training in New Zealand.
- Community engagement during 2009 included the Young Enterprise Scheme, the Global Enterprise Challenge launched by Prime Minister John Key, New Zealand Business Week, the ANZ-Massey Economics Challenge, and the National University Business Case Competition. We continued to support emerging leaders through the Captains' Club and Dean's List schemes.



Vice-Chancellor Steve Maharey and Aviation School chief executive Ashok Poduval with one of the new training aircraft.

- The New Zealand Centre for SME Research hosted the Small Enterprise Association of Australia and New Zealand conference and was named as the venue for the 2012 International Council for Small Business conference. The college also hosted the University's first sustainability conference.
- Academic staff recognised for their excellence include Dr Hamish Anderson who was the first person outside Australia to be awarded the Pearson Accounting and Finance Association of Australia and New Zealand Accounting Finance Lecturer of the Year Award for 2009. Dr Heather Kavan was presented with a Tertiary Teaching Sustained Excellence Award. Dr Bevan Catley received the inaugural Richard Buchanan College of Business Teaching Excellence Award for his work with first-year students.
- Toyota New Zealand chief executive Alistair Davis took over as chairman of the College of Business Advisory Board from Business NZ chief executive Phil O'Reilly. The board was set up to provide strategic advice to the college and to ensure that its teaching and research are relevant to the business community that employs many of the graduates.
- The Healthy Work Group carried out a study funded by the Department of Labour and the Health Research Council into workplace stress and bullying.
- Professor Ben Jacobsen is one of a team that secured a Marsden grant for a project entitled *Disasters and Asset Pricing*.



## College of Creative Arts

- Reinforcing its reputation as the leading design school in New Zealand, the college students dominated the James Dyson Product Design Awards, with all three finalists from Massey, and the Designers Institute of New Zealand BeST Awards, with five gold, three silver and seven bronze wins across product, graphic and visual communication categories. BeST Gold Award winner Tim Cox also won the top Dyson award for his Tretech equipment, an ultrasound tool that is set to revolutionise the forestry industry.
- Staff who featured in the BeST awards were Professor Tony Parker for his work on the Hulme CanAm supercar concept, and Sam Trubridge for his exhibition design for the theatre production *Sleep/Wake*.
- Professor Anne Noble was named one of the five Arts Foundation Laureates for her ongoing and outstanding contribution to New Zealand photography.
- Associate Professor Tony Whincup launched his latest book on the subject, *Bwai ni Kiribati*. Professor Whincup, who heads the School of Visual and Material Culture at the College, has more than 30 years experience photographing and writing about Kiribati.
- Professor Dorita Hannah, Programme Leader in Spatial Design, received international acclaim with awards for both costume and set design at the World Stage Design Awards.
- Industrial Design student Annabel Goslin received a Red Dot, a coveted international award for outstanding product design, for her Clima-shell Armadillo sports jacket. Spatial Design students won second and third places at the Australasian Student Design Awards in both exhibition and interior design categories: and six Visual Communication Design students gained membership of the prestigious International Society of Typographic Designers.

- A record 20,000 attended more than 35 different events at the *BLOW* Creative Arts Festival, where the college welcomed three more of its illustrious alumni – Grant Alexander, Jane Ussher and the late John Drawbridge – to its Hall of Fame.



BeST Gold Award winner Tim Cox with his Tretech ultrasound tool that is set to revolutionise the forestry industry.

A cultural group from Kiribati joined in celebrations for the launch of the latest book about the tiny Pacific island nation by Associate Professor Tony Whincup.



## Professor Tom Nicholson was elected to the Reading Hall of Fame based in the United States, one of about 100 international academics currently in the hall – and the only New Zealander.

### College of Education

- The college hosted two international conferences in Wellington in January, one on dyslexia, hosted by Professors Bill Tunmer and James Chapman, and one for the International Academy for Research in Learning Disabilities.
- A delegation from the Singapore Institute for Adult Learning was hosted at the Manawatu campus in March to establish new research partnerships while also identifying potential adult training programmes for delivery in Singapore.
- Associate Professor Tracy Riley, from the College of Education's School of Curriculum and Pedagogy, was elected to the board of the Professional Association for Gifted Education.
- Launch of the Centre of Excellence for Research in Inclusive Education to conduct research and teaching in areas including gifted and talented students, home and school partnerships, violence and bullying, behaviour disorders, disability issues, Māori and Pacific Island students, and learners with diverse linguistic and cultural backgrounds
- The Centre for Research Excellence in Mathematics Education hosted the 11th New Zealand Association of Mathematics Teachers biennial conference in Palmerston North. Professor Glenda Anthony delivered the keynote address.
- The National Centre for Tertiary Teaching Excellence, a national project launched to find ways to get more scientists in New Zealand by examining the transition from secondary schools' science classes to university degrees. A joint venture between the college and the College of Sciences, funded by Ako Aotearoa.
- In September the college hosted a national hui to discuss the status of



Professor Tom Nicholson, elected to international Reading Hall of Fame.

provision of Māori medium initial teacher education. All 10 national providers in the Māori medium/immersion teaching sector attended and discussed issues ranging from language proficiency to a national shortage of teachers.

- Professor Tom Nicholson was elected to the Reading Hall of Fame based in the United States, one of about 100 international academics currently in the hall – and the only New Zealander.



The launch of the National Centre for Tertiary Teaching Excellence.



Senior lecturer in the School of English and Media Studies, Dr Angie Farrow, who wrote and staged the play *Before the Birds*.

## College of Humanities and Social Sciences

- New Pro Vice Chancellor Professor Susan Mumm was welcomed to the college at the start of the academic year.
- College research centres were awarded significant Foundation of Research, Science and Technology and Health Research Council funding to lead research in occupational health; sleep; cancer, alcohol and drug research; Māori health and development; and sustainability.
- Funding of \$6.4 million for an eight-year project to study youth transitions being awarded through the Building and Inclusive Society portfolio to Professor Robyn Munford and Dr Jackie Sanders.
- Massey sociologist Professor Paul Spoonley was awarded a Royal Society of New Zealand Science and Technology medal for his work on race relations in New Zealand. Professor Spoonley and Professor Glyn Harper, from the Centre for Defence Studies, were awarded Fulbright Senior Scholars Awards.
- Dr Nigel Parsons, Politics Lecturer and Middle East specialist, was named Massey University Student Association's Manawatu Lecturer of the Year.
- Senior lecturer in the School of English and Media Studies, Dr Angie Farrow, wrote and staged a play which mined Manawatu's rich mystical history.

*Before the Birds* was performed as part of Student Arts Week in September.

- The School of Psychology and the Joint Centre for Disaster Research helped the governmental response to the tsunami that struck Samoa in September.



Dr Nigel Parsons wins the Students' Association's Manawatu lecturer of the year award.



## College of Sciences

- Professor Roger Morris from the Institute of Veterinary, Animal and Biomedical Sciences' EpiCentre received the 2009 Kesteven Medal, awarded for scientific and technical contributions to international agricultural development.
- Professor Peter Lockhart from the Allan Wilson Centre was awarded the prestigious James Cook Research Fellowship to undertake research on the evolutionary response of New Zealand alpine plants to environmental change.
- Dr Murray Cox from the Institute of Molecular BioSciences was awarded the Gabriel Ward Lasker Prize by the editorial board of Human Biology for the most influential article published in the journal in 2008.
- The company *PolyBatics* was launched in early August to exploit intellectual property developed by Professor Bernd Rehm of the Institute of Molecular BioSciences. Professor Rehm will assume the role of Chief Scientific Officer for PolyBatics and has a research contract with them to do further research to support proof of concept of the patents.
- Distinguished Professor Gaven J Martin, Head of the Institute for Advanced Study and the Instituted for Natural Sciences on the Albany Campus was invited to deliver two Charles P Taft lectures in the United States.
- Professor Rory Flemmer from the School of Engineering and Advanced Technology won the title of New Zealand Engineering Innovator of the Year at the New Zealand Engineering Excellence Awards.
- The University's Agrifood Strategy commenced in earnest. The strategy is spearheaded by Mark Jeffries and is designed to encourage partnerships across the entire value chain of

New Zealand agribusiness. To date partnership engagements have occurred with Gallaghers Group, the Ministry of Agriculture and Forestry, the Ministry of Foreign Affairs and Trade, and Landcorp.

- Massey was successful in its bid to establish a Chair in Life Cycle Management. Sponsored by the Government through the Ministry of Agriculture and Forestry, the Chair will be housed within the Institute of Food, Nutrition and Human Health alongside agribusiness and supply chain academics. The centre is focused on managing New Zealand's environmental footprint in partnership with the ministry, AgResearch, Lanadcare Research, Scion and Plant and Food.
- Prime Minister John Key launched Food Innovation New Zealand in August. Six food research and development organisations, including Massey University, have committed themselves to a single international brand, Food Innovation New Zealand, to promote the country's agricultural and horticultural science networks.
- Research led by Professor Paul Rainey, shedding new light on the origins and genetics of adaptive traits, was a featured story in the prestigious science journal *Nature*.
- PhD student Carlene Starck's research into a debilitating disease was honoured at the MacDiarmid Young Scientist of the Year Awards. Ms Starck, who studies structural biochemistry at the Manawatu campus, won the Advancing Human Health and Wellbeing category of the awards for research into the role of protein misfolding in human disease.
- Professor Emeritus Colin Holmes was made a member of the New Zealand Order of Merit for services to agriculture, while 11 Massey alumni received honours.



Professor Paul Rainey's research into the genetics of adaptive traits featured on the cover of *Nature*.



Prime Minister John Key and Vice-Chancellor Steve Maharey at the Food Innovation New Zealand launch.



Winner of the Advancing Human Health category at the MacDiarmid Young Scientist Awards, Carlene Starck.



Guests gathered at the first Māori alumni event at the Wellington campus.



## Māori

- Dr Nathan Matthews was appointed to a new role in the Office of the Assistant Vice-Chancellor (Māori and Pasifika) to support the University's more than 80 Māori doctoral candidates.
- More than 150 guests attended the first Māori sector and alumni evening at the Wellington campus in March at which Vice-Chancellor Steve Maharey and Deputy Vice-Chancellor Mason Durie outlined the University's *The Road to 2020* strategy and its relevance to Māori.
- During April and May ceremonies were held at each campus to honour the more than 400 Māori graduates. Taumata Maunsell-Petersen's whānau posthumously accepted her Postgraduate Diploma of Arts majoring in Psychology at the Albany campus ceremony.
- An honorary doctorate (D Litt) was conferred on educationalist Turoa Royal in recognition of his service to education, particularly Māori education, over a 50-year period. Dr Royal is Chair of Te Wānanga o Raukawa.
- Dr Selwyn Katene was appointed director of an inter-university academy to support

Māori academic and professional leadership launched in June. Manu Ao – the Māori Academy for Academic and Professional Advancement is led by Massey and supported by all eight universities.

- The Health Research Council is funding two Massey University research projects aimed at improving overall cancer care for Māori patients and increasing the rate of survival for cervical cancer. Dr Lis Ellison-Loschmann, from the University's Centre for Public Health Research, is leading both projects with \$1.2 million from the council.
- As part of Matariki celebrations at Massey, Professor Mason Durie delivered three public lectures discussing the sustainability of the Māori estate, approaches to Māori health, the relationship between Māori and the Crown and the constitutional position of Māori beyond 2020.
- A three-day visit to Tai Tokerau (Northland) was made by members of the University's senior leadership team, including the vice-chancellor. The delegation met with educators, politicians, business leaders and iwi

to hear how the University can support the region, educationally and through research.

- The University's inaugural Ngā Kupu Ora Māori Book Awards – selected by public voting on-line – was hosted by Professor of Māori Language Tairahia Black at Te Pūtahi-a-Toi at the Manawatu campus on Māori Language Day, September 14.
- The year ended with the announcement that Deputy Vice-Chancellor, Professor Mason Durie had been made a Knight Companion of the New Zealand Order of Merit in the New Year's Honours list.



Winners of the Inaugural Ngā Kupu Ora Māori Book Awards: Dr Ranginui Walker, Malcolm Mulholland, Professor Ngahuia Te Awekotuku, Margaret Kawharu, Linda Nikora (Professor Te Awekotuku's co-author and researcher), Dr Monty Soutar and Dr Deidre Brown.

The University supported key Pasifika cultural events during the year including the four-day ASB Polyfest at the Counties-Manukau Velodrome, the largest cultural festival for secondary schools in New Zealand.

## Pasifika

- The Academic Board approved the first Pasifika qualification, the Certificate of Pacific Development, to be offered by the College of Humanities and Social Sciences.
- The University supported key Pasifika cultural events during the year including the four-day ASB Polyfest at the Counties-Manukau Velodrome, the largest cultural festival for secondary schools in New Zealand.
- Ceremonies to honour Pasifika graduates was held at each campus beginning with the Albany campus on April 22 where guest speaker was former All Black and former Massey staff member Michael Jones.
- Following on from the establishment of a Pacific Peoples' Consultancy Group at the Albany campus, similar groups have now been established at the Wellington and Manawatu campuses, providing opportunities for engagement with Pasifika peoples and communities. The groups comprise representatives from the colleges, Pasifika staff and community members.
- Additional capacity has been added to the Pasifika directorate with the appointment of Dr Etuate Saafi to a new position of Senior Research Fellow Pasifika, Dr Saafi is based at Albany. Engagement Advisers have been appointed in Wellington and Auckland.



Michael Jones was the guest speaker at the Pasifika graduation ceremony at the Albany campus, pictured with acting director Pasifika Sione Tu'itahi, Assistant Vice-Chancellor (Māori and Pasifika) Professor Mason Durie and Vice-Chancellor Steve Maharey.

- The Pasifika@Massey Network and Whenua Research Network Conference was held at the Wellington campus in November. Network chair Associate Professor Rukmani Gounder was re-elected at the conference and three new Pasifika publications were launched: *Teachers Developing Communities of Mathematical Enquiry* by Dr Roberta Kathleen Hunter; *Langa fonua: In Search of Success* by Sione Tu'itahi; and *Pacific Development Perspectives: Meeting Our Diverse Goals*, edited by Associate Professor Rukmani Gounder.
- Pasifika Director Professor Sitaleki Finau was made a member of the New Zealand Order of Merit for services to Pacific Islands community health.



Midwifery graduate Kathleen Maki attended the inaugural Manawatu campus ceremony to honour Pasifika graduates in May.



2009

# The University Council



**From left:** Karl Pearce, Alexandria Sorensen, Professor Tony Signal, Dr Susan Baragwanath, Stephen Kos, Bruce Ullrich, Professor Ray Winger, Dr Colin Anderson, Dr Russell Ballard, Dr Alison Patterson, Chris Kelly, Ralph Springett, Nigel Gould and Steve Maharey. **Inset:** Andrea Davies, Mavis Mullins, Professor Ngatata Love, Alastair Scott.



**Chancellor**

Dr Russell Ballard, CNZM, BAgSc, MAgrSc, PhD Flor., FNZIM

**Pro-Chancellor**

Stephen Kós, QC, LLB(Hons) *Well.*, LLM *Camb.*

**Vice-Chancellor**

Steve Maharey, CNZM, BA, MA (Hons)

**Members appointed by the Minister of Education**

Dr Russell Ballard, CNZM, BAgSc, MAgrSc, PhD Flor., FNZIM

Stephen Kós, QC, LLB(Hons) *Well.*, LLM *Camb.*

Professor Sir Ngatata Love, GNZM, JP, BCom, BCA(Hons), PhD *Well.*, ACIS, ANZIM

Alastair Scott BBS

**Elected Permanent Member of Academic Staff**

Dr Colin Anderson, MA *Auck.*, PhD *Auck.*

**Elected Academic Staff of the Academic Board**

Professor Ray Winger, MS, PhD, *Wisc.*, FNZIFST, FIFST *UK*, MAIFST

Professor Tony Signal BSc PhD *Adelaide*

**Permanent Member of General Staff**

Andrea Davies, BBS, MBA

**Representatives of the Federation of Student Associations at Massey University Incorporated**

Ralph Springett (President of EXMSS)

Karl Pearce BSW(Hons) (Joint EMXSS/MUSAF Appointment)

Alexandria Sorensen (Student Representative)

**Elected members from the Court of Convocation**

Susan Baragwanath, BA *Otago*, MA *Lond.*, HonDLitt, DipEd FRGS

Bruce Ullrich, OBE, BCom *Cant.*, MBA, ACA, FlnstD

**University Council appointees**

Nigel Gould, JP, BCA *Well.*, FCA

Chris Kelly, MVSc, MACVSc

Mavis Mullins, MBA

Alison Paterson, HonDCom, FCA, FlnstD



2009

# Officers and Senior Leadership Team



**Members of the University's Senior Leadership Team, back row, from left:** Professor Robert Anderson, Professor Sally Morgan, Professor John Raine, Professor James Chapman, Steve Maharey, Dr John Griffiths, Alan Davis, Professor Ian Warrington, Professor Ingrid Day and Professor Lawrence Rose. **Front row, from left:** Stuart Morriss, Sue Foley, Professor Andrea McIlroy, Professor Nigel Long, Professor Susan Mumm and Professor Mason Durie

## Officers of the University

<b>Chancellor</b>	Dr Russell Ballard, CNZM, MAgrSc, PhD <i>Flor.</i> , FNZIM
<b>Pro-Chancellor</b>	Stephen Kós, QC, LLB (Hons) <i>Well.</i> , LLM <i>Camb.</i>
<b>Vice-Chancellor</b>	Steve Maharey, CNZM, BA, MA (Hons)
<b>University Registrar</b>	Stuart Morriss, MPP <i>Well.</i> , BAgSc, DipBusStud.

## Senior Leadership Team

<b>Vice-Chancellor</b>	Steve Maharey, CNZM, BA, MA (Hons)
<b>Deputy Vice-Chancellor</b>	Professor Mason Durie, CNZM, MBChB <i>Otago</i> , DPsych <i>McGill</i> , DLitt, LLD (Honoris causa) <i>Otago</i> , FRANZCP, FRSNZ

### Regional Chief Executives:

#### *Albany and International*

Professor John Raine, BE (Hons) *Cant.*, PhD *Cant.*, CEng, FIMechE., FIPENZ, MSAE

#### *Manawatu*

Professor Ian Warrington, MHortSc (Hons), DSc, DLitt (Honoris causa) FRSNZ, FNZSHS

#### *Wellington*

Professor Andrea McIlroy, BA *Well.*, MBA, PhD, DipTchg

### Pro Vice-Chancellors:

#### *College of Business*

Professor Lawrence Rose, BA *Bradley*, MA *Northern Illinois*, PhD *Texas A & M*, FFin

#### *College of Creative Arts*

Professor Sally Morgan, BA (Hons), *Sheff Hallam*, MA *Warw.*, KASKA *Antwerp*

#### *College of Education*

Professor James Chapman, MA *Well.*, PhD *Alta.*, DipTchg, FIARLD

#### *College of Humanities and Social Sciences*

Professor Susan Mumm, BA (Hons) *Sask.*, MA *Sask.*, DPhil *Sus.*, FRHS

#### *College of Sciences*

Professor Robert Anderson, ONZM, MAgrSc, PhD *C'nell*, DDA, FNZIAS

### Assistant Vice-Chancellors:

#### *External Relations*

Sue Foley

#### *Finance, IT, Strategy and Commercial*

Dr John Griffiths, BBS (Hons), MCom (Hons) *C.Sturt*, PhD *Monash*, CA, AFNZIM

#### *Māori and Pasifika*

Professor Mason Durie, CNZM, MBChB *Otago*, DPsych *McGill*, DLitt, LLD (Honoris causa) *Otago*, FRANZCP, FRSNZ

#### *People and Organisational Development*

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

#### *Academic and Research*

Professor Nigel Long, MSc *Auck.*, PhD *Qld*, FNZPsS

#### *Academic and International*

Professor Ingrid Day, BA *S.Aust.*, BA(Hons) *S.Aust.*, PhD *S.Aust.*

#### *University Registrar*

Stuart Morriss, MPP *Well.*, BAgSc, DipBusStud.

