



THE UNIVERSITY OF
WAIKATO
Te Whare Wānanga o Waikato

The University of Waikato Annual Report 2009



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The University of Waikato - Annual Report 2009

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1. Chancellor's Overview

It is with great pleasure that I reflect on this, my third year as Chancellor of the University of Waikato. Throughout my life, I have been a strong supporter of education. Travelling the world as Prime Minister and then as Ambassador to the United States, I witnessed firsthand how education can transform people and nations. Since becoming Chancellor of the University of Waikato, I have grown extremely proud of what it has achieved in a relatively short time period.

While the economic climate this past year has brought with it some surprises and some challenges for the University, we have finished the year in a strong position both academically and financially. In a time of such economic challenge, the issue of social sustainability is particularly crucial. In order to help ride out the global economic crisis, it is imperative that New Zealand has ongoing economic, scientific and social research and education of the highest calibre. This is a challenge the University of Waikato embraces. The University is working to advance innovation and teaching, especially in the broad domain of sustainability, and makes an enormous contribution to the national and regional economy.

Council welcomed the opportunity in November to contribute to the University's submission on Government's new Tertiary Education Strategy. While we applaud the Government's over-arching vision for New Zealand's education system, we share the view of New Zealand universities collectively, as expressed through the New Zealand Vice-Chancellors' Committee, that the current funding limitations will make it extremely challenging to achieve the Government's ambitious vision. It is my hope that when current budget constraints ease, Government will revisit funding.

In keeping with its governance responsibilities in relation to risk management and control, the Council has identified 12 key risks for the University, including strategic, operational, technological, financial and legal risks. The Council regularly monitors and reviews all identified risks within a robust, strategic and effective risk management framework, to ensure that strategies to mitigate risk are embraced by senior management and well integrated within the University's operations.

One of the identified risks relates to delivering student enrolment targets. Achieving the University's relatively modest growth targets was certainly not a problem in 2009. In fact, the more compelling issue for the University, looking ahead to 2010, is the need to manage our student enrolments within the Government's funding cap and to accommodate the pipeline impact of over-delivery in 2009. Demographic, economic and other signals suggest that demand from both returning and new students will continue to be strong in 2010.

Council was extremely pleased with the financial surplus achieved in 2009. The positive result was due largely to the increased fee revenue generated by the high enrolments. When it became evident that the University's enrolments were going to be higher than budgeted, the Council was very concerned to ensure that costs continued to be managed carefully to the original budget, and staff are commended for the extent to which they continued to deliver high-quality teaching and research within tight financial constraints.

Strong enrolments, as well as a long list of academic achievements and accolades and strong research outputs, have all contributed positively to the University's profile this year, internationally, nationally and regionally.

Distinguished Alumni Awards, as they do every year, profile the breadth of our graduate successes. Equal Employment Opportunities Commissioner Dr Judy McGregor, international expert on peace education and disarmament Alyn Ware, and celebrity chef and food writer Annabelle White are examples of excellence in three quite different fields. They are people who have embraced and maximised the opportunities offered to them as a result of their education at the University of Waikato.

I had the pleasure of meeting many Waikato alumni and friends at functions in London and Singapore earlier this year. They followed successful trips to Washington DC in 2007, and Sydney and Melbourne in 2008. We believe that our international connectedness is one of the things that make us distinctive as a New Zealand university and I am glad to have the opportunity to leverage some of my own international networks to this end.

I had the honour of launching a major fundraising campaign this year, inviting alumni to join me in supporting the University's excellence. The particular focus of the campaign is scholarships for students, the University's new Student Centre, and research and innovation.

The University's cultural events calendar provides many highlights which are very positive and visible examples of the University's distinctiveness in terms of both Māori and the student experience. The cultural events calendar for 2009 included the University-wide pōwhiri for all new students, celebrations of Matariki (the Māori new year) and te wiki o te reo, as well as marae graduation ceremonies. These events have proven to be very popular with the students and their families.

The inaugural Kīngitanga Day was held on 21 April 2009. The purpose of this event was to celebrate the University's unique and distinctive relationships and heritage. The day was open to the community and many hundreds of locals took the opportunity to come on to our campus and participate. The day also incorporated a range of performances and workshops. Kingi Tūheitia and other members of Te Kāhui Ariki were special guests.

1. Chancellor's Overview

A major highlight for the Council every year is the identification of individuals worthy of the University's most prestigious academic award, the degree of Honorary Doctor of the University of Waikato. The University conferred six Honorary Doctorates this year. The first recipient, Zena Daysh CNZM, is a Kiwi expat Londoner who founded the Commonwealth Human Ecology Council, and was acknowledged for her commitment to sustainability - one of the University's strong and emerging themes. Peter Sergel was honoured as a creative thinker, whose vision for the development from wasteland of the 58ha Hamilton Gardens materialised into a venue that is now much-visited and internationally acclaimed. Hēni Sunderland's Honorary Doctorate was conferred posthumously in July at a special ceremony in Gisborne, for her life-long commitment to education and her service to the community and at a national level. Mrs Sunderland was an advocate for Māori rights and justice and was a leading educationalist of the traditions and customs of the iwi of Turanganui-a-Kiwa. The conferment of an Honorary Doctorate on Hamish Keith was in recognition of his lifelong engagement with the arts and with the cultural history of New Zealand, and as author and social commentator. In particular, Hamish Keith's determination that Māori art should have its proper place in the mainstream of New Zealand culture, as an evolving and developing art, fits well with the University's strong commitment to Māori and Pacific development. Sir Wilson Whineray OBE was recognised for his significant contributions to New Zealand business and to New Zealand rugby as a great All Black captain, and for his strong belief that education is the key to people helping themselves and each other to improve their quality of life, and helping a country to grow and prosper. Dame Lynley Dodd, whose Honorary Doctorate was conferred in November at a special ceremony in Tauranga, is an internationally-acclaimed author whose children's books, designed to be read out-loud, are studied at the University in language and literacy papers.

Two of our staff, both significant contributors to the life of the University over many years, were honoured with Emeritus Professorships. Edward (Ted) Glynn, Professor of Teacher Education, had been with the University for 13 years; Peter Oetli, Professor of German and Dean of Humanities for many years, and also Pro Vice-Chancellor (International) up until his retirement in 2004, had been with the University for a total of 38 years. Another retiring staff member, Michael Law, received a University of Waikato Medal in recognition of his exemplary contribution to the University over 32 years, especially in the field of adult and community education.

In September, the University joined the nation in celebrating the life of Sir Howard Morrison. A true icon, Sir Howard had been an entertainer for five decades right up until his death. He was also an alumnus of the University of Waikato, having been awarded an Honorary Doctorate in 2006 in recognition of his outstanding service to the community, particularly in the areas of Māori education and business development, as well as his enormous contribution to important community endeavours.

It was with great sadness that we recorded the passing of Emeritus Professor James Ritchie. Psychologist, author of books on parenting and biculturalism, and a prolific book reviewer, James Ritchie was acknowledged by many as a vital connector between Māori and Pakeha, and even up until his death he had been offering advice to Tainui leaders. Professor Ritchie was a 'living taonga' who had contributed greatly to iwi development in the Waikato. His contribution to the raupatu land settlement and to the University of Waikato was immeasurable.

Of particular importance this year was Council's re-appointment of Professor Roy Crawford for a further five-year term as Vice-Chancellor of the University of Waikato. On behalf of the University Council I wish to thank Professor Crawford for his leadership over the last five years. Council shares his Vision for the University, and renewal of his appointment reflects our conviction that the University will continue to build on past successes under his leadership, true to the values of partnership with Māori, integrity, diversity and creativity.

In my report last year I noted with sadness the loss of a well-regarded and committed member of Council, Graeme Weld, who had been a steadfast contributor to the University, most particularly with regard to the University's presence in the Western Bay of Plenty. In his place as a Ministerial appointee, we welcomed Jenni Vernon, University of Waikato alumnus and former Chair of Environment Waikato. Jenni brings with her a wealth of governance experience. Waikato Student Union President Ben Delaney was also a new member of Council this year. Mr Peter Schuyt's term as a Ministerial appointee was renewed for a further four years and Dr Brian Linehan was re-elected as Pro-Chancellor for 2010. I thank them and my other colleagues on Council for their expertise, support and commitment to the University.

The University of Waikato has a distinctive and vital role to play in the tertiary education sector in New Zealand. Based on its track record so far, I am confident that Waikato – its students, alumni and staff – will go on to realise even greater achievements.

Rt Hon. Jim Bolger ONZ
Chancellor, University of Waikato

2. Vice-Chancellor's Overview

I am pleased to report that the University of Waikato is progressing from strength to strength. We are delivering a world-class education and research portfolio, creating and building knowledge and technologies for the future, providing a full and dynamic university experience which is distinctive in character, and pursuing strong international linkages to advance knowledge.

Sustainable nations must have strong economies, leading technologies and effective politics and governance. The University of Waikato strives for excellence in all of these areas so that our graduates will contribute to the future of our nation. As one of New Zealand's major research organisations, the University of Waikato plays a key role in the economy and makes a significant contribution to the national innovation system. The research that we do is critical not only in terms of New Zealand's economic growth and social well-being; it is also key to attracting and retaining the best and brightest minds.

The University of Waikato is one of its region's main drivers of economic prosperity. Its operations in 2008, together with the expenditure of its students, generated almost \$750 million, or 3% of the entire Waikato region's annual revenue, and nearly \$1 billion for the New Zealand economy as a whole. Its activities in the fast-growing Western Bay of Plenty are also having an increasing impact on the economy of that region. In Tauranga, the University's 1,711 students in 2008 spent approximately \$10 million, generating 125 jobs.

During 2009 we continued to see many highlights for the University. I approach my second term as Vice-Chancellor with tremendous pride in its successes over the last five years, and confident of many more successes to come.

In 2010 we will see the implementation of a new organisational structure that was agreed in 2009 after many months of careful deliberation and consultation. I welcome the opportunity that it presents to enhance the University's standing and competitiveness, despite financial pressures from decreasing revenues in real terms over the past decade. The new structure provides a framework that will enable rationalisation of both support activities and academic units, facilitating more effective delivery of services and a more efficient use of resources. In what promises to be a constantly challenging fiscal environment, we will still continue to build our institutional resources and staff capabilities, while at the same time ensuring that our students enjoy world-class standards of education and have every opportunity to achieve their maximum academic potential.

2,002 qualifications were conferred on students at graduation ceremonies in 2009. A further 1,927 qualifications were conferred through the year 'in absentia'. Each year as I watch Waikato graduates cross the stage to receive their degrees I am incredibly proud. I know that every person leaves the University ready to take on the world – in whichever direction they head and wherever they eventually land.

This year our School of Science celebrated 40 years, while next year the Law School will celebrate the anniversary of its official launch 20 years ago and the School of Education (originally Hamilton Teachers' College) will reach its 50-year anniversary.

Of particular note for the Waikato Management School was the recognition of its public relations programme by the Public Relations Society of America (PRSA). The foremost body of PR practitioners and educators, PRSA has only awarded its Certification in Education for Public Relations (CEPR) to 22 universities in the world – and just three outside the United States. The Waikato Management School was again a sponsor of the Chamber of Commerce business excellence awards, one of the most important Waikato business functions of the year. This major showcase event profiles the Waikato Management School and the University of Waikato as leaders in teaching and research which are relevant to business professionals and practitioners.

Our new Dean of Law, Professor Bradford Morse, came to New Zealand from the University of Ottawa in Canada to take up his post in September. Professor Morse was attracted by our Law School's strong focus on social justice as well as its commitment to drawing on the best of tikanga Māori and imported law, with the aim of forging the most effective, beneficial and appropriate jurisprudence for New Zealand today and for the future.

Her past colleagues joined me in welcoming Margaret Wilson, the former Attorney-General, Speaker of the House and Minister of Labour, back to the University of Waikato this year. Before entering Parliament in 1999, she was the Foundation Dean and Professor of Law here and is now back teaching and researching as Professor of Law and Public Policy. Earlier this year Professor Wilson, who has an Honorary Doctorate from the University of Waikato, was awarded the Distinguished Companion of New Zealand Order of Merit.

Science and Engineering staff Professors Roberta Farrell and Janis Swan were also included in this year's New Years Honours List. Professor Farrell, from Biological Sciences, was awarded a Companion of the New Zealand Order of Merit for services to Biochemistry. Professor Swan, from the Engineering Department, was made a Member of the New Zealand Order of Merit for services to engineering.

2. Vice-Chancellor's Overview

This year's Te Rangi Hiroa Medal for Excellence in Social Sciences was awarded by the Royal Society of New Zealand to Professor Ian Pool for his demographic research on Māori, fertility and family formation, the theory of age structural transition, the measurement of mortality and morbidity, and the relationship between population and development.

Associate Dean of the School of Māori and Pacific Development, Sandy Morrison, was inducted into the International Adult and Continuing Education Hall of Fame this year. The US-based organisation attracts international educators from around the world to honour leaders and to help inspire future leaders in continuing education.

The late Hirini Melbourne, a University of Waikato alumnus and former Associate Professor, was inducted into the New Zealand Music Hall of Fame at the 2009 APRA Silver Scroll Awards. Dr Melbourne's vast contribution to Māoridom and New Zealand was recognised with an Honorary Doctorate from the University of Waikato in 2002. He was at the forefront of the resurgence of Māori music and was a respected scholar and academic during his long time at the University of Waikato. Dr Melbourne was also pivotal in helping set up the University's School of Māori and Pacific Development – the first of its kind in a New Zealand university. Also inducted into the Hall of Fame on the same night was Richard Nunns, a Research Associate at the University of Waikato since 2001.

Director of the University's International Global Change Centre, Professor Janet Bornman, received the 2009 Ozone Layer Protection Award from the United States Environmental Protection Agency, which leads America's environmental science, research, education and assessment efforts.

Senior tutor in Earth Sciences, Natalie Miedema, won this year's Antarctic New Zealand Youth Ambassador Award and Associate Professor Louis Schipper, also from the Department of Earth Sciences, was made a Fellow of the Soil Science Society of America - its highest honour.

I am delighted to be able to say that Waikato scored better than any other university in 2009's Tertiary Education Commission Top Achiever Doctoral Scholarships. Of the 14 scholarships awarded, five were won by Waikato students - three from the School of Computing and Mathematical Sciences, one from the School of Science and Engineering, and one from the Faculty of Arts and Social Sciences. (It is very disappointing to note Government's decision, as part of its 2009 Budget, that this is the last year in which these scholarships are to be awarded.) University of Waikato students also won prestigious Commonwealth and Woolf Fisher Scholarships in 2009; both recipients will use their scholarships to pursue PhD study at Cambridge University.

Six major research projects at the University won \$6.2 million in government funding in 2009. Two large science projects won funding from the Foundation for Research, Science and Technology (FRST). Earth and Ocean Sciences Professor Peter Kamp won six years of FRST funding worth \$2.7 million to research oil and gas resources in New Zealand's frontier basins. The project involves collaboration between University of Waikato, Yale and the University of Pennsylvania. Biological Science's Professor Bruce Clarkson secured a further three years of funding from FRST at \$300,000 a year, to continue the University's work on restoring natural ecosystems in city areas. The project will ensure the work that has been done in Hamilton can be spread to three other cities around New Zealand.

Under Marsden funding announced in October, the University won a \$1 million contract over three years for the study of the Māori way of death. Professor Ngahua Te Awekotuku of the School of Māori and Pacific Development and Associate Professor Linda Waimarie Nikora of the Māori and Psychology Research Unit will lead a team to explore and record tangihanga practice past and present. Findings from the research programme will be made available to whanau, hapu, the health services, police and the funeral industry. Waikato also won three other prestigious Marsden Fund contracts. A \$773,000 three-year project headed by the Management School's Professor Juliet Roper will study the vulnerability of New Zealand's global environmental positioning. Associate Professor Priya Kurian of the Faculty of Arts and Social Sciences and Associate Professor Debashish Munshi of the Waikato Management School won \$560,000 over three years to explore sustainable citizenship. They will focus on crafting a widely accepted policy on the safe and equitable use of new and emerging technologies. Another grant of \$300,000 over three years was awarded to Dr Alison Henderson of the Waikato Management School for research into how food-producing organisations negotiate public and private agendas about what counts as healthy food, as they make decisions about the research and development of their products.

The University's presence in the Western Bay of Plenty has been hugely boosted this year with major funding announcements that will have direct benefits for that region. In May, the University of Waikato and Germany's University of Bremen announced that a major centre of research excellence called *Intercoast* is to be established in Tauranga. Interdisciplinary researchers from the two universities will work together on projects that will focus on the Bay of Plenty coast and inner continental shelf, as well as comparable areas in the North Sea. Over nine years, \$11 million is being provided by the German government through the DFG, the German Research Foundation.

2. Vice-Chancellor's Overview

Major players in the region – Environment Bay of Plenty, Priority One (the Western Bay of Plenty region's economic development organisation) and the Port of Tauranga – have pledged their help to ensure that the University can deliver scientific research and benefits in the area. Discussions continue with other key stakeholders. Environment Bay of Plenty's pledge of an endowment for a Professorial Chair, worth \$1.5 million over 10 years, will help the University ensure that Tauranga is at the forefront of coastal research. The Port of Tauranga has pledged \$50,000 and offered in-kind support, and Priority One has pledged \$50,000 and in-kind help with office space and staff. The University has strong and valued relationships with all these groups, some of which have supported our work for many years. (Environment Bay of Plenty already funds a \$1 million Chair in Lakes Management and Restoration at the University of Waikato.) The regional council and the port have been heavily involved in the coastal projects to be worked on by *Intercoast* postgraduate students arriving from early next year. Over the next 10 years, as many as 39 doctoral students and postdoctoral fellows, all recruited internationally, will work on projects that will benefit the Bay of Plenty and the North Sea coasts. Those projects will include the impacts of harbour developments on ecosystems, looking at open ocean aquaculture, and protection and utilisation of the harbour and coastline. Bremen University has one of the world's top five oceanographic institutes, and this centre of research excellence will ensure that Tauranga harbour and its port will be the most comprehensively researched harbour in Australasia.

In April the University's School of Education won a multi-million dollar three-year adult literacy and numeracy contract to train tutors at polytechnics, wānanga, private training establishments and in workplaces. The contract between the University and the Tertiary Education Commission will deliver leading-edge courses for trainers and develop a knowledge base in the area of adult literacy and numeracy as part of Government's commitments to literacy and numeracy.

A generous gift by US-based Waikato alumnus Craig Nevill-Manning of Google has given the University's Department of Computer Science the chance to emulate Google's famous workplace culture. The donation is being spent on upgrading the department's social space, and turning it into a place where staff can seek inspiration as well as relaxation. In 2009, Dr Nevill-Manning was honoured with a Kea World Class New Zealand Award for his contribution to the ICT sector and his work to enhance the nation's reputation around the world.

Also confirmed in 2009 was a generous financial commitment by Bill and Joan Flower for the establishment of the Flower Doctoral Fellowship in Economics, to support economics research focussed on New Zealand's future in agriculture. Bill Flower was part of the original group of Hamilton business leaders who worked and lobbied for the establishment of the University in the 1960s.

As part of the Toi o Matariki Graduate conference in September, a selection of Māori graduate students from across the University had the opportunity to showcase their research and to inspire other graduate students. The University hosted the National Māori Academic Excellence Awards for the seventh consecutive year, where we celebrated the achievements of 25 of the most recent Māori PhDs from across the country.

A book on Māori tattoos authored by four University of Waikato academics was named Māori Book of the Decade in the Nga Kupu Ora Book Awards, an award that celebrates excellence in Māori publishing. *Mau Moko: The World of Māori Tattoo* was written by Waikato's Professor Ngahuia Te Awakotuku, Associate Professor Linda Waimarie Nikora, Director of the University's Māori and Psychology Research Unit, and student researchers Mohi Rua and Rolinda Karapu. The book also won the lifestyle and contemporary culture category at the 2008 Montana New Zealand Book Awards.

In a ceremony in December each year, the University celebrates the special achievements of its staff. A variety of awards were made this year for administrative, teaching and research excellence. As well as winning a Teaching Excellence Award, Dr Ian Hawthorn from the Department of Mathematics also won the top prize – the Vice-Chancellor's Medal for Staff Excellence.

In September of this year the University of Waikato's IELTS (International English Language Testing System) Centre, based in the University's Pathways College, received a 2009 IELTS award in recognition of the centre's 88% increase in candidature between July 2008 and June 2009. The award recognises the excellent work undertaken by a team of almost 30 staff involved in the delivery of the IELTS test throughout the Waikato and Bay of Plenty region. Over the last 12 months, the IELTS centre has helped more and more candidates gain entry into university study here at Waikato, as well as at other universities in New Zealand and overseas. In addition, the centre has enabled overseas teachers, doctors and nurses to gain professional registration in New Zealand, allowing them to work in New Zealand and help the wider New Zealand community.

The University of Waikato Inaugural Professorial Lecture Series showcases to our wider community the latest research from our newest professors and profiles the breadth of research currently underway at the University. The 2009 Inaugural Professorial Lecture Series comprised eight lectures delivered by Professors Giselle Byrnes, Bruce Clarkson, Brian Findsen, Terry Locke, Robyn Longhurst, Karen Van Peurse, Margaret Wilson and Deliang Zhang.

2. Vice-Chancellor's Overview

The University of Waikato Public Lecture Series is a seminar series that enhances the reputation of the University within the community, and provides an opportunity for robust discussion about a highly topical issue. The 2009 theme, which comprised nine free public lectures, was *The Global Economic Crisis*. Guest speakers included University alumni and former Telecom head Theresa Gattung, former ASB Chief Economist Anthony Byett and NZ Super Fund head Adrian Orr. Ralph Lattimore, a senior fellow at the New Zealand Institute for Economic Research, Selwyn Parker - the author of *The Great Crash* - and Peter Neilson, CEO of the New Zealand Business Council for Sustainable Development were also guest speakers.