2009

# Directory

## **Bankers**

Bank of New Zealand

## **Auditor**

Audit New Zealand  
on behalf of the Auditor-General

## **Valuer**

Quotable Value New Zealand

## **Legal Advisers**

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

## **Insurers**

Vero Insurance New Zealand Limited  
Axiom Risk Insurance Management Limited  
QBE Insurance (International) Ltd

## **Internal Auditor**

PricewaterhouseCoopers



# FINANCIAL REVIEW 2009

## Introduction

Further consolidation marked the 2009 year as the University worked its way through a new capped funding regime at a time when student enrolments increased due partly to the economic environment as unemployment levels continued to climb.

The financial result for the University was a surplus of \$1.264 million after allowing for the Tertiary Education Commission 2008 PBRF error of \$2.704 million to be expended in 2009. The operating surplus before the PBRF error was \$3.968 million. The budgeted surplus for 2009 was \$5.7 million. The bottom line result compares with a 2008 surplus of \$5.37 million.

Student numbers at 19,994 equivalent full time students (EFTS) were higher than target of 18,505 by 1,489, both domestic and international student numbers EFTS were above target by 1,431 and 58 respectively.

## Income Statement

The University surplus before fair value adjustments of \$1.264 million, (0.3% of revenue) is less than last year's figure of \$5.37 million, (1.3% of revenue).

The result was short of the 3% of revenue that the Tertiary Advisory Monitoring Unit (TAMU) of the Tertiary Education Commission recommends. The University needs to significantly increase its surplus to ensure that it can reinvest for the future to achieve the Road to 2020 Strategy.

The table below sets out several TAMU measures that are used to monitor the financial health of tertiary institutions.

Measure		2009		
		TAMU Targets (%)	University (%)	Group (%)
Surplus	1	3.0	0.3	0.6
Cash Cover	2	8.0	24.5	25.1
Return on Assets	3	1.0	0.1	0.2

Note:

- 1 Surplus as a percentage of total revenue
- 2 Liquid funds as a percentage of annual cash outgoings
- 3 Surplus as a percentage of assets

Major variances against the budget and last year's performance are outlined below:

### 1. Total Operating Revenue

Revenue increased 1.41% over 2008 and was up on budget by 2.15%. Student fees (both Domestic and International) were above budget by \$6.87million and \$6.27 million more than last year due to higher student numbers. Contract and trading revenue was higher than both budget and 2008, however, the level of expenditure more than offset this. Interest revenue was sharply down on budget due to lower interest rates.

## **2. Total Cost of Operations**

The university budgeted for a decrease in cost over 2009 of 0.4%. However, costs were up on 2008 by 2.48% and up on budget by 3.34%. Staff related costs were 4.% above budget with a number of targeted savings not being achieved partly due to the above budgeted student numbers.

## **Balance Sheet**

The University's Balance Sheet shows \$1.06 billion of assets.

### **1. Working capital**

Current assets are down 6.9% on last year and up 33.9% on budget. Cash and cash equivalent were favourable against budget primarily due to the withdrawal of investments which were converted into cash.

### **2. Non current assets and liabilities**

Noncurrent liabilities were down on last year largely due to current receipts in advance being less. The net value of the University was \$59.74 million lower than budget due to the lower than forecast revaluation of land and buildings.

## **Statement of Cashflows**

Ending cash for the year was less than the previous year by \$5.172 million due to higher levels of both operational and capital expenditure. However, this was \$5.06 million better than budget.

## **Conclusion**

Massey University consolidated its financial situation in 2009. Significant work remains to be done in 2010 to enable the Road to 2020 Strategy to be achieved. Emphasis will be placed on a "value for money" approach to make sure that the University's activities are all contributing appropriately to the "one Massey University".



K Argyle

Director – Finance and Asset Management

## SUMMARY FACTS AND FIGURES

	Notes	2009	2008	2007	2006	2005	2004
<b>Students</b>							
Equivalent full-time students (EFTS)	1	19,994	18,738	19,432	20,475	21,850	23,326
Change over previous year (%)		6.70%	(3.57%)	(5.09%)	(6.29%)	(6.33%)	(0.07%)
Total student enrolments		36,125	34,413	35,491	37,022	39,657	41,436
Change over previous year (%)		4.97%	(7.05%)	(10.51%)	(6.64%)	(4.49%)	(0.54%)
Examination pass rate							
- internal student (passed/sat)		90.0%	89.1%	89.0%	89.4	90.0%	89.1%
- extramural study (passed/sat)		91.5%	90.6%	91.0%	90.1	90.1%	90.1%
<b>Staff</b>							
College academic staff (full-time equivalent)		1117	1114	1,188	1,214	1,255	1,307
Student: staff ratio		17.9:1	16.8:1	15.8:1	16.3:1	16.8:1	17.3:1
Total general staff (full-time equivalent)	2	1,553	1,457	1,522	1,490	1,574	1,583
Total general: college academic staff		1.39	1.31	1.28	1.23	1.25	1.21
<b>Financial Performance</b>							
Net cost of services per EFTS		\$14,622	\$14,565	\$13,356	\$12,991	\$12,231	\$11,827
Net operating surplus/(deficit) (\$000)		1,264	5,375	9,053	(1,322)	3,694	14,762
Return on total assets		0.21%	0.50%	0.92%	(0.15%)	0.53%	2.48%
Return on total income		0.56%	1.33%	2.39%	(0.37%)	1.05%	4.20%
<b>Financial Position</b>							
Capital expenditure per EFTS		\$3,060	\$1,977	\$1,475	\$2,165	\$2,652	\$1,605
Short-term liquidity		1.18:1	1.43:1	1.12:1	0.96:1	0.85:1	1.13:1
Working capital ratio		1.16:1	1.44:1	1.13:1	1.02:1	0.91:1	1.19:1
Debt to equity		2.56%	2.63%	2.76%	3.15%	1.31%	1.37%
Change in equity		0.19%	7.21%	0.77%	0.96%	0.57%	2.61%

Note:

- 1 EFTS funded includes Ministry of Education funded plus full-fee/international, but excludes NZ School of Music.
- 2 General staff includes technical and casual and excludes contract and trading.

2006 to 2009 are reported under IFRS; prior years have not been amended.



## STATEMENT OF RESPONSIBILITY

In the financial year ended 31 December 2009, the Council and management of Massey University were responsible for:

- the preparation of the financial statement, statement of service performance, and the judgements used therein
- 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 for the financial year fairly reflect the financial position and operations of Massey University.



***R Ballard***

***Chancellor***



***S Maharey***

***Vice-Chancellor***



***JR Griffiths***

***Assistant Vice-Chancellor – Finance, IT, Strategy and Commercial***

20 April 2010

# AUDIT NEW ZEALAND

Mana Arotake Aotearoa

## AUDIT REPORT

### TO THE READERS OF MASSEY UNIVERSITY AND GROUP'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2009

The Auditor-General is the auditor of Massey University (the University) and group. The Auditor-General has appointed me, David Walker, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements and statement of service performance included in the annual report of the University and group for the year ended 31 December 2009.

#### ***Unqualified opinion***

In our opinion:

- the financial statements of the University and group on pages 30 to 70:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the University and group's financial position as at 31 December 2009; and
    - the results of operations and cash flows for the year ended on that date.
- the performance information of the University and group on pages 71 to 89 fairly reflects its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 20th April 2010, and is the date at which our opinion is expressed.

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

#### ***Basis of Opinion***

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement and statement of service performance disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance.

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

#### ***Responsibilities of the Council and the Auditor***

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the University and group as at 31 December 2009. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The Council is also responsible for preparing performance information that fairly reflects the service performance achievements for the year ended 31 December 2009. The Council's responsibilities arise from the Education Act 1989 and the Crown Entities Act 2004.

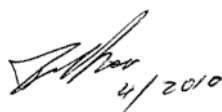
We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.



### **Independence**

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

In addition to the audit we have carried out assignments in the areas of auditing the Chief Executive Officer's declaration on the Performance Based Research Fund external research income; and a review of the Allocation of Massey's Overheads to Research Activities, which are compatible with those independence requirements. Other than the audit and these assignments, we have no relationship with or interests in the University or any of its subsidiaries



David Walker  
Audit New Zealand  
On behalf of the Auditor-General  
Auckland, New Zealand

#### ***Matters relating to the electronic presentation of the audited financial statements, performance information***

This audit report relates to the financial statements and performance information of Massey University (the University) and group for the year ended 31 December 2009 included on the University and group's website. The University and group's Council is responsible for the maintenance and integrity of the University and group's website. We have not been engaged to report on the integrity of the University and group's website. We accept no responsibility for any changes that may have occurred to the financial statements and performance information since they were initially presented on the website.

The audit report refers only to the financial statements and performance information named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and performance information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and performance information as well as the related audit report dated 20 April 2010 to confirm the information included in the audited financial statements and performance information presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

# STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2009

	Notes	<i>University</i>			<i>Consolidated</i>	
		Actual 2009 (000)	Budget 2009 (000)	Actual 2008 (000)	Actual 2009 (\$000)	Actual 2008 (\$000)
Government grants	2, 3	173,515	177,119	173,607	176,155	176,179
Student fees	3	113,366	106,492	107,087	114,508	108,085
Interest	3	4,037	5,750	7,467	4,121	7,571
Charges for services	3	108,980	100,978	103,856	109,188	104,083
Trust funds	3, 25	2,874	1,908	2,578	2,874	2,578
Other gains/(losses)	3, 4	(2,105)	-	509	(1,300)	125
<b>Total Operating Revenue</b>		<b>400,667</b>	<b>392,247</b>	<b>395,104</b>	<b>405,546</b>	<b>398,621</b>
Staff related cost	2, 5	233,906	224,846	229,407	237,780	232,694
Depreciation	2, 18	37,387	36,539	34,733	37,488	34,830
Other direct costs	2, 7	124,293	121,667	121,484	124,178	121,702
Finance costs	6	1,648	2,132	2,007	1,649	2,014
Trust funds	25	2,169	1,300	2,098	2,169	2,098
<b>Total Cost of Operations</b>		<b>399,403</b>	<b>386,484</b>	<b>389,729</b>	<b>403,264</b>	<b>393,338</b>
<b>Surplus for the year</b>		<b>1,264</b>	<b>5,763</b>	<b>5,375</b>	<b>2,282</b>	<b>5,283</b>
<b>Other Comprehensive Income</b>						
Increases in property revaluation	23, 24	-	-	53,517	-	53,517
Other movements in revaluation reserves	23, 24	(800)	-	(877)	(800)	(877)
Net loss on available for sale assets	24	-	-	(79)	-	(79)
<b>Total other comprehensive income for the year</b>		<b>(800)</b>	<b>-</b>	<b>52,561</b>	<b>(800)</b>	<b>52,561</b>
<b>Total comprehensive income for the year</b>		<b>464</b>	<b>5,763</b>	<b>57,936</b>	<b>1,482</b>	<b>57,844</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2009

	Notes	<i>University</i>			<i>Consolidated</i>	
		Actual 2009 (\$000)	Budget 2009 (\$000)	Actual 2008 (\$000)	Actual 2009 (\$000)	Actual 2008 (\$000)
Public equity as at 1 January	24	923,092	977,540	861,048	923,186	861,129
Comprehensive income for the year		464	5,763	57,936	1,482	57,844
Capital funding	24	-	-	4,108	275	4,213
<b>Public Equity as at 31 December</b>	<b>24</b>	<b>923,556</b>	<b>983,303</b>	<b>923,092</b>	<b>924,943</b>	<b>923,186</b>

The accompanying notes form part of these financial statements.

# BALANCE SHEET

as at 31 December 2009

	Notes	<i>University</i>			<i>Consolidated</i>	
		Actual 2009 (\$000)	Budget 2009 (\$000)	Actual 2008 (\$000)	Actual 2009 (\$000)	Actual 2008 (\$000)
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	11	47,967	42,906	42,795	49,126	44,438
Trade and other receivables	12	30,772	27,300	22,784	32,022	23,832
Inventories	13	1,435	1,160	1,120	1,435	1,120
Biological - livestock	14	3,425	3,150	3,459	3,425	3,459
Other financial assets	15	13,551	-	35,165	14,401	35,165
Non-current assets held for sale	16	2,694	-	1,933	2,694	1,933
<b>Total Current Assets</b>		<b>99,844</b>	<b>74,516</b>	<b>107,256</b>	<b>103,103</b>	<b>109,947</b>
<b>Non-current Assets</b>						
Investment property	17	2,365	3,272	2,480	2,365	2,480
Trade and other receivables	12	125	2,000	1,523	125	148
Other financial assets	15	15,172	29,500	19,290	14,690	19,314
Biological - forestry	14	661	499	559	661	559
Property plant and equipment	18	942,625	994,346	921,217	943,181	921,587
<b>Total Non-Current Assets</b>		<b>960,948</b>	<b>1,029,617</b>	<b>945,069</b>	<b>961,022</b>	<b>944,088</b>
<b>Total Assets</b>		<b>1,060,792</b>	<b>1,104,133</b>	<b>1,052,325</b>	<b>1,064,125</b>	<b>1,054,035</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	19	26,214	21,658	22,152	27,003	22,990
Borrowings	20	811	305	405	811	405
Employee entitlements	21	19,333	20,000	20,126	19,449	20,211
Receipts in advance	22	39,187	29,500	32,027	40,213	32,721
<b>Total Current Liabilities</b>		<b>85,545</b>	<b>71,463</b>	<b>74,710</b>	<b>87,476</b>	<b>76,327</b>
<b>Non-current Liabilities</b>						
Borrowings	20	23,470	24,347	24,586	23,470	24,560
Employee entitlements	21	27,209	24,000	28,889	27,224	28,914
Receipts in advance	22	1,012	1,020	1,048	1,012	1,048
<b>Total Non-Current Liabilities</b>		<b>51,691</b>	<b>49,367</b>	<b>54,523</b>	<b>51,706</b>	<b>54,522</b>
<b>Total Liabilities</b>		<b>137,236</b>	<b>120,830</b>	<b>129,233</b>	<b>139,182</b>	<b>130,849</b>
<b>Public Equity</b>	24	<b>923,556</b>	<b>983,303</b>	<b>923,092</b>	<b>924,943</b>	<b>923,186</b>
<b>Total Liabilities and Public Equity</b>		<b>1,060,792</b>	<b>1,104,133</b>	<b>1,052,325</b>	<b>1,064,125</b>	<b>1,054,035</b>

The accompanying notes form part of these financial statements.



# STATEMENT OF CASH FLOWS

for the year ended 31 December 2009

	Notes	<i>University</i>			<i>Consolidated</i>	
		Actual 2009 (\$000)	Budget 2009 (\$000)	Actual 2008 (\$000)	Actual 2009 (\$000)	Actual 2008 (\$000)
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Government grants		178,593	177,119	174,343	181,252	176,980
Student income		119,588	110,492	122,926	120,619	124,113
Other income		99,799	98,165	92,388	100,259	96,059
Interest on operating income		4,971	5,750	6,710	5,043	6,834
Trust funds		1,241	1,908	1,729	1,241	1,729
		404,192	393,434	398,096	408,414	405,715
<i>Cash was applied to:</i>						
Payments to employees and suppliers		363,483	353,643	329,586	367,075	336,960
Net GST movement		(573)	-	15,316	(566)	15,767
Interest paid		1,664	2,148	2,047	1,665	2,274
		364,574	355,791	346,949	368,174	355,001
<b>Net Cashflow from Operating Activities</b>	<b>8</b>	<b>39,618</b>	<b>37,643</b>	<b>51,147</b>	<b>40,240</b>	<b>50,714</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Withdrawal of investments		27,749	9,000	515	27,894	474
Sale of fixed assets		584	3,500	176	584	253
		28,333	12,500	691	28,478	727
<i>Cash was applied to:</i>						
Purchase of investments		141	-	27,006	837	27,016
Purchase of fixed assets		60,911	55,000	36,950	61,177	37,050
		61,052	55,000	63,956	62,014	64,066
<b>Net Cashflow from Investing Activities</b>		<b>(32,719)</b>	<b>(42,500)</b>	<b>(63,265)</b>	<b>(33,536)</b>	<b>(63,339)</b>

The accompanying notes form part of these financial statements.

	Notes	<i>University</i>			<i>Consolidated</i>	
		Actual	Budget	Actual	Actual	Actual
		2009	2009	2008	2009	2008
		(\$000)	(\$000)	(\$000)	(\$000)	
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash was provided from:</i>						
Capital injections		-	-	4,108	-	4,238
		-	-	4,108	-	4,238
<i>Cash was applied to:</i>						
Loan repaid		710	406	409	999	475
		710	406	409	999	475
<b>Net Cashflow from Financing Activities</b>		<b>(710)</b>	<b>(406)</b>	<b>3,699</b>	<b>(999)</b>	<b>3,763</b>
<b>Net Increase/(Decrease) in Cash Held</b>		<b>6,189</b>	<b>(5,263)</b>	<b>(8,419)</b>	<b>5,705</b>	<b>(8,862)</b>
Net foreign exchange gains/(losses)		(1,017)	-	1,171	(1,017)	1,171
Cash brought forward		42,795	48,169	50,043	44,438	52,129
<b>Ending Cash Carried Forward</b>	11	<b>47,967</b>	<b>42,906</b>	<b>42,795</b>	<b>49,126</b>	<b>44,438</b>

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

The accompanying notes form part of these financial statements.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ending 31 December 2009

## **Note 1. Statement of Accounting Policies**

### **The Reporting Entity**

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

These financial statements have been prepared in accordance with the Crown Entities Act 2004 and Section 220 of the Education Act 1989. The financial statements have been prepared in accordance with NZ GAAP. They comply with New Zealand equivalents to IFRS, and other applicable financial reporting standards, as appropriate for public benefit entities.

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

### ***Colleges of***

- Business
- Creative Arts
- Education
- Humanities & Social Sciences
- Sciences.

The group consists of Massey University and its subsidiaries, Massey University Foundation (100% owned), Massey Ventures Limited (100% owned), and Estendart Limited, E Centre Limited and MVLONE Limited (all 100% owned by Massey Ventures Limited). The reporting entity includes the afore mentioned group, New Zealand School of Music (a joint venture 50% owned by Massey university) and associates owned by Massey Ventures Limited - Magritek Holdings Limited(23.62%), Polybatiks Limited(27.5%) and New Zealand Vet Pathology (22.19%).

Massey University (and its subsidiaries) was established as a tertiary education provider and researcher. Accordingly, Massey University (and its subsidiaries) have designated themselves as public benefit entities. All applicable public benefit entity exemptions have been adopted.

The financial statements of Massey University and group are for the year ended 31 December 2009. The financial statements were authorised for issue by Council on 20th April 2010.

### **Measurement Base**

The financial statements have been prepared on a historical cost basis except the following assets carried at fair value: financial instruments held for trading, financial assets available for sale, biological assets and investment property and the revaluation of certain property, plant and equipment.

### **Accounting Policies**

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

### **Basis of Consolidation**

The Consolidated Financial Statements are prepared from the financial statements of the University and all subsidiaries as at 31 December 2009 using the purchase method. Corresponding assets, liabilities, revenues, expenses and cash flows are added together on a line-by-line basis.

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

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

Massey University accounts for an investment in an associate in the group financial statement using the equity method.

### **Budget Figures**

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

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

### **Allocation of Overheads**

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

- (i) regional facilities management – by floor space
- (ii) Recreation Centre – by internal full-time students
- (iii) student services – by internal equivalent full-time students
- (iv) annual leave – by general staff numbers for general staff and from academic department leave records for academic staff.

### **Revenues**

Government grants are recognised as income on entitlement.

Student fees are recognised as income on entitlement.

Trust funds include interest and donations of a capital nature, are recognised as income when money is received,



or entitlement to receive money is established.

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

### **Foreign Currencies**

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

### **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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### **Trade and Other Receivables**

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

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

### **Inventories**

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

### **Biological Assets**

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

## Property Plant and Equipment

### (i) Valuation

Asset Category	Valuation By	Last Valuation
Land and buildings	Quotable Value New Zealand	31 December 2008
Leasehold improvements	Valued at historical cost	
Equipment and furniture	Valued at historical cost	
Computers and research equipment	Valued at historical cost	
Motor vehicles	Valued at historical cost	
Aircraft	Valued at historical cost	
Library collection	Valued at historical cost	

Land is valued at fair market value.

Buildings (which include land improvements and reticulated services) are valued at fair market value or depreciated replacement cost on the basis of highest and best use.

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

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

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

Additions between valuations are recorded at cost.

Capital work in progress is valued on the basis of expenditure incurred and certified gross progress claim certificates up to balance date.

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

### (ii) Depreciation

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

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

Land, permanently retained library collections, art collections and archives are not depreciated.

Leasehold improvements are depreciated based upon their estimated useful life 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.

(iii) Crown-owned Assets

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

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

(iv) Impairment

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

- replacement cost is identified as less than net book value
- the carrying amount exceeds its recoverable amount
- items of property plant and equipment become obsolete
- damage occurs to property plant and equipment.

An asset becomes surplus to requirements and is no longer used

(v) Disposal/Derecognition of Assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition on the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Comprehensive Income in the year the item is derecognised.

### **Intangible Assets**

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

Internally generated software should be classified into a research phase and a development phase.

An intangible asset arising from development (or the development phase of an Internal project) shall be recognised only when the University can demonstrate:

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

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

- Costs of staff seconded to such projects:
- Costs to design, build, configure, test and document such systems:
- Support fees payable before such systems are ready for use:
- Software that is acquired separately or in a business combination are recorded at costs determined at the date of acquisition.

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

### **Employee Entitlements**

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

- Leave and gratuities that have vested in the employee (an entitlement has been established) have been measured at nominal value using remuneration rates current at reporting date. This is included as a current liability.
- Leave and gratuities that have not yet vested in the employee (no entitlement has been established) have been measured using the present value measurement basis, which discounts expected future cash outflows. This is treated as a non-current liability.

Duty leave overseas for academic staff has not been accrued as this leave is a commitment subject to eligibility and is not an entitlement.

Sick leave has not been accrued as the University has a "Wellness Policy", hence no sick leave is available to carry forward.

Obligations for contributions to superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the statement of financial performance.

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

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



## **Taxation**

Tertiary education institutions are exempt from the payment of income tax as they are treated by the Inland Revenue Department as charitable organisations. Accordingly, no charge for income tax has been provided for. Massey University's subsidiaries are also exempt from paying income tax.

## **Leases**

Finance leases effectively transfer to Massey University substantially all the risks and benefits incidental to ownership of the leased item. These are capitalised at the lower of fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are disclosed and the leased assets are depreciated over the period Massey University is expected to benefit from their use.

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal installments over the lease term.

## **Financial Instruments**

Massey University classifies its financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables, and available for sale. Management determines the classification of its investments at initial recognition. Financial assets are initially measured at fair value.

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

Financial assets at fair value through profit and loss are classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if they are expected to be realised within 12 months of balance date.

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

### ***Loan and Receivables***

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Loans to third parties and receivables are classified as trade and other receivables in the balance sheet. Bank deposits with a maturity of more than 3 months are classified as loans and receivables.

### ***Available for sale Financial Assets***

Financial assets at fair value through equity are those financial assets that are not classified in either of the above categories. This category encompasses shares held for strategic purposes. After initial recognition these investments are measured at their fair value.

Massey University's investment in its subsidiary and associate companies is held at cost.

At the end of each financial year Massey University assesses whether there is any impairment of its financial assets; any impairment is written off to expenses in the Statement of Comprehensive Income.

### ***Borrowings***

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

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

### **Borrowing Costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.

### **Investment Property**

Any property held that is not held to meet service delivery objectives is classified as investment property. Investment property is measured initially at its cost, including transaction costs.

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

### **Joint Ventures**

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

### **Changes in Accounting Policy**

There have been no changes in accounting policies and the policies have been applied on a basis consistent with prior years except for, adopting a new policy in respect of Intangible Assets and applying new standards that came into effect from 1 January 2009.

NZIAS 1 Presentation of Financial Statements now requires a statement of comprehensive income, resulting in changes to the presentation of information in the Income Statement and Statement of Changes In Equity. The Income Statement has been replaced by the Statement of Comprehensive Income.

Amendments to NZ IFRS 7 requires the inclusion of a three level fair value disclosure hierarchy. The University has chosen not to show prior year comparatives, as allowed during the year of transition.

NZIAS 41 Agriculture has amended the discount rate for fair value calculations on long term biological assets, there has been no effect on the 2009 financial statements.

**Standards, amendments and interpretations issued that are not yet effective and have not been early adopted**

The following applicable standards have been issued at balance date, but are not yet effective and have not yet been adopted by Massey University:

NZ IFRS 9 will eventually replace NZ IAS 39. This replacement is happening in three phases. Phase 1 the classification and measurement of financial assets has been completed. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at cost or fair value, replacing the many different rules in NZ IAS 39.

**Note 2. (i) Government Grants**

The Ministry of Education provides income to the University by way of a grant, which is recognised as income upon entitlement.

**(ii) Cost of Operations**

- *Staff related costs* - includes direct staff- related costs allocated to colleges, support services and regions.

Employee entitlements relating to actuarial calculation are shown separately.

- *Depreciation* - includes all depreciation on all assets held by the University.
- *Other direct costs* - includes all direct costs of operating and maintaining the University. It also includes the cost of research, including salaries and wages.

**Note 3. Revenue Disclosure**

	Notes	<i>University</i>		<i>Consolidated</i>	
		Actual 2009 (\$000)	Actual 2008 (\$000)	Actual 2009 (\$000)	Actual 2008 (\$000)
<i>Government Grants</i>					
Students		122,481	120,668	124,266	122,668
Other		51,034	52,939	51,889	53,511
		<u>173,515</u>	<u>173,607</u>	<u>176,155</u>	<u>176,179</u>
<i>Student Fees</i>					
Domestic students		78,567	71,093	79,588	71,959
International students		34,799	35,994	34,920	36,126
		<u>113,366</u>	<u>107,087</u>	<u>114,508</u>	<u>108,085</u>
<i>Charges for Services</i>					
Research		69,088	63,564	69,088	63,564
Other		39,892	40,292	40,100	40,519
		<u>108,980</u>	<u>103,856</u>	<u>109,188</u>	<u>104,083</u>
Interest		4,037	7,467	4,121	7,571
Trust funds	25	2,874	2,578	2,874	2,578
Other gains/(losses)	4	(2,105)	509	(1,300)	125
<b>Total Revenue</b>		<u><b>400,667</b></u>	<u><b>395,104</b></u>	<u><b>405,546</b></u>	<u><b>398,621</b></u>

**Note 4. Other Gains and (Losses)**

	<b>Notes</b>	<b>University</b>		<b>Consolidated</b>	
		<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
		<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
Livestock fair value gains/(losses)	14	(171)	229	(171)	229
Forestry fair value gains/(losses)	14	102	60	102	60
Disposal of equipment gains/(losses)		(386)	(159)	(386)	(159)
Changes in fair value of assets held for sale gains/(losses)	16	(193)	-	(193)	-
Changes in fair value of investment property gains/(losses)	17	(115)	(792)	(115)	(792)
Fair value managed funds through profit and loss gains/(losses)		-	-	805	(384)
Fair value gains/(losses) on shares		(325)	-	(325)	-
Foreign exchange gains/(losses)		(1,017)	1,171	(1,017)	1,171
<b>Total Gains/(Losses)</b>		<b>(2,105)</b>	<b>509</b>	<b>(1,300)</b>	<b>125</b>

**Note 5. Staff-Related Costs**

	<b>University</b>		<b>Consolidated</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
Salaries and wages	222,973	212,537	226,785	215,682
Superannuation	7,251	6,158	7,287	6,186
Long service leave and retirement allowance	(1,989)	4,890	(1,989)	4,890
Other	5,671	5,822	5,697	5,936
<b>Total</b>	<b>233,906</b>	<b>229,407</b>	<b>237,780</b>	<b>232,694</b>

**Note 6. Finance Costs**

	<b>University</b>		<b>Consolidated</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
Interest expenses	1,648	2,007	1,649	2,014
<b>Total Finance Costs</b>	<b>1,648</b>	<b>2,007</b>	<b>1,649</b>	<b>2,014</b>

**Note 7. Other Direct Cost Disclosures**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>The Net Surplus/(Loss) is After Charging:</b>				
Audit fees for annual report	160	156	229	207
Other services provided by principal auditor: PBRF Audit	19	8	19	8
Internal audit fees	154	194	158	194
Bad debts written off	284	522	285	529
Increase/(reduction) in provision for bad debts	150	(74)	170	(55)
Rental expense on operating leases	5,076	5,029	5,927	5,885
Scholarships	12,374	10,492	12,385	10,633
Energy	6,280	6,366	6,346	6,445
Repairs and maintenance	12,625	15,176	12,667	15,194
Travel and accommodation	12,098	12,029	12,192	12,123
Computing & telecommunications	11,106	10,230	11,216	10,336
Advertising/marketing/public relations	3,975	3,884	3,976	3,905
Contracted services	22,932	20,422	22,932	20,598
Other operating expenses	37,060	37,050	35,676	35,700
<b>Total Other Expenses</b>	<b>124,293</b>	<b>121,484</b>	<b>124,178</b>	<b>121,702</b>

**Note 8. Reconciliation of the Net Surplus on Operations with the Net Cashflows from Operating Activities**

	Notes	<i>University</i>		<i>Consolidated</i>	
		2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Surplus /(Deficit) on Operations</b>		<b>1,264</b>	<b>5,375</b>	<b>2,282</b>	<b>5,283</b>
<i>Add Non-Cash Items:</i>					
Depreciation	18	37,387	34,733	37,488	34,830
Asset disposals	4	386	159	411	345
Other (gains)/losses - forestry fair value	4	(102)	(60)	(102)	(60)
Other (gains)/losses - livestock fair value	4	171	(229)	171	(229)
Impairment on investments - other		(611)	751	(1,283)	624
Impairment on investment property	17	115	792	115	792
Bad debts	7	284	522	285	522
Provision for doubtful debts	12	150	(74)	150	(74)
Foreign exchange (gains)/losses	4	1,017	(1,171)	1,017	(1,171)
FV shares direct to equity - no balance in reserve		325	285	325	285
(Decrease)/increase in annual leave provisions	21	(1,680)	4,879	(1,680)	4,879
<b>Total Non-Cash Items</b>		<b>37,442</b>	<b>40,587</b>	<b>36,897</b>	<b>40,743</b>
<i>Movements In Working Capital:</i>					
Decrease/(increase) in prepayments	12	(2,458)	79	(2,458)	79
Decrease/(increase) in trade and other receivables		(5,964)	687	(6,080)	1,985
Decrease/(increase) in stocks and biological assets	13, 14	(452)	393	(426)	319
Increase/(decrease) in accounts payable		2,662	1,894	2,569	234
Increase/(decrease) in receipts in advance		7,124	2,132	7,456	2,071
<b>Total Movement in Working Capital</b>		<b>912</b>	<b>5,185</b>	<b>1,061</b>	<b>4,688</b>
<b>Net Cash Flow from Operating Activities</b>		<b>39,618</b>	<b>51,147</b>	<b>40,240</b>	<b>50,714</b>



**Note 9. Summary of Financial Assets and Liabilities**

**University 2009**

<b>Classification of Financial Assets &amp; Liabilities</b>	<b>Loan and Receivables</b>	<b>Assets at Fair Value through Profit &amp; Loss</b>	<b>Assets Available for Sale</b>	<b>Other Liabilities at Amortised Cost</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>					
Cash & cash equivalents	47,967	-	-	-	47,967
Trade & other receivables	22,701	-	-	-	22,701
Prepayments	8,071	-	-	-	8,071
Loans & loans to related parties	125	-	-	-	125
Short-term deposits with maturities of 4-12 months	13,551	-	-	-	13,551
Term deposits maturing between 1 and 5 years	-	-	-	-	-
Shares in subsidiaries	-	-	1,912	-	1,912
Unlisted shares	-	-	607	-	607
Funds invested in Massey University Foundation	-	11,089	-	-	11,089
Shares	-	-	1,564	-	1,564
Fair value through income statement - managed funds	-	-	-	-	-
<b>Total Financial Assets</b>	<b>92,415</b>	<b>11,089</b>	<b>4,083</b>	<b>-</b>	<b>107,587</b>
<b>FINANCIAL LIABILITIES</b>					
Trade & other payables	-	-	-	13,946	13,946
Accrued expenses	-	-	-	12,188	12,188
Borrowings: term loans	-	-	-	24,281	24,281
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,415</b>	<b>50,415</b>

**University 2008**

Classification of Financial Assets & Liabilities	Loan and Receivables	Assets at Fair Value through Profit & Loss	Assets Available for Sale	Other Liabilities at Amortised Cost	Total
<b>FINANCIAL ASSETS</b>					
Cash & cash equivalents	42,795	-	-	-	42,795
Trade & other receivables	17,171	-	-	-	17,171
Prepayments	5,613	-	-	-	5,613
Loans & loans to related parties	1,523	-	-	-	1,523
Short-term deposits with maturities of 4-12 months	35,165	-	-	-	35,165
Term deposits maturing between 1 and 5 years	5,980	-	-	-	5,980
Shares in subsidiaries	-	-	510	-	510
Unlisted shares	-	-	608	-	608
Funds invested in Massey University Foundation	-	10,269	-	-	10,269
Shares	-	-	1,923	-	1,923
Fair value through income statement - managed funds	-	-	-	-	-
<b>Total Financial Assets</b>	<b>108,247</b>	<b>10,269</b>	<b>3,041</b>	<b>-</b>	<b>121,557</b>
<b>FINANCIAL LIABILITIES</b>					
Trade & other payables	-	-	-	13,533	13,533
Accrued expenses	-	-	-	8,596	8,596
Borrowings: term loans	-	-	-	24,991	24,991
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,120</b>	<b>47,120</b>

**Consolidated 2009**

Classification of Financial Assets & Liabilities	Loan and Receivables	Assets at Fair Value through Profit & Loss	Assets Available for Sale	Other Liabilities at Amortised Cost	Total
<b>FINANCIAL ASSETS</b>					
Cash & cash equivalents	49,126	-	-	-	49,126
Trade & other receivables	23,951	-	-	-	23,951
Prepayments	8,071	-	-	-	8,071
Loans	125	-	-	-	125
Short-term deposits with maturities of 4-12 months	14,401	-	-	-	14,401
Term deposits maturing between 1 and 5 years	132	-	-	-	132
Shares in subsidiaries	-	-	-	-	-
Unlisted shares	-	-	1,283	-	1,283
Funds invested in Massey University Foundation	-	-	-	-	-
Shares	-	-	1,564	-	1,564
Fair value through income statement - managed funds	-	11,711	-	-	11,711
<b>Total Financial Assets</b>	<b>95,806</b>	<b>11,711</b>	<b>2,847</b>	<b>-</b>	<b>110,364</b>
<b>FINANCIAL LIABILITIES</b>					
Trade & other payables	-	-	-	14,711	14,711
Accrued expenses	-	-	-	12,212	12,212
Borrowings: term loans	-	-	-	24,281	24,281
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,204</b>	<b>51,204</b>

**Consolidated 2008**

Classification of Financial Assets & Liabilities	Loan and Receivables	Assets at Fair Value through Profit & Loss	Assets Available for Sale	Other Liabilities at Amortised Cost	Total
<b>FINANCIAL ASSETS</b>					
Cash & cash equivalents	44,438	-	-	-	44,438
Trade & other receivables	18,219	-	-	-	18,219
Prepayments	5,613	-	-	-	5,613
Loans	148	-	-	-	148
Short-term deposits with maturities of 4-12 months	35,165	-	-	-	35,165
Term deposits maturing between 1 and 5 years	6,105	-	-	-	6,105
Shares in subsidiaries	-	-	-	-	-
Unlisted shares	-	-	1,027	-	1,027
Funds invested in Massey University Foundation	-	-	-	-	-
Shares	-	-	1,923	-	1,923
Fair value through income statement - managed funds	-	10,259	-	-	10,259
<b>Total Financial Assests</b>	<b>109,688</b>	<b>10,259</b>	<b>2,950</b>	<b>-</b>	<b>122,897</b>
<b>FINANCIAL LIABILITIES</b>					
Trade & other payables	-	-	-	14,359	14,359
Accrued expenses	-	-	-	8,608	8,608
Borrowings: term loans	-	-	-	24,965	24,965
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,932</b>	<b>47,932</b>

**Note 9A. Fair value hierarchy disclosures**

For those instruments recognised at fair value on the balance sheet, fair values are determined according to the following hierarchy:

- Quoted Market Price - Financial Instruments with quoted prices for identical instruments in active markets
- Valuation technique using observable inputs - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in an inactive market and financial instruments valued using models where significant inputs are observable
- Valuation techniques with significant non-observable inputs - Financial instruments valued using models where one or more significant inputs are not observable

The following table analyses the basis of the valuation classes of financial instruments measured at fair value on the balance sheet

<i>University 2009</i>				
<b>Classification of Financial Assets &amp; Liabilities</b>	<b>Total</b>	<b>Quoted market price (\$000)</b>	<b>Observable inputs (\$000)</b>	<b>Significant non- observable inputs (\$000)</b>
<b>FINANCIAL ASSETS</b>				
Shares	1,564	-	1,564	-
Funds invested in Massey University Foundation	11,089	-	11,089	-

<i>Consolidated 2009</i>				
<b>Classification of Financial Assets &amp; Liabilities</b>	<b>Total</b>	<b>Quoted market price (\$000)</b>	<b>Observable inputs (\$000)</b>	<b>Significant non- observable inputs (\$000)</b>
<b>FINANCIAL ASSETS</b>				
Shares	1,564	-	1,564	-
Managed funds	11,711	-	11,711	-



**Note 10. Shares in Subsidiaries**

Name of entity: Massey Ventures Limited  
Principal activity: Holding Company  
Ownership: 100%  
Contribution: \$47,731 ( 2008: \$79,000 )  
Fair Value of Investment: \$1,586,335

The fair value of Massey University's investment in Massey Ventures Limited as approximated by the net assets of the company as at 31 December 2009: \$1,586,335. As at 31 December 2008: (\$162,000).