The inaugural "Thesis in Three" speech competition was held in October, showcasing the cream of this University's emerging young researchers, with students judged on their ability to communicate their research and its significance to a general audience in three minutes using a single slide. The winner of the first prize of \$5,000 in research funds, Fiona Martin, who presented her topic "Dying words in early modern English drama", was one of eight finalists from more than 60 PhD students who entered the competition.

The University's Tauranga campus also delivered three separate lecture series to the Tauranga community. Large audiences attended these events, which were organised by the Tauranga campus Centre for Continuing Education in association with Waikato academic staff, and with community organisations in and around the Tauranga area.

In November, we became the second New Zealand university to join iTunes U, opening up opportunities for members of the public to engage with advanced research and learning through the internet at no cost, and to download all sorts of other academic information provided by the University, including guest lectures. This is just one more way in which the University of Waikato facilitates knowledge transfer using technology to enhance student learning opportunities.

The University has fostered links with some of the most prestigious universities in the world through the Gallagher Great Race – a university tradition that sees our Waikato men's rowing eight compete against crews from Cambridge, Oxford, Washington and Harvard universities; women's teams also compete for the Bryan Gould Cup. In this, the eighth year of the event, the University of Waikato men's crew beat an Oxford University crew in a thrilling race, while a women's team from the University of Sydney caught up in the final stages to win their race against the University of Waikato women's crew.

A strategic partner in the National Fieldays, the University again showcased the work and research being undertaken at the University to help land-based industries and to demonstrate its leadership in the areas of environmental sustainability, biodiversity and the physical environment. The Fieldays 2009 theme was *My Land, Our Environment*, and the University scooped the prize for the best premier stand.

The University of Waikato is a major sponsor of the annual *Balloons Over Waikato* event, an excellent opportunity to engage with our local community. The event was voted 'Best Waikato Event' in the Waikato Times Tempo 2009 Readers' Choice Awards. An estimated 80,000 people attended the magnificent *Balloons Over Waikato NightGlow* on our campus this year.

Our beautiful campus has always been a source of great pride. Construction began this year on a new state-of-the-art Student Centre at the heart of the campus, linking the Library to student services and retail amenities. The Student Centre has been designed to achieve a 5 Green Star rating for environmental sustainability and will offer a world-class learning environment. The \$35 million project will eventually occupy more than 11,000 square metres, and will combine traditional library resources with hi-tech IT facilities. Planning work began in 2006 and the project is on track to be completed by mid-2011. Meanwhile, staff, students and visitors are revelling in the new shops complex which was completed earlier this year.

The University reviewed and updated its Strategic Plan this year, affirming its high-level strategic goals and making excellent progress in the development of a wider framework of organisational, operational and academic plans to underpin the successful delivery of our Vision. The planning framework also guides the day to day activities of our staff, and helps us to monitor and measure our achievement against our agreed targets. I welcome this more transparent, informed and focussed approach to our planning, and early results are encouraging.

My personal thanks to the University Council, my senior management team and all the staff of the University for their support through the year. I would like to acknowledge the contribution of Mr Raymond McNickle, who left the University at the end of this year after 4 years as Head of Corporate Services. I continue to believe that our staff are among the most talented in any university in Australasia, and to have absolute confidence in our collective capacity, passion and will to build on our strengths to achieve our strategic goals and our Vision.

Professor Roy Crawford
Vice-Chancellor

3. The Role of the University of Waikato

Consistent with its statutory role as a New Zealand university under section 162 of the Education Act 1989, the University of Waikato

1. is primarily concerned with more advanced learning, the principal aim being to develop intellectual independence
2. delivers research and teaching that are closely interdependent, with most of the teaching done by people who are active in research
3. meets international standards of research and teaching
4. is a repository of knowledge and expertise
5. accepts a role as critic and conscience of society.

The University plans and operates in accordance with its Charter (www.waikato.ac.nz/charter/) and Vision (www.waikato.ac.nz/vision/).

Its Mission, as stated in its Charter, is 'To combine the creation of knowledge through research, scholarship and creative works with the dissemination of knowledge through teaching, publication and performance'.

The University's motto 'Ko Te Tangata', symbolises our commitment to our role under the Treaty of Waitangi. It also emphasises the role of collegiality and the importance that we place on people.

We apply the following values in all our activities and operations:

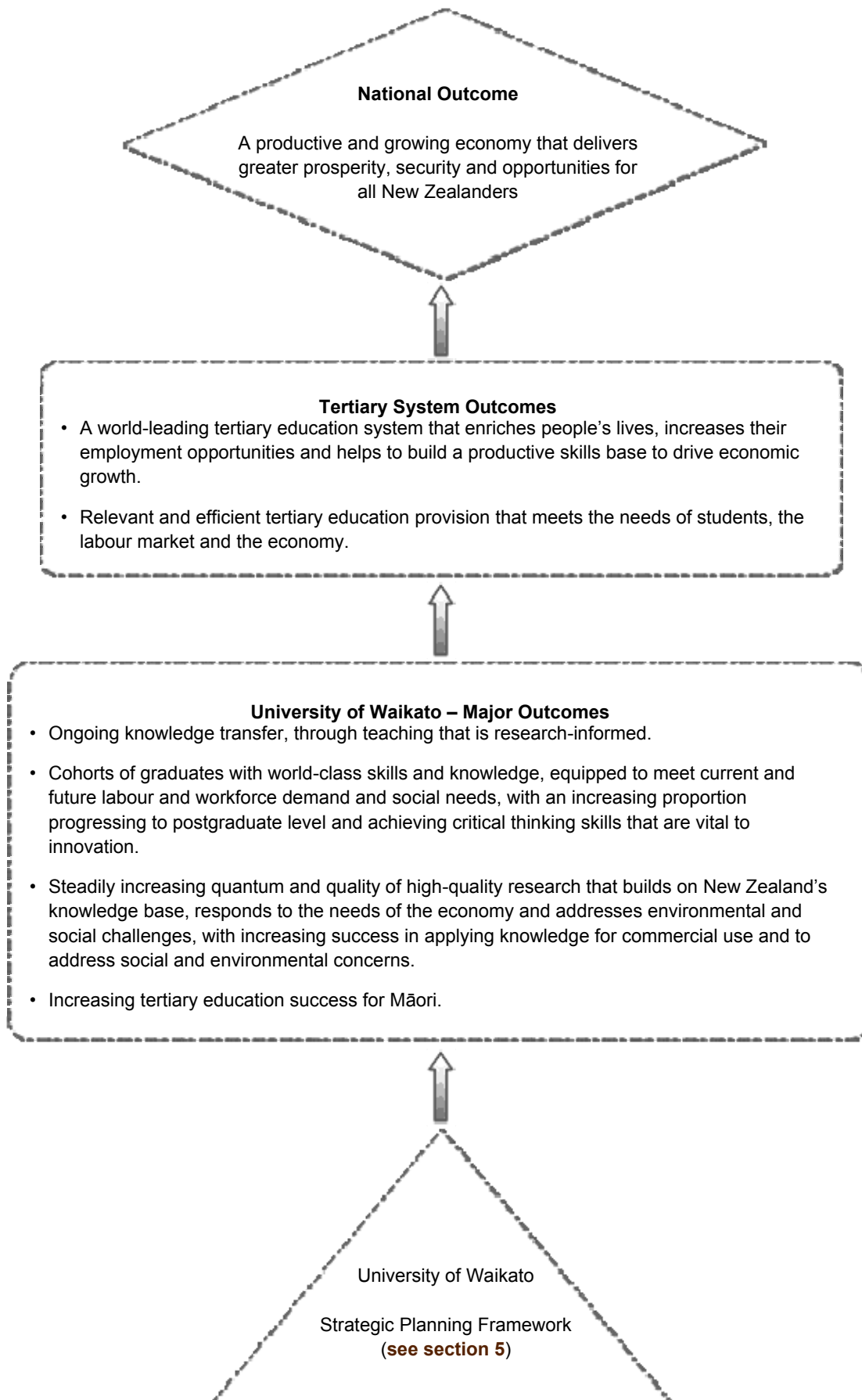
- Partnership with Māori /Tū ngātahi me te Māori
- Acting with integrity / Mahi pono
- Celebrating diversity / Whakanui i ngā huarahi hou
- Promoting creativity / Whakarewa i te hiringa i te mahara.

Standards of entrance to the University are determined and monitored by an inter-university body established under the Education Act 1989, the New Zealand Vice-Chancellors' Committee, which also determines and monitors standards for the quality and accreditation of the University's qualifications.

Like all other New Zealand universities, the University of Waikato is subject to regular and rigorous academic audit by the New Zealand Universities Academic Audit Unit. The frameworks for these external audits support and enhance the institution's own ongoing programmes of self-review and quality assurance.

4. Outcome Framework

The outcomes to which the University of Waikato contributes can be represented as follows:



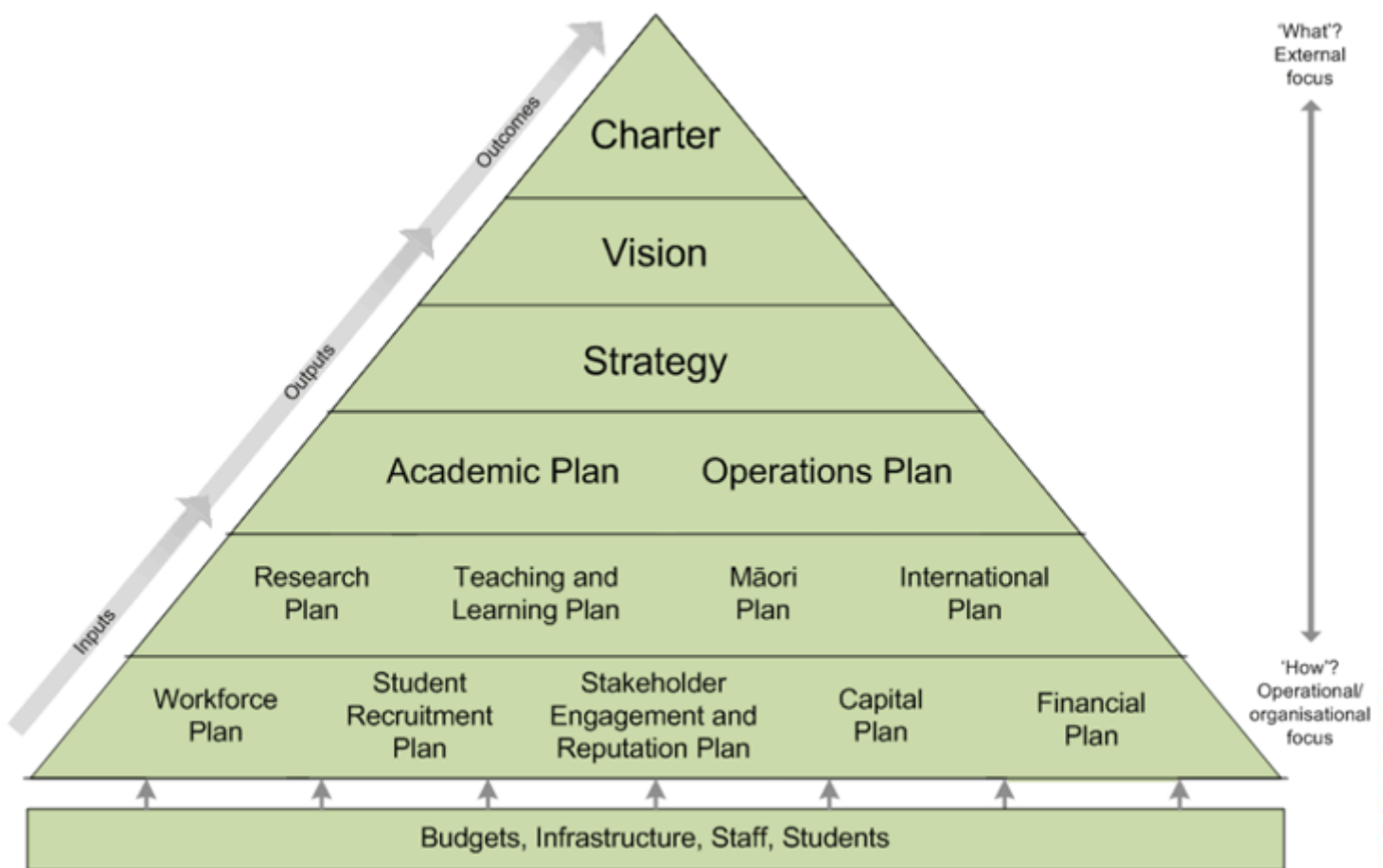
5. Strategic Planning and Performance Monitoring and Reporting

The University of Waikato Strategy identifies six inter-related strategic goals to enable it to fulfill its commitment to its Charter and Vision and achieve the outcomes represented in **section 4**.

- Goal 1: Provide a world-class, relevant and sustainable programme of teaching and learning
- Goal 2: Be recognised nationally and internationally as making a contribution to New Zealand's tertiary education and research sectors that is significant, distinctive and reflective of the University's values
- Goal 3: With an international perspective, contribute to the educational, social, cultural, environmental and economic development of our region and nation
- Goal 4: Be recognised nationally and internationally for research excellence in our areas of expertise
- Goal 5: Achieve management and operational excellence in support of teaching, learning, postgraduate supervision and research
- Goal 6: Apply strong leadership and best practices to ensure that governance and management activities are coordinated, complementary and effective in achieving the University's goals

The University of Waikato Strategy forms part of an integrated planning framework, represented by a 'planning pyramid' that links strategy to operations and inputs:

University of Waikato Strategic Planning Framework



This pyramid represents a hierarchy of plans; the inputs and more operational plans at the base of the pyramid feed through to the higher-level plans that focus on educational and research outputs and, at the apex, the outcomes cited in the University Vision and Charter.

The KPIs against which universities are required to report in their Statement of Service Performance are those established and agreed through negotiation with the TEC as part of their Investment Plans. The University of Waikato Investment Plan 2008 – 2010 (including the KPIs against which it reports in its Statement of Service Performance) was written and approved in October 2007, and was derived from the University's Strategic Plan and Academic Plan, as they were at the time.

While the University's overall strategic direction has not changed since then, its planning framework has developed considerably in the intervening 2½ years. The high-level University Strategy has been 'refreshed' and is now supported by a framework of specific plans, which are at various stages of development, and each of which has or will have associated responsibilities and KPIs.

The 2009 and 2010 targets attached to the University's current Investment Plan KPIs were updated in 2009, with the TEC's approval, to take account of various factors and developments since the Plan was originally approved by the TEC. The Investment Plan KPIs themselves will be reviewed and updated in 2010 as part of the process of developing and negotiating the next Investment Plan for 2011 – 2013.

6. Strategic Context

6.1 Economic impact

According to an independent report published by consulting economist Dr Warren Hughes in April 2009, *The University of Waikato: Regional & NZ Economic Impacts for 2008*, the University of Waikato was one of the Waikato region's main drivers of economic prosperity in 2008, as well as being a significant contributor to the New Zealand economy. More specifically

- University of Waikato operations together with the expenditures of its students generated \$749 million – or 3% - of the Core Waikato¹ region's annual revenue
- this revenue impact rises to nearly \$913 million - or 0.4% - for the New Zealand economy as a whole
- the University directly and indirectly accounts for over 5,600 jobs in the Waikato Regional Council economy² (3.3% of total Waikato employment)
- the University accounts for 5% of economic activity in the Core Waikato economy
- every dollar generated by the University resulted in \$1.21 of flow-on revenue across the Core Waikato economy
- every job at the University generates another job in New Zealand, with two-thirds of these flow-on jobs located in the Core Waikato economy
- students spent an estimated \$166.59 million in Core Waikato
- in Tauranga, the University's 1,711 students spent an estimated \$10 million, generating 125 jobs. (Hughes, 2009)

6.2 Regional demographics

Recent figures indicate that approximately 16% of New Zealand's total population resides in the Waikato and Bay of Plenty regions³ (Statistics New Zealand, 2009), which comprise the University's main catchment area.

76% of the University's total domestic students typically come from this main catchment area. A further 10% of domestic students are actively recruited from the University's inner and outer peripheries – that is, the wider region that includes Northland, Tairāroa, Hawkes Bay and Gisborne.

According to the 2006 New Zealand census, 15% of New Zealand's population were Māori at that time. The comparative figure for the University's main catchment area was 24% (Statistics New Zealand, 2009). In 2009, 22% of domestic students at the University of Waikato were Māori.

While almost 22% of New Zealand's population nationwide is under 15 years of age, approximately 35% of Māori are under 15 years of age; the figures relating to the University's main catchment areas are very similar (Statistics New Zealand, 2009). In the longer-term, New Zealand's Māori population is projected to increase at a higher rate than the European/Pakeha population, nationally as well as in the University's main catchment (Statistics New Zealand, 2009). This means that the University of Waikato will continue to have an extremely important role to play in supporting Government's tertiary education priorities with respect to Māori, especially in terms of fostering secondary/tertiary pathways as well as staircasing and articulation arrangements with other parts of the tertiary sector and improving retention and pass rates.

While the population of the University's main catchment area is expected to grow by approximately 4% over the next five years, the number of 18 year-olds is expected to decrease slightly; nationally the number of 18 year-olds is expected to decrease by 6% over the next five years (Statistics New Zealand, 2009). This means that school-leaver numbers may decrease. However, enrolments at university are not necessarily expected to decrease to the same extent (if at all), because of a number of current trends: students are staying longer at school due to limited employment opportunities (Smart, 2009), increased numbers of students are attaining the university entrance standard (Loader & Dalgety, 2008) and the rate of transition from secondary to tertiary education has been increasing markedly over the last eight years (Ministry of Education, 2009a).

The University of Waikato is already taking account of the likely impact of the population and related demographic factors outlined above. In summary, even though numbers of young people are projected to decline slightly, the current recession is likely to have an ongoing positive impact on secondary school retention rates and, in turn, the flow through to tertiary study.

6.3 A changing economic and political environment

In 2006, New Zealand was in a period of economic growth with a low unemployment rate of 3.8%. Government policy was focussed on sustaining that growth through investment in the skills and knowledge of the workforce. With a change of government in 2009, the policy focus has shifted to managing the country through a difficult economic period in the short- to medium-term, while "continuing to make strategic investments for the long-term" (Ministry of Education, 2009b, p4).

6. Strategic Context

New Zealand has been in a recession since early 2008, due to “major global economic shocks” (Ministry of Education, 2009b, p3). Typically in a recession, the unemployment rate rises (Smart, 2009); currently the rate of 6% represents a nine-year high (Department of Labour, 2009). Long-term unemployment has also increased markedly over the last year, reflecting the number of people who lost their jobs early in the recession and who have failed to find employment since then. The unemployment rate nationally is expected to rise to around 7% by mid-2010 and a subdued economic recovery is anticipated, with economic growth only returning to its pre-recession level in the latter half of next year (Department of Labour, 2009).

The recession's impact in the University of Waikato's main catchment area has become very apparent over the last 12 months. The unemployment rate across the Waikato and Bay of Plenty increased from approximately 4% to 6% between September 2008 and September 2009 (Department of Labour, 2009). Despite a pick-up in the September 2009 quarter, the Waikato recorded year-on-year economic growth of -3.3%, and the Bay of Plenty -1.5%, compared with a national average of -1.8% (National Bank, 2009).

During an economic recession the increased demand for tertiary education is typically sustained after the economy has returned to normal. Evidence from overseas suggests that during a recession, participation in shorter duration university programmes is more sensitive to the state of the economic cycle, and rises; bachelors degree enrolments also usually increase proportionately with the unemployment rate. These patterns suggest that the University can anticipate increased applications to enrol in these types of programmes (Smart, W. 2009).

In 2009, Māori students formed 22% and Pacific Island students 4% of the University's domestic student population. The impact of the recession is thought to be greater for Māori and Pacific Islanders due to greater proportions of youth. In 2009, the unemployment rate for Māori increased to 14.2%, from 9.6% a year earlier, while the rate for Pacific Island peoples increased to 12.3% from 7.7% (Department of Labour, 2009). These trends suggest that enrolment applications from students belonging to these ethnic groups may increase.

A likely further impact of the recession is that an increasing number of students from the University's main catchment area who might otherwise have chosen to leave home to attend university will instead see the University of Waikato as a positive, more cost-effective option.

University of Waikato enrolments (EFTS) in 2009 were unexpectedly high (9.5% higher than in 2008), most likely because of the impact of the recession and the associated trends outlined above. As the University approaches 2010, tertiary study is expected to continue to be a particularly attractive option for people reacting to the recessionary environment, either finding themselves unemployed or wanting to guard themselves against the risk of unemployment.

Not only must the University address the future pipeline consequences of the economic environment and the unexpectedly high growth in 2009, but it must also plan for the recession's ongoing impact into 2010 and beyond. In a capped funding environment, this represents a particularly major challenge, not only for the University itself, but also for a government that is committed to providing as many young New Zealanders as possible with access to high-quality tertiary education opportunities.

6.4 The secondary/tertiary interface

Typically, slightly more than 40% of the University's new domestic students are school-leavers, who come from approximately 433 schools across New Zealand, with the majority from the North Island. In 2009, 69% of 1,524 school-leavers came from schools in the Waikato and Bay of Plenty and 18% came from schools in the Auckland, Northland and Counties Manukau areas. 45% of the University's school-leavers came from 15 secondary schools.

The University of Waikato offers a number of programmes that promote and foster the successful transition of secondary school students through to tertiary study. 'Update days' were held this year on campus and in Auckland for secondary school teachers, to present them with information about research developments and other academic matters relevant to their subject areas. Every year, academic staff of the University provide examination revision and refresher programmes for NCEA Level 3 and Scholarship students.