Name of entity: Massey University Foundation  
Principal activity: Investment  
Ownership: 100%  
Contribution: \$689,000 { 2008: (\$642,000) }  
Fair Value of Investment: \$11,062,000

The fair value of Massey University's investment in Massey University Foundation as approximated by the net assets of the entity as at 31 December 2009: \$11,062,000. As at 31 December 2008: \$10,269,000.

**Note 11. Cash and Cash Equivalents**

	<i>University</i>		<i>Consolidated</i>	
	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>
Cash at bank and in hand	3,967	7,212	4,576	7,916
Short-term deposits with maturities of 3 months or less	44,000	35,583	44,550	36,522
<b>Total Cash and Cash Equivalents</b>	<b>47,967</b>	<b>42,795</b>	<b>49,126</b>	<b>44,438</b>

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value. Refer to Note 15 for weighted average effective rates for cash and cash equivalents.

	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>
United States of America	1,728	10,717
Australia	3	26
Great Britain	12	13
Euro's	268	310
Yen	94	-

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

**Note 12. Trade and Other Receivables**

	<i>University</i>		<i>Consolidated</i>	
	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>
Trade debtors	14,774	13,718	16,106	14,832
Other amounts receivable	8,571	3,942	8,736	4,108
Related parties receivables	195	200	-	-
Prepayments	8,071	5,613	8,071	5,613
Loans	125	148	125	148
Loans to related parties	-	1,375	-	-
	<b>31,736</b>	<b>24,996</b>	<b>33,038</b>	<b>24,701</b>
Less provision for doubtful debts	(839)	(689)	(891)	(721)
	<b>30,897</b>	<b>24,307</b>	<b>32,147</b>	<b>23,980</b>
Less non-current portion:				
Loans	125	148	125	148
Loans to related parties	-	1,375	-	-
Total non-current portion	<b>125</b>	<b>1,523</b>	<b>125</b>	<b>148</b>
<b>Current Portion</b>	<b>30,772</b>	<b>22,784</b>	<b>32,022</b>	<b>23,832</b>

Loans to related parties are on call and at 0% interest and therefore approximates their fair value.

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

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

	<i>University</i>		<i>Consolidated</i>	
	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>
> 3 Months	1,649	1,474	1,714	1,474

As at 31 December 2009 and 2008, all overdue receivables have been assessed for impairment and appropriate provisions applied. Massey University does not hold any collateral as security or other credit enhancements over receivables that are past due or impaired.

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

	<i>University</i>		<i>Consolidated</i>	
	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>
At 1 January	689	763	721	776
Additions made during the year	150	-	170	-
Receivables written off during the year	-	(74)	-	(55)
At 31 December	<b>839</b>	<b>689</b>	<b>891</b>	<b>721</b>

**Note 13. Inventories**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
Material and stores	1,435	1,120	1,435	1,120
<b>Total</b>	<b>1,435</b>	<b>1,120</b>	<b>1,435</b>	<b>1,120</b>

The carrying amount of inventories identified as held for distribution as at 31 December 2009 amounted to \$1,065,089 (2008, \$687,337 ); The carrying amount of inventories pledged as securities for liabilities is nil (2008 nil).

**Note 14. Biological Assets**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Livestock</b>				
Opening balance	3,459	3,580	3,459	3,580
Increase due to purchase	417	286	417	286
Gains/(losses) arising from changes in fair value	(171)	229	(171)	229
Decreases due to sales	(280)	(636)	(280)	(636)
<b>Closing Balance</b>	<b>3,425</b>	<b>3,459</b>	<b>3,425</b>	<b>3,459</b>
<b>Forestry</b>				
Opening balance	559	499	559	499
Gains/(losses) arising from changes in fair value	102	60	102	60
<b>Closing Balance</b>	<b>661</b>	<b>559</b>	<b>661</b>	<b>559</b>
Current	3,425	3,459	3,425	3,459
Non-current	661	559	661	559
<b>Total</b>	<b>4,086</b>	<b>4,018</b>	<b>4,086</b>	<b>4,018</b>

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

No forests have been harvested in this period (2008: nil).

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

Fair Value is the market value less estimated point of sale costs.

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

Livestock has been valued at market value.

## Note 15. Other Financial Assets

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Current Portion</b>				
Loans and receivables:	-	-	-	-
Short-term deposits with maturities of 4-12 months	13,551	35,165	14,401	35,165
<b>Total Current Portion</b>	<b>13,551</b>	<b>35,165</b>	<b>14,401</b>	<b>35,165</b>
<b>Non-Current Portion</b>				
Loans and receivables	-	5,980	132	6,105
Fair value through equity - shares	1,564	1,923	1,564	1,923
Fair value through income statement - managed fund	-	-	11,711	10,259
Unlisted shares	607	608	1,283	1,027
Funds invested in Massey University Foundation	11,089	10,269	-	-
Shares in subsidiaries	1,912	510	-	-
<b>Total Non-Current Portion</b>	<b>15,172</b>	<b>19,290</b>	<b>14,690</b>	<b>19,314</b>

There were no impairment provisions for other financial assets.

Unlisted shares: No market exists for the unlisted shares and these are shown at cost because either the fair value of the investment cannot be determined using a standardised valuation technique or due to cost not being materially different to fair value.

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Maturity analysis and effective interest rate:</b>				
Short-term deposits with maturities of 3 months or less	44,000	35,583	44,100	36,522
Weighted average interest rate	3.35%	4.31%	3.35%	4.38%
Short-term deposits with maturities of 4-12 months	13,551	35,165	14,401	35,165
Weighted average interest rate	6.33%	8.25%	6.23%	8.25%
Term deposits maturing between 1 and 2 years	-	5,980	132	6,105
Weighted average interest rate	0.00%	8.54%	8.52%	8.52%
Term deposits maturing after 2 years but less than 5 years	-	-	-	-
Weighted average interest rate	0.00%	0.00%	0.00%	0.00%
	<b>57,551</b>	<b>76,728</b>	<b>58,633</b>	<b>77,792</b>

The fair values of Term Deposits are as follows.

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Fair value on Term Deposits (&gt;3 months):</b>				
<b>Fair value as at 31 December</b>	<b>13,648</b>	<b>42,499</b>	<b>13,648</b>	<b>42,499</b>

**Note 16. Non-Current Assets Held for Sale**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Non-Current Assets Held for Sale are:</b>				
Air craft	954	-	954	-
Land	905	979	905	979
Buildings	835	954	835	954
<b>Total Non-Current Assets Held for Sale</b>	<b>2,694</b>	<b>1,933</b>	<b>2,694</b>	<b>1,933</b>

The Council approved the sale of Ruawharo Campus on 7th July 2006, the site was still used as a campus until early 2007. To date this property has been subject to two conditional offers, both of which failed to go unconditional. This property remains for sale and is currently being marketed.

On 5th September 2008 the Council approved the replacement of the University's fleet of aircraft. To date two aircraft have been sold with the balance of the fleet being actively marketed.

**Note 17. Investment Property**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
Balance at 1 January	2,480	3,272	2,480	3,272
Fair value gains/(losses) on valuation	(115)	(792)	(115)	(792)
<b>Balance at 31 December</b>	<b>2,365</b>	<b>2,480</b>	<b>2,365</b>	<b>2,480</b>

Massey University investment properties are valued annually at fair value effective 31 December.

All investment properties were valued based on open market evidence.

Land and Buildings were valued by Kerry Stewart FPINZ, FPINZ of Quotable Value New Zealand Limited.



**Note 18. Property, Plant and Equipment**

**University 2009**

	Cost/ Valuation 01 Jan 2009	Accumulated Depreciation & Impairment 01 Jan 2009	Carrying Amount 01 Jan 2009	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2009	Accumulated Depreciation & Impairment 31 Dec 2009	Carrying Amount 31 Dec 2009
Land	180,321	-	180,321	-	79	-	-	-	-	-	180,242	-	180,242
Buildings	639,478	230	639,248	10,938	-	-	(800)	-	-	21,123	649,616	21,353	628,263
Leasehold improvement	4,567	1,642	2,925	21	-	-	-	-	-	439	4,588	2,081	2,507
Aircraft	1,804	303	1,501	175	1,979	404	-	-	-	101	-	-	-
Furniture	2,195	1,699	496	10	9	9	-	-	-	138	2,196	1,828	368
Equipment	136,105	99,799	36,306	6,190	1,331	1,181	-	-	-	7,983	140,964	106,601	34,363
Implements	204	170	34	8	-	-	-	-	-	5	212	175	37
Vehicles	3,167	2,681	486	228	245	187	-	-	-	127	3,150	2,621	529
Art	1,558	-	1,558	-	-	-	-	-	-	-	1,558	-	1,558
Library	71,762	38,710	33,052	6,406	-	-	-	-	-	7,471	78,168	46,181	31,987
Work in progress	25,290	-	25,290	37,481	-	-	-	-	-	-	62,771	-	62,771
	<b>1,066,451</b>	<b>145,234</b>	<b>921,217</b>	<b>61,457</b>	<b>3,643</b>	<b>1,781</b>	<b>(800)</b>	<b>-</b>	<b>-</b>	<b>37,387</b>	<b>1,123,465</b>	<b>180,840</b>	<b>942,625</b>

**University 2008**

	Cost/ Valuation 01 Jan 2008	Accumulated Depreciation & Impairment 01 Jan 2008	Carrying Amount 01 Jan 2008	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2008	Accumulated Depreciation & Impairment 31 Dec 2008	Carrying Amount 31 Dec 2008
Land	203,506	-	203,506	715	-	-	-	(23,900)	-	-	180,321	-	180,321
Buildings	591,694	36,133	555,561	26,184	222	221	(877)	22,699	55,013	19,331	639,478	230	639,248
Leasehold improvement	4,328	1,214	3,114	271	32	8	-	-	-	436	4,567	1,642	2,925
Aircraft	1,804	208	1,596	-	-	1	-	-	-	96	1,804	303	1,501
Furniture	2,161	1,523	638	51	17	16	-	-	-	192	2,195	1,699	496
Equipment	127,988	93,486	34,502	9,784	1,667	1,386	-	-	-	7,699	136,105	99,799	36,306
Implements	184	165	19	20	-	-	-	-	-	5	204	170	34
Vehicles	3,106	2,642	464	179	118	88	-	-	-	127	3,167	2,661	486
Art	1,558	-	1,558	-	-	-	-	-	-	-	1,558	-	1,558
Library	65,689	31,863	33,826	6,073	-	-	-	-	-	6,847	71,762	38,710	33,052
Work in progress	33,289	-	33,289	(7,999)	-	-	-	-	-	-	25,290	-	25,290
	<b>1,035,307</b>	<b>167,234</b>	<b>868,073</b>	<b>35,278</b>	<b>2,056</b>	<b>1,720</b>	<b>(877)</b>	<b>(1,201)</b>	<b>55,013</b>	<b>34,733</b>	<b>1,066,451</b>	<b>145,234</b>	<b>921,217</b>

Transfers from Work in Progress to the Asset Register were \$23,976 (2008: \$43,277).

**Consolidated 2009**

	Cost/ Valuation 01 Jan 2009	Accumulated Depreciation & Impairment 01 Jan 2009	Carrying Amount 01 Jan 2009	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2009	Accumulated Depreciation & Impairment 31 Dec 2009	Carrying Amount 31 Dec 2009
Land	180,321	-	180,321	-	79	-	-	-	-	-	180,242	-	180,242
Buildings	639,478	230	639,248	10,938	-	-	(800)	-	-	21,123	649,616	21,353	628,263
Leasehold improvement	4,588	1,648	2,940	57	-	-	-	-	-	443	4,645	2,091	2,554
Aircraft	1,804	303	1,501	175	1,979	404	-	-	-	101	-	-	-
Furniture	2,235	1,717	518	14	9	9	-	-	-	143	2,240	1,851	389
Equipment	136,639	100,001	36,639	6,405	1,373	1,198	-	-	-	8,073	141,671	106,876	34,796
Implements	204	170	34	8	-	-	-	-	-	5	212	175	37
Vehicles	3,209	2,723	486	285	245	187	-	-	-	129	3,249	2,665	584
Art	1,558	-	1,558	-	-	-	-	-	-	-	1,558	-	1,558
Library	71,762	38,710	33,052	6,406	-	-	-	-	-	7,471	78,168	46,181	31,987
Work in progress	25,290	-	25,290	37,481	-	-	-	-	-	-	62,771	-	62,771
	<b>1,067,088</b>	<b>145,502</b>	<b>921,587</b>	<b>61,769</b>	<b>3,685</b>	<b>1,798</b>	<b>(800)</b>	<b>-</b>	<b>-</b>	<b>37,488</b>	<b>1,124,372</b>	<b>181,192</b>	<b>943,181</b>

**Consolidated 2008**

	Cost/ Valuation 01 Jan 2008	Accumulated Depreciation & Impairment 01 Jan 2008	Carrying Amount 01 Jan 2008	Additions	Disposals at Cost	Depreciation on Disposals	Impairments	Revaluations	Depreciation Recovered on Revaluation	Depreciation	Cost/ Valuation 31 Dec 2008	Accumulated Depreciation & Impairment 31 Dec 2008	Carrying Amount 31 Dec 2008
Land	203,506	-	203,506	715	-	-	-	(23,900)	-	-	180,321	-	180,321
Buildings	591,694	36,133	555,561	26,184	222	221	(877)	22,699	55,013	19,331	639,478	230	639,248
Leasehold improvement	4,341	1,217	3,124	279	32	8	-	-	-	439	4,588	1,648	2,940
Aircraft	1,804	208	1,596	-	-	1	-	-	-	96	1,804	303	1,501
Furniture	2,197	1,535	662	56	18	16	-	-	-	198	2,235	1,717	518
Equipment	128,739	93,826	34,914	9,860	1,960	1,606	-	-	-	7,781	136,639	100,001	36,639
Implements	184	165	19	20	-	-	-	-	-	5	204	170	34
Vehicles	3,176	2,688	488	179	146	98	-	-	-	133	3,209	2,723	486
Art	1,558	-	1,558	-	-	-	-	-	-	-	1,558	-	1,558
Library	65,689	31,863	33,826	6,073	-	-	-	-	-	6,847	71,762	38,710	33,052
Work in progress	33,289	-	33,289	(7,999)	-	-	-	-	-	-	25,290	-	25,290
	<b>1,056,177</b>	<b>167,635</b>	<b>868,543</b>	<b>35,367</b>	<b>2,378</b>	<b>1,950</b>	<b>(877)</b>	<b>(1,201)</b>	<b>55,013</b>	<b>34,830</b>	<b>1,067,088</b>	<b>145,502</b>	<b>921,587</b>

Impairment Losses of \$800,000 (2008: \$877,652) have been recognised for impairment of operational buildings that either will be or were demolished or removed to make way for future campus developments. Massey University does not have any financing leases.

Asset values included in the balance sheet as at 31 December 2009 include all land and buildings as occupied and utilised by Massey University. The exception to this is the land on Riverside Farm (leased from Sydney Campbell Foundation).

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

	<i>Land</i>		<i>Buildings</i>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
i) Massey University owned	89,428	104,821	374,716	386,730
ii) Crown owned (includes buildings on Crown owned land)	90,814	75,500	253,547	252,519
	<b>180,242</b>	<b>180,321</b>	<b>628,263</b>	<b>639,249</b>

Land and Buildings were valued by Kerry Stewart FPINZ, FPINZ of Quotable Value New Zealand Limited.

The BNZ holds a registered mortgage over the Albany Campus, please refer to Note 20.

#### **Note 19. Trade and Other Payables**

	<i>University</i>		<i>Consolidated</i>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
Trade payables	373	297	878	968
Other payables	13,573	13,184	13,833	13,391
Accrued expenses	12,188	8,596	12,212	8,608
Amounts due to related parties	-	52	-	-
Building retentions	80	23	80	23
<b>Total Trade payables</b>	<b>26,214</b>	<b>22,152</b>	<b>27,003</b>	<b>22,990</b>

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

#### **Note 20. Borrowings**

	<i>University</i>		<i>Consolidated</i>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
<b>Current</b>				
Term loans	811	405	811	405
<b>Total Current Borrowings</b>	<b>811</b>	<b>405</b>	<b>811</b>	<b>405</b>
<b>Non-current</b>				
Term loans	23,470	24,586	23,470	24,560
<b>Total Non-Current Borrowings</b>	<b>23,470</b>	<b>24,586</b>	<b>23,470</b>	<b>24,560</b>

Fixed-Rate Debt: Massey University Debt of \$24,281,317 is issued at fixed rates of interest against which the BNZ holds a registered mortgage over the Albany Campus, which is included in Note 18.