A well-established Secondary Tertiary Alignment Resource (STAR) programme offers secondary school students the opportunity, while they are still at school, either to advance beyond the secondary school curriculum in particular subjects (in 2009, the University delivered STAR courses in Māori language, Chemistry and Statistics), or to undertake study in a subject that is not offered as part of the secondary school curriculum (in 2009 such subjects included Philosophy, Law, Computer Science and Management). In 2009 251 secondary school students enrolled for University of Waikato STAR papers. Students who have successfully completed a STAR paper at secondary school receive credit towards their university studies.

The 2009 University of Waikato Open Day in May was attended by 4,000 secondary school students, teachers, parents and visitors, and the University's 'Year 10 Experience Day' in November was attended by 400 students from 12 invited secondary schools. The University again participated in the annual Waikato Te Ao Hou programme, which inspires young Māori secondary school students to achieve at school and progress to tertiary study.

6. Strategic Context

The Kotahitanga programme ('Improving the Educational Achievement of Māori Students in Mainstream Education'), a research and professional development project in the School of Education at the University of Waikato, continues to see major improvements in student outcomes in participating secondary schools, and has now received major resourcing for a more expansive roll-out. The professional development/ research project, which began in 2001, involves 33 schools around New Zealand, hundreds of teachers and thousands of Māori students.

Academic staff of the University serve as judges of a number of secondary school competitions, including national Kapa Haka and speech competitions. In addition, the School of Law holds an annual secondary schools mooting competition, which is well subscribed by secondary schools across the greater North Island region.

University of Waikato graduate, Atlantic rower and polar trekker Jamie Fitzgerald delivered the Reaching Peak Performance *The Edge of Stretch* programme to Year 12 leaders from 15 secondary schools this year and delivered an additional session to University of Waikato Sir Edmund Hillary scholars. The prestigious Hillary Scholarships, offered since 2005, are awarded to high achievers who show leadership qualities and also excel in sport or in the creative and performing arts. The scholarship includes comprehensive support for the recipient's academic, sporting and/or arts activities, and additional support in leadership and personal development. 44 new Hillary Scholarships were awarded in 2009, bringing the total to 218 students since 2005.

The Vice-Chancellor's Prize for Academic Excellence, another in a wide range of school-leaver scholarships and prizes, was awarded in 2009 to 21 secondary school students nominated by their principals.

6.5 University relationships within a regional network of provision

The University of Waikato has signed deeds of cooperation with both the Bay of Plenty Polytechnic and the Waikato Institute of Technology (Wintec). The University recognises the benefits of a differentiated system of tertiary education in New Zealand, in which universities and polytechnics have distinctive but complementary contributions to make to the delivery and support of relevant, quality, tertiary provision. In this context, the University has negotiated with both polytechnics a variety of contract teaching, articulation and other types of arrangements for staircasing into higher level tertiary qualifications.

In 2009, 56 students transferred from the Bay of Plenty Polytechnic into higher level qualifications at the University of Waikato, and 176 students transferred to the University from Wintec.

The University of Waikato also has a long history of collaboration with Tairāwhiti Polytechnic, with which it offers a number of papers through articulation and contract teaching arrangements.

6.6 The Western Bay of Plenty

Population growth and economic development in the Western Bay of Plenty region are strong and ongoing (SmartGrowth, 2009a). For several years now, the University of Waikato has expanded its teaching and research activities in the Western Bay of Plenty, in order to meet demonstrated needs associated with the economic transformation of that region (SmartGrowth, 2009b).

The region has identified nine economic challenges and impediments to economic growth, five of which relate directly to skills, training and education. One of those challenges is the advancement of strong relationships with tertiary education and research institutions, not only to provide direct training for those employed in key regional industries but, more importantly, to provide the intellectual input to drive innovation and entrepreneurialism. These are the cornerstones of new product development, efficiency and 'value-added' productivity (Priority One, 2008).

Statistics show that the Western Bay of Plenty population is close to the national average in terms of educational and vocational qualifications but that it lags behind the national average in terms of tertiary qualifications. The 2006 census indicates that only 8.2% of those living in the Western Bay of Plenty have achieved qualifications at bachelors level or higher; this is substantially lower than the national rate of 14.2% (Statistics New Zealand, 2009). The low rate of university education impacts on the region's skill shortages and, in turn, the region's ability to support its economic growth.

With strong support from Priority One, the Western Bay of Plenty region's economic development agency, the University of Waikato has actively and successfully advocated increased government investment in tertiary provision in the Bay. Over recent years, University of Waikato numbers have grown steadily from 244 EFTS in 2005 to 412 EFTS in 2009.

Subject to funding beyond the current TEC funding cycle, the University proposes to continue its growth strategy in the Bay in partnership with the Tauranga community and the Bay of Plenty Polytechnic, while at the same time continuing to invest in research capability to underpin the region's entrepreneurial, business and industry sectors.

6. Strategic Context

6.7 Relevance of qualifications and graduate outcomes

The University undertakes regular reviews of existing qualifications and programmes to ensure that they continue to meet the needs of industry and maintain their relevance for students. In 2009, the University implemented 25 Significant Academic Developments (approved by the NZVCC Committee on University Academic Programmes (CUAP)), 18 of which involved changes to existing qualifications, with a further four involving changes to entry requirements. Three new qualifications were introduced: the Doctor of Musical Arts, Bachelor of Social Work and Master of Business Management. In addition, a range of further Significant Academic Developments were developed and put forward for consideration by the NZVCC CUAP for implementation in 2010; these included the introduction of two new qualifications (the Bachelor of Media and Creative Technologies and Bachelor of Environmental Planning), as well as the discontinuation of one qualification and three subjects.

A report published by the Ministry of Education, *Outcomes of the New Zealand tertiary education system*, provides evidence of the pivotal role played by the New Zealand tertiary education system in the economic growth of New Zealand (Smart, 2006). Economic growth depends on labour productivity. Labour productivity depends on high employment. Tertiary qualifications enhance the employment prospects of New Zealanders; attainment of tertiary qualifications also results in higher incomes and, in turn, healthier lifestyles.

Data which suggest links between qualifications, employment and income levels, are helpful to the University in identifying and responding to student and market signals and monitoring their particular impact on employment outcomes. With this in mind, the University is participating in a university sector-wide project involving a longitudinal study called the New Zealand University Graduate Outcomes Survey. The results of the survey will help the University develop its understanding of how outcomes are changing for graduates over time and inform future direction and recruitment activities.

6.8 The University budget and capped funding

In budgeting for a 2009 surplus, the University took careful account of the likely challenges ahead in terms of increasing revenue in a capped funding environment and adjusting its costs to match the expected fall in student-related revenue.

Government's tertiary funding reforms, which took effect in 2008, impacted on the University of Waikato at a time when its enrolments were still recovering from an earlier decline. Having peaked at 11,575 in 2003, the University's total EFTS had declined to 9,685 by 2008. While the most severe decline during that period was related to Full-Cost International (FCI) enrolments (consistent with national trends at that time), Ministry-Funded (MF) enrolments also declined, a trend that had started in 1999.

MF enrolments had begun to recover in 2007 and, by the end of 2009, were well beyond the 2003 levels. The value of the University's MF enrolments in 2009 exceeded the TEC's funding cap by over 6%, representing a government funding shortfall of approximately \$3.4 million. While FCI EFTS were higher in 2009 than originally forecast, they were still far short of 2003/2004 levels.

2009 was set up to be a transition year, in which costs would be reviewed and new operating plans developed. Costs were managed very tightly throughout the year, and while many of the initiatives developed in 2009 to enhance the cost-effectiveness of the University's operations will not be fully implemented until 2010, the University's 2009 financial outcome was very positive.

The whole tertiary sector faces the prospect of ongoing constraints in government funding and so the University will continue with an approach that involves managing costs, constantly seeking efficiency gains and exploring additional sources of revenue, while ensuring that its investments in future capability are well informed, prioritised and targeted.

6.9 Research

The University continues with prioritisation and consolidation of research activities, simplification and strengthening of research and postgraduate support, ongoing development of inter-institutional research collaborations, and the alignment of new and established research capabilities with global research themes, national science strategy and regional R & D needs.

In parallel, the scholarship and creative work in the humanities and performing arts form a major strength of the University of Waikato with many fine performances and productions occurring in the WEL Academy of Performing Arts.

Government has identified innovation as a key driver for economic growth. This university's awareness of the importance of science and innovation as an economic driver and its central role in improving health, environmental and social outcomes, is reflected in its research priorities and goals. The University of Waikato plays a key role in the local economy and makes a significant contribution to the national innovation system. It continues to be a significant player in the Waikato Innovation Park, which creates wealth for the region through the nurture and support of innovative local companies and the overseas sale of specialist knowledge and expertise.

6. Strategic Context

The value of research contracts entered into by the University of Waikato in 2009 (to be realised over the life of the contracts) is \$38.3 million; almost twice the value of new research contracts committed in 2008. This has been achieved through increases in value of contracts in all areas of the University, with particularly large increases in the Faculty of Arts and Social Sciences, and the Schools of Education, Science and Engineering, and Management.

New staff were appointed as research and scholarship developers to work within the University Research Hub. They will assist researchers to grow revenue and align major research grant applications with national science strategy and national and international funding opportunities. Research institutes and centres were reconstituted during 2009.

A series of major initiatives were undertaken in 2009. One of the flagship initiatives was the groundwork undertaken towards the establishment of four new Research Institutes, namely the Environmental Research Institute, Māori Research Institute, National Institute of Demographic & Economic Analysis (NIDEA), and the Waikato Business Research Institute. Other projects include a comprehensive internal research assessment exercise, the introduction of 'Postgraduate Research Month', professional development workshops, doctoral workshops, an expanded summer school programme, the "Thesis in Three" competition, recruitment and induction programmes for postgraduate students, and expanded staff excellence awards recognising major contributions to teaching and research. In addition, the University has reinvented its research website, introduced a Higher Degrees Handbook, and established a continuing series of workshops for postgraduate students, supervisors and administrators.

The University of Waikato has strengthened research-based relationships with many private and public sector organisations and a number of carefully selected international institutions. Particular initiatives have been undertaken with District Health Boards in the Waikato and Bay of Plenty, with Priority One, the Port of Tauranga, Zespri and Fonterra. Research relationships are also advanced with regional environment agencies in the Bay of Plenty and the Waikato, and with Crown Research Institutes, particularly AgResearch, Geological and Nuclear Sciences, Landcare Research and NIWA. There has been notable growth in research capability, professional service provision and degree teaching in relation to land-based industries, especially Agritech and AgriBusiness and in health, especially in Māori psychology, community health, demographics, population studies, health diagnostics and social work.

Research grants, postgraduate scholarships and research-related donations were received from 96 organisations external to the University in 2009. This represents further progress in the ongoing diversification of sources of research support, and a further increase in inter-institutional and international research collaborations.

Government recognition of the crucial role science and research have to play in creating the future prosperity and wealth of New Zealand is particularly welcome. WaikatoLink's excellent record and ongoing activities in taking university research-based IP to market, onshore and offshore, positions it well to support government strategic priorities in this area.

The University recognises the importance of maintaining its position in the top three New Zealand universities through PBRF 2012 and has invested significantly in strategic research developments during 2009-2010. The University has strengthened its knowledge transfer activities through increasing numbers of quality-assured research publications, conference participation and collaborative research leadership.

A major effort in relation to research relevant to Māori economic development, educational success, health, governance and law has been a particular highlight of the 2009 year and this is ongoing. Financial support for a range of major research and development programmes received from the Ministry of Education and the Tertiary Education Commission is gratefully acknowledged.

Linked to the University's goals with respect to research publications, knowledge transfer and commercialisation of IP is its intent to increase the proportion of research postgraduate EFTS. The University matched Government's investment of \$250,000 in 2009 for 100 Summer Research Scholarships. This was additional to the University's own investment of \$3 million as part of its annual Budget, in a Strategic Research Investment Fund, which is designed to elicit and support initiatives that develop the University's research and research supervision capability. The University also invested \$2.8 million in University of Waikato Doctoral Scholarship support for 112 domestic doctoral candidates in 2009. \$758,000 was also invested during 2009 to support 65 Masters research students.

1. Core Waikato is defined as Hamilton, Cambridge, Te Awamutu, Huntly and Ngaruawahia
2. Waikato Regional Council economy is based on the 9 District Council (Thames-Coromandel to Waitomo and Taupo regions) surrounding and including Hamilton City
3. The Waikato region is defined as comprising the districts of Waikato and Waikato South, Franklin, Thames-Coromandel, Hauraki, Waipa, Otorohanga, Matamata/Piako, Waitomo and part of Rotorua and Taupo. The Bay of Plenty region is defined as comprising Western Bay of Plenty, Whakatane, Opotiki, and part of Rotorua and Taupo

7. 2009 Student and Academic Profile

In 2009, the University comprised one Faculty, six Schools of Studies and one College (see section 7.4).

It offered approximately 80 qualifications, including 20 undergraduate degrees, 38 graduate degrees, six postgraduate degrees and a wide range of specialist certificates and graduate and postgraduate diplomas. Students were able to choose from approximately 260 different subjects, delivered in a variety of classroom, mixed media, distance and e-learning modes.

7.1 2009 student profile

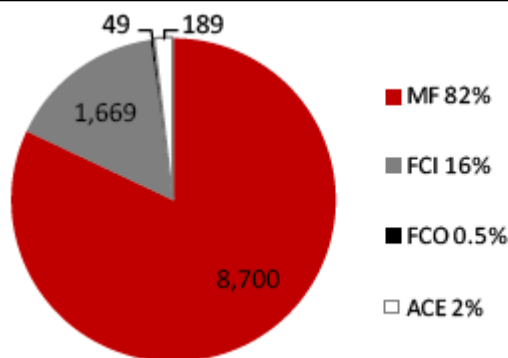
Contribution to national university provision

Based on the most recently published data about tertiary participation (Tertiary Education Commission, 2009; Ministry of Education, 2009c) the University of Waikato enrolls

- approximately 7% of New Zealand's domestic university students
- almost 12% of New Zealand's Māori university students.

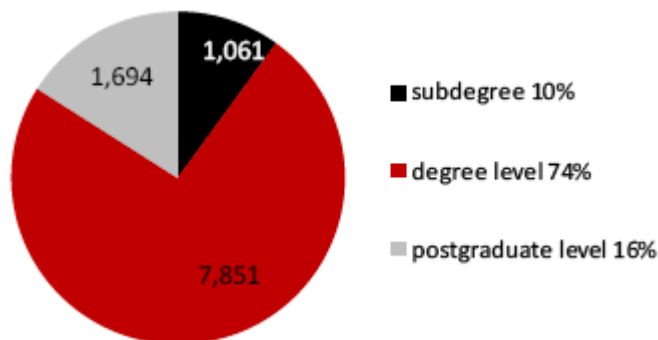
EFTS by funding source

- 13,089 students were enrolled at the University of Waikato in 2009, equivalent to 10,606 EFTS
- 82% of EFTS were generated by MF students
- 16% of EFTS were generated by FCI students
- 0.5% of EFTS were generated by FCO students
- 2% of EFTS were generated by ACE students



EFTS by level

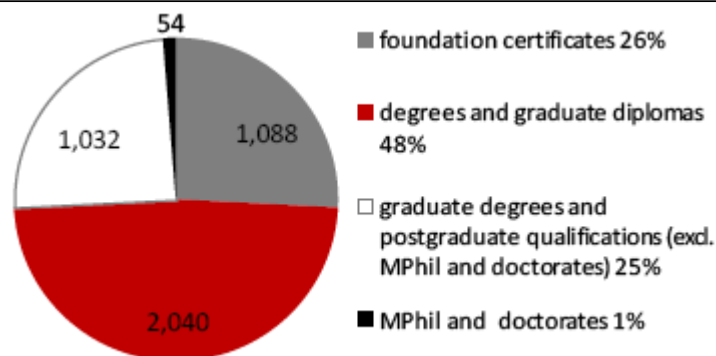
- 10% of EFTS were generated by sub-degree students; of these, 18% (189 EFTS) were generated by ACE students
- 74% of EFTS were generated by degree level students
- 16% of EFTS were generated by postgraduate students; of these, 22% (383 EFTS) were generated by candidates for PhDs and other doctorates



Qualification completions

3,731 students completed 4,214 qualifications, of which:

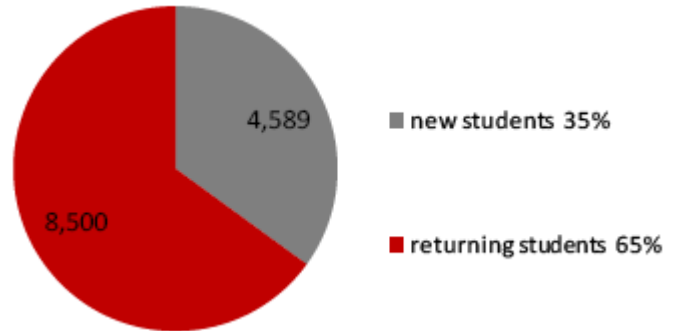
- 26% were foundation certificates
- 48% were degrees and graduate diplomas
- 26% were graduate degrees and postgraduate qualifications



7. 2009 Student and Academic Profile

New v. returning students

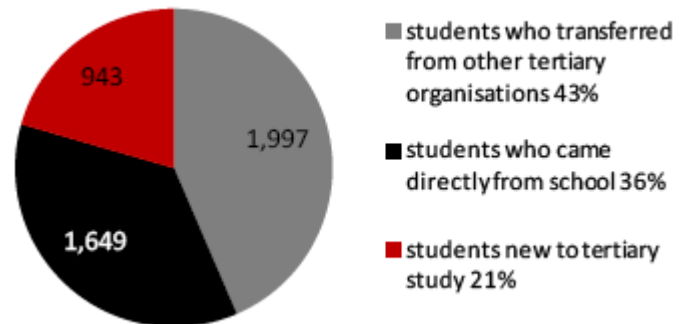
- 35% of students were new to the University of Waikato
- 65% of students were returners



Transition to University of Waikato

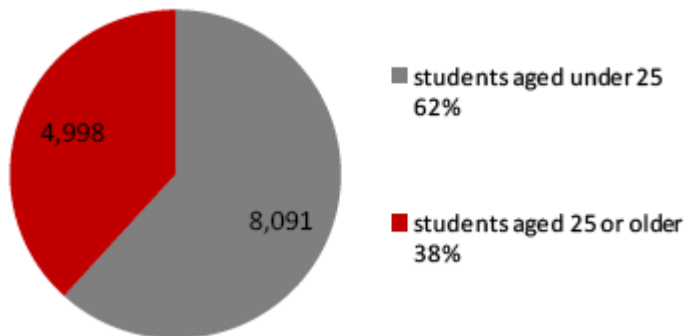
Of new students:

- 43% had transferred from other tertiary organisations
- 36% were school-leavers
- 21% were new to tertiary study (and not school-leavers)



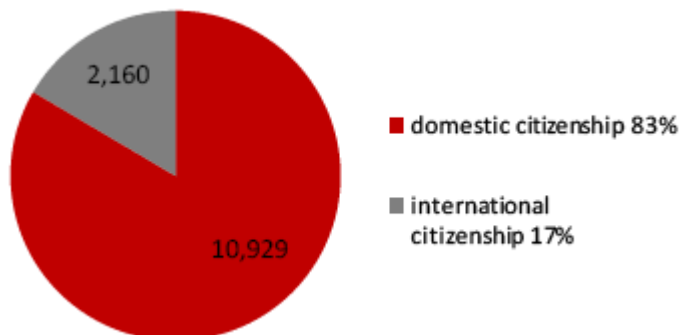
Age profile

- 62% of students were under 25 years of age
- 38% of students were 25 years of age or older



Citizenship

- 83% of students had domestic citizenship
- 17% of students had international citizenship

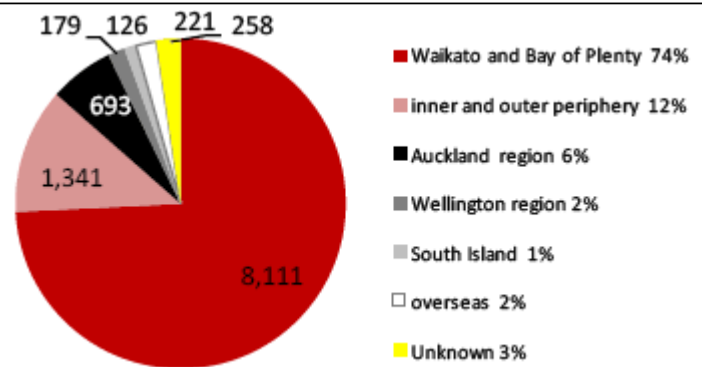


7. 2009 Student and Academic Profile

Origins of domestic students

Of domestic students:

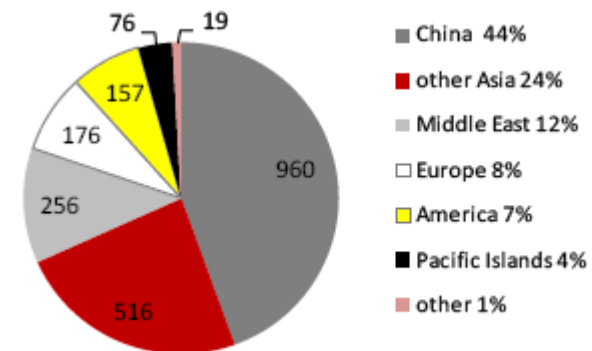
- 74% came from the University's main catchment⁴
- 12% came from the University's inner and outer peripheries
- 6% came from the Auckland region
- 2% came from the Wellington region
- 1% came from the South Island
- 2% came from overseas
- 3% were of unknown origin



Origins of international students

Of international students:

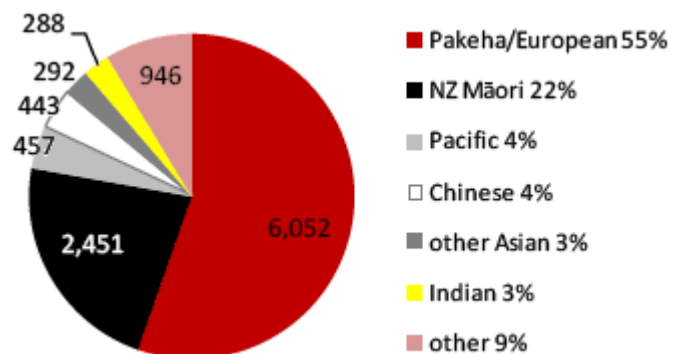
- 44% came from China
- 24% came from other parts of Asia
- 12% came from the Middle East
- 8% came from Europe
- 7% came from America
- 4% came from the Pacific Islands
- 1% came from other parts of the world



Ethnicity of domestic students

Of domestic students:

- 55% were Pakeha/European
- 22% were Māori
- 4% were Pacific Islanders
- 4% were Chinese
- 3% were of other Asian ethnicities
- 3% were Indian
- 9% were of other ethnicities



Tauranga enrolments

- 5% of the University's total EFTS were generated by students enrolled in Tauranga.
- 90% of Tauranga EFTS were generated by MF students.
- 10% of Tauranga EFTS were generated by FCI students.

Adult and community education enrolments

- 189 EFTS were generated by students enrolled for Adult and Community Education (non-assessed) courses.

7. 2009 Student and Academic Profile

7.2 International student trends

The University's FCI EFTS peaked in 2003 (at 2,893 EFTS), representing almost 25% of its total EFTS, and remained at approximately that level through to 2006. Like most other tertiary providers, the University experienced a severe downturn in the international student market in 2007. By 2009, FCI EFTS (1,669 EFTS) were 16% of total EFTS, representing a more stable level in terms of the University's student profile overall and also in terms of the need to manage and mitigate the risks inevitably associated with a fairly volatile international student market. Proactive steps are also being taken to achieve a more geographically diversified international student profile into the future.

In 2009, FCI EFTS exceeded the University's target by 8% bringing \$4 million in additional revenue (over and above the budgeted \$21.3 million). The extra revenue supports ongoing investment in an internationally rich curriculum for all students as well as the expansion and enhancement of international alliances and collaborations. These, in turn, feed into government's objective of ensuring that international education maximises its contribution to New Zealand's economic performance.

7.3 Māori student trends

Although the number of Māori students has decreased in recent years (from a peak of 2,707 in 1999 to 2,451 in 2009), the number as a proportion of total students has increased quite significantly within a range of 16% to 21% between 2003 and 2009. 17% of total EFTS reported as Māori in 2009. When measured as a proportion of MF EFTS, the number of Māori EFTS over the last decade has fluctuated only slightly between 21% - 23%. The levels of Māori enrolments at the University are already consistent with regional demographics.

The main focus for the University into the future with regard to Māori academic success is on enhancing the teaching and research capacity of Māori academic staff, leadership in research relevant to the needs and aspirations of iwi and Māori communities, improving Māori student retention and pass rates and lifting progression rates through to postgraduate level.

7.4 Enrolment trends in the Faculty/Schools/College

The **Faculty of Arts and Social Sciences** experienced 11% growth over 2008, reversing a declining trend since 2004. Most of the decline in the past was associated with FCI EFTS. MF EFTS declined between 2004 and 2006, but were stable between 2007 and 2008. In 2009 MF EFTS were 12.8% higher than in 2008.

All departments in the Faculty experienced EFTS growth over 2008. Seven of 10 academic departments reversed a decline in total EFTS and have returned to, or exceeded, 2006 levels.

The Department of Psychology consistently contributes between 18% and 19% of the Faculty's total EFTS. Together, the Department of Humanities, Department of Societies and Cultures, and Department of Screen and Media Studies contributed 40% of EFTS in 2009.

Since 2007 the Faculty's MF teaching in Tauranga has increased from 19 to 55 EFTS. A large proportion of the increase between 2008 and 2009 can be attributed to the introduction of the Bachelor of Social Work, which generated 23 EFTS (40% of the Faculty's total MF EFTS in Tauranga). The Faculty generated 13% of the University's total MF EFTS in Tauranga in 2009.

In 2009, the **School of Computing and Mathematical Sciences** experienced a 7.5% increase over 2008. While total EFTS had declined between 2004 and 2008, MF EFTS returned to 2004 levels this year. FCI EFTS declined significantly in 2008. Despite anticipating a further decline, FCI EFTS remained stable in 2009.

The Department of Computer Science is the largest department within the School; while its EFTS declined between 2006 and 2008 and its share of the School's total EFTS have reduced from 67% in 2006 to 59% in 2009, its numbers had stabilised by 2009. The Department of Mathematics grew by 26% between 2008 and 2009 and is responsible for most of the School's increase in total EFTS for 2009.

The **School of Education** experienced significant growth between 2008 and 2009. In 2009, it experienced a 16.8% increase over 2008. The growth was predominantly domestic, with FCI EFTS contributing only a modest proportion of the School's total EFTS (declining from 7% in 2005 to 2.5% in 2009).

Early Childhood Education (ECE) has led the increase in EFTS for the School, growing by 48% between 2007 and 2008, and 47% between 2008 and 2009. The demand has been driven by increased registration requirements for ECE teachers. Secondary Education EFTS grew by 26% between 2007 and 2008, and 20% between 2008 and 2009.

The School's teaching of MF EFTS in Tauranga has grown steadily in recent years to 247 EFTS in 2009. Between 2008 and 2009, the School's MF EFTS in Tauranga increased by 26%. Much of the growth in Tauranga can be attributed to registration requirements for early childhood teachers. In 2009, the School of Education generated 60% of the University's total MF EFTS in Tauranga.

7. 2009 Student and Academic Profile

The **School of Law** has experienced year-on-year growth in total EFTS since 2005, a trend that has continued in 2009 with a 3.2% increase over 2008. Between 2006 and 2007, FCI EFTS declined and have since remained stable. The MF EFTS growth has offset the decline in FCI EFTS. The Diploma of Law was introduced in Tauranga in 2007 and has contributed positively to the School's overall growth. The School of Law generated 6% of the University's total MF EFTS in Tauranga in 2009.

Total EFTS for the **School of Māori and Pacific Development** increased by 1.5% between 2008 and 2009. This increase reverses year-on-year declines since 2004. FCI EFTS, at approximately 2%, represent only a small component of the School's total EFTS. Students enrolled in STAR programmes accounted for 8.4% of the School's total EFTS.

Total EFTS for the **School of Science and Engineering** were relatively stable between 2005 and 2008. In 2009, the School experienced a 5.7% increase over 2008 and enrolled the highest number of EFTS since 2004. The increase was driven by a 6% increase in MF EFTS. Halting a pattern of decline since 2005, FCI EFTS were stable between 2008 and 2009.

The Department of Engineering, at 33% of the School's total EFTS, generated more EFTS in 2009 than any other department in the School. EFTS for this department were stable between 2007 and 2008 and rose 10% between 2008 and 2009. While EFTS in the Department of Chemistry declined by 11% in 2009, the Department of Biological Sciences grew by 6% and the Department of Earth and Ocean Sciences grew by 7.5%.

The **Waikato Management School** experienced a 5% increase over 2008. MF EFTS have grown each year since 2006, and increased by 4% between 2008 and 2009. FCI EFTS declined between 2005 and 2008 but increased by 9% between 2008 and 2009.

The School's largest department in 2009 was the Department of Accounting which accounted for 19% of the School's total EFTS. The Department of Strategy and Human Resource Management accounted for 17% of the School's total EFTS. Between 2008 and 2009 all departments in the School increased their EFTS. The most significant increases were in the Department of Tourism and Hospitality Management, which increased by 12%, and the Department of Strategy and Human Resource Management, which increased by 8%.

The Waikato Management School's MF EFTS at Tauranga have increased by more than 100% since 2005 to 74 EFTS in 2009. The School generated 18% of the University's total MF EFTS in Tauranga in 2009.

The **Pathways College** was established by the University of Waikato in 2008 as a distinct organisational entity, independent of the Faculty and Schools, to deliver ESL, bridging and ACE programmes. Between 2008 and 2009 MF EFTS increased by 53%. 66% of Pathways College total EFTS were FCI EFTS. 34% of the University's total FCI EFTS were sub-degree EFTS generated by the Pathways College.

More detailed enrolment statistics are provided in **section 14**.

4. The University's main catchment comprises the Waikato and Bay of Plenty regions. The Waikato region is defined as comprising the districts of Waikato and Waikato South, Franklin, Thames-Coromandel, Hauraki, Waipa, Otorohanga, Matamata/Piako, Waitomo and part of Rotorua and Taupo. The Bay of Plenty region is defined as comprising Western Bay of Plenty, Whakatane, Opoitiki, and part of Rotorua and Taupo

8. Equal Opportunities Report

The University of Waikato has an ongoing commitment to equal opportunities in education and employment. This is reflected in the diversity of its students and staff.

A wide range of University-wide and Faculty-specific services are provided to facilitate equality of access for students and their academic success. Support is available to all students, with additional support tailored to groups to meet their specific needs.

Staff profile

In 2009, more than half the total staff of 1,438 (full-time equivalent, excluding casuals and sessional assistants) at the University of Waikato were women (59%). Women comprised 46% of the academic staff and 68% of the general staff. The highest percentages of female staff were in the Student and Academic Services Division (86%), Library (79%), School of Education (77%), Office of the Deputy Vice-Chancellor (76%), Human Resources (73%), and Pro Vice-Chancellor (Māori) Office (71%). The lowest percentages of female staff continued to be in the School of Computing and Mathematical Sciences (27%), Facilities Management Division (31%), Information Technology Services Division (36%), and School of Science and Engineering (36%).

Almost three-quarters of the total staff at the University of Waikato were European/Pakeha (75%) and 10% Māori. A total of 20% of Māori staff and 39% of women held senior positions within the University. (Senior positions are identified as academic appointments at senior lecturer and above, and general staff appointments at level 6 and above.)

5% of staff had declared disabilities. These included vision difficulties, mobility problems, diabetes, breathing problems, hearing difficulties, epilepsy, medical and other disabilities.

Student profile

The total student population at the University of Waikato in 2009 was 13,089, of whom 42% (5,512) were male and 58% (7,577) female.

The ethnic composition of the student population comprised: European/Pakeha 46% (6,061), Māori 19% (2,451), Chinese 11% (1,383), Pacific Islands 4% (525), Indian 3% (402), and "other" ethnic groups 17% (2,267). This compares with 2008 where 47% (5,631) were European/Pakeha, 19% (2,232) were Māori, 12% (1,407) were Chinese, 4% (501) were of Pacific Island ethnicity, 3% (322) were Indian, 12% (1,448) were of other ethnicities.

Students under 20 years of age comprised 23% of the total population. Students aged between 20 and 24 years comprised 39%, and students aged 25 years or over (those who may be entitled to a government-funded living allowance) comprised 38%.

643 students had declared disabilities. Of these students, 191 accessed Disability Support Services in 2009.

The University of Waikato prides itself on the diversity of its existing Equal Opportunity programmes and, in 2009, continued to support several programmes and initiatives for staff and students. These included

- strategies such as family-friendly environments, flexible hours and work-from-home options, considered on a case-by-case basis by managers
- support for staff to undertake further studies to enhance their career paths and contribution to the University
- availability of an EEO liaison representative in each Faculty/School/College to assist senior managers in the planning and reporting of EEO initiatives
- the Women in Leadership Day, an initiative of the University of Waikato Leadership and Management Development Programme
- development of the Waikato Women's Caucus to look at ways to increase awareness around issues for women working in universities, particularly Waikato, and to explore strategies to increase the representation of women in leadership and senior management roles
- support for two academic and two general staff members to attend the Women in Leadership Programme (NZWIL)
- continued support of Māori and Pacific Island students with Te Tohu Paetahi Entrance Scholarships, the Te Tohu Paetahi Retention Scholarship, the Māori Excellence Awards and the TAPA (Tertiary Achievement in Pacific Ako) Awards
- continued extensive support services to students with disabilities, including a regular survey of students with disabilities to monitor their satisfaction with the Disability Support Services
- support of University staff in responding appropriately to the needs of students with disabilities through a variety of mechanisms including the online Disability Awareness training package
- the award of four scholarships of \$5,000 to students with physical disabilities
- the award of two scholarships of \$1,000 to sole parents.

8. Equal Opportunities Report

The University also provided a wide variety of support for students living in the Halls of Residence, including the award of 18 Bryant Hardship Scholarships to students who would not otherwise have been able to attend University due to their or their families' financial circumstances. (The scholarships cover 64% of the total cost of accommodation in the Halls of Residence.)

The Halls accommodated a significant number of students with a wide range of disabilities. A successful model was introduced for providing support and pastoral care, involving an across-services team of staff who worked with, supported, and interacted with affected students.

The Halls of Residence also

- operated kaupapa floors to provide personal, social and academic assistance for students wanting to encompass traditional Māori values and support systems, as well as fostering fluency in Te Reo Māori
- offered women and men-only floors, flats and cottages for Muslim and other students who preferred to live in a single sex area
- appointed a Pacific Island student to one of the Senior Residential Assistant positions with specific responsibility for students from the Pacific Islands.

9. Financial Overview

University Group operations recorded a consolidated surplus of \$10.74 million in the year to 31 December, 2009, compared with a deficit of \$1.67 million in the previous year.

The significant turnaround in the financial performance of the University Group operations is largely due to increased student enrolments and increase in research revenue in the University. With 2009 government funded equivalent full time student numbers up 10.6 percent on 2008, and full cost equivalent full time student numbers up by 4.1 percent, tuition fee income increased by \$6.2 million. This growth in student enrolments is the first growth since 2003 with student numbers having previously fallen for 5 consecutive years.

Research income increased by \$5.9 million to \$27.80 million largely due to significant new research contracts in numeracy and literacy which were not anticipated in the budget. Thus research revenue was \$5.51 million ahead of budget. From 2004 annual research revenue has increased by 51.31 percent, reflecting the University's commitment to being a research led University and its commitment to research excellence.

Also assisting the turnaround was the financial result of University subsidiary, WaikatoLink Limited. In 2008, it recorded a deficit of \$1.23 million, but this year recorded a surplus of \$0.064 million mainly as a result of increasing its shareholding in an associate company. WaikatoLink Limited did not record any significant sales of intellectual property during 2009, but continued to build its portfolio of projects in preparation for sale.

This positive growth for the University saw revenue push through the \$200 million mark for the first time – a significant milestone for the University Group – recording total revenue of \$206.94 million up 9.6 percent on 2008.

The operating environment continues to be challenging, however the University has put in significant effort to control costs with the Group able to grow revenue without significantly increasing its expenditure. Thus revenue has increased by 9.6 percent, while costs have only increased by 3.6 percent. Control over costs has resulted in a 2.1 percent decrease in staff (full time equivalents) numbers and a greater efficiency in teaching with academic staff: student ratio moving from 15.1:1 in 2008 to 16.7:1 in 2009.

The University only surplus of \$8.97 million is \$5.09 million more than budget and \$7.75 million more than the previous year. This represents a return of 4.39 percent on total revenue and exceeds the 3.5 percent target set in the University Strategic Plan. It is also well inside the guidelines of 3.0 – 5.0 percent promulgated by the Tertiary Education Commission.

The University's revenue of \$204.37 million was \$13.82 million or 7.25 percent higher than last year. It exceeded budget by \$16.62 million or 8.85 percent, primarily driven by increased student enrolments and research revenue as mentioned above.

Overall, University labour costs were over budget by 4.5 percent. This reflects the increases in salaries and wages of approximately 2.5 percent plus increases in staffing levels from those budgeted (though total staffing levels were still lower than 2008) due to increased student enrolments and increased externally funded research activities.

Other operating costs increased by only \$0.79 million or 1.28 percent in 2009 from 2008, but were over budget by \$6.10 million. This increase on budget reflects the additional costs associated with the increase in student enrolments and research activities, however the cost increase is much lower than the income earned by these activities. The University is now one year into its three year programme to reprioritise its activities and to review its operations to ensure the University's cost structures match its revenue streams. However there is still work to do to ensure that the University has the mechanisms in place to consistently produce sufficient surpluses to ensure its long term financial health.

The University Group again generated strong operating cash flows, recording net cash flows from operations of \$28.06 million – up by \$4.72 million (or 20.20 percent) from 2008. These cash flows were reinvested back into the University's campus and resources, with the University spending \$24.32 million on capital expenditure.

In 2007, the University launched a significant capital works programme, beginning with the redevelopment of the University's retail area and construction of a new student centre, located at the centre of the campus. In March 2009, the retail development was completed on time and within budget. Construction commenced on the student centre at the beginning of 2009 and this development will be completed in stages by 2011.

The University reviewed its fair value of its building and infrastructure assets at year end and as a result increased the carrying value of these assets by \$22.22 million.

Andrew McKinnon
Chief Financial Officer

10. Report of the Auditor-General



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

The Auditor-General is the auditor of the University of Waikato (the University) and group. The Auditor-General has appointed me, B H Halford, 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 28 to 84:
 - 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 85 to 96 fairly reflects its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 10 March 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.

10. Report of the Auditor-General

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.

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



B H Halford
Audit New Zealand
On behalf of the Auditor-General
Tauranga, 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 the University of Waikato and group for the year ended 31 December 2009 included on the University of Waikato and group's web-site. The University of Waikato and group's Council is responsible for the maintenance and integrity of the University of Waikato and group's web site. We have not been engaged to report on the integrity of the University of Waikato and group's web site. We accept no responsibility for any changes that may have occurred to the financial statements, performance information and other requirements since they were initially presented on the web site.

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 hard copy of the audited financial statements and performance information as well as the related audit report dated 10 March 2010 to confirm the information included in the audited financial statements and performance information presented on this web site.

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

11. Statement of Responsibility

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

1. The preparation of the annual financial statements and the judgements used in them;
2. Establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and
3. In the opinion of Council and management of The University of Waikato, the annual financial statements of the financial year ended 31 December 2009 fairly reflect the financial position and operations of The University of Waikato and group.



Chancellor
Rt Hon Jim Bolger
10 March 2010



Vice-Chancellor
Professor Roy Crawford
10 March 2010

Statement of Comprehensive Income

For the Year Ended 31 December 2009

	Notes	Consolidated		University		
		This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Revenue						
Government Funding and Grants	2	90,911	86,568	90,911	90,168	86,568
Tuition Fees Income	3	63,280	57,128	63,280	56,674	57,128
Research Income		27,803	21,898	27,838	22,327	21,894
Interest Income		1,172	2,574	1,038	1,049	2,463
Other Income	4	22,576	18,613	20,677	16,722	19,562
Donations		1,194	2,028	622	811	2,932
Total Revenue		206,936	188,809	204,366	187,751	190,547
Costs						
Employee Benefit Expenses - Academic		72,846	70,033	72,699	68,530	68,793
Employee Benefit Expenses - General		44,603	44,260	43,274	42,453	42,455
Other Costs	5	60,904	58,452	62,485	56,386	61,694
Finance Costs		197	177	169	-	177
Depreciation and Amortisation	16, 17	17,545	16,280	16,769	16,500	16,208
Total Costs		196,095	189,202	195,396	183,869	189,327
Share of Surplus/(Deficit) from Associates	6	(100)	(1,278)	-	-	-
Surplus/(Deficit)		10,741	(1,671)	8,970	3,882	1,220
Surplus Attributable to:						
University of Waikato		10,757	(1,668)	8,970	3,882	1,220
Minority interest		(16)	(3)	-	-	-
Surplus/(Deficit)		10,741	(1,671)	8,970	3,882	1,220
Other Comprehensive Income						
Gains/(Losses) on Property revaluations	7	22,224	(101)	22,224	24,000	(101)
Total Other Comprehensive Income		22,224	(101)	22,224	24,000	(101)
Total Comprehensive Income		32,965	(1,772)	31,194	27,882	1,119
Comprehensive Income Attributable to:						
University of Waikato		32,981	(1,769)	31,194	27,882	1,119
Minority interest		(16)	(3)	-	-	-
Total Comprehensive Income for the Year		32,965	(1,772)	31,194	27,882	1,119

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

Statement of Changes in Equity

For the Year Ended 31 December 2009

	Notes	Consolidated		University		
		This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Opening Equity at 1 January		296,391	298,163	278,217	278,217	277,098
Total Comprehensive Income		32,965	(1,772)	31,194	27,882	1,119
Staff Share Options Issued		90	-	-	-	-
Minority Interest Arising on share buy back		404	-	-	-	-
Associate prior year gains/losses reversed on share buy back		30	-	-	-	-
Closing Equity at 31 December		329,880	296,391	309,411	306,099	278,217
Attributable to:						
University of Waikato	23,7	328,740	295,639	309,411	306,099	278,217
Minority interest		1,140	752	-	-	-
		329,880	296,391	309,411	306,099	278,217