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Maturity analysis and effective interest rate:</b>				
Less than one year	811	405	811	405
Weighted average interest rate	6.70%	6.71%	6.70%	6.71%
Later than one year but less than 20 years	23,470	24,586	23,470	24,560
Weighted average interest rate	6.70%	6.71%	6.70%	6.71%
<b>Total Borrowings</b>	<b>24,281</b>	<b>24,991</b>	<b>24,281</b>	<b>24,965</b>

**Fair value on borrowings:**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
The fair values of non-current borrowings are as follows:				
<b>Fair Value as at 31 December</b>	<b>23,533</b>	<b>25,220</b>	<b>23,533</b>	<b>25,220</b>

**Note 21. Employee Entitlements**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
Accrued pay	4,011	1,929	4,014	1,933
Annual leave	13,881	17,357	13,994	17,438
Long service leave	949	1,404	964	1,429
Retirement gratuities	27,701	28,325	27,701	28,325
<b>Total</b>	<b>46,542</b>	<b>49,015</b>	<b>46,673</b>	<b>49,125</b>
Current	19,333	20,126	19,449	20,211
Non-current	27,209	28,889	27,224	28,914
<b>Total</b>	<b>46,542</b>	<b>49,015</b>	<b>46,673</b>	<b>49,125</b>

The long service leave and retirement gratuities were independently assessed as at 31 December 2009 by Mr J Eriksen FIA, a Fellow of the New Zealand Society of Actuaries with Eriksen & Associates.

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 incidents according to assumed rates of depth, 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 rates.

Discount rates range from 4.29% to 6.93% for 9 years and beyond (2008: 4.05% to 5.13%).

Salary progression allows for a 2.75% increase per year (2008: 2.75%).

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

**Note 22. Receipts in Advance**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
Student fees	13,321	12,607	13,905	12,935
Receipts other	26,878	20,468	27,320	20,834
<b>Total Receipts in Advance</b>	<b>40,199</b>	<b>33,075</b>	<b>41,225</b>	<b>33,769</b>
Current	39,187	32,027	40,213	32,721
Non-current	1,012	1,048	1,012	1,048
<b>Total Receipts in Advance</b>	<b>40,199</b>	<b>33,075</b>	<b>41,225</b>	<b>33,769</b>

The current portion of receipts in advance is expected to be recognised as income during 2010.

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

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

**Note 23. Asset Revaluation Reserves**

	<i>University</i>		<i>Consolidated</i>	
	2009 (\$000)	2008 (\$000)	2009 (\$000)	2008 (\$000)
<b>Land &amp; Buildings</b>				
Balance 1 January	390,145	337,505	390,145	337,505
Revaluation	-	53,517	-	53,517
Impairment	(800)	(877)	(800)	(877)
<b>Balance 31 December</b>	<b>389,345</b>	<b>390,145</b>	<b>389,345</b>	<b>390,145</b>

**Note 24. Public Equity**

	Notes	<i>University 2009</i>			<i>University 2008</i>				
		Opening Balance 01.01.09 (\$000)	Movements (\$000)	Operating Surplus/ Deficit (\$000)	Closing Balance 31.12.09 (\$000)	Opening Balance 01.01.08 (\$000)	Movements (\$000)	Operating Surplus/ Deficit (\$000)	Closing Balance 31.12.08 (\$000)
Trust funds	25	17,748	-	705	18,453	17,268	-	480	17,748
Asset revaluation reserves	23	390,145	(800)	-	389,345	337,505	52,640	-	390,145
Special reserves		26,964	-	-	26,964	26,973	(9)	-	26,964
Fair value to equity		-	-	-	-	79	(79)	-	-
General reserves		488,235	-	559	488,794	479,223	4,117	4,895	488,235
<b>Total</b>		<b>923,092</b>	<b>(800)</b>	<b>1,264</b>	<b>923,556</b>	<b>861,048</b>	<b>56,669</b>	<b>5,375</b>	<b>923,092</b>



	Notes	<i>Consolidated 2009</i>				<i>Consolidated 2008</i>			
		Opening Balance		Operating Surplus	Closing Balance	Opening Balance		Operating Surplus	Closing Balance
		01.01.09	Movements	Deficit	31.12.09	01.01.08	Movements	Deficit	31.12.08
		(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Trust funds	25	17,748	-	705	18,453	17,268	-	480	17,748
Asset revaluation reserves	23	390,145	(800)	-	389,345	337,505	52,640	-	390,145
Special reserves		27,054	-	-	27,054	26,973	81	-	27,054
Fair value to equity		-	-	-	-	79	(79)	-	-
General reserves		488,239	275	1,577	490,091	479,304	4,179	4,756	488,239
<b>Total</b>		<b>923,186</b>	<b>(525)</b>	<b>2,282</b>	<b>924,943</b>	<b>861,129</b>	<b>56,821</b>	<b>5,236</b>	<b>923,186</b>

## Note 25. Trust Funds

	<i>University 2009</i>			<i>University 2008</i>		
	Opening Balance		Closing Balance	Opening Balance		Closing Balance
	01.01.09	Movement	31.12.09	01.01.08	Movement	31.12.08
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Helen Akers Bequest	771	(42)	729	836	(65)	771
MU Common Fund	10,471	729	11,200	9,995	476	10,471
Sasakawa Foundation	5,753	(10)	5,743	5,747	6	5,753
Delahunty Trust	569	20	589	525	44	569
Norwood Trust	75	3	78	69	6	75
A G East Memorial Trust	42	-	42	26	16	42
Tony Drakeford Memorial Trust	67	5	72	70	(3)	67
Other Trusts	-	-	-	-	-	-
<b>Total Trust Funds</b>	<b>17,748</b>	<b>705</b>	<b>18,453</b>	<b>17,268</b>	<b>480</b>	<b>17,748</b>

	<i>Consolidated 2009</i>			<i>Consolidated 2008</i>		
	Opening Balance		Closing Balance	Opening Balance		Closing Balance
	01.01.09	Movement	31.12.09	01.01.08	Movement	31.12.08
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Helen Akers Bequest	771	(42)	729	836	(65)	771
MU Common Fund	10,471	729	11,200	9,995	476	10,471
Sasakawa Foundation	5,753	(10)	5,743	5,747	6	5,753
Delahunty Trust	569	20	589	525	44	569
Norwood Trust	75	3	78	69	6	75
A G East Memorial Trust	42	-	42	26	16	42
Tony Drakeford Memorial Trust	67	5	72	70	(3)	67
Other Trusts	-	-	-	-	-	-
<b>Total Trust Funds</b>	<b>17,748</b>	<b>705</b>	<b>18,453</b>	<b>17,268</b>	<b>480</b>	<b>17,748</b>

Although these items are trusts, Massey University has control over them and obtains benefits associated with ownership of them. They have therefore been treated as equity in the Parent and Consolidated Balance Sheet. Details of trust funds are as follows:

**Helen Akers Bequest** - funds bequeathed from the Estate of Helen Akers to provide scholarships for students.

**Massey University Property Foundation** - foundation established to support the Department of Finance, Banking and Property Studies and the Real Estate industry.

**Massey University Common Fund** - pool of funds used for holding and paying out scholarships and prize monies to students.

**Sasakawa Foundation** - scholarships provided from the Sasakawa Foundation, Japan, for students.

**Delahunty Trust** - trust fund established to provide research grants to foster primary industry accounting research to students living in New Zealand.

**Norwood Trust** - prizes for students for achievement in trade courses.

**A G East Memorial Trust** - educational scholarships for technical and trade courses.

**Tony Drakeford Memorial Trust** - educational scholarships for commerce courses.

## **Note 26. Joint Venture**

Massey University's interest in the New Zealand School of Music (NZSM) joint venture is accounted for as a jointly controlled operation.

Massey University's interest in NZSM is as follows:

	<b>Consolidated</b>	
	<b>2009</b>	<b>2008</b>
	<b>(\$000)</b>	<b>(\$000)</b>
Current assets	1,973	1,799
Non-current assets	324	163
Current liabilities	1,082	853
Non-current liabilities	15	25
Income	3,992	3,818
Expense	3,726	3,394

**Joint Venture Commitment and Contingencies:** There were no commitments or contingent liabilities arising from Massey University's involvement in the joint venture.

**Note 27. Council Members' Fees Paid During 2009 Year**

	2009	2008
R Ballard	25,350	8,960
S Kos	11,200	11,200
S Baragwanath	2,720	3,520
R Fifield	-	3,840
N Gould	640	25,350
C Kelly	8,960	5,120
B Heap	-	4,160
N Love	2,240	2,400
M Mullins	1,760	1,920
A Paterson	8,960	8,960
K Pearce	4,320	-
A Scott	1,600	-
A Sorenson	4,320	-
R Springett	3,680	4,640
B Ullrich	5,120	4,960
<b>Total</b>	<b>80,870</b>	<b>85,030</b>

**Note 28. Related Party Information****Members of Council**

During the year Massey purchased goods and services from or sold goods and services to:

- Byrd Services Limited, of which Mr N Gould, a Councillor of Massey University has an interest: Supplied goods and services to Massey University at a cost of nil (2008: \$34,143) amount owing at year end nil (2008: nil)
- Professor Sir N Love, a Councillor of Massey University, is a trustee and a director of the following organisations:
  - Massey supplied goods and services to Te Papa Tongarewa at a cost of \$3,316 (2008: nil), amount owing at year end nil (2008: nil)
  - Wellington 10ths Trust supplied services at a cost of \$337,500 (2008: \$337,500) with nil (2008: nil) owing by Massey University at the end of the year.
- Land Corp Farming Ltd, of which Mr C Kelly, a Councillor of Massey University, is CEO: Massey supplied goods and services at a cost of \$1,494 (2008: \$30,431), amount owing at year end nil (2008: nil)
- Polybatics Ltd, of which Mr C Kelly, a Councillor of Massey University, is a director: Massey supplied goods and services at a cost of \$100,211 (2008: nil), amount owing at year end \$67,500 (2008: nil)
- Agricultural ITO, of which Mr C Kelly, a Councillor of Massey University, is a director: Massey supplied goods and services at a cost of \$3,924 (2008: \$1,360), amount owing at year end nil (2008: nil)
- NZ Landcare Trust, of which Mrs M Mullins, a Councillor of Massey University, is a trustee: Massey supplied goods and services at a cost of nil (2008: \$163,574), amount owing at year end nil (2008: nil)

- FCS Group Limited, of which Mr B Ullrich, a Councillor of Massey University, is a director: Supplied goods and services to Massey at a cost of \$2,080 (2008: nil), amount owing at year end nil (2008: nil)

All goods were supplied under normal commercial terms.

There were no transactions between Massey University and other Councillors.

### Key Management Personnel

	<i>University</i>		<i>Consolidated</i>	
	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>	<b>2009</b> <b>(\$000)</b>	<b>2008</b> <b>(\$000)</b>
Remuneration				
Short-term employment benefits	3,532,115	3,363,162	3,532,115	3,363,162
Post-employment benefits	182,888	151,995	182,888	151,995
Council fees	80,870	85,030	143,070	140,130
	<b>3,795,873</b>	<b>3,600,187</b>	<b>3,858,073</b>	<b>3,655,287</b>

Key personnel include the Council, Vice-Chancellor and senior executive who report directly to the Vice-Chancellor.

<b>Remuneration Bands in \$000</b>	<b>Number of Staff</b>
100 - 109	226
110 - 119	106
120 - 129	55
130 - 139	50
140 - 149	35
150 - 159	22
160 - 169	10
170 - 179	9
180 - 189	8
190 - 199	4
200 - 209	7
210 - 219	2
220 - 229	7
230 - 239	1
240 - 249	2
250 - 259	-
260 - 269	2
270 - 279	-
280 - 289	1
	<b>547</b>

The above table does not include the Vice Chancellors income, which is reported directly to the SSC in their annual return.

### ***Material Related Party Transactions***

Professor J Chapman, a Pro Vice Chancellor of Massey University has an interest in Sterling Human Resources Ltd: - supplied goods and services to Massey University at a cost of \$80,115 (2008: \$73,224). Amount outstanding at balance date was nil (2008: nil)

Steve Maharey, Vice Chancellor of Massey University has an indirect interest in Flicka Ltd: - supplied goods and services to Massey University at a cost of \$9,500(2008: nil). Amount outstanding at balance date was nil (2008: nil)

Professor J Raine, Regional Chief Executive Manawatu and International, has an interest in REANNZ Limited: - supplied goods and services to Massey University at a cost of \$296,496 (2008:nil) and Massey supplied them goods and services of \$13,923 (2008:nil). Amount outstanding at balance date was nil (2008: nil).

Professor I Warrington, Deputy Vice-Chancellor and Regional Chief Executive Manawatu, is a Director of Bio Commerce Centre: - supplied goods and services to Massey University services at a cost of \$75,860 (2008:\$27,147) and Massey supplied them goods and services of \$24,316 (2008:\$24,147). Amount outstanding at balance date was nil (2008: nil).

All goods were supplied under normal commercial terms.

There were no other transactions between Massey University and key personnel.

### ***The Crown***

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

### ***Creative Campus Enterprises Limited***

Creative Campus Enterprises Limited ceased trading as at the 31st December 2007; the company was wound up and removed from the Companies Office Register in 2008.

### ***New Zealand School of Music (NZSM) Limited***

During the year Massey University entered into transactions with NZSM Limited. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged NZSM Limited \$2,225,549(2008: \$2,015,906), including GST for rental, postage, salaries, computing, communications, printing, payroll and financial services. The amount owed to Massey University by NZSM Limited at the year end was \$149,347 (2008: \$4,675), payable under normal trading terms.

NZSM Limited charged Massey University \$2,000 (2008: \$172,000), including GST for music performances and other music-related services. The amount owed to NZSM Limited by Massey University at the end of the year was nil (2008: \$80,000), payable under normal trading terms.

### ***Massey University Foundation (MUF)***

During the year Massey University received a net contribution from Massey University Foundation of \$727,574 (2008 net loss: \$168,000), being a return on funds managed by Massey University Foundation.

***Massey Ventures Limited (MVL)***

During the year Massey University entered into no transactions with Massey Ventures Limited (MVL). A loan from Massey University of \$1,402,038, was converted into share capital.

Massey Ventures Limited has a loan from Massey University of nil (2008: \$1,375,503).

***Estendart Limited***

During the year Massey University entered into transactions with Estendart Limited. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged Estendart Limited \$393,280 (2008: \$287,382), including GST for rental, postage, insurance and fixed assets. The amount owed to Massey University by Estendart Limited as the year end was \$22,449 (2008: nil), payable under normal trading terms.

Estendart Limited charged Massey University \$42,762 (2008: \$195,276), including GST for professional services. The amount owed to Estendart Limited by Massey University at the end of the year was nil (2008: \$12,055), payable under normal trading terms.

***E-Centre Limited***

During the year Massey University entered into transactions with E-Centre Limited. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged E-Centre Limited \$247,260 (2008: \$238,515), including GST for rental, security and cleaning. The amount owed to Massey University by E-Centre Limited as the year end was nil (2008: \$19,135), payable under normal trading terms.

***BioCaveo***

During the year Massey University entered into no transactions with BioCaveo. During the year BioCaveo was removed from the companies register on the 9th November 2009.

***Magritek Holdings Limited***

During the year Massey University entered into no transactions with Magritek Holdings Limited.

***New Zealand Vet Pathology (NZVPL) Limited***

During the year Massey University entered into transactions with NZVPL. All transactions were conducted on an arm's length basis using commercial terms.

Massey University charged NZVPL \$119,011 (2008: \$149,401), including GST for rental, postage, insurance and other services. The amount owed to Massey University by NZVPL at the year end was \$30,398 (2008: \$126,261), payable under normal trading terms.

NZVPL charged Massey University \$15,369 (2008: \$168,358), including GST for professional services. The amount owed to NZVPL by Massey University at the end of the year was nil (2008: nil), payable under normal trading terms.

**Note 29. Statement of Commitments**

	Projected Total Cost of Project (\$000)	Expenditure to 31.12.09 (\$000)	Unspent Commitment (\$000)
<b>Total Project Commitments 2009</b>	60,046	47,044	13,002
<b>Total Project Commitments 2008</b>	56,222	21,764	34,458

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

	<i>University</i>		<i>Consolidated</i>	
	Actual 2009 (\$000)	Actual 2008 (\$000)	Actual 2009 (\$000)	Actual 2008 (\$000)
<b>Operating Leases</b>				
Due not later than 1 year	5,108	3,670	5,372	3,933
Due later than 1 year and not later than 5 Years	8,825	7,483	9,852	8,536
Due later than 5 years	2,734	4,917	2,927	5,303
<b>Total</b>	<b>16,667</b>	<b>16,070</b>	<b>18,151</b>	<b>17,772</b>
<b>Other Commitments</b>				
Due not later than 1 year	1,600	2,763	1,600	2,763
Due later than 1 year and not later than 5 years	818	4,766	818	4,766
Due later than 5 years	373	441	373	441
<b>Total</b>	<b>2,791</b>	<b>7,970</b>	<b>2,791</b>	<b>7,970</b>

**Note 30. Statement of Contingent Liabilities**

As at 31 December 2009, Massey University had the following contingent liabilities (University and Consolidated):

- There were 9 employee personal grievances against the University as at 31 December 2009.
- The Contingent Liability was assessed at \$165,000 (2008: \$130,000).
- Three students have lodged separate claims against the University. The University is defending its position. Contingent liability is assessed at \$390,000 (2008: nil)
- A contractor has lodged a claim against the University. The University is defending its position. Contingent liability is assessed at nil (2008: nil).

**Note 31. Post Balance Date Events**

There are no significant post balance date events (2008: nil).

**Note 32. Financial Instrument Risks**

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



## **Market Risk**

### **Credit Risk**

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

Massey 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 is in line with the Universities Treasury framework.

Maximum exposure to credit risk at balance date are:

	<b>University</b>		<b>Consolidated</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
Bank deposits	61,518	83,940	63,209	85,708
Receivables and prepayments	30,897	24,307	32,147	23,980
Guarantee Bond	30	30	30	30
Credit Facility on Credit Card	4,000	4,000	4,000	4,000
Managed funds	-	-	11,711	10,259

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

Bank Deposits are represented by the following:

	<b>Credit Rating</b>	<b>University</b>		<b>Consolidated</b>	
		<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
		<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
ASB Bank Limited	AA (Very Strong)	5,000	7,000	5,000	7,000
Bank of New Zealand	AA (Very Strong)	5,559	21,495	7,327	23,263
Kiwibank Limited	AA- (Very Strong)	9,000	34,000	9,000	34,000
ANZ National Bank Limited	AA (Very Strong)	37,700	15,695	37,700	15,695
Westpac New Zealand Limited	AA (Very Strong)	5,750	5,750	5,750	5,750
		<b>63,009</b>	<b>83,940</b>	<b>64,777</b>	<b>85,708</b>

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

<http://www.rbnz.govt.nz/nzbanks>

### **Liquidity Risk**

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

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

Massey University manages its borrowings in accordance with its funding and financial policies.

The maturity profiles of Massey University's interest-bearing investments are disclosed in Note 15.

### ***Currency Risk***

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

Massey University minimises the risk over expenditure by holding funds in the major foreign currencies that it does business in. The amount on deposit is determined by the amount that is expected to be incurred against that currency over the next 12 months. Holdings of foreign currencies are disclosed in Note 11.

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

### ***Interest Rate Risks***

The interest rates on Massey University's investments are disclosed in Note 15, and borrowings in Note 20.

### ***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. Massey University is limited by statute in its ability to manage this risk. If interest rates on investments had fluctuated by plus or minus 0.5%, the effect would have been to increase/decrease the surplus by \$381,140. Interest rates on borrowings are fixed and not subject to fluctuation for the duration of the fixed maturity chosen.

### ***Cashflow Interest Rate Risk***

Cash Flow Interest Rate Risk is the risk that cash flows from financial instruments will fluctuate because of changes in market rates. Borrowings and investments made at variable interest rates expose Massey University to cash flow interest rate risk. Apart from some deposits at call for liquidity purposes, Massey University does not have any variable 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. Massey University does not hold any other financial instruments of significance subject to this risk.

## **Note 33. Critical Accounting Estimates and Assumptions**

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

***Long-Service Leave and Retirement Gratuities***

In order to assess Massey University's liability in respect of long-service leave and retirement gratuities, an actuarial report was prepared by Eriksen Actuarial in accordance with NZ IAS 19. (Refer Note 21 for assumptions.)

**Note 34. Critical Judgements in Applying Massey University Accounting Policies**

Management has exercised the following critical judgements in applying Massey University policies for the year ended 31 December 2009.

***Impairment of Trade Receivables***

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

***Impairment of Property Plant and Equipment***

When considering whether any impairment of property plant and equipment existed, the cash generating unit for Massey University is taken to be at campus level. At balance date a review was undertaken and no impairments were disclosed.

***Carrying Value of Land and Buildings***

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

There is land that is owned by the Crown that is recorded on the Massey University Asset Register.

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

## STATEMENT OF SERVICE PERFORMANCE

The Massey University Investment Plan 2008 – 2010 states specific performance indicators and measures under each of the University's nine strategic priorities. The performance indicators are intended to cover all the activities of the University. Performance against these indicators is reported in the Statement of Service Performance. The Appendices provide additional information and detail on the University's profile.

The targets for 2009 in the Statement of Service Performance were set in 2007 when the Investment Plan 2008-2010 was approved by the Tertiary Education Commission. The University's Investment Plan and performance indicator targets for 2010 have been revised during 2009 to be consistent with the strategic direction in the University's long term strategic plan, The Road to 2020.

### STRATEGIC PRIORITY 1:

Enhanced academic outcomes for Māori and Pasifika from the implementation of Massey University's Māori and Pasifika Strategies.

#### Performance Highlights 2009:

- Considerable progress has been made with advancing the KIA MAIA Strategy. Highlights include:
  - Launching MANU AO, an inter-university Māori Academy for academic and professional advancement initiative, led by Massey University, with Dr Selwyn Katene appointed as Director
  - Māori Communications Strategic Plan under development
  - Several doctoral support initiatives have been progressed including:
    - ◆ Two doctoral writing retreats were held in Manawatu and Albany
    - ◆ Doctoral portal updated with fifteen new online research seminars
    - ◆ Dr Nathan Matthews took up the new role of Doctoral Studies Coordinator, in the Office of AVC Māori and Pasifika, to advance Māori postgraduate research
    - ◆ Cyber community launched and maintained
  - 2009 Paerangi Lectures were held on each campus in June and July 2009
  - Inaugural Māori Alumni event heralded as "outstanding success"
  - A Māori & Pasifika Student Success Strategies Planning Workshop was held to focus on encouraging student academic success. Valuable insights were shared from across the University
  - The approach to Strategic Iwi Partnerships was approved and implemented with a Memorandum of Understanding being considered between Ngāti Porou and Massey University
  - All campuses supported the Ngahere Matariki project. On each campus Regional Facilities Management, Māori students, and Māori staff groups organised the planting of a native tree
  - Received confirmation of funding from the TEC Priority for Focus Fund, and the Encouraging and Supporting Innovation Fund

- Considerable progress has also been made with advancing the Pasifika@Massey Strategy. Highlights include:
  - A combined Pasifika knowledge development and research advisory group has been established
  - Pasifika Communications Strategy currently under development
  - The first Pacific qualification, the Certificate of Pacific Development, has been approved, and will be open to new enrolments in 2010
  - One Pasifika supernumerary position has been established
  - A Pasifika Staff Research Award has been established which will enable the release of a Pasifika Lecturer, to initiate or complete a research project
  - Relationships have been established with Pasifika teams in Ministries of Health, Education, and Pacific Island Affairs
  - The Pasifika Directorate presented papers at various Pasifika national and international conferences on research, education, health and the environment
  - Pacific People's Consultancy Groups and Ceremonies to Honour Pasifika Graduates have been established on all campuses
  - A Pasifika Writing and Learning consultant has been appointed full time to ensure that the needs of Pasifika internal and extramural students are met
- The Massey Medical Centre continues to improve its data collection methods to effect measures to improve Māori health outcomes. Akin to this exercise is the development of a Pacific Island Peoples' Health Plan by the Medical Centre to identify any inequalities between Pasifika and non-Pasifika in a suite of measurable health outcomes
- Inaugural Ngā Kupu Māori Book Awards held at the Manawatu campus in September 2009
- Professor Mason Durie, Assistant Vice-Chancellor, Māori and Pasifika, took on the additional role of Deputy Vice-Chancellor
- Māori qualification-level completion rates over 5 years have exceeded targets for 2009, and continued to improve on last year, particularly at postgraduate level
- The drop in course completion rates for Māori research degrees reflects the unusually large cohort who completed in 2008
- Pasifika completion and retention rates, while marginally under target in some areas, showed significant improvement on last year, again at postgraduate level

Performance Indicators	2009 Target	2009 Actual
Implementation of Kia Maia investment initiatives by 2010	Implementation as per plan	Achieved and ongoing
Implementation and extension of the Pasifika @ Massey strategy by 2010	Implementation as per plan	Achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
Māori qualification level completion rate over 5 years (%)	1, 2			
- All levels		19%	20%	20%
- Undergraduate		17%	17%	17%
- Postgraduate (excl. Doctorates)		33%	36%	32%
Māori course completion rate (research degree level) (%)	3	-	84%	96%
Pasifika qualification level completion rate for 1 EFTS & under over 2 Years (%)	1, 4, 5	16%	33%	17%

Performance Indicators	Notes	2008 Target	2008 Actual	2007 Actual
Pasifika qualification level completion rate over 5 years (%)	1, 2			
- All levels		23%	21%	18%
- Undergraduate		18%	15%	15%
- Postgraduate (excl. Doctorates)	5	44%	44%	35%
Pasifika qualification retention rate year 1 to year 2 (%)	4, 5			
- All levels		49%	52%	47%
- Undergraduate		47%	46%	46%
- Postgraduate (excl. Doctorates)		54%	70%	69%

Note:

1. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.
2. 2009 Target and Actual relate to the 2003 cohort of students. 2008 Actual relates to the 2002 cohort of students.
3. This indicator measures course completions by Māori students for courses at research degree level. This is a new indicator and as such, the focus for 2009 has been on collection of base historical data to enable appropriate university-level targets to be set in future years. 2009 Actual relates to 2008 courses. 2008 Actual relates to 2007 courses.
4. 2009 Target and Actual relate to the 2006 cohort of students. 2008 Actual relates to the 2005 cohort of students.
5. The cohort size for this performance indicator is relatively small and this can cause variations in performance between years.

## STRATEGIC PRIORITY 2:

Improved educational success for life-long learners from the continuous improvement of Massey's university-level distance education provision.

### Performance Highlights 2009:

- Associate Professor Mark Brown was appointed to the position of Director Distance and Blended Education and is now working to bring the development goals together in a broader strategy around distance and blended learning at Massey University
- Feasibility study completed for distance programmes in under-serviced regions and populations
- The Bridging the Distance Project received supportive funding from the Tertiary Education Commission (TEC) to establish a research-based framework and online tools for distance learner support. A project manager was appointed in 2009 with substantive work ongoing in 2010
- Investment plan for distance education infrastructure completed
- There is strong alignment between the University's investment in infrastructure for distance education and that for (e)Learning. Implementation of Stream, the University's new Learning Management System, is currently at the centre of these developments. Significant investment was made in 2009 for the technical infrastructure required to support Stream but more importantly, this has been reinforced with expanded training and development capacity for both staff and students.

- The development of a Certificate of University Preparation paper in study skills for distance delivery is complete; this paper and a communication skills paper will be delivered in Semester 2, 2010. The papers are for those students who are intending to continue their study by distance but who need additional preparation prior to embarking on their degree level study i.e. adult learners
- Agreement established with SENAI (National Service for Industrial Apprenticeship) in Brazil to offer Master of Technology via an innovative distance learning partnership
- The Library has been recognised internationally for its outstanding work through the Insync Library Client Survey Report
- The Library's new BONUS reciprocal scheme with eight Australian university libraries (including University of Melbourne and University of Newcastle) allows Massey staff and students to order books not held by Massey directly and in real time from these libraries
- The CUAP approved Diploma of Secondary Teaching in partnership with Cempaka Schools was delayed due to requirements of the Malaysian Government. Over the course of 2009, three other programmes have been developed for delivery in 2010
- Massey University is taking a major role in the organisation of the 2010 Distance Education Association Conference which will provide a significant opportunity for individuals and groups across the sector to discuss issues and advancements in the area of distance learning
- National Tertiary Teaching Excellence Awards for Sustained Excellence were awarded to Heather Kavan (Department of Communication, Journalism and Marketing) and Norman Meehan (New Zealand School of Music)
- Qualification completion rates for distance education students improved at all levels of study in 2009
- Retention rates for students studying at a distance exceeded target and improved on 2008 levels, as did student satisfaction rates

Performance Indicators	2009 Target	2009 Actual
Implement strategic redevelopment goals for distance education by 2013	Implementation as per plan	Achieved and ongoing
Explore the opportunity to provide a wider range of academic programmes in under-served regions and populations	Development	Achieved and ongoing
Invest in infrastructure for distance education	Investment as per programme	Achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
Extramural qualification level completion rate over 5 years (%)	1,2,3			
- All levels		-	18%	15%
- Undergraduate		-	14%	11%
- Postgraduate		-	36%	33%
Extramural retention rate year 1 to year 2 (%)	4	49%	50%	45%
Extramural student satisfaction with services (% students rating services good/very good)		74%	84%	78%
Number of qualifications offered to students overseas via distance learning	3	2	1	1

Note:

1. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.



2. 2009 Target and Actual relate to the 2003 cohort of students. 2008 Actual relates to the 2002 cohort of students.
3. This indicator is a new indicator and as such the focus for 2009 has been on collection of base historical data to enable appropriate university-level targets to be set in future years. Targets have been set for 2010.
4. 2009 Target and Actual relate to the 2006 cohort of students. 2008 Actual relates to the 2005 cohort of students.

### **STRATEGIC PRIORITY 3:**

Improved educational outcomes for learners from strengthening of Massey University's (e)Learning Capacity

#### **Performance Highlights 2009:**

- Paper redesign is in progress as part of Stream implementation. As at December 2009 there are at least 150 papers which have been redesigned for Stream and each of the Colleges is working to an agreed development plan for the implementation of remaining papers in 2010 and 2011
- Investment plan for distance education infrastructure completed. There is strong alignment between the University's investment in infrastructure for distance education and that for (e)Learning. Implementation of Stream, the University's new Learning Management System, is currently at the centre of these developments. Significant investment was made in 2009 for the technical infrastructure required to support Stream, but more importantly this has been reinforced with expanded training and development capacity for both staff and students
- A licence has been negotiated to expand the current electronic toolset for Stream
- A Fund for the Innovative Use of Stream was established and successful applicants from across the university are proceeding with research projects related to student use of information and communications technologies
- Community template has been developed for the Stream environment. Several community and/or programme-wide initiatives are underway in Stream to provide a more cohesive learning experience for a diverse range of learners. Examples include the Māori PhD Community, first year Sciences community, and Wellington Campus postgraduate student community
- Information Systems Strategic Plan currently under development
- Significant additional funding allocated to information technology as part of the 2010 Budget
- The 2009 target was not achieved for the proportion of papers having an (e)Learning component, due to competing demands on staff, including PBRF requirements. Have therefore adopted a slight change in the approach to supporting staff transitioning papers to Stream, to ensure progress while ensuring the integrity of the transition
- Student satisfaction with the online learning environment exceeded target and improved significantly on 2008. This could be attributed to the introduction of Stream, the University's new Learning Management System

Performance Indicators	2009 Target	2009 Actual
Redesign of papers to support the electronic delivery of selected programmes by 2010	Development	Achieved and ongoing
Invest in infrastructure for (e)learning	Investment as per programme	Achieved and ongoing
Develop a research programme to evaluate the impact of information and communications technologies on learners by 2009	Implementation	Achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
Proportion of papers that have an (e)learning component (%)		50%	42%	40%
Student satisfaction with online learning environment (% students rating services good/very good)	1	71%	78%	67%

Note:

1. The wording for the 2009 survey question has changed to “The online learning environment is easy to use (ie WebCT, Stream, OWLL)” and this may have contributed to the percentage increase from 2008 to 2009.

#### **STRATEGIC PRIORITY 4:**

Enhanced contribution to economic transformation and social development through a focused and differentiated academic portfolio.

#### **Performance Highlights 2009:**

- Professor Ingrid Day was appointed to the position of Assistant Vice-Chancellor (Academic & International) in July 2009 and has assumed responsibility for the design and implementation of a major Academic Reform Project that will include strategic review of all papers and programmes in 2010. Academic policies being developed and revised within the Academic Reform Project include assessment, academic integrity, student evaluation, and study material provision. The design phase of the Academic Reform project will include the acknowledgement and extension as appropriate of postgraduate provisions in areas of recognised research strength
- Association to Advance Collegiate Schools of Business (AACSB) accreditation granted for the College of Business for a 5 year period
- Association of MBAs (AMBA) accreditation granted for the MBA qualification. The MBA programme has been redesigned to make it more flexible, more accessible, and more financially sustainable
- School of Accountancy achieved self-certification status with the Chartered Institute of Management Accountants (CIMA), another step in the accreditation process with the international accounting body
- Massey University gained Certified Financial Analyst (CFA) partnership status, recognizing the quality of our undergraduate Finance programmes
- The Institute of Professional Engineers New Zealand (IPENZ) accreditation report of Massey's engineering programmes confirmed accreditation of all established Bachelor of Engineering majors and the two Bachelor of Engineering Technology majors that are being phased out, provisional accreditation of the Product Development and Multimedia Systems Engineering Bachelor of Engineering majors (with full accreditation subject to checks on final year projects), and provisional accreditation of the Electrical, Electronics and Communications Engineering and Product Design Engineering majors of the Bachelor of Engineering (with full accreditation once the first graduates are produced)

- Massey University is working closely with the New Zealand Vice-Chancellors Committee Graduate Outcomes Review Group to establish a longitudinal study of graduate outcomes across the university sub-sector. Funding was secured in 2009 and a subcontractor selected. A pilot of the new survey will be conducted in 2010
- Student City projects continue to be embraced by the tertiary sector, PNCC, and local businesses. Engagement has occurred through the Integrated Education Guardian Group (IEGG), which is coordinated by Vision Manawatu. An internship paper commencing semester 2, 2009, was launched on 18 June. This is a collaborative initiative between the IEGG, College of Business, Student Life Careers' Service, local businesses, and Vision Manawatu to improve the links between students and businesses with the aim to retain graduates in Palmerston North. Thirteen students participated in the first intake
- The Integrated Education Guardian Group (IEGG) has a number of priority areas for development. Dr Shillington is leading the IEGG priority area of "Sports, Wellness and Nutrition" and is in the process of developing a proposal aimed at a Talent Development Centre for secondary school aged youth. A business plan has been prepared following the workshop and will be implemented in 2010
- Tertiary Discovery Day (at the Convention Centre in Palmerston North and organised jointly by Massey and UCOL), was held on 31 March 2009, was attended by more than 400 people, predominantly secondary school students. The event was aimed at building awareness in the Manawatu district of what the two main tertiary education providers in Palmerston North can offer their community in the way of continued education
- Massey is continuing to define itself as the University of Choice among New Zealand's top athletes who are involved in tertiary education. For example, Massey students were awarded 101 Prime Minister's Athlete Scholarships in 2009, which accounts for almost one third of the scholarships awarded
- Ako Aotearoa Research Project on the Secondary / Tertiary Learning Interface launched
- Approval to offer an innovative degree in Natural Sciences at Albany achieved
- Launch of Bachelor of Agricultural Science, Bachelor of Agricultural Commerce, and Bachelor of Environmental Management in Manawatu (consolidation and revitalisation of the offerings from the former Bachelor of Applied Science)
- Internationalisation of the distance Master of Veterinary Medicine (MVM) programme achieved
- The College of Creative Arts applications for selected entry in 2010 reached the highest levels ever on the Wellington campus
- Directors of Teaching and Learning appointed within each College
- The proportion of qualifications reviewed was lower than targeted due to Massey approaching the end of the 5-7 year review cycle in 2009, and the expected reviews within the College of Business were not undertaken in lieu of work on AACSB accreditation
- The increase in sub-degree level provision for 2009 relates to enrolments in the Certificate in Foundation Studies and Certificate in University Preparation
- Doctoral level provision exceeded target for 2009 and increased on 2008 levels

Performance Indicators	2009 Target	2009 Actual
Strategic positioning and review of College and campus academic programmes over the planning period	Review & Implementation	Achieved and ongoing
Examine the network of provision in Auckland, Wellington and the central North Island over the planning period	Feasibility & Development	Achieved and ongoing
Explore the opportunity to provide a wider range of academic programmes in under-served regions and populations via distance learning	Development	Achieved and ongoing
Examine areas of recognised research strength to further align postgraduate provisions and review programme provision in marginal areas over the planning period	Feasibility & Implementation	Achieved and ongoing
Seek AACSB international accreditation by 2010	Development	Achieved
Develop mechanisms to better understand the outcomes for graduates by 2009	Development	Achieved and ongoing
Expand programmes to encourage secondary school students into degree studies and professional careers over the planning period	Development	Achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
Proportion of qualifications reviewed (%)		20%	12%	15.5%
Student progression into degrees from other TEOs (number of)	1			
- ITP		395	-	307
- PTE/OTEP		140	-	105
- Wananga		120	-	52
EFTS by qualification level (%)				
- Sub-degree		5%	6%	4%
- Undergraduate		72%	71%	72%
- Postgraduate		18%	17%	18%
- Doctorates		5%	6%	5%

Note:

1. 2009 Target and Actual relate to progression of 2008 students. 2008 Actual relates to progression of 2007 students. Results for 2009 Actual were not available from the Tertiary Education Commission at the time of publication.

## STRATEGIC PRIORITY 5:

Enhanced contribution to economic transformation and social development through strategic collaboration with industry, communities and other providers.