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

Balance Sheet

As at 31 December 2009

	Notes	Consolidated		University		
		This Year \$000	Last Year \$000	This Year \$000	Budget \$000	Last Year \$000
Assets						
Current Assets						
Cash and Cash Equivalents	8	10,500	19,152	10,193	15,025	18,395
Trade and Other Receivables	9	11,874	10,992	9,847	8,130	9,545
Inter Company Balances	10	-	-	3,787	1,938	1,677
Prepayments		2,690	2,321	2,690	-	2,321
Short Term Investments	11	9,058	-	9,058	-	-
Inventories	12	998	1,051	998	1,605	1,051
Total Current Assets		35,120	33,516	36,573	26,698	32,989
Non Current Assets						
Investments in Associates	6	2,084	2,593	875	-	875
Investments	13	586	444	2,392	2,572	2,249
Loans and Receivables	14	146	126	146	-	126
Other Financial Assets	15	297	238	-	-	-
Intangible Assets	16	13,435	10,705	6,066	7,000	6,370
Property, Plant and Equipment	17	338,549	307,924	338,377	341,484	307,753
Total Non Current Assets		355,097	322,030	347,856	351,056	317,373
Total Assets		390,217	355,546	384,429	377,754	350,363
Liabilities						
Current Liabilities						
Income in Advance	18	26,162	24,457	26,126	24,462	24,457
Trade and Other Payables	19	10,885	10,106	10,295	8,991	9,656
Employee Entitlements	20	12,353	13,265	12,065	13,067	13,067
Derivative Financial Instruments	21	22	-	22	-	-
Borrowings	22	62	82	62	80	82
Total Current Liabilities		49,484	47,910	48,570	46,600	47,262
Non Current Liabilities						
Employee Entitlements	20	9,515	9,852	9,515	11,852	9,852
Borrowings	22	1,338	1,393	1,338	13,203	1,393
University of Waikato Research Trust Payable	10	-	-	15,595	-	13,639
Total Non Current Liabilities		10,853	11,245	26,448	25,055	24,884
Equity						
General Equity	23	183,659	172,687	164,330	162,114	155,265
Other Reserves	7	145,081	122,952	145,081	143,985	122,952
Equity - Parent		328,740	295,639	309,411	306,099	278,217
Minority Interest		1,140	752	-	-	-
Total Equity		329,880	296,391	309,411	306,099	278,217
Total Liabilities and Equity		390,217	355,546	384,429	377,754	350,363

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

Statement of Cash Flows

For the Year Ended 31 December 2009

	Notes	Consolidated		University		
		This Year	Last Year	This Year	Budget	Last Year
		\$000	\$000	\$000	\$000	\$000
Cash Flows from Operating Activities						
Cash was provided from:						
Government Funding and Grants		90,253	86,568	90,253	89,348	86,568
Revenues from Tuition Fees		64,277	61,391	64,277	56,674	61,391
Other Revenue		53,219	49,944	51,288	41,860	45,334
Interest Received		1,041	2,502	1,038	1,049	2,409
Goods and Services Tax (net)		1,048	607	1,054	-	607
		209,838	201,012	207,910	188,931	196,309
Cash was applied to:						
Interest Paid		(209)	(177)	(170)	(168)	(177)
Suppliers		(65,832)	(68,563)	(66,110)	(62,496)	(65,787)
Employees		(115,739)	(108,929)	(115,739)	(102,705)	(108,114)
		(181,780)	(177,669)	(182,019)	(165,369)	(174,078)
Net Cash Flows from Operating Activities	24	28,058	23,343	25,891	23,562	22,231
Cash Flows from Investing Activities						
Cash was provided from:						
Property, Plant and Equipment Sales		186	101	186	-	101
Short Term Investments		6,992	-	6,992	-	-
		7,178	101	7,178	-	101
Cash was applied to:						
Term Investments		-	(126)	-	-	(126)
Purchase of Investments		-	(156)	-	-	(156)
Short Term Investments		(16,324)	(238)	(16,050)	-	-
Intangibles		(3,165)	(3,263)	(841)	(1,023)	(106)
Property Plant & Equipment		(24,324)	(23,513)	(24,305)	(25,837)	(24,150)
		(43,813)	(27,296)	(41,196)	(26,860)	(24,538)
Net Cash Flows from Investing Activities		(36,635)	(27,195)	(34,018)	(26,860)	(24,437)

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

Statement of Cash Flows

For the Year Ended 31 December 2009

Cash Flows from Financing Activities

Cash was applied to:

Repayment of Finance Lease Liabilities	(2)	(2)	(2)	-	(2)
Dividends Paid	-	(3)	-	-	-
Loans Repaid	(73)	(122)	(73)	(72)	(122)
	(75)	(127)	(75)	(72)	(124)
Net Cash Flows from Financing Activities	(75)	(127)	(75)	(72)	(124)
Net Cash Flows From All Activities	(8,652)	(3,979)	(8,202)	(3,370)	(2,330)
Opening Cash and Cash Equivalents	19,152	23,131	18,395	18,395	20,725
Closing Cash and Cash Equivalents	10,500	19,152	10,193	15,025	18,395

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

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

Note 1: Statement of accounting policies for the year ended 31 December 2009

The Reporting Entity

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

These accompanying financial statements are presented in accordance with Section 203 of the Education Act 1989 which refers to the provisions of the Crown Entities Act, and Generally Accepted Accounting Practice in New Zealand (NZ GAAP) as adopted by the Institute of Chartered Accountants of New Zealand. They comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable financial reporting standards as appropriate for public benefit entities.

The financial statements were authorised for issue by Council on 10 March 2010.

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

- WaikatoLink Limited and Group, a wholly owned subsidiary company, and the results for the year ended 31 December 2009 have been fully consolidated into the University group results.
- The University of Waikato Foundation, incorporated as a Charitable Trust in 1992, and the results for the year ended 31 December 2009 have been fully consolidated into the University group results.
- The University of Waikato Alumni Association, incorporated in 1990, and the results for the year ended 31 December 2009 have been fully consolidated into the University group results.
- The Student Campus Building Fund Trust, incorporated as a Charitable Trust in 1971, and the results for the year ended 31 December 2009 have been fully consolidated into the University group results.
- The University of Waikato Research Trust, incorporated as a Charitable Trust in 2007, and the results for the year ended 31 December 2009 have been fully incorporated into the University group results.
- U Leisure Limited is 50% owned by the University. The remaining 50% is owned by the Waikato Students' Union (Incorporated). U Leisure Limited commenced operations from 1 August 1996, replacing the Student Union Services Management Board. Equity Accounting methods have been used to report the results of U Leisure Limited which has a balance date of 31 December.
- LCo New Zealand Limited is 24% owned by the University. The remaining 76% is owned by three other New Zealand universities. LCo New Zealand Limited was incorporated December 2003. Equity Accounting methods have been used to report the results of LCo New Zealand Limited which has a balance date of 31 December.

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

Basis of Preparation

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for Public Benefit entities.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2009 and the comparative information presented in these financial statements for the year ended 31 December 2008.

The financial statements have been prepared on an historical cost basis, adjusted by the revaluation of certain property, plant and equipment.

The financial statements are presented in NZ dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of the University is NZ dollars. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the statement of comprehensive income.

Basis of Consolidation

The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income, expenses and cash flows on a line-by-line basis. All significant intragroup balances, transactions, income and expenses are eliminated on consolidation.

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

Subsidiaries

The University consolidates as subsidiaries in the group financial statements all entities where the University has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where the University controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by the University or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

The University measures the cost of a business combination as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over the University's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the University's interest in the net fair value of the identifiable assets liabilities and contingent liabilities recognised exceeds the cost of the business combination, the difference will be recognised immediately in the statement of comprehensive income.

Associates

The University accounts for an investment in an associate in the group financial statements using the equity method. An associate is an entity over which the University has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the University's share of the surplus or deficit of the associate after the date of acquisition. The University's share of the surplus or deficit of the associate is recognised in the University's statement of comprehensive income. Distributions received from an associate reduce the carrying amount of the investment.

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

The University's share in the associate's surplus or deficits resulting from unrealised gains on transactions between the University and its associates is eliminated.

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

Budget Figures

Budget figures are those approved by the Finance Committee per minutes of 26 November 2008. The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

Cash flow Statement

Cash and cash equivalents

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

Operating activities

Operating activities include cash received from all income sources of the University and record the cash payments made for the supply of goods and services.

Investing activities

Investing activities are those activities relating to the acquisition and disposal of non current assets.

Financing activities

Financing activities comprise the change in equity and debt capital structure of the University.

Revenue

Revenue is measured at the fair value of consideration received or receivable. Donations and Bequests to the University are recognised as income when money is received, or entitlement to receive money is established; except where fulfilment of any restrictions attached to these monies is not probable.

Research revenue derived from research contracts is recognised in the statement of comprehensive income based on the stage of completion of the research project at balance sheet date. The unrecognised revenue is recorded as a liability in the Balance Sheet to recognise the future obligation to complete the research project.

Surpluses generated from externally funded research projects and which are committed to fund continuing research are transferred to the University of Waikato Research Trust as a grant. The University of Waikato Research Trust accounts for these grants as revenue.

Government Grants are recognised as revenue on entitlement.

Student tuition fees are recognised as revenue on a course percentage of completion basis.

Interest income is recognised using the effective interest method.

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

Borrowing Costs

The University and group has elected to defer the adoption of the revised NZ IAS 23 *Borrowing Costs (Revised 2007)* in accordance with the transitional provisions of NZ IAS 23 that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

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. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted using the effective interest method.

Employee entitlements

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

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

Additionally provision has been made, where applicable, using an actuarial valuation for retirement gratuities and long service leave. This valuation, as at 31 December 2009, was undertaken by Mercer Human Resource Consulting Limited (Actuaries). The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- The present value of the estimated future cash flows.

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

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the statement of comprehensive income as incurred.

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

Equity

Equity is the community's interest in the University and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council and Group make of its accumulated surpluses. The components of equity are:

- General Equity
- Asset Revaluation Reserve
- Restricted Reserves

Accounting for derivative financial instruments, hedging activities and foreign currency transactions

The University uses derivative financial instruments to hedge its exposure to foreign exchange risk arising from its operational activities. The University does not hold or issue these financial instruments for trading purposes. The University has not adopted hedge accounting.

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

Foreign currency transactions (including those for which forward exchange contracts are held) are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Income tax

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

Goods and services tax

Goods and Services Tax (GST) is excluded from these financial statements, with the exception of accounts receivable and accounts payable.

Inventories

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

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The write down from cost to net realisable value is recognised in the statement of comprehensive income.

Financial Assets

The University classifies its financial assets into the following four categories: financial assets at fair value through surplus or deficit, held-to-maturity investments, loans and receivables and financial assets at fair value through other comprehensive income. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

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

Purchases and sales of investments are recognised on trade-date, the day on which the University commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the University has transferred substantially all the risks and rewards of ownership.

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

Financial assets at fair value through surplus or deficit.

- This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as non-current assets unless the University intends to dispose of these investments within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised through surplus or deficit.

Assets in this category for the group include listed securities.

- Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of comprehensive income. The University includes in loans and receivables, cash and cash equivalents, short term investments, trade and other receivables, loans to U Leisure Ltd and LCoNZ, and prepayments. The University also categorises its loan to Hamilton Fibre Network Ltd in non-current loans and receivables.

- Held to Maturity Investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the University has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of comprehensive income.

The University does not have any financial assets classified as held to maturity.

- Financial assets at fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are those that are designated as fair value through other comprehensive income or are not classified in any of the other categories above. This category encompasses:

- Investments that the University intends to hold long-term but which may be realised before maturity; and
- Shareholdings that the University holds for strategic purposes.
- The University's investments in its subsidiary and associate companies are not included in this category as they are held at cost (as allowed by NZ IAS 27 *Consolidated and Separate Financial Statements* and NZ IAS 28 *Investments in Associates*) whereas this category is to be measured at fair value.

After initial recognition, these investments are held at their fair value with gains and losses recognised directly in other comprehensive income except for impairment losses, which are recognised in the surplus or deficit. On derecognition the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Impairment of Financial Assets

At each balance sheet date the University assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised through surplus or deficit.

Leases

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

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating profit in equal instalments over the lease term.

Property, Plant and Equipment

Land

In 1996 the land occupied by the University campus was transferred by the Crown to Waikato-Tainui, as part of the Crown's settlement of the Raupatu claim. The University leases back the land from Waikato-Tainui. Compensation was paid to the University in 1996 by the Crown to fund the University's financial obligations under the lease.

Buildings

The majority of buildings recognised in the financial statements, including the previous Hamilton Teachers' College buildings, are still subject to the legal transfer of ownership from the Ministry of Education. The University is of the opinion that as at 31 December 2009 it is in substance the owner of these Buildings and assumes all the normal risks and rewards of ownership.

Land and buildings are revalued when there has been a significant movement in the fair value. The fair values are recognised in the financial statements and are reviewed at the end of each reporting period to ensure the carrying value of land and buildings is not materially different from their fair value. Land and buildings were revalued as at 31 December 2009 by Darroch Valuations (registered valuers), on a fair value basis. The value of land and non specialised buildings was determined using market based evidence. All other buildings were valued at optimised depreciated replacement cost.

Infrastructural assets

University owned infrastructural assets are revalued when there has been a significant movement in the fair value. The fair values are recognised in the financial statements and are reviewed at the end of each reporting period to ensure the carrying value of Infrastructural assets are not materially different from their fair value. Infrastructural assets were revalued as at 31 December 2009 by Opus International Consultants Limited on a fair value basis using the optimised depreciated replacement cost method.

Library

The Library collection is valued on the basis of historical cost less accumulated depreciation.

Assets Under Construction/Work in Progress

Assets under construction/work in progress is valued on the basis of expenditure incurred and certified gross progress claim certificates up to 31 December. Work in Progress is not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then it is depreciated.

Other Property, Plant and Equipment

All other property, plant and equipment are valued at historical cost less accumulated depreciation.

Depreciation

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

Asset Class	Basis	Useful Life/Rate
Land	N/A	N/A
Buildings		
- Structure	SL	35-100 years
- Services	SL	25-35 years
- Fitout	SL	20-25 years
Infrastructure	SL	25-80 years
Library		
- Books	SL	35 years
- Periodicals	SL	15 years
Teaching/Research Equipment	DV	15%
Computer Equipment (excluding servers)	SL	4 years
Computer Servers	SL	5 years
Other Property Plant and Equipment	DV	5 - 20%

Revaluations

Revaluation of plant, property and equipment is carried out on a class of assets basis. Any revaluation increases arising on the revaluation of assets are transferred to the asset revaluation reserve for that class of assets. A decrease in value relating to a class of assets is recognised in the statement of comprehensive income in the period it arises where it exceeds the increase previously recognised in the asset revaluation reserve. In subsequent periods, any revaluation surplus that reverses previous revaluation deficits is recognised as a credit to expenditure in the statement of comprehensive income up to its original value.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in property revaluation reserves in respect of those assets are transferred to general funds.

Intangible assets

Patents, trademarks and licences

Patents, trademarks and licences are finite life intangibles and are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives of 20 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

Computer Software

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

Internally generated intangible assets for finite life intangibles are stated at cost less accumulated amortisation and impairment, and are amortised on a straight-line basis over their useful lives of between four and ten years.

Research

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Intellectual Property Development

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

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

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

Impairment of non current assets

At each reporting date, the University reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the University estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an assets (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of comprehensive income immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Restructuring

Provisions for restructuring are recognised when the University has developed a detailed formal plan for the restructuring and has raised a value expectation in those affected that it will carry out the restructuring by :

- starting to implement the plan – OR
- announcing its main features to those affected by it

Trade and Other Payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

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

Changes in Accounting Policies

There have been no changes in accounting policies for the year ended 31 December 2009.

The University and group has adopted the following revisions to accounting standards during the financial year which have only had a presentational or disclosure effect:

- NZ IAS 1 *Presentation of Financial Statements (Revised 2007)* replaces NZ IAS 1 *Presentation of Financial Statements (Issued 2004)*. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The University and group has decided to prepare a single statement of comprehensive income for the year ended 31 December 2009 under the revised standard. Financial statement information for the year ended 31 December 2008 has been restated accordingly. Those items of other comprehensive income presented in the statement of comprehensive income were previously recognised directly in the statement of changes in equity.
- Amendments to NZ IFRS 7 *Financial Instruments: Disclosures*. The amendments introduce a three-level fair value disclosure hierarchy that distinguishes fair value measurements by the significance of valuation inputs used. A maturity analysis of financial assets is also required to be prepared if this information is necessary to enable users of its financial statements to evaluate the nature and extent of liquidity risk. The transitional provisions of the amendment do not require disclosure of comparative information in the first year of application. The University and group has elected to disclose comparative information.

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

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

- NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 31 December 2013. The University and group has not yet assessed the impact of the new standard and expects it will not be early adopted.

Critical accounting estimates and assumptions

In preparing these financial statements the University has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Actuarial valuations have been obtained in order to determine the value of Long Service Leave and Retirement Leave provisions.
- Estimates have been made as to the completed portion of external research projects in determining the value of income in advance.
- At each balance date the University reviews the useful lives of those assets that are subject to revaluation.

Critical judgements in applying the University's accounting policies

Management has exercised the following critical judgements in applying the University's accounting policies for the period ended 31 December 2009:

- In conjunction with the University valuers it has been determined that market based evidence supports the revaluing of Land and Buildings and Infrastructural Assets of the University.

Notes to the Financial Statements

Note 2: Government Funding and Grants

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Block Grants	81,668	77,013	81,668	77,013
Advisory Services Grants	7,980	8,599	7,980	8,599
Other Grants	1,263	956	1,263	956
Total Government Funding and Grants	90,911	86,568	90,911	86,568

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

Notes to the Financial Statements

Note 3: Tuition Fees Income

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Government Funded Students	37,950	33,566	37,950	33,566
Full Cost International Students	25,330	23,562	25,330	23,562
Total Fees Income	63,280	57,128	63,280	57,128

Notes to the Financial Statements

Note 4: Other Income

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Student Accommodation and Other Services	7,176	6,971	7,176	6,971
Rental	750	1,197	764	1,132
Carbon Dating Revenue	1,007	879	1,005	879
Printing and Copying Services	1,172	1,048	1,172	1,048
Teaching Resource Sales	736	1,199	736	1,199
Other Income	11,735	7,319	9,824	8,333
Total Other Income	22,576	18,613	20,677	19,562

Notes to the Financial Statements

Note 5: Other Costs

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
<i>Fees to principal auditor</i>				
Audit fees for financial statement audit	212	218	143	174
Audit fees for assurance services	6	7	6	7
Loss on Disposal of Property Plant & Equipment	95	520	95	504
(Gain)/Loss on financial assets at fair value through surplus or deficit	(60)	320	-	-
Foreign Exchange (Gain)/Loss	351	(1,144)	351	(1,144)
Impairment of Receivables	1,045	606	1,175	516
Travel and Accommodation	5,550	5,746	4,839	4,582
Operating Leases	3,894	3,983	3,894	3,983
Restructuring Costs	89	-	89	-
Scholarships	10,300	9,680	10,190	9,590
Hirage	1,249	163	1,249	163
Repairs and Maintenance	2,202	3,008	2,200	3,003
Teaching and Research Materials	2,085	1,919	2,009	1,872
Utilities	3,346	3,333	3,337	3,327
Other operating expenses	30,540	30,093	32,908	35,116
Total other costs	60,904	58,452	62,485	61,694

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

Notes to the Financial Statements

Note 6: Investments in Associates

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Investments in Associates				
U Leisure Limited Investment	1,478	1,380	374	374
LCo New Zealand Limited Investment	606	620	501	501
WaikatoLink Limited Investments	-	593	-	-
Total Investments in Associates	2,084	2,593	875	875

Associates

	Ownership	Balance Date
U Leisure Limited (previously known as Campus Services Limited)	50%	31 December
Principal Activity: Provision of sport & recreation facilities and food & entertainment outlets for the University students and staff.		

	Consolidated	
	This Year	Last Year
	\$000	\$000
The University's share of the results of U Leisure Limited is as follows:		
Share of retained surplus/(loss)	98	(295)

	This Year	Last Year
	\$000	\$000
Investment in Associate		
Opening Balance	1,380	1,675
Share of retained surplus/(loss)	98	(295)
Closing Balance	1,478	1,380

Represented by:		
Share of increase in net assets of associate (Carrying Value)	1,478	1,380

	Ownership	Balance Date
LCo New Zealand Limited (LCoNZ)	24%	31 December
Principal Activity: A consortium of four New Zealand universities providing library solutions to those universities.		

Notes to the Financial Statements

	Consolidated	
	This Year	Last Year
The University's share of the results of LCoNZ is as follows:	\$000	\$000
Share of retained surplus/(loss)	25	(34)
Investment in Associate		
Opening Balance	620	654
Share of retained surplus/(loss)	25	(34)
Dividend paid	(40)	-
Closing Balance	606	620
Represented by:		
Share of increase in net assets of associate (Carrying Value)	606	620

	Consolidated	
	This Year	Last Year
WaikatoLink Limited's share of the results of its Associates is as follows:	\$000	\$000
Share of retained surplus/(loss)	(224)	(949)
Investment in Associate		
Opening Balance	593	1,542
Associate disposed of during year	(248)	
Share of total recognised revenues and expenses	(345)	(949)
Closing Balance	-	593

Summarised financial Information of Associates

Assets	7,285	6,438
Liabilities	1,784	1,093
Net Assets	5,501	5,344
Revenue	4,484	4,627
Net Surplus/(Loss)	302	(431)
Share of Associates' surplus/(loss)	(100)	(1,278)

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

Details of contingent liabilities arising from the group involvement in the associates are disclosed separately in **note 28**.

Notes to the Financial Statements

Note 7: Other Reserves

	Ref	Consolidated		University	
		This Year	Last Year	This Year	Last Year
		\$000	\$000	\$000	\$000
Asset Revaluation Reserve	i	142,209	119,985	142,209	119,985
Restricted Reserves	ii	2,872	2,967	2,872	2,967
Total Other Reserves		145,081	122,952	145,081	122,952

i) Asset Revaluation Reserve

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Opening Balance	119,985	120,086	119,985	120,086
Revaluation	22,224	-	22,224	-
Transfer on disposal of assets	-	(101)	-	(101)
Increase/(Decrease) in Asset Revaluation Reserve	22,224	(101)	22,224	(101)
Closing Balance	142,209	119,985	142,209	119,985

Represented by:

Land

Opening Balance	836	836	836	836
Revaluation	(46)	-	(46)	-
Closing Balance	790	836	790	836

Buildings

Opening Balance	111,781	111,882	111,781	111,882
Revaluation	18,677	-	18,677	-
Transfer on disposal of assets	-	(101)	-	(101)
Closing Balance	130,458	111,781	130,458	111,781

Infrastructural Assets

Opening Balance	7,368	7,368	7,368	7,368
Revaluation	3,593	-	3,593	-
Closing Balance	10,961	7,368	10,961	7,368

Notes to the Financial Statements

ii) Restricted Reserves

The Prizes, Scholarships and Trust Funds Reserves represent funds held by the University on behalf of others and funds provided to the University by various people for specific purposes. Revenue received for these items and disbursements to authorised recipients are shown in the Statement of Comprehensive Income. Fund balances remaining are shown as restricted reserves.

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Prizes, Scholarships and Trust Funds				
Opening Balance	2,967	2,833	2,967	2,833
add appropriation of Net Surplus	801	939	801	939
less application to Prizes, Scholarships and Trust Funds	(895)	(805)	(895)	(805)
Closing Balance	2,872	2,967	2,872	2,967

Notes to the Financial Statements

Note 8: Cash and Cash Equivalents

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Cash at bank and in hand	1,567	3,265	1,364	2,597
Term deposits maturing three months or less from date of acquisition	8,933	15,887	8,829	15,798
	10,500	19,152	10,193	18,395

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

Refer to **note 26** for weighted average effective interest rate for cash and cash equivalents.

Notes to the Financial Statements

Note 9: Trade and Other Receivables

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Trade Receivables	7,966	6,785	4,243	3,528
Student Fee Receivables	6,948	6,411	6,948	6,411
Receivables from Subsidiaries	-	-	135	185
Receivables from Related Parties	-	-	113	47
Impairment of Debtors	(3,040)	(2,204)	(1,593)	(627)
	11,874	10,992	9,847	9,545

The carrying value of receivables approximates their fair value.

No interest is charged on trade receivables. An allowance has been made for estimated irrecoverable amounts from debtors, determined by reference to individual debtors, past default experience and the age of the debt.

The movement for impairment is recognised in the Statement of Comprehensive Income for the current year (refer note 5).

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

As at 31 December 2009 and 2008, all overdue receivables have been assessed for impairment and appropriate provisions applied, as detailed below:

	University					
	This Year			Last Year		
	Gross \$000	Impairment \$000	Net \$000	Gross \$000	Impairment \$000	Net \$000
Not past due	4,836	(321)	4,515	5,508	-	5,508
Past due 1-30 days	2,992	-	2,992	2,834	-	2,834
Past due 31-60 days	2,263	-	2,263	821	-	821
Past due 61+	1,349	(1,272)	77	1,009	(627)	382
Total	11,440	(1,593)	9,847	10,172	(627)	9,545

	Consolidated					
	This Year			Last Year		
	Gross \$000	Impairment \$000	Net \$000	Gross \$000	Impairment \$000	Net \$000
Not past due	6,125	(321)	5,804	8,104	-	8,104
Past due 1-30 days	3,003	-	3,003	2,893	-	2,893
Past due 31-60 days	2,264	-	2,264	1,100	-	1,100
Past due 61+	3,522	(2,719)	803	1,099	(2,204)	(1,105)
Total	14,914	(3,040)	11,874	13,196	(2,204)	10,992

Notes to the Financial Statements

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

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
At 1 January	2,204	1,642	627	155
Additional provisions made during the year	1,045	606	1,175	516
Receivables written off during the year	(209)	(44)	(209)	(44)
At 31 December	3,040	2,204	1,593	627

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

Note 10: Intercompany Accounts

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
University of Waikato Foundation Trust	-	-	-	1
Student Campus Building Fund Trust	-	-	(720)	(551)
LCo New Zealand Limited Investment	-	-	(40)	-
WaikatoLink Limited	-	-	4,547	2,227
University of Waikato Research Trust	-	-	(15,595)	(13,639)
Total Intercompany Accounts	-	-	(11,808)	(11,962)
Current Portion	-	-	3,787	1,677
Non Current Portion	-	-	(15,595)	(13,639)
Total Intercompany Accounts	-	-	(11,808)	(11,962)

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

All current accounts with the exception of the University of Waikato Research Trust are classified as current. The University of Waikato Research Trust is classified as non-current as the Research Trust trustees are unable to determine the repayment amount, if any, that will be required during the 12 months to December 2010.

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

As at 31 December 2009 the University had advanced to WaikatoLink Ltd a total of \$4,546,790 by way of shareholder loan. \$400,000 of this loan is subject to an interest rate equal to the interest rate that the University receives on deposits, and an additional \$210,000 advanced during 2009 is subject to a 3%pa interest rate. The balance of the loan is interest free and repayable on demand. The University has undertaken not to demand repayment until WaikatoLink has sufficient free cash available to make repayments.

Notes to the Financial Statements

Note 11: Short Term Investments

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Short Term Investments				
Term Deposits with maturities of 4-12 months	9,058	-	9,058	-
Total Short Term Investments	9,058	-	9,058	-

The weighted average effective interest rates on term deposits are disclosed in **Note 26: Financial Instruments**. These deposits are valued at amortised cost using the effective interest method.

There was no impairment provision for investments.

Notes to the Financial Statements

Note 12: Inventories

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Held for Sale	263	318	263	318
Held for Distribution/Use	735	733	735	733
	998	1,051	998	1,051

No inventories are pledged as security for liabilities or subject to retention of title clauses. (2008 \$nil).

There were no writedowns for obsolescence in 2009 (2008 \$nil).

Notes to the Financial Statements

Note 13: Investments

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Strategic Investments				
NZ Tec Consortium Limited	20	20	20	20
NZ Synchrotron Group Limited	198	198	198	198
Hamilton Fibre Network (HFN) Limited	174	32	174	32
Titanox Development Limited	194	194	-	-
Investments in Subsidiaries				
WaikatoLink Limited	-	-	2,000	2,000
	586	444	2,392	2,250

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

Note 14: Loans and Receivables

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Hamilton Fibre Network Limited	146	126	146	126
	146	126	146	126

The University has loaned Hamilton Fibre Network Limited \$146,152 interest free as part of its shareholder contribution to the company. Interest may be payable on demand by holders of the debt as agreed by the principal parties by special resolution. The interest will be based on a specific premium to the risk free rate (or such other market rate method) as adopted. The principal may not be repaid to the University unless agreed to by the principal parties by special resolution.

After initial recognition the loans are measured at amortised cost using the effective interest method.

Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Comprehensive Income.

Note 15: Other Financial Assets

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Listed Securities: Equity Securities in NZ				
Balance at the Beginning of the Year	237	557	-	-
Additions	-	-	-	-
Fair Value Gain/(Loss) through surplus or deficit	60	(320)	-	-
Balance at the End of the Year	297	237	-	-
The carrying value is comprised of:				
Cost	750	750	-	-
Fair Value Gain/(Loss) through surplus or deficit	(453)	(513)	-	-
	297	237	-	-

All investments are designated at fair value from initial recognition.

Listed shares are recognised at their fair value determined using published bid price quotations from the NZSX at balance date.

Notes to the Financial Statements

Note 16: Intangible Assets

	Consolidated				University		
	Software - Purchased	Software - Internally Generated	Non Software Development Costs	Consolidated Total	Software - Purchased	Software - Internally Generated	University Total
<i>This Year</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Opening Balance at 1 January 2009							
Cost	12,074	925	4,583	17,583	12,074	925	12,999
Accumulated Amortisation and Impairment	(6,164)	(465)	(248)	(6,878)	(6,164)	(465)	(6,629)
Opening Carrying Amount	5,910	460	4,335	10,705	5,910	460	6,370
Year Ended 31 December 2009							
Additions	856	-	3,756	4,612	841	-	841
Disposals	-	-	-	-	-	-	-
Amortisation and Impairment Charge	(1,074)	(76)	(732)	(1,882)	(1,069)	(76)	(1,145)
Closing Carrying Amount	5,692	384	7,359	13,435	5,682	384	6,066
Closing Balance at 31 December 2009							
Cost	12,930	925	8,339	22,194	12,915	925	13,840
Accumulated Amortisation and Impairment	(7,238)	(541)	(980)	(8,759)	(7,233)	(541)	(7,774)
Closing Carrying Amount	5,692	384	7,359	13,435	5,682	384	6,066
	<i>Last Year</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Opening Balance at 1 January 2008							
Cost	11,226	925	1,914	14,065	11,226	925	12,151
Accumulated Amortisation and Impairment	(5,209)	(334)	-	(5,543)	(5,209)	(334)	(5,543)
Opening Carrying Amount	6,017	591	1,914	8,522	6,017	591	6,608
Year Ended 31 December 2008							
Additions	848	-	2,421	3,269	848	-	848
Disposals	-	-	-	-	-	-	-
Amortisation Charge	(954)	(131)	-	(1,085)	(954)	(131)	(1,085)
Closing Carrying Amount	5,911	460	4,335	10,706	5,911	460	6,371
Closing Balance at 31 December 2008							
Cost	12,074	925	4,583	17,583	12,074	925	12,999
Accumulated Amortisation and Impairment	(6,164)	(465)	(248)	(6,878)	(6,164)	(465)	(6,629)
Closing Carrying Amount	5,910	460	4,335	10,705	5,910	460	6,370

Non Software Development Costs

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

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

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

Notes to the Financial Statements

Note 17: Property, Plant and Equipment

This Year Consolidated	Cost/ Revaluation 1 Jan 09	Accumulated Depreciation and Impairment Charges 1 Jan 09	Carrying Amount 1 Jan 09	Current Year Additions	Current Year Disposals	Current Year Impairment Charges	Current Year Depreciation	Revaluation Movement	Cost/ Revaluation 31 Dec 09	Accumulated Depreciation and Impairment Charges 31 Dec 09	Carrying Amount 31 Dec 09
Land	1,870	-	1,870	-	-	-	-	(45)	1,825	-	1,825
Infrastructural Assets	14,314	(782)	13,532	1,220	-	-	(451)	3,593	17,894	-	17,894
Buildings	251,737	(15,209)	236,528	8,831	-	-	(7,950)	18,676	256,085	-	256,085
Leasehold Building Improvements	2,955	(2,313)	642	-	(29)	-	(61)	-	2,251	(1,699)	552
Library Collection	50,864	(26,816)	24,048	3,275	-	-	(2,214)	-	54,139	(29,030)	25,109
Teaching & Research Equipment	58,175	(40,505)	17,670	3,456	(58)	-	(4,538)	-	60,257	(43,726)	16,531
Art Collection	315	(6)	310	9	-	-	-	-	325	(6)	319
Administration, Plant and Furniture	568	(336)	232	43	-	-	(54)	-	614	(390)	223
Motor Vehicles	3,660	(2,001)	1,659	603	(132)	-	(395)	-	3,586	(1,851)	1,735
Work in Progress	11,433	-	11,433	6,860	(17)	-	-	-	18,276	-	18,276
Total	395,892	(87,968)	307,924	24,298	(236)	-	(15,663)	22,224	415,250	(76,701)	338,549

Notes to the Financial Statements

This Year Consolidated	Cost/ Revaluation 1 Jan 08	Accumulated Depreciation and Impairment Charges 1 Jan 08	Carrying Amount 1 Jan 08	Current Year Additions	Current Year Disposals	Current Year Impairment Charges	Current Year Depreciation	Revaluation Movement	Cost/ Revaluation 31 Dec 08	Accumulated Depreciation and Impairment Charges 31 Dec 08	Carrying Amount 31 Dec 08
Land	1,320	-	1,320	550	-	-	-	-	1,870	-	1,870
Infrastructural Assets	11,529	(367)	11,162	2,806	(17)	-	(418)	-	14,314	(782)	13,532
Buildings	243,231	(7,528)	235,703	9,107	(567)	-	(7,715)	-	251,737	(15,209)	236,528
Leasehold Building Improvements	2,920	(2,247)	672	36	-	-	(66)	-	2,955	(2,313)	642
Library Collection	47,920	(24,706)	23,214	2,944	-	-	(2,110)	-	50,864	(26,816)	24,048
Teaching & Research Equipment	76,142	(58,612)	17,530	4,804	(213)	-	(4,451)	-	58,175	(40,505)	17,670
Art Collection	297	(6)	292	18	-	-	-	-	315	(6)	310
Administration, Plant and Furniture	433	(222)	211	108	-	-	(88)	-	568	(336)	232
Motor Vehicles	3,280	(1,759)	1,521	515	(28)	-	(349)	-	3,660	(2,001)	1,659
Work in Progress	8,589	-	8,589	2,870	(25)	-	-	-	11,433	-	11,433
Total	395,661	(95,447)	300,214	23,758	(850)	-	(15,197)	-	395,891	(87,968)	307,924

The \$172,000 (2008 - \$171,000) difference between the Property, Plant and Equipment Carrying amount, represented in the Balance Sheet for the University as compared to the value under Consolidated, is the Property, Plant and Equipment held by The University of Waikato Foundation of \$2,000 (2008 - \$3,000) and WaikatoLink Limited of \$172,000 (2008 - \$167,000).

Land and Buildings were revalued as at 31 December by Darroch Valuations Limited (Registered Valuers), on a fair value basis. The value of land and non specialised buildings was determined using market based evidence. All other buildings are valued at Optimised Depreciated Replacement Cost method. The total fair value of PPE valued by Darroch Valuations Ltd at 31 December 2009 was \$257,909,689.

Infrastructural Assets were revalued as at 31 December 2009 by Opus International Consultants Limited on a fair value basis using the Optimised Depreciated Replacement Cost method. The total fair value of infrastructure valued by Opus at 31 December 2009 was \$17,894,000.

The net carrying amount of Property, Plant and equipment held under finance leases is \$1,860,000 (2008 - \$1,914,000)

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

Restrictions on title.

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

Notes to the Financial Statements

Note 18: Income in Advance

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Research Income	6,170	5,723	6,170	5,723
Commercial	1,476	474	1,476	474
Tuition Fees	18,516	18,260	18,480	18,260
Total Income in Advance	26,162	24,457	26,126	24,457

Notes to the Financial Statements

Note 19: Trade and Other Payables

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Trade Payables	5,665	5,810	5,102	5,425
Payables to Related Parties (see note 27)	212	230	212	230
GST Payable	2,273	1,257	2,246	1,192
Accruals	2,735	2,809	2,735	2,809
Trade and Other Payables	10,885	10,106	10,295	9,656

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

Notes to the Financial Statements

Note 20: Employee Entitlements

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Staff Annual and Long Service Leave vested	7,723	7,969	7,723	7,771
Sick Leave	16	13	16	13
Other Employee Entitlements	2,959	3,688	2,671	3,688
Actuarial Valuation of Anticipated Retirement Gratuities and Long Service Leave	11,170	11,448	11,170	11,448
Total Employee Entitlements	21,868	23,118	21,580	22,920
Current Portion	12,353	13,266	12,065	13,068
Non Current Portion	9,515	9,852	9,515	9,852
Total Employee Entitlements	21,868	23,118	21,580	22,920

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

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

The University makes contributions to defined contribution plans which include contributions to Kiwisaver, NZ Universities' Superannuation Scheme, National Provident Fund and the Government Superannuation Fund. The following is included in the Employee Benefit Expenses - Academic and Employee Benefit Expenses General:

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Defined contribution plan employer contributions.	3,624	3,242	3,624	3,242

Employee Benefit Expenses - Academic and Employee Benefit Expenses - General also includes \$651,500 in restructuring costs for the year ended 31 December 2009.

Note 21: Derivative Financial Instruments

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Current liability portion				
Forward foreign exchange contracts	22	-	22	-
Total derivative financial instrument liabilities	22	-	22	-

Fair Value

The fair values of forward foreign exchange contracts have been determined using a discounted cash flows valuation technique based on quoted market prices. The inputs into the valuation model are from independently sourced market parameters such as currency rates. Most market parameters are implied from instrument prices.

The notional principal amounts of outstanding forward foreign exchange contracts in NZD were \$986,516 (2008 \$nil). The foreign currency principal amounts were GBP37,000, USD500,000 and EUR95,000.

Notes to the Financial Statements

Note 22: Borrowings

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Opening Balance	1,475	1,598	1,475	1,598
less Loans Repaid	(75)	(123)	(75)	(123)
Closing Balance	1,400	1,475	1,400	1,475
Current Portion - Finance Lease	2	2	2	2
Current Portion - Loan	60	80	60	80
Non Current Portion - Finance Lease	1,338	1,340	1,338	1,340
Non Current Portion - Loan	-	53	-	53
	1,400	1,475	1,400	1,475

The Finance lease was fair valued at inception using a discount rate of 12.07%. The University's other loan is an interest free loan from the Energy Efficiency and Conservation Authority which has been fair valued using the discount rate of 8.7%. This rate was the market rate applicable at the time the loan was originally fair valued, December 2006.

Finance lease

(a) Leasing arrangements

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

(b) Finance lease liabilities

	Minimum Future Lease Payments				Present Value of minimum future lease payments			
	Consolidated		University		Consolidated		University	
	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
No later than 1 year	164	164	164	164	154	154	154	154
Between 1 and 5 years	655	655	655	655	459	459	459	459
Later than five years	5,188	4,860	5,188	4,860	728	729	728	729
Minimum Lease Payments	6,006	5,679	6,006	5,679	1,340	1,342	1,340	1,342
Less future finance charges	(4,666)	(4,337)	(4,666)	(4,337)				
Present value of minimum lease payments	1,340	1,342	1,340	1,342	1,340	1,342	1,340	1,342

Notes to the Financial Statements

Note 23: General Equity

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Opening Balance	172,687	174,489	155,265	154,179
Net Surplus/(Deficit)	10,741	(1,671)	8,970	1,220
Staff Share Options Issued	91	-	-	-
Associate prior year gains/losses reversed on share buy back	30	-	-	-
<i>less appropriations of net surplus to:</i>				
Restricted Reserves				
Prizes, Scholarships and Trust Funds	(801)	(939)	(801)	(939)
Surplus /(Deficit) attributable to Minority Interest	16	3	-	-
<i>plus transfers from</i>				
Restricted Reserves				
Prizes, Scholarships and Trust Funds	895	805	895	805
Closing Balance	183,659	172,687	164,330	155,265

During 2008 Khipu Systems Ltd, a subsidiary of WaikatoLink, established a share option programme that entitles key personnel to purchase shares in the company. In accordance with this programme options are exercisable at the market price of the shares at the date of grant. During the 2009 year \$90,827 of options were exercised.

Notes to the Financial Statements

Note 24: Reconciliation of the Net Surplus/(Deficit) to the Net Cash Flows from Operating Activities

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Net Surplus/(Deficit)	10,741	(1,671)	8,970	1,220
Add/(Less) Non Cash Items:				
Depreciation and Amortisation	17,341	16,280	16,769	16,208
Increase/(Decrease) in Term Portion of Employee Entitlements	(337)	1,979	(337)	1,979
Intercompany Accounts	-	-	(154)	(2,776)
Share of Surplus/(Deficit) from Associates	224	-	-	-
Other	(286)	1,775	(46)	3
	16,942	20,034	16,232	15,414
Add/(Less) Movements in Other Working Capital Items:				
(Increase)/Decrease in Trade and Other Receivables	(882)	(730)	(302)	(285)
Increase/(Decrease) in Trade and Other Payables	(581)	(2,065)	(721)	(1,912)
(Increase)/Decrease in Inventories	53	65	53	62
Increase/(Decrease) in Income in Advance	1,705	5,608	1,669	5,608
Increase/(Decrease) in Employee Entitlements	(912)	1,177	(1,002)	1,155
(Increase)/Decrease in Prepayments	(368)	1,117	(368)	1,117
	(985)	5,172	(671)	5,745
Add/(Less) Items Classified as Investing and Financing Activities:				
Increase/(Decrease) in Property Plant & Equipment Prepayments	-	24	-	24
(Increase)/Decrease in Property Plant & Equipment Payables	1,360	(676)	1,360	(676)
Share Sales	-	-	-	-
Net (Gain)/Loss on Disposal of Assets	-	504	-	504
	1,360	(148)	1,360	(148)
Other Adjustments:				
Agency Adjustments	-	(44)	-	-
	-	(44)	-	-
Net Cash Flow from Operating Activities	28,058	23,343	25,891	22,231

Notes to the Financial Statements

Note 25: Leases

Operating Leases as Lessee

(a) Leasing Arrangements

	Final Expiry	2009 Actual \$000	Commentary
Waikato-Tainui Campus Land	In perpetuity	1,904	Subject to lease conditions
Tauranga Campus	2010 to 2012	458	4 Separate Leases
Ruakura Satellite Campus	2010	375	4 Separate Leases
Other Hamilton Leases	Nil to 2012	238	5 Leases
Other Leases	2009 -2012	125	5 Leases
Photocopy equipment	renewable	720	2 Leases

The University leases the land for the Hamilton campus from Tainui Group Holdings Limited. The use of this land is restricted to tertiary education, research or any other activity permitted by the rules of the Regional and District plans or by a Resource Consent. The University may sublet up to 25% of the land for periods of no longer than 10 years.

The University has entered into a Master Lease agreement with a Financier for the financing of individual student technology equipment. The University is indemnified against any default payments or any breach of any covenant by a student to repair or to return the Equipment to the Lessor.

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

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
(b) Non-cancellable operating lease payments				
Not longer than 1 year	3,381	3,726	3,381	3,726
Longer than 1 year and not longer than 5 years	9,882	9,965	9,882	9,965
Longer than five years	63,895	67,482	63,895	67,482
	77,158	81,173	77,158	81,173

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
(c) Sub-leases				
Future minimum lease receipts	10,532	10,199	10,532	10,199

These are the minimum future receipts that the University expects to receive from its tenants on leased land, the minimum renewal periods range from 1 to 37 years.

Lessor Disclosures

Operating Leases as Lessor

(a) Leasing Arrangements (Receivables)

Operating leases relate to shops on campus, and residential premises adjacent to the University. Lease terms are for terms of between 2 & 49 years with various options to renew. The lessees do not have the option to purchase at the expiry of the lease period.