### Performance Highlights 2009 (please also refer to highlights under Strategic Priority 6):

- Agri-Food communication strategy activated, with supporting publications created
- Increased connection with the food industry has been achieved through the successful partnership and launch of Food Innovation New Zealand and reinvigorated the Food Awards. Food Innovation Network New Zealand proposals agreed
- Massey University, Palmerston North City Council, Manawatu District Council, Sport Manawatu and local cycling fraternity worked together to develop a "bid" for the Sparc initiated proposal to develop an international standard indoor velodrome at Massey University. The outcome for this bid will be known in 2010
- Established relationships with Royal New Zealand Navy at Devonport and with the Royal New Zealand Airforce at Whenuapai

- Hosted an Open Day at Riverside Farm to better connect with the rural community. Massey has also become the main sponsor of the Central Districts Field Days
- Hosted the Global Enterprise Challenge in 2009 at the Albany campus in partnership with the Young Enterprise Trust. The FEDEX business challenge was included as a new initiative. The campus also sponsored the Westpac Enterprise North Shore Business Excellence Awards, the North Harbour Club AIMES Awards, and the Massey University North Harbour Sporting Excellence Awards
- Successful stakeholder function held to celebrate the 10th anniversary of the Wellington Campus
- Massey University's Blow 09 Creative Arts Festival attracted record numbers of visitors, positive media attention and industry and stakeholder acclaim
- Mission to Northland identified several opportunities to engage with Northland businesses, industry, local government and iwi, in both degree and professional short course education
- Agricultural Services Strategic Plan presented to stakeholders. The Plan will ensure that AgServices work within Massey University's strategic plan to be acknowledged as New Zealand's Defining University. In conjunction with the College of Sciences, AgServices is working to maximise the opportunities for postgraduate study on Massey University farms and support funding initiatives that incorporate postgraduate study and publication of research findings
- Successful delivery of the third international FAME (Food and Agribusiness Market Experience) course in partnership with Lincoln and Otago Universities (sponsored by AGMARDT)
- In collaboration with Lincoln University, we are partnering a major primary industry application into the Primary Growth Partnership (PGP)
- Memorandum of Understanding signed between Massey's Centre for Defence Studies and the NZ Defence Force
- 22nd Fertiliser and Lime Research Centre Annual Workshop was conducted. The workshop was sponsored by fertiliser companies, Horizons Regional Council, Crown Research Institutes, three Soil and Plant Testing Laboratories, DairyNZ and AGMARDT
- The first Vice-Chancellor's Special Lecture was held at Albany campus. The lecture was given by New Zealand's leading financial journalist, Rod Oram
- Establishment of external magazine, Defining NZ
- Secured naming rights of the Wanganui Business Awards for 2009-2011
- Provided judges and methodology for regional business awards in Manawatu, Wanganui and Northland
- Riddet Institute Food Summit Meeting held in conjunction with invited industry, government and international participants
- Provided first stage judging for the Fairfax Sustainable 60 awards
- Vice-Chancellor Steve Maharey was elected to Wellington Regional Chamber of Commerce, with first term beginning in January 2010
- The School of Public Health has been established, with the launch planned for early 2010
- Inter-College cluster in Exercise and Sports Sciences based on Manawatu Campus, with formal consultation on a draft proposal for a School of Sport currently under consideration by the Senior Leadership Team (SLT)

- Working Committee established to design an Academy for Sustainability and the Environment
- Centre for Research Excellence in Inclusive Education established
- In November 2009, the Sustainability Research Network (SuRE) was launched to link researchers within the College of Creative Arts whose work engages with sustainability and the environment
- The New Zealand Centre for Life Cycle Management and the New Zealand Biochar Research Centre established within the College of Sciences
- Planning has commenced for an International Centre for Sheep Research and a Centre for Infectious Disease Research
- Partnership secured within the New Zealand Greenhouse Gas Emissions Research Centre
- New Zealand Centre for SME Research hosted the Small Enterprise Association of Australia and New Zealand conference in September 2009
- Agreement reached with Lincoln University to develop detailed business plan for consideration of new collaborative vehicle for the joint delivery of research, professional development and education to relevant organisations and companies working in the Agri-food sector
- The Partnership for Excellence in Agriculture and Life Sciences initiated several research projects which included needs analyses for professional development for New Zealand agri-food corporates and farm advisors
- The number of academic qualifications offered in partnership with other providers is being maintained at current levels pending the outcome of the Academic Reform Project
- While the total number of research programmes/contracts offered in partnership with other providers decreased from 2008, target was exceeded for 2009

Performance Indicators	2009 Target	2009 Actual
Further enhance and develop partnerships with industry and our communities of interest	Development & Implementation	Achieved and ongoing
Offer specialist services to other providers and explore collaborative arrangements where these can offer economies of scale over the planning period	Feasibility & Development	Not achieved. It is intended that as the University develops its infrastructure and capability for distance education and (e) Learning, there will be services that it can provide to other institutions in the Sector. The major investment made in 2009 will support this being undertaken in the future.
Establish and/or further develop new centres for research excellence over the planning period	Development & Establishment	Achieved and ongoing
Explore the establishment of a national College of Agriculture and Life Sciences	Development	Partially achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
Proportion of qualification reviews including engagement with relevant stakeholders (%)		100%	100%	100%
Number of academic qualifications offered in partnership with other providers		22	16	16
Number of research programmes/contracts offered in partnership with other providers	1	54	146	156

Note:

1. Partnerships included here are only those Massey is the first party (the lead-contractor) to the programme/ contract. This indicator is a new indicator and as such the focus for 2009 has been on collection of base historical data to enable appropriate university-level targets to be set in future years.

## **STRATEGIC PRIORITY 6:**

Enhanced national research capability and economic growth from the advancement of Massey University's research capability, performance and reputation.

### **Performance Highlights 2009 (please also refer to highlights under Strategic Priority 5):**

- University Research Strategy drafted and will be finalised in 2010 for implementation thereafter
- Performance Based Research Fund (PBRF) strategy has been adopted and implementation has commenced. All College Research Plans have been updated with the aim of increasing research capability and improving performance for the 2012 PBRF round. PBRF Communications Strategy has been developed
- A number of research collaborations with national and international partners have been established which include: multi-party collaboration research developments including the Life Cycle Management Centre, the Agricultural Greenhouse Gas Research Centre and the Natural Hazards Research Platform; Food Innovation NZ brand developed and successfully launched; research partnership with Polybatics established; research consortia with Leather and Shoe Research Association approved; NZ Biochar Research Centre inaugurated with Professor and Associate Professor appointed; Agri-food Strategy Manager appointed to accelerate the Massey-Lincoln Partnership for Excellence; and partnership established with Goethe Institut
- The Ministry of Agriculture and Forestry (MAF) contract was awarded to Massey University to establish Research Centre for Life Cycle Analysis. The inaugural workshop was held in August 2009, and the Director, Dr Sarah McLaren, appointed in November 2009
- Preferred provider status was achieved for three Primary Growth Partnership bids
- The Biocommerce Centre at Manawatu and e-Centre at Albany will be the University's commercialisation partners. This will establish a network of commercialisation capability across the campuses with the objective of increasing commercial opportunities
- Positive success rates from externally funded sources including Marsden, Health Research Council (HRC) and the Foundation for Research Science and Technology (FRST), with external revenue in line, or higher than previous years
- As part of the 2010 Budget, an increase of \$750,000 has been provided for PhD scholarships to boost the number of postgraduate research completions
- The Riddet Institute established "The Earle Food Research Fund", a \$1 million scholarship fund to support postgraduate students to deliver research which contributes to its Centre of Research Excellence (CoRE) Research Programme
- Professor Anne Noble received a 2009 Arts Foundation Laureate Award
- Professor Dorita Hannah won Gold and Silver Awards at the 2009 World Stage Design Competition
- Royal Society of New Zealand Science and Technology medal awarded to Professor Paul Spoonley for his scholarship on race relations in New Zealand



- Fullbright Senior Scholar awards won by Professor Paul Spoonley, Glyn Harper and Grant Hannis
- Professor Philippa Gander was elected a Fellow of the Royal Society of NZ
- Dr Rory Flemmer won New Zealand Engineering Innovator of the Year in November 2009
- The Council of the Royal Society of New Zealand elected Professor Vincent Neall as a Companion, an honour which recognises outstanding leadership in Science
- Professor Ulrich Zuelicke was awarded the New Zealand Association of Scientists Research Medal
- Dr Barbara Holland received the New Zealand Mathematical Society's Early Career Award for 2008
- Associate Professor Bruce Glavovic was the first New Zealander to be appointed to a prestigious international scientific advisory team researching the impact of climate change on coastal areas
- Professor Margaret Tennant has been elected as a Fellow of the New Zealand Academy of Humanities
- Massey graduate, Caine Thompson, won the 2009 Young Horticulturalist of the Year competition (from 1200 other competitors)
- Massey design graduates dominated the prestigious Zonta Design Awards including the Supreme Winner awarded to Andrea Bednarek
- Massey PhD Science student Martina Dautel received the Millennium Science Young Scientist Award
- Carlene Starck won the MacDiarmid Young Scientist of the Year Award in the Advancing Human Health and Wellbeing category
- Massey students top Dyson Design Awards for second year running
- Industrial Design student Annabel Goslin won an international Red Dot design award in the largest and most renowned design competition in the world
- Massey University celebrated 1,000 doctoral students concurrently enrolled for the first time in Massey's history
- Postgraduate student numbers (equivalent full-time students) up on 2008 by 5.6%
- Total research and consulting income (excluding PBRF) exceeded target for 2009 and increased by 10% on 2008 levels
- PBRF income exceeded target for 2009 and increased by 16% on 2008 levels
- Research degree completions were maintained at a similar level to 2008
- While the total number of Quality Assured research publications decreased from 2008, target was exceeded for 2009

Performance Indicators	2009 Target	2009 Actual
Implement the University's Strategic Policy on Research Capability by 2012	Implementation as per policy	Partially achieved and ongoing
Strengthen collaborative networks with relevant national and international partners over the planning period	Development & Implementation	Achieved and ongoing
Update and implement College research plans post 2006-PBRF	Development & Implementation	Achieved and ongoing
Develop appropriate mechanisms for commercialisation of Massey University intellectual property by 2009	Implementation	Achieved
Develop an enterprise capability for expanding private sector research and development connections	Implementation	Achieved
Further develop intellectual property capture processes by 2008	Implementation	Achieved
Establish and monitor key performance indicators for intellectual property development by 2008	Implementation	Achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
Total research and consulting income (excluding PBRF) (\$m)		58	70	63
PBRF income (\$m)	1	37	52	45
Research degree completions (number)	1, 2	780	414	418
Total number of Quality Assured research publications	3	1,680	2,672	3,612

Note:

1. This is an interim figure only, pending confirmation of final data from Tertiary Education Commission
2. 2009 Actual relates to 2008 completions. 2008 Actual relates to 2007 completions. The 2009 target for research degree completions was based on 2006 base historical data which was inflated by the one-off data cleansing exercise associated with the PBRF.
3. This indicator is a new indicator and as such the focus for 2009 has been on collection of base historical data to enable appropriate university-level targets to be set in future years.

## STRATEGIC PRIORITY 7:

Enhanced economic growth for New Zealand and Massey University through the optimisation of commercial activities.

### Performance Highlights 2009:

- New model of commercialisation at Massey approved by Council during 2009, with commercialisation mechanisms implemented and IP processes documented. KPIs to be implemented by December 2010
- The Biocommerce Centre at Manawatu and e-Centre at Albany will be the University's commercialisation partners. This will establish a network of commercialisation capability across the campuses with the objective of increasing commercial opportunities
- Proposal prepared for a joint not-for-profit company with Lincoln University to manage human capability improvement in Agri-Food
- Substantial work undertaken in 2009 to explore options for a Short Course and Professional Development Programme at Massey. A strategy is under development and detailed planning is scheduled for 2010
- Group and short courses for international groups continue to be increasing activity for the Centre for University Preparation and English Language Studies (CUPELS). More than 350 students have participated in over 20 courses managed through CUPELS during 2009, supporting the University's internationalisation strategy

- Research and consulting income from non-government sources exceeded target for 2009 and increased by 17% on 2008 levels

Performance Indicators	2009 Target	2009 Actual
Progress implementation of Massey University's commercialisation framework over the planning period	Implementation	Achieved and ongoing
Develop more extensive relationships between the University and private sector agencies over the planning period	Development & Implementation	Achieved and ongoing
Investigate opportunities for enhancing the performance of the University's other commercial activities by 2009	Development & Implementation	Achieved
Develop and implement a University-wide strategy for short courses and professional development programmes by 2008	Implementation	Partially achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
Licensing revenue / income (\$000)	1	550	272	334
Research and consulting income from non-government sources (\$m)		13	14	12
Numbers of licences and options executed	1	2	2	2

Note:

1. This indicator is a new indicator and as such the focus for 2009 has been on collection of base historical data to enable appropriate university-level targets to be set in future years.

## STRATEGIC PRIORITY 8:

Enhanced international reputation and competitiveness of New Zealand's university sector through the optimisation of Massey University's organisational capability and capacity.

### Performance Highlights 2009:

- The University's long term strategic plan, The Road to 2020, was reviewed and updated during 2009
- Progress was made on the development of the University's Strategic Asset Management (SAMP) and Information Services (ISSP) plans
- Revised Financial Strategy under development with finalisation expected in 2010. Value for Money project concept plan approved with project scheduled for completion in 2010
- Albany Library/Information Services Complex 2 opened for business in December 2009. Business case has been prepared for Wellington Library's extension and refurbishment
- The Vice-Chancellor launched his first video web blog on YouTube in May 2009
- A clear one-University brand was established during 2009 with rebranding underway and expected to be completed by March 2010. Rebranding of the website went live in November 2009. Massey was placed 2nd in a public survey by 'UMR Research' of best known New Zealand University brands in August 2009
- Paper presented to SLT in December 2009 regarding the establishment of an Alumni Engagement Programme aimed at increasing connections with international alumni
- Launch of Massey Foundation heritage fund in November 2009, with full launch planned in March 2010
- Continued planning on the relocation of University staff from Hokowhitu to Turitea
- Massey University Community Christian Centre opened in new building on Turitea campus; formal opening planned for early 2010

- Further improvements in all aspects of service delivery to students to enhance the University experience implemented including: Student Experience Group established, with strategy being released in early 2010; Student Management System developments including enhanced on-line enrolment functionality; Enrolment Planning Tool under development; Student Engagement Framework developed; finalisation of relationship framework with the student associations and federation; further roll-out of the customer interaction centre system; communication service standards rolled out from the National Contact Centre; and Student Administration Steerage and coordination mechanisms approved. The Student Experience Survey (April 2009) showed strong overall improvement in student satisfaction with University services
- A number of Human Resource initiatives were implemented in 2009, including;
  - Recruitment guidelines reviewed and new website section planned for 2010
  - International recruitment marketing targeted difficult-to-fill roles
  - Subscribed to Uni-jobs website, achieving significant penetration of the Australian academic market
  - New brand reflected in recruitment advertising
  - Further enhancements made to recruitment processes, practices and systems
  - Staff induction processes developed
  - Documentation of a remuneration policy and associated procedures
  - Massey commenced the first New Zealand University Pay and Employment Equity Review
  - A new job evaluation system was introduced for General Staff
  - A working group has reviewed past practice for employee surveys. The practice of other NZ Universities and large organisations is being researched to inform the University's approach in 2010
- Paper prepared to support the establishment of the Office of Public Policy and Development; University-wide consultation underway
- Principles of revised Performance Reporting Framework approved by Council. Enhancement of risk management reporting in progress, with clear links to the revised Performance Reporting Framework identified. The Risk Register Software has been upgraded, with a view to enhanced risk reporting in 2010
- A University-wide Business Impact Analysis completed as part of the Business Continuance Management Programme
- The implementation of the Records Management Programme is underway
- Implementation of the Institutional Research Programme commenced (due for completion in 2010) delivering five substantial reports during 2009
- Alan Davis, AVC People and Organisational Development, was chosen as the Supreme Award Winner and the Human Resources Institute of New Zealand's HR Person of the Year at the HRINZ annual awards
- The percentage of University academic staff with a doctoral qualification increased to 69% from 59% last year and exceeded target for 2009
- The purchase of two high-performance twin-engine Diamond Aircraft 42 (DA42) and twelve DA40 single-engine planes will keep the School of Aviation at the forefront of pilot training in New Zealand
- Domestic student numbers increased by 8.5% during 2009
- First year qualification-level attrition rates for degree, graduate diploma and postgraduate qualifications improved on last year and were well under target - a positive outcome

- Qualification-level completion rates for all degree, graduate diploma and postgraduate qualifications also improved on last year and exceeded target for 2009 - again a positive outcome

Performance Indicators	2009 Target	2009 Actual
Develop Strategic Asset Management Plan (SAMP) by 2010	Implementation	Partially achieved and ongoing
Develop Information System Strategic Plan (ISSP) by 2009	Implementation	Partially achieved and ongoing
Complete Service Optimisation project by 2009	Implementation	Achieved
Implement budget strategies designed to ensure the University's financial performance meets TEC guidelines by 2009	Implementation	Partially achieved and ongoing
Invest in library infrastructure to support teaching and research needs	Invest per Capital Programme	Achieved
Relocate the College of Education from Hokowhitu site to Turitea by 2010	Implementation	Ongoing
Develop and implement Strategic Capability Plans across the University by 2009	Implementation	Partially achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
First year qualification-level attrition for degree, graduate diploma and post-graduate qualifications (%)	1	42%	36%	37%
Qualification-level completion rates for all degree, graduate diploma and post-graduate qualifications over 5 years (%)	2, 3	29%	38%	33%
Financial				
- Surplus as a percentage of income (%)		3%	0.56%	1.33%
- Working capital ratio (%)		90%	119.25%	144.05%
- Debt to debt plus equity ratio (%)		3.5%	2.56%	2.63%
- Staff turnover ratio (%)		13%	8.2%	12.2%

Note:

1. 2009 Target and Actual relate to the 2006 cohort of students. 2008 Actual relates to the 2005 cohort of students.
2. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.
3. 2009 Target and Actual relate to the 2003 cohort of students. 2008 Actual relates to the 2002 cohort of students.

## **STRATEGIC PRIORITY 9:**

Enhanced economic contribution to New Zealand through implementation of Massey University's internationalisation strategies.