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

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
(b) Non-cancellable operating lease receivables				
Not longer than 1 year	725	700	725	700
Longer than 1 year and not longer than 5 years	2,026	1,963	2,026	1,963
Longer than five years	8,446	8,461	8,446	8,461
	11,197	11,124	11,197	11,124

No contingent rents have been recognised in the Statement of Comprehensive Income.

Note 26: Financial Instruments

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

Market risk

The effective interest rates on investments range from 3.42% to 4.34% (2008 - 5.46% to 8.76%).

There was a finance lease recognised in 2006 with an effective interest rate of 12.07% in 2009. (2008 - 12.07%).

There were no term loans for 2009 (2008 - none).

Fair Value Interest Rate Risk

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

Cash Flow Interest Rate Risk

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

The University holds a mixture of fixed rate and floating call rate deposits. At 31 December the University had \$8.8m (2008 \$9.8m) invested in variable rate deposits and the balance in fixed rate deposits.

Sensitivity analysis

As at 31 December 2009, if the call rate had been 100 basis points higher or lower, with all other variables held constant, the surplus/deficit for the year would have been as follows:

Instrument	University				Consolidated			
	This Year		Last Year		This Year		Last Year	
	+100bps	-100bps	+100bps	-100bps	+100bps	-100bps	+100bps	-100bps
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Variable rate deposits	88	(88)	98	(98)	90	(90)	99	(99)

This movement is attributable to increased or decreased interest income on call investment accounts. The sensitivity is lower in 2009 than 2008 because of the decreased balance held on call.

Currency Risk

Currency risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate due to changes in foreign exchange rates. The University holds cash in a US dollar account.

The University also purchases goods and capital equipment and sells services in foreign currencies.

The University manages its exposure to this foreign exchange rate risk through forward foreign exchange contracts. At balance date the University had USD, GBP and EUR contracts in place (**see note 21**).

At the 31 December 2009 the University held receivables and payables in US dollars (USD), Australian dollars (AUD), Chinese yuan (CNY), Great British pound (GBP), Japanese yen (JPY), Canadian dollars (CAD), Thai baht (THB), South African rand (ZAR) and Euros (EUR) as well as holding foreign currency in US dollars and a minimal amount of Australian dollars.

Notes to the Financial Statements

Sensitivity analysis

As at 31 December 2009, if the NZ dollar had weakened/strengthened 10% against the USD, with all other variables held constant, the surplus for the year would have been as follows:

Instruments held in USD	University				Consolidated			
	This Year		Last Year		This Year		Last Year	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Creditors	7	(8)	4	(5)	7	(9)	6	(8)
Debtors	(6)	6	(1)	1	(7)	7	(2)	2
US dollar account	(75)	92	(122)	149	(75)	92	(122)	149

This movement is attributable to foreign exchange gains/losses on translation of US denominated creditors, debtors and bank balances.

The USD currency risk represented in the above creditors figure is not representative of the inherent risk as the balance at year end is not reflective of the transactions undertaken by the University in USD. Payables in USD during 2009 totalled \$2.79 m (2008 \$2.34 m). The sensitivity is lower in 2009 than 2008 because the exchange rate was higher 2009 0.7191 (2008 0.576), resulting in the 10% movement being less in actual NZ dollars.

As at 31 December 2009, if the NZ dollar had weakened/strengthened 10% against the EUR, with all other variables held constant, the surplus for the year would have been as follows:

Instruments held in EUR	University and Consolidated			
	This Year		Last Year	
	+10%	-10%	+10%	-10%
	\$000	\$000	\$000	\$000
Creditors	2	(3)	1	(1)
Debtors	(7)	8	(6)	8

This movement is attributable to foreign exchange gains/losses on translation of Euro denominated creditors and debtors.

As at 31 December 2009, if the NZ dollar had weakened/strengthened 10% against the AUD, with all other variables held constant, the surplus for the year would have been as follows:

Instruments held in AUD	University and Consolidated			
	This Year		Last Year	
	+10%	-10%	+10%	-10%
	\$000	\$000	\$000	\$000
Creditors	7	(9)	6	(7)
Debtors	(47)	57	-	-

This movement is attributable to foreign exchange gains/losses on translation of AUD denominated creditors and debtors.

The University held AUD413,604 in its debtor ledger at year end (2008 \$nil).

Notes to the Financial Statements

As at 31 December 2009, if the NZ dollar had weakened/strengthened 10% against the CNY, with all other variables held constant, the surplus for the year would have been as follows:

	University and Consolidated			
	This Year		Last Year	
	+10%	-10%	+10%	-10%
Instruments held in CNY	\$000	\$000	\$000	\$000
Debtors	-	-	(30)	36

This movement is attributable to foreign exchange gains/losses on translation of CNY denominated debtors. The University did not hold any CNY debtors as at 31 December 2009.

As at 31 December 2009, if the NZ dollar had weakened/strengthened 10% against the GBP, with all other variables held constant, the surplus for the year would have been as follows:

	University and Consolidated			
	This Year		Last Year	
	+10%	-10%	+10%	-10%
Instruments held in GBP	\$000	\$000	\$000	\$000
Creditors	3	(4)	-	-
Debtors	2	3	-	-

This movement is attributable to foreign exchange gains/losses on translation of GBP denominated creditors and debtors.

As at 31 December 2009, if the NZ dollar had weakened/strengthened 10% against the JPY, with all other variables held constant, the surplus for the year would have been as follows:

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

This movement is attributable to foreign exchange gains/losses on translation of JPY denominated debtors.

The instruments held in CAD, THB and ZAR had minimal values, accordingly no analysis is provided.

Notes to the Financial Statements

Credit Risk

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

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

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

No collateral is held.

Maximum exposure to credit risk

The maximum credit exposure for each class of financial instrument is as follows:

	Consolidated		University	
	2009	2008	2009	2008
	\$000	\$000	\$000	\$000
Cash at bank and term deposits	19,558	19,152	19,251	18,395
Debtors and other receivables	11,874	10,992	9,847	9,545
Loans to related parties	-	-	3,787	1,677
Total credit risk	31,432	30,144	32,885	29,617

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	Consolidated		University	
	2009	2008	2009	2008
	\$000	\$000	\$000	\$000
Counterparties with credit ratings				
Cash at bank and term deposits				
AA-	19,558	19,152	19,251	18,395
Counterparties without credit ratings				
Debtors and other receivables				
Existing counterparty with no defaults in the past	11,874	10,992	9,847	9,545
Existing counterparty with defaults in the past	-	-	-	-
Total debtors and other receivables	11,874	10,992	9,847	9,545
Loans to related parties				
Existing counterparty with no defaults in the past	-	-	3,787	1,677
Existing counterparty with defaults in the past	-	-	-	-
Total loans to related parties	43,306	41,135	42,732	39,162

Notes to the Financial Statements

Liquidity Risk

Liquidity risk is the risk that the University will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities.

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

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

University	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years
2009	\$000	\$000	\$000
Creditors and other payables	10,295	0	0
Borrowings	122	102	655
Current Employee Entitlements	3,499	828	0
2008			
Creditors and other payables	9,656	0	0
Borrowings	122	122	715
Current Employee Entitlements	4,486	798	0
Consolidated	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years
2009	\$000	\$000	\$000
Creditors and other payables	10,885	0	0
Borrowings	122	102	655
Current Employee Entitlements	3,787	828	0
2008			
Creditors and other payables	10,106	0	0
Borrowings	122	122	715
Current Employee Entitlements	4,486	798	0

Notes to the Financial Statements

Note 27: Related Party Transactions

The following related party transactions occurred between the University and WaikatoLink Limited, U Leisure Limited (ULL), The University of Waikato Foundation (Foundation), The Student Campus Building Fund Trust (SCBFT), LCo New Zealand Limited (LCoNZ), The University of Waikato Alumni Association Incorporated (Alumni) and the University of Waikato Research Trust (UoW RT) during the year:

	WaikatoLink \$	ULL \$	Foundation \$	SCBFT \$	LCoNZ \$	Alumni \$	UoW RT \$
Payments in 2009 to:	2,516,470	713,552	-	-	238,924	-	3,980,120
(2008)	1,113,205	693,024	-	360	316,472	-	3,420,000
Receipts in 2009 from:	244,124	383,553	725,371	230,141	159,365	-	-
(2008)	144,544	393,404	2,492,359	353,424	28,786	3,600	-
Accounts Receivable at 31 December 2009 owing from:	4,682,030	69,034	-	-	-	-	-
(2008)	2,395,825	37,157	5,742	-	-	-	-
Accounts Payable at 31 December 2009 owing to:	96,470	33,974	-	729,504	350	-	15,611,000
(2008)	81,657	19,231	-	551,142	615	-	13,551,000

WaikatoLink Limited has an associate company, Rural Link Limited, which commenced trading in 2007.

The following transactions are between the University and Rural Link Limited.

	This Year \$	Last Year \$
Total payments to Rural Link Limited	36,316	118,733
Total receipts from Rural Link Limited	48,723	-
Accounts Receivable at 31 December from Rural Link Limited	41,893	-
Accounts Payable at 31 December to Rural Link Limited	6,024	-

Key Management Personnel

The University has defined key management personnel as all direct reports to the Vice Chancellor, members of Council, Finance Committee, Vice Chancellor's Committee and Risk Management Committee. There are some close family members of key management personnel employed by the University and some enrolled as students. The terms and conditions of those arrangements are no more favourable than the University would have adopted if there were no relationship to key management personnel.

Key Management Personnel, and their close family members, have also had the following specific transactions with the University:

1. During the year the University purchased consultancy services from Deloitte. A member of Finance Committee is a partner of Deloitte. These services cost \$31,155 (2008 : \$77,342). There is a balance of \$0 (2008 : \$0) at year end for unpaid invoices. Deloitte also purchased goods from the University totalling \$2,404 (2008 : \$512) and at year end owed \$0 (2008 : \$0).
2. The University receives various donations, research revenue and consultancy fees from Gallagher Group Ltd and Gallagher Charitable Trust, in which a member of Council is a director. These totalled \$47,000 (2008 : \$74,945). The balance outstanding at year end was \$0 (2008 : \$nil). The University also purchased \$1,613 of goods from Gallagher Group (2008 : \$0)
3. During the year the University purchased goods and services from New Zealand Post in which a member of Council is the Chair, and another member of council is CFO. The value of these goods and services totalled \$237,673 in 2009 (2008 : \$245,355). The balance outstanding at year end was \$50,875 (2008 : \$14,220).
4. During the year the University also purchased goods and services from Express Couriers Ltd in which two members of Council are directors. The value of these goods and services totalled \$83,920 in 2009 (2008 : \$74,632). The balance outstanding at year end was \$13,653 (2008 : \$1,200).
5. A member of council is a director of Innovation Park. During the year the University provided services totalling \$783 (2008 : \$10,683) and the balance owing at year end was \$0 (2008 : \$5,625). The University is also a tenant of Innovation Waikato and paid them a total of \$255,990 (2008 : \$205,749) during the year. The balance owing at year end was \$100 (2008 : \$975).
6. A member of Risk Management Committee is CEO of Tainui Group Holdings. During the year the University paid them \$2,023,749 (2008 : \$3,161,039) in lease payments. There was a balance owing at year end of \$10,138 (2008 : \$108,864). The University also received the amount of \$0 (2008 : \$1,168) from Tainui Group for services during the year. The balance owing at year end was nil (2008 : \$0).
7. A member of finance committee is a director of R J Hill Laboratories Ltd. During the year the University provided services totalling \$17,998 to Hill Laboratories and the balance owing at year end was \$2,310. The University also purchased services from Hill Laboratories during the year totalling \$3,642, the balance outstanding at year end was \$0.
8. A member of finance committee became a director of Landcare Research NZ Ltd during the year. The University provided services totalling \$300,509 to Landcare Research Ltd and the balance owing at year end was \$4,716. The University also purchased services from Landcare Research Ltd during the year totalling \$227,566, the balance outstanding at year end was \$0.
9. The University also has key management personnel serving on the board of WaikatoLink Limited. The University's dealings with WaikatoLink Limited are disclosed above.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2008 nil).

The University enters into transactions with government departments and Crown agencies. These are not separately disclosed because they are conducted on an arms length basis in the normal course of business.

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

Note 28: Contingent Liabilities

University Contingent Liabilities

A guarantee has been given to the Bank of New Zealand for an overdraft facility of \$48,000 (2008 - \$48,000) on a continuing basis to the Campus Creche Trust. The University routinely monitors the financial performance of Campus Creche Trust. The likelihood of the guarantee being called upon is estimated to be very low.

The University is involved in open personal grievance claims taken against it by staff members. The liability the University may incur is estimated at \$30,000 (2008 - \$20,000). There are also potential grievance claims that can't be quantified.

There are no other known contingent liabilities.

Share of Subsidiaries' and Associates' Contingent Liabilities

On 1 February 2008, WaikatoLink Ltd received advice from Comvita Ltd that it did not accept liability for payments totalling \$2 million due under the original agreement entered into between WaikatoLink Ltd and Comvita Ltd, alleging misrepresentation on the part of WaikatoLink Ltd and a breach of the Fair Trading Act. WaikatoLink Ltd believes that it has complied in full with the provisions of the original agreement and disputes Comvita's claims. On 25 February 2008, WaikatoLink served High Court proceedings for recovery of the \$2 million. Comvita has subsequently served a counterclaim. WaikatoLink Ltd considers that the counterclaim has no merit. Attempts to resolve the dispute have so far been unsuccessful and a trial is scheduled in the High Court in Hamilton for April 2010.

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

Note 29: Capital Management

The University's capital is its equity, which comprise retained earnings and reserves. Equity is represented by net assets.

The University is subject to the financial management and accountability provisions of the Education Act 1989, which includes restrictions in relation to disposing of assets and interests in assets, ability to mortgage or otherwise charge assets or interests in assets, granting leases of land or buildings or parts of buildings, and borrowings.

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

The University's planning process includes the development of the University Strategy, Academic Plan, Investment Plan and budgets. These plans set out the University's activities for the next one to three years. The University's operational budget is set annually and ensures that the planned activities are appropriately funded and that expenditure requirements of the planned activities have been identified. The University's budget is set at a level to ensure that the University's operating activities are funded from operating cash flows and also that the University's operating activities generate sufficient cash flows to fund the capital expenditure requirements of the University.

The University has in place asset management plans for major classes of assets including maintenance and renewal programmes. A budget for capital expenditure is set annually and is funded from cash generated from the University's operating activities.

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

Notes to the Financial Statements

Note 30: Key Management Personnel Compensation

The compensation of the members of Council, Vice Chancellors Committee, Finance Committee and Risk Management Committee, being the key management personnel of the entity, is set out below:

	University	
	This Year	Last Year
	\$	\$
Short-term employee benefits	3,031,282	3,170,898
Post-employment benefits	142,892	130,672
Termination benefits *	194,058	-
Total	3,368,232	3,301,570

* These amounts include the salary and contractual payments that are part of the standard entitlements of the staff involved and other amounts that were negotiated as part of the termination settlement.

Notes to the Financial Statements

Note 31: Commitments

Capital Commitments

The University has the following estimated capital expenditure contracted:

	Consolidated		University	
	This Year	Last Year	This Year	Last Year
	\$000	\$000	\$000	\$000
Capital Commitments	14,656	31,754	14,656	31,754

Other Commitments

The University has agreed to provide capital funding of \$1,790,000.00 to WaikatoLink Limited during 2010 and 2011.

Notes to the Financial Statements

Note 32: Fair value hierarchy disclosures

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

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

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

	Total	Valuation technique		
		Quoted market price	Observable inputs	Significant non-observable inputs
	\$000	\$000	\$000	\$000
31 December 2009 - University				
Financial assets				
Shares	0	0	0	0
Financial liabilities				
Derivatives	22	0	22	0
31 December 2009 - Group				
Financial assets				
Shares	297	297	0	0
Financial liabilities				
Derivatives	22	0	22	0
31 December 2008 - University				
Financial assets				
Shares	0	0	0	0
Financial liabilities				
Derivatives	0	0	0	0
31 December 2008 - Group				
Financial assets				
Shares	238	238	0	0
Financial liabilities				
Derivatives	0	0	0	0

Note 33: Events after Balance Sheet date

There were no significant events after balance date.

13. Statement of Service Performance

The data relating to EFTS in this Statement of Service Performance take account of Ministry-Funded EFTS only (and do not take account of Full-Cost International or Full-Cost Other EFTS).

KPI 1 Reduce proportion of sub-degree EFTS provision

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
2.7%	3.0%	2.4%	2.0%	3.4%

Demand for the University's sub-degree programmes was much higher in 2009 than originally anticipated, and the sub-degree EFTS target was exceeded as a consequence by 45%. In light of the over-enrolment in 2009 and the limited scope for growth of funded enrolments in 2010, a strategic decision was taken late in 2009 to reduce MF sub-degree teaching at the University in 2010 to a maximum of 40 EFTS in the Certificate in University Preparation (CUP) programme. In deciding to reduce its sub-degree teaching, the University was very concerned to ensure that the region's needs with regard to foundation teaching were still able to be met, and so negotiated with Wintec an articulation arrangement under which Wintec would offer the bulk of the region's CUP provision - an additional 200 EFTS - in 2010. The University of Waikato will not offer the sub-degree Te Timatanga Hou programme in 2010; however, the CUP programme includes a Huarahi Māori stream, and more than 40% of the students in the CUP programme are typically Māori or Pacific Islanders.

KPI 2 Improve progression rates from sub-degree to degree level qualifications

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
83.7%	87.3%	81.2% ⁱ	89.0%	82.4%

This KPI counts students who have completed a sub-degree qualification in the year prior to the KPI year and of those, the proportion that progress to a degree-level qualification in the subsequent 12-month period. (It does not take account of students who enrol for, but do not complete, a sub-degree qualification, regardless of whether or not they subsequently progress to degree-level study.)

KPI 3 Improve student progression rates from other tertiary sub-sectors

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
474	540	484 ⁱⁱ	500	586

The University of Waikato has been awarded Priorities for Focus funding by the TEC in support of a Cross-Sector Tertiary Pathways Project, which is aimed at establishing a comprehensive framework of pathways from other tertiary providers. The number of students progressing from other tertiary sub-sectors to the University of Waikato increased significantly in 2009. The most popular programmes into which students transferred from other tertiary sub-sectors were the Bachelor of Teaching, the Graduate Diploma in Teaching, the Bachelor of Social Sciences and the Graduate Diploma. 29% of students transferring from other tertiary sub-sectors enrolled in university programmes at graduate level or above. The providers from whom the largest groups transferred were Wintec (176 students) and the Bay of Plenty Polytechnic (56 students).

KPI 4 Increase number of qualifications offered in collaboration with other TEIs

While specific new programmes were identified in relation to this KPI in 2008, none were identified for 2009.

The University has negotiated with the Bay of Plenty Polytechnic, Wintec and Tairāwhiti Polytechnic a variety of contract teaching, articulation and other types of arrangements for staircasing into higher level qualifications at the University of Waikato.

In 2009 the University of Waikato was awarded Priorities for Focus funding by the TEC in support of a Cross-Sector Tertiary Pathways Project, which is aimed at establishing a comprehensive framework of pathways from other tertiary providers. This funding was used for a number of relevant initiatives during 2009, including three new guaranteed credit agreements. Under these new agreements the University now awards degree level credit in respect of the Bay of Plenty Polytechnic Diploma of Tourism and Diploma in Design (Graphic), as well as the Northland Polytechnic Diploma in Conservation and Environmental Management.

The University continues to offer the Bachelor of Computer Graphic Design in collaboration with Whanganui UCol.

13. Statement of Service Performance

KPI 5 Improve successful paper completion rates for papers at degree level ⁱⁱⁱ

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
82.9%	82.0%	83.0% ⁱⁱ	84.0%	82.8%

The University's Teaching Quality Committee is responsible to the Academic Board for ensuring that the University has in place a framework for teaching and supervision to ensure international best practice. High paper completion rates are achieved through close attention to teaching quality, learning materials, learning outcomes, course and programme assessments, pedagogy and new modes of delivery, all managed in an integrated system which focuses on the continuous improvement of teaching and learning.

The University's 2009 paper completion rate is comparable with those of both the university sub-sector and the overall tertiary sector in recent years. (According to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, the university sub-sector rate in 2008 was 82.8% and the overall tertiary sector rate was also 82.8%.)

KPI 6 Maintain successful completion rates for qualifications at degree level and higher (over a five year period)

This KPI was set in 2008, at the beginning of the current Investment Plan period, with the intention of reporting five years later (2013). The TEC has since acknowledged that this approach to measuring qualification completions is complex and difficult for TEOs to replicate, so is exploring with the sector a different set of indicators.

'Successful qualification completion' means successful completion of a qualification within a period of five years from the student's first enrolment in a qualification at that level. PhDs and other doctorates are excluded. The five year completion rate for students who first enrolled in 2003 was 58.5% which, according to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, compares favourably with the national average for the same period for the university sub-sector (49.3%) and for the tertiary sector as a whole (48.7%).

KPI 7 Improve student progression rates from degree to postgraduate qualifications

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
14.5%	16.5%	16.4% ⁱⁱ	17.0%	16.0%

While the University did not meet its target against this indicator when measured as a progression percentage, actual enrolments at postgraduate level increased in 2009 by 7.6% (from 1,393 EFTS in 2008 to 1,499 EFTS in 2009).

A high-level goal in the University's new Research Plan for 2010 – 2012 is to increase the proportion of research postgraduate students and enhance research postgraduate outcomes. Initiatives to develop and deliver enhanced support for postgraduate research students across the University include training, financial support, scholarships, mentoring, work placement, and study abroad experience. The University will also develop additional joint postgraduate programmes with overseas universities which are of value to postgraduate students and assist with the recruitment of able new researchers.

KPI 8 Of EFTS generated by students aged under 25, increase the proportion enrolled for qualifications at degree level and higher

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
96.5%	96.0%	96.8%	97.0%	95.5%

The University's achievement against this measure this year has been impacted by the unexpectedly high number of enrolments at sub-degree level although, according to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, the University's 2009 result still compares favourably with the university sub-sector average of 94.0% in 2008 and an overall tertiary sector average of 66.6%.