### **Performance Highlights 2009:**

- Student country-of-origin numbers have increased for the majority of top ten markets except for China where over-dependency has been substantially reduced. Regional priority strategy to be developed by April 2010
- Regional Chief Executive, Manawatu, serves on the Education NZ Export Education Innovation Programme (EEIP) Advisory Board and promotes the scheme within Massey University
- New international agreements signed in 2009. Review of all current agreements to be undertaken in early 2010 with a view to ensuring active relationships aligned with overall international strategy. New collaborative research opportunities identified within new agreements
- Discussions held with members of a delegation from JF Oberlin University, Japan, regarding English Language training as part of a proposed agreement related to the School of Aviation
- The Director CUPELS is part of an Export Education Innovation Programme (EEIP) working party that has been set up with funding from Education NZ to work on the development of:
  - a taught Masters degree with an endorsement in TESOL and Educational Leadership, with innovative distance learning/teaching design to be delivered jointly by the College of Education and College of Humanities and Social Sciences
  - an online ESOL programme with the School of Engineering and Advanced Technology
- The Regional Chief Executive of the Manawatu Campus, Pro Vice-Chancellor of the College of Education and the Director, CUPELS, maintained an active link with those universities and institutions in Thailand with whom Massey has partnership agreements. Visits to those universities focused on staff training, student exchanges and students interested in PhD study at Massey
- Massey University ranked 4th in New Zealand in the Shanghai Jiao Tong University Academic Ranking of World Universities 2009
- Massey University ranked 24th in Oceania and 670 in the world for global performance and visibility in July 2009, in the international ranking of tertiary institution websites by Cybermetrics Lab, affiliated to CSIC, the largest public research body in Spain
- Indications are that the Direct Entry English Pathway (DEEP) programme will grow significantly to meet demand from international students
- Massey University won the Excellence in Marketing Award at the 18th Annual International Education Conference
- Principles of internationalisation reviewed and updated
- The development of the World Bank-sponsored Master of Veterinary Medicine and the Master of Public Health for overseas delivery is ongoing
- The proportion of international students studying at postgraduate level increased on last year's levels, while the increase in sub-degree level provision reflects increased enrolment in the Certificate in Foundation Studies and Certificate of University Preparation

- Qualification completion rates for international students improved significantly on last year at all levels of study

Performance Indicators	2009 Target	2009 Actual
Further diversification of international markets over the planning period	Development & Implementation	Achieved and ongoing
Grow international teaching and research collaborations in strategic areas	Development & Implementation	Achieved and ongoing
Develop international research relationships over the planning period	Development	Achieved and ongoing
Deliver international distance degree and short course programmes in targeted disciplines and countries by 2010	Development	Achieved and ongoing

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
International ranking: Asia pacific rankings	1	43-64	68-106	42-68
International EFTS by qualification level (%)	2			
- Sub-degree		4%	14%	6%
- Undergraduate		86%	55%	66%
- Postgraduates		10%	31%	28%
International student qualification completion rate over a 5 years period (%)	3, 4, 5			
- All levels		-	70%	58%
- Undergraduate		-	68%	64%
- Postgraduate (excl. Doctorate)		-	77%	65%
Number of formal academic arrangements with overseas institutions		97	153	143

Note:

1. This information is accessible from <http://www.arwu.org>.
2. Due to a change in methodology, all international students (by Equivalent Full-Time Student) are included for 2008 and 2009 Actual. In the 2008 Annual Report only full-fee paying students were included and the targets were prepared on that basis.
3. This indicator is a new indicator and as such the focus for 2009 has been on collection of base historical data to enable appropriate university-level targets to be set in future years. "International students" includes non-MOE reported students.
4. Qualification Completion Indicators: Completion records are only generated if and when a student applies to graduate. Consequently, where a student has completed but not yet applied to graduate, the completion is not included in the performance data.
5. 2009 Target and Actual relate to the 2003 cohort of students. 2008 Actual relates to the 2002 cohort of students.



## OTHER UNIVERSITY KEY PERFORMANCE INDICATORS:

Performance Indicators	Notes	2009 Target	2009 Actual	2008 Actual
<b>Student participation by equivalent full-time students (EFTS)</b>				
Total University		19,450	19,994	18,738
Funded by Ministry of Education		16,566	17,360	15,996
International full fee (MOE reported only)		2,284	2,021	2,084
Other		600	613	658
Undergraduate (includes sub-degree)		15,675	15,923	14,884
Postgraduate taught		2,365	2,476	2,319
Postgraduate research		1,410	1,595	1,535
Internal		13,250	13,469	12,749
Distance		6,200	6,525	5,989
Māori		1,750	1,877	1,710
Pasifika		500	522	466
Proportion of students under 25 years (%)				
- Sub-degree		6%	6%	4%
- Undergraduate		83%	87%	89%
- Postgraduate		11%	6%	6%
- Doctorate		1%	1%	1%
<b>Student participation by number (headcount):</b>				
Total University		35,170	36,125	34,413
Māori		3,540	3,548	3,235
Pasifika		940	988	854
Extramural		16,900	17,488	16,511
Proportion of students over 25 (%)		61%	60%	61%
Student satisfaction with non-academic service (% students rating services good/very good)		68%	80%	68%
<b>Academic staff with a doctoral qualification (% of full-time equivalent)</b>		60%	69%	59%

# APPENDICES

## STUDENT NUMBERS

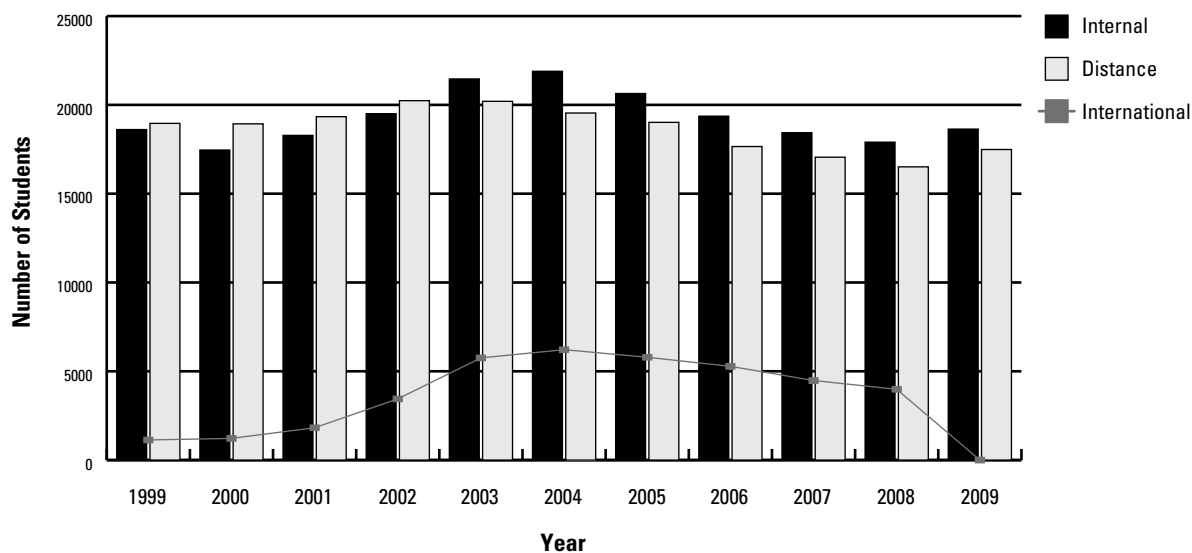
Note: Figures below are Student head count and include all students enrolled regardless of funding source.

### University Totals

	Notes	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Internal	1	18,611	17,458	18,283	19,506	21,461	21,893	20,640	19,366	18,436	17,902	18,637
Distance	1	18,959	18,933	19,336	20,239	20,201	19,543	19,017	17,656	17,055	16,511	17,488
<b>Total</b>		<b>37,570</b>	<b>36,391</b>	<b>37,619</b>	<b>39,745</b>	<b>41,662</b>	<b>41,436</b>	<b>39,657</b>	<b>37,022</b>	<b>35,491</b>	<b>34,413</b>	<b>36,125</b>
% change over previous year		16.0%	(3.1%)	3.26%	5.65%	4.82%	(0.54%)	(4.49%)	(6.64%)	(4.14%)	(3.03%)	4.97%
Number of international students included in totals above	2,3	1,132	1,222	1,820	3,445	5,754	6,216	5,790	5,279	4,481	3,985	3,752

Note:

1. By student mode
2. 1997-2000 international figures above are not directly comparable to 2001 figures onwards
3. 1997-2000 figures are international full-fee students only; 2001 figures onwards are all international students regardless of New Zealand residency or funding status

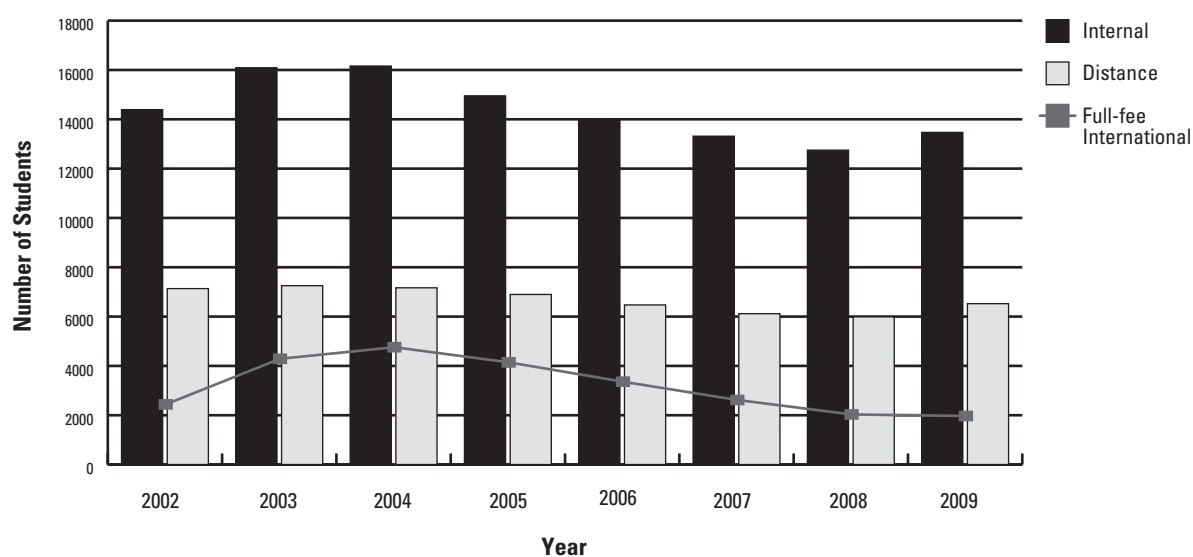


## EQUIVALENT FULL-TIME STUDENTS (EFTS)

	Notes	2002	2003	2004	2005	2006	2007	2008	2009
Internal	1	14,392	16,090	16,159	14,952	14,002	13,315	12,749	13,469
Distance	1	7,135	7,253	7,167	6,897	6,473	6,117	5,989	6,525
<b>Total all students regardless of funding sources</b>		<b>21,527</b>	<b>23,342</b>	<b>23,326</b>	<b>21,850</b>	<b>20,475</b>	<b>19,432</b>	<b>18,738</b>	<b>19,994</b>
% change over previous year		6.56%	8.43%	(0.07%)	(6.76%)	(6.29%)	(5.09%)	(3.5%)	6.70%
Full-fee International students included in Totals above	2	2,493	4,341	4,809	4,197	3,412	2,671	2,084	2,021
<b>EFTS Funded by Ministry of Education</b>	<b>3</b>	<b>18,543</b>	<b>18,349</b>	<b>17,840</b>	<b>16,931</b>	<b>16,411</b>	<b>16,085</b>	<b>15,996</b>	<b>17,360</b>
% change over previous year		(0.30%)	(1.05%)	(2.77%)	(5.10%)	(3.07%)	(1.99%)	(0.55%)	8.52%

Notes:

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



## STUDENT AGE DISTRIBUTION (HEAD COUNT)

		2009								
Ethnicity	Gender	<17	17-19	20-24	25-29	30-34	35-39	40+	Total	Total all (%)
New Zealand Māori	Female	9	248	565	369	332	295	615	2,433	7%
	Male	3	129	298	178	157	121	229	1,115	3%
	Total	12	377	863	547	489	416	844	3,548	10%
European	Female	8	1,756	3,805	1,957	1,375	1,438	3,622	13,961	39%
	Male	5	951	2,184	1,133	859	767	1,824	7,723	21%
	Total	13	2,707	5,989	3,090	2,234	2,205	5,446	21,684	60%
Pasifika	Female		54	147	115	94	60	108	578	2%
	Male	1	34	104	81	49	53	88	410	1%
	Total	1	88	251	196	143	113	196	988	3%
Asian	Female		201	1,111	985	318	175	260	3,050	8%
	Male	1	213	1,090	956	264	123	193	2,840	8%
	Total	1	414	2,201	1,941	582	298	453	5,890	16%
Other	Female	1	129	248	209	183	151	297	1,218	3%
	Male		106	312	201	180	141	198	1,138	3%
	Total	1	235	560	410	363	292	495	2,356	7%
Unspecified	Female		107	216	122	95	94	342	976	3%
	Male	1	104	136	84	75	74	209	683	2%
	Total	1	211	352	206	170	168	551	1,659	5%
Total	Female	18	2,495	6,092	3,757	2,397	2,213	5,244	22,216	61%
	Male	11	1,537	4,124	2,633	1,584	1,279	2,741	13,909	39%
	Total	29	4,032	10,216	6,390	3,981	3,492	7,985	36,125	
	Total(%)	<b>0.08%</b>	<b>11%</b>	<b>28%</b>	<b>18%</b>	<b>11%</b>	<b>10%</b>	<b>22%</b>		

Note:

- Total all (%) column and row is the percent of the total year figure: 2009 = 36,125
- Figures above include all students regardless of funding source
- Student data as at 31st December 2009

## STUDENT ETHNICITY, MODE AND GENDER (HEAD COUNT)

		2009			
Ethnicity	Mode	Female	Male	Total	% Total All
New Zealand Māori	Internal	879	530	1,409	4%
	Distance	1,554	585	2,139	6%
	<b>Total</b>	<b>2,433</b>	<b>1,115</b>	<b>3,548</b>	<b>10%</b>
European	Internal	6,117	3,645	9,762	27%
	Distance	7,844	4,078	11,922	33%
	<b>Total</b>	<b>13,961</b>	<b>7,723</b>	<b>21,684</b>	<b>60%</b>
Pasifika	Internal	239	220	459	1%
	Distance	339	190	529	2%
	<b>Total</b>	<b>578</b>	<b>410</b>	<b>988</b>	<b>3%</b>
Asian	Internal	2,320	2,356	4,676	13%
	Distance	730	484	1,214	3%
	<b>Total</b>	<b>3,050</b>	<b>2,840</b>	<b>5,890</b>	<b>16%</b>
Other	Internal	677	785	1,462	4%
	Distance	541	353	894	3%
	<b>Total</b>	<b>1,218</b>	<b>1,138</b>	<b>2,356</b>	<b>7%</b>
Unspecified	Internal	511	358	869	3%
	Distance	465	325	790	2%
	<b>Total</b>	<b>976</b>	<b>683</b>	<b>1,659</b>	<b>5%</b>
<b>Total</b>	Internal	10,743	7,894	18,637	52%
	Distance	11,473	6,015	17,488	48%
	<b>Total</b>	<b>22,216</b>	<b>13,909</b>	<b>36,125</b>	<b>100%</b>

Notes:

- Total all (%) column and row is the percent of the total year figure: 2009 = 36,125
- Figures above include all students regardless of funding source
- Student data as at 31st December 2009

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

	<b>2008</b>	<b>2009</b>
Colleges		
Academic	1,114	1,117
General	471	493
Contract and Trading	402	410
<b>Total Colleges</b>	<b>1,987</b>	<b>2,020</b>
<b>Centres of Research Excellence, Support Services and Administration</b>		
Regional Services	359	356
Vice-Chancellors Office	17	19
Assistant Vice-Chancellor (Academic and International)	141	152
Assistant Vice-Chancellor (External Relations)	19	20
Assistant Vice-Chancellor (Finance, IT, Strategy, and Commercialisation)	154	157
Assistant Vice-Chancellor (Māori and Pasifika)	9	13
Assistant Vice-Chancellor (People and Organisational Development)	31	32
Assistant Vice-Chancellor (Research)	70	75
Assistant Vice-Chancellor and University Registrar	171	171
Centre for University Preparation and English Language Studies	55	65
<b>Total Support Services and Administration</b>	<b>1,026</b>	<b>1,060</b>
<b>Total Staff</b>	<b>3,013</b>	<b>3,080</b>

Note: 2008 figures have been reworked to reflect the change in the AVC reporting structure in 2009

## STAFF FTE, BY COLLEGE

College		2003	2004	2005	2006	2007	2008	2009
College of Business	Academic	323	326	302	290	282	251	240
	General	155	133	123	113	97	97	103
	Contract and Trading	3	3	4	17	16	11	9
College of Creative Arts	Academic	125	141	146	115	105	101	113
	General	33	36	36	34	35	35	37
	Contract and Trading	0	0	0	2	2	6	6
College of Education	Academic	154	146	125	121	113	104	107
	General	71	63	51	62	48	47	47
	Contract and Trading	111	104	103	110	111	94	85
College of Humanities and Social Sciences	Academic	266	265	259	252	244	226	234
	General	65	61	62	55	62	49	55
	Contract and Trading	60	72	67	118	115	137	154
College of Sciences	Academic	415	429	422	436	445	432	423
	General	299	302	298	253	284	242	251
	Contract and Trading	110	125	123	206	174	158	156
Total Colleges	Academic	1,283	1,307	1,254	1,214	1,189	1,114	1,117
	General	623	595	570	517	526	470	493
	Contract and Trading	284	304	297	453	418	402	410
<b>Total FTE</b>		<b>2,190</b>	<b>2,206</b>	<b>2,121</b>	<b>2,184</b>	<b>2,133</b>	<b>1,987</b>	<b>2,020</b>

## STAFFING RATIOS

	2003	2004	2005	2006	2007	2008	2009
Funded equivalent full-time students (EFTS) (excluding CUPELS)	22,389	22,438	20,968	19,598	18,541	17,869	18,882
Total academic staff incl casual academic	1,283	1,307	1,255	1,214	1,188	1,114	1,117
Total general staff incl casual general	1,601	1,583	1,574	1,507	1,522	1,456	1,553

College	2007		2008		2009	
	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff	Ratio of EFTS to Academic Staff	Ratio of General to Academic Staff
College of Business	23.1:1	0.35:1	23.7:1	0.39:1	25.2:1	0.43:1
College of Creative Arts	16.0:1	0.33:1	17.2:1	0.35:1	16.1:1	0.33:1
College of Education	16.3:1	0.43:1	16.6:1	0.45:1	17.1:1	0.44:1
College of Humanities & Social Sciences	16.9:1	0.25:1	18.1:1	0.22:1	21.4:1	0.24:1
College of Sciences	9.9:1	0.64:1	10.1:1	0.56:1	11.0:1	0.59:1
<b>University Total</b>	<b>15.6:1</b>	<b>1.28:1</b>	<b>16.0:1</b>	<b>1.31:1</b>	<b>16.9:1</b>	<b>1.39:1</b>