It is intended that in 2010, all but 40 of the University's total Ministry-Funded EFTS will be at degree level and higher.

13. Statement of Service Performance

KPI 9 Of students aged under 25, improve successful paper completion rates at degree level ⁱⁱⁱ

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
83.4%	82.0%	82.8% ⁱⁱ	84.0%	82.6%

While the University is aware of the Government's strategic priorities with respect to young people aged under 25, its initiatives and services in support of quality teaching and learning to date have been targeted towards all students rather than particular age groups. Performance against this KPI and KPI 5 are therefore closely linked.

According to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, the University's performance against this indicator in 2009 is comparable with that of both the university sub-sector and the tertiary sector as a whole in 2008 (83.4% in both cases).

KPI 10 Of students aged under 25, maintain successful completion rates of qualifications at degree level and higher (over a five year period)

This KPI was set in 2008, at the beginning of the current Investment Plan period, with the intention of reporting five years later (2013). The TEC has since acknowledged that this approach to measuring qualification completions is complex and difficult for TEOs to replicate, so is exploring with the sector a different set of indicators.

As explained in relation to KPI 9, while the University is aware of the Government's strategic priorities with respect to young people aged under 25, its initiatives and services in support of quality teaching and learning to date have been targeted towards all students rather than particular age groups. Performance against this KPI and KPI 6 are therefore closely linked.

'Successful qualification completion' means successful completion of a qualification within a period of five years from the student's first enrolment in a qualification at that level. PhDs and other doctorates are excluded. The five year completion rate for students under 25 who first enrolled in 2003 was 60.2% which, according to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, compares favourably with the average for the same period for the university sub-sector and for the tertiary sector as a whole (56.4% in both cases).

KPI 11 Increase proportion of research postgraduate EFTS provision

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
6.1%	6.1%	6.3%	6.3%	6.3%

The 2009 target against this indicator was achieved despite the impact of the unexpectedly high number of enrolments at sub-degree level. When measured as a percentage of total EFTS, the actual number of research postgraduate EFTS increased by 9% over 2008 (from 498 EFTS in 2008 to 545 EFTS in 2009).

KPI 12 Increase Māori EFTS

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
21.9% (1,656 EFTS)	22.3% (1,717 EFTS)	21.0% (1,653 EFTS)	1700 EFTS	1,851 EFTS (21.3%)

From 2009, the target for this KPI is expressed as an EFTS number rather than a proportion of total MF EFTS.

The University performed well against this KPI in 2009. A new Māori Plan 2009 – 2011 was adopted by the University in 2009 and a more structured and coordinated approach is being taken to improving Māori student recruitment and retention rates. A new Māori Recruitment Liaison Officer post was created and filled this year, and the University had a very high profile at major national Māori events including the National Kapa Haka festival, the secondary schools' Manu Korero speech competition and the AUT Māori Expo; all these events represent very important recruitment opportunities. The University-wide Māori mentoring programme is well-established, and a number of scholarship programmes offer financial support to high-achieving Māori students.

13. Statement of Service Performance

KPI 13 Improve successful paper completion rates at degree level for Māori studentsⁱⁱⁱ

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
73.6%	72.9%	73.7% ⁱⁱ	77.0%	73.3%

As explained in relation to KPI 12, a new Māori Plan 2009 – 2011 was adopted by the University in 2009 and is now being implemented. While the University is engaged in a number of initiatives focussed directly on learning support for Māori students, it is also taking steps that are focussed on enhancing the teaching and research capacity of Māori academic staff, with an emphasis on leadership and academic excellence. Fostering and celebrating a strong Māori research culture and academic excellence are an important factor in influencing Māori student success. The Māori student mentoring programme is well-established, and involves a wide variety of academic, pastoral, social and cultural activities for students at both the University-wide and Faculty/School levels. A survey conducted in 2008 confirmed that there is good general awareness of this programme among Māori students, as well as strong support and appreciation of the tikanga Māori-based approach that underpins it.

KPI 14 Maintain successful completion rates for qualifications at degree level and higher for Māori students (over a five year period)

This KPI was set in 2008, at the beginning of the current Investment Plan period, with the intention of reporting five years later (2013). The TEC has since acknowledged that this approach to measuring qualification completions is complex and difficult for TEOs to replicate, so is exploring with the sector a different set of indicators.

Initiatives and activities in support of Māori academic achievement are explained in relation to KPIs 12 and 13 above.

'Successful qualification completion' means successful completion of a qualification within a period of five years from the student's first enrolment in a qualification at that level. PhDs and other doctorates are excluded. The five year completion rate for Māori students who first enrolled in 2003 was 43.6% which, according to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, compares favourably with the national average for the same period for universities (35.3%) and for the tertiary sector as a whole (35.5%).

KPI 15 Increase taught and research postgraduate Māori EFTS

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
2.6% (192 EFTS)	2.9% (226 EFTS)	2.7% (210 EFTS)	240 EFTS	238 EFTS (2.7%)

From 2009, the target for this KPI is expressed as an EFTS number rather than a proportion of total EFTS.

While the University did not quite achieve its 2009 target against this indicator, actual EFTS generated by taught and research postgraduate Māori students increased by 13% over 2008.

A number of relevant initiatives and programmes are underway with the aim of increasing taught and research postgraduate Māori EFTS at the University of Waikato. They include the MAI ki Waikato Māori PhD programme, which involves monthly workshops facilitated by the Pro Vice-Chancellor (Māori) and is complemented by a national programme of scholarships, writing retreats and doctoral conferences coordinated by Ngā Pae o te Māramatanga. The University operates the ManuAo Staff Leadership programme to encourage and support academic staff to complete postgraduate degrees. The ManuAo programme also includes a national network of Māori academic staff, weekly seminars and a contestable fund which emphasises enrolment in and completion of higher degrees.

KPI 16 Increase Pacific EFTS

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
4.9% (367 EFTS)	5.3% (412 EFTS)	5.4% (427 EFTS)	440 EFTS	476 EFTS (5.5%)

From 2009, the target for this KPI is expressed as an EFTS number rather than a proportion of total EFTS.

Pacific EFTS increased in 2009 by 11% over 2008. The proportion of EFTS generated by Pacific students at the University in 2009 (5.5%) is higher than regional demographic for Waikato/Bay of Plenty (2.9%). To complement the efforts of university-wide student recruitment and support activities, the University's Pacific Equity Funding has been used for special mentoring programmes for Pacific students in the Faculty/Schools, for the TAPA awards for outstanding Pacific students, and to create a contestable fund to support Pacific students and groups who wish to host or attend conferences.

13. Statement of Service Performance

KPI 17 Improve successful paper completion rates at degree level for Pacific studentsⁱⁱⁱ

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
66.3%	63.4%	64.5% ⁱⁱ	66.0%	66.8%

Initiatives in support of Pacific student learning, retention and progress are outlined in relation to KPI 16.

According to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, the University's successful paper completion rate for Pacific students in 2009 is comparable with the average for the university sub-sector in 2008 (64.3%) and for the tertiary sector as a whole (66.0%).

KPI 18 Improve successful completion rates for qualifications at degree level and higher for Pacific students (over a five year period)

This KPI was set in 2008, at the beginning of the current Investment Plan period, with the intention of reporting five years later (2013). The TEC has since acknowledged that this approach to measuring qualification completions is complex and difficult for TEOs to replicate, so is exploring with the sector a different set of indicators.

Initiatives and activities in support of Pacific academic achievement are explained in relation to KPI 16.

'Successful qualification completion' means successful completion of a qualification within a period of five years from the student's first enrolment in a qualification at that level. PhDs and other doctorates are excluded. The five year completion rate for Pacific students who first enrolled in 2003 was 49.2% which, according to the TEC November 2009 publication *Improving Student Results: Tertiary Education Sector Performance 2008*, compares favourably with the average for the same period for the university sub-sector (34.5%) and for the tertiary sector as a whole (34.0%).

KPI 19 Increase taught and research postgraduate Pacific EFTS

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
0.6% (48.7 EFTS)	0.7% (50.6 EFTS)	0.6% (49.0 EFTS)	50 EFTS	61 EFTS (0.7%)

From 2009, the target for this KPI is expressed as an EFTS number rather than a proportion of total EFTS.

Pacific student EFTS at taught and research postgraduate level increased by 22% over 2008.

Initiatives in support of Pacific student learning, retention and progression are described in relation to KPI 16. Of particular relevance is the TAPA Award programme, which targets high-achieving Pacific students and, in particular, those aspiring to undertake postgraduate study.

KPI 20 Manage risks associated with international student market

No specific target was set in relation to this KPI for 2009.

An International Plan 2009 – 2011 was adopted by the University in 2009 to guide it in the delivery of the international dimensions of its high-level Strategy. The International Plan sets out six goals for the University's international activities and provides strategic guidance for the management of risks associated with the international student market and for more geographical diversification of the University's international student profile.

KPI 21 Improve participation and service access of students with disability

2009 Target

Provision of an annual report to Council and the TEC on the range of strategies and services to improve participation rates and service access of students with disability

A 2008 report was provided to Council and the TEC in April 2009. A 2009 report will be provided to Council and the TEC in April 2010.

A regular programme of support services continues to be delivered for students with disabilities. A survey was conducted in 2009, the results of which will be used for the purposes of both performance monitoring and reporting and for identifying opportunities for improving support services.

13. Statement of Service Performance

KPI 22 Establish a robust policy framework for the systematic review and evaluation of teaching

2009 Target

Policy framework in place with regular monitoring and reporting to the Academic Board

An Evaluation of Teaching and Papers Policy was adopted by the Academic Board in November 2008, and the University's Teaching Quality Committee is responsible for regular monitoring and reporting to the Academic Board against the policy framework.

While regular progress monitoring reports were not provided to the Academic Board in 2009, teaching staff have been actively engaged in meeting the responsibilities specified in the policy. Regular performance monitoring and reporting is expected to be established in 2010. As the policy states, "The University expects to achieve full compliance with this policy by the end of 2010. The Teaching Quality Committee will monitor and support progress towards full compliance during the transitional period; this will include identifying and addressing relevant issues including operational and resource implications".

KPI 23 Undertake a 5-year cycle of external programme reviews

2009 Target

Undertake specific reviews each year as determined by the Academic Board with a view to completing the full cycle by 2012

Three external programme reviews were undertaken in 2008, in Communication Studies, Tourism, and Music, Creative and Performing Arts.

No external programme reviews were undertaken in 2009, and the schedule for 2010 is under consideration.

KPI 24 Enhance stakeholder links through increased enrolments in student work placements

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
934	766	738 ⁱⁱ	785	960

Student work placement opportunities have been included in all degrees of the University of Waikato since 2006. Levels of participation in work placements have increased, despite labour market constraints. Further developments are being anticipated across the University as labour market pressures recede. The Faculty of Arts and Social Sciences is the most recent major area of the University to expand its engagement with work placements.

KPI 25 Increase number of quality assured research publications recorded in the University's institutional repository ^{iv}

2006 Actual	2007 Actual	2008 Actual	2009 Target	2009 Actual
1,028	1,069	1,083	750	905

The University continues to foster and support a creative and dynamic intellectual culture that recognises that research, critical reflection on research and research-based teaching and supervision are the defining, core activities of the University. Quality research publications are one of the most important outcomes of a dynamic research culture. The University is steadily increasing the quantum and quality of its activity in research and creative work, by enhancing support for established, new and emerging researchers. In a new Research Plan 2010 – 2012, the University commits to a variety of initiatives and investments in research leadership, mentoring, professional development, relationships and infrastructure.

KPI 26 Create new Research Centres involving stakeholder collaboration

2009 Target

- Centre for Environmental Conservation and Restoration
- Centre for Materials Engineering and Science
- Māori Research Institute

13. Statement of Service Performance

Two new Research Centres were established in the University of Waikato in 2008 – the National Research Institute for Demographic and Economic Analysis and the National Institute for Research on Learning.

The proposal for a Centre for Environmental Conservation and Restoration, as part of the School of Science and Engineering, has been superseded by a proposal for a university-wide Environmental Research Institute. The University has invested strategic funding in the development of a full business case which is likely to come forward in 2010.

Discussions are currently underway about the desirability and feasibility of developing the University's existing Centre for Advanced Materials (WaiCAM), which is part of the School of Science and Engineering, into a university-wide Centre in Material Science and Engineering which would involve research collaboration across a number of disciplines.

Planning for the establishment of a Māori Research Institute began in 2008 and is on-going. A project manager was employed in February 2009 to oversee the development of a full business case, which has now been prepared and is scheduled to be presented for consideration to Council early in 2010. The project has had a strong stakeholder focus, and feedback has been incorporated from a number of leading Māori research organisations, individuals and agencies. The emerging research themes and structures have received strong support from the iwi membership of Te Rōpū Manukura (the body responsible with Council to give effect to the Treaty of Waitangi in the University).

KPI 27 Increase ERI, commercialisation and other external revenue

2008 Actual	2009 Target	2009 Actual
\$41.5 million ^v	\$46 million	\$48.5 million

It is pleasing to note that the University has exceeded its target against this KPI. This measure represents the University's activities in research and commercial areas. Growth in these revenue streams reduces the reliance on Government influenced teaching funding and forms a critical component in ensuring the University's ongoing financial strength. Additionally the University recognises the impact that increased research capability and output has in knowledge creation, economic contribution and alignment with Government objectives. Throughout 2009 the University has been successful in securing a number of significant research contracts reflecting its continuing capability growth particularly in the Schools of Education and Science and Engineering.

KPI 28 Increase Development Office revenue

2008 Actual	2009 Target	2009 Actual
\$2.7 million ^{vi}	\$1 million	\$709,000

The University of Waikato has made excellent progress establishing a framework of events and communications designed to foster a culture of giving amongst its alumni, staff and stakeholders. The activities and profile of the University's current Chancellor have been particularly helpful in fostering engagement with alumni and others. It is also important to note that the 2009 results do not take into account commitments and a bequest totaling \$2.1 million, which will be reflected in 2010 and future financial reports. The economic downturn has negatively impacted fundraising in NZ and worldwide. According to Charities Aid Foundation and the CASE Fundraising Index, UK giving overall decreased 11% and US giving for education by an estimated 4%. NZ's relative youth in fundraising in the tertiary sector would suggest a decline nearer to that experienced in the UK was the more likely scenario.

- i. It was established earlier this year, when analysing trends, that some students had been counted twice in the past because, having completed a sub-degree qualification, they had initially enrolled in one degree-level qualification and then later changed to another. As a consequence, the 2008 progression rate reported in the 2008 Statement of Service Performance was slightly higher than the actual rate. The 'Actual' 2006 – 2009 figures shown in this table are correct.
- ii. The 2008 figure for this KPI has been updated since the publication of the 2008 Statement of Service Performance to take account of data that have been formally recorded for that year since then.
- iii. The wording of this KPI in the Investment Plan is contradicted by the definition. (The definition is correct.) The indicator is intended to relate to papers at degree level only (which includes degree level papers taken towards graduate diplomas). The actual data have always been correct according to the definition, and also align with the data reported by the TEC in its Progress Monitoring Report.
- iv. The University's quality assured research publications are recorded against the year in which they are published. Because of inevitable delays between publication and the recording of the relevant data in the institutional repository, historic data are constantly being updated; figures are also updated retrospectively to take account of the publications of new staff. This means that while they are correct as at the end of 2009, the 2008 figure is significantly higher than that reported in the 2008 Statement of Service Performance and all the figures in this table, including the 2009 figure, are subject to on-going change.
- v. The 2008 figure for this KPI has been updated since the publication of the 2008 Statement of Service Performance to ensure a consistent calculation methodology across reporting periods.
- vi. The 2008 figure for this KPI has been updated since the publication of the 2008 Statement of Service Performance to take account of the final 2008 data .

14. Statistical Information

Table 1: Total Students in Formal Programmes

	2003	2004	2005	2006	2007	2008	2009
Total Students	14,405	14,023	13,068	12,561	12,031	12,014	13,089

Table 2: Total Students by Gender

	2003	2004	2005	2006	2007	2008	2009
Female	8,258	8,040	7,462	7,274	7,024	7,007	7,577
Male	6,147	5,983	5,606	5,287	5,007	5,007	5,512
Total	14,405	14,023	13,068	12,561	12,031	12,014	13,089

Table 3: Total Students by Ethnicity

	2003	2004	2005	2006	2007	2008	2009
Pakeha/European	6,467	6,335	5,964	5,962	5,737	5,631	6,061
New Zealand Māori	2,460	2,480	2,259	2,225	2,307	2,232	2,451
Pacific Islander	405	411	396	433	453	501	525
Chinese	3,211	2,963	2,633	2,242	1,675	1,407	1,383
Indian	314	314	299	290	294	322	402
Other	1,548	1,520	1,517	1,409	1,565	1,921	2,267
Total	14,405	14,023	13,068	12,561	12,031	12,014	13,089

Table 4: Total Students by Origin

	2003	2004	2005	2006	2007	2008	2009
Core Region	8,301	8,025	8,406	8,714	8,338	8,341	9,234
Inner Periphery	633	597	545	483	512	626	794
Outer Periphery	553	550	516	519	527	521	585
Auckland	819	885	1,059	953	899	790	754
Wellington	116	161	197	168	142	131	188
South Island	125	159	172	143	131	157	137
Overseas	3,858	3,646	2,173	1,581	1,482	1,448	1,397
Total	14,405	14,023	13,068	12,561	12,031	12,014	13,089

Table 5: Total Qualification Enrolments by Level

	2003	2004	2005	2006	2007	2008	2009
Foundation	2,643	1,473	871	788	991	1,309	1,490
Undergraduate	9,861	10,190	9,817	9,440	8,949	8,729	9,314
Graduate/Postgraduate (excl.MPhil & Doctoral)	3,166	3,168	2,776	2,583	2,465	2,609	2,918
MPhil and Doctoral	446	436	440	480	488	513	542
Total	16,116	15,267	13,904	13,291	12,893	13,160	14,264

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Table 6: Total Qualification Completions by Level

	2003	2004	2005	2006	2007	2008	2009
Foundation	2,230	1,824	512	528	609	870	1,088
Undergraduate	1,792	1,717	1,696	2,030	1,814	1,608	2,040
Graduate/Postgraduate (excl.MPhil & Doctoral)	1,164	1,224	1,026	1,334	1,260	1,310	1,032
MPhil and Doctoral	70	59	38	50	72	53	54
Total	5,256	4,824	3,272	3,942	3,755	3,841	4,214

Table 7: Total Enrolments in Papers

	2003	2004	2005	2006	2007	2008	2009
Total enrolments	72,137	70,847	65,982	60,205	60,932	61,838	67,325
% completed	88%	91%	91%	91%	89%	88%	91%
% passed	81%	83%	84%	84%	80%	81%	83%

Table 8: Total EFTS

	2003	2004	2005	2006	2007	2008	2009
Total EFTS	11,575	11,417	10,641	10,134	9,708	9,685	10,606

Table 9: Total EFTS by Level

	2003	2004	2005	2006	2007	2008	2009
Sub-degree	1,415	878	577	585	647	748	872
Degree	8,310	8,616	8,286	7,891	7,357	7,237	7,851
Taught Postgraduate	1,188	1,285	1,178	1,018	1,032	1,028	1,149
Research Postgraduate	464	445	432	459	477	498	545
ACE	198	192	167	181	196	176	189
Total	11,575	11,417	10,641	10,134	9,708	9,685	10,606

Table 10: Total EFTS by Source of Funding

	2003	2004	2005	2006	2007	2008	2009
Ministry-Funded (excl. ACE)	8,421	8,281	7,689	7,549	7,709	7,859	8,700
Full-Cost International	2,893	2,888	2,759	2,370	1,764	1,615	1,669
Full-Cost Other	64	54	26	34	41	36	49
ACE	198	192	167	181	196	176	189
Total	11,575	11,417	10,641	10,134	9,708	9,685	10,606

14. Statistical Information

Table 11: Total EFTS by Ethnicity

	2003	2004	2005	2006	2007	2008	2009
Pakeha/European	5,193	5,037	4,683	4,634	4,596	4,544	4,855
New Zealand Māori	1,951	1,927	1,781	1,714	1,782	1,707	1,912
Pacific Islander	333	336	330	355	368	412	431
Chinese	2,613	2,650	2,418	2,016	1,413	1,140	1,180
Indian	253	257	243	234	251	257	328
Other Asian	520	522	498	514	541	641	700
Other	712	685	686	668	758	984	1,199
Total	11,575	11,417	10,641	10,134	9,708	9,685	10,606

Table 12: Total EFTS by Faculty/School/College

	2003	2004	2005	2006	2007	2008	2009
Arts and Social Sciences	2,189	2,264	2,134	2,043	1,932	1,849	2,054
Computing and Mathematical Sciences	946	978	921	851	790	706	759
Education	2,049	2,048	1,923	1,832	1,792	1,932	2,256
Law	569	564	532	562	573	589	608
Māori and Pacific Development	338	339	319	306	299	274	278
Science and Engineering	850	929	886	895	883	875	925
Waikato Management School	3,032	3,235	3,184	2,880	2,597	2,536	2,664
Pathways College	1,602	1,060	741	765	843	924	1,062
Total	11,575	11,417	10,641	10,134	9,708	9,685	10,606

Table 13: Total Staff FTE

	2003	2004	2005	2006	2007	2008	2009
Academic	756	754	705	648	625	643	633
Other	1,032	1,042	973	929	917	916	895
Total	1,788	1,795	1,678	1,577	1,542	1,560	1,528

Table 14: Seniority of Total Academic Staff FTE

	2003	2004	2005	2006	2007	2008	2009
Professors	61	72	81	88	87	84	84
Associate Professors	62	65	65	68	75	78	78
Senior Lecturers	222	233	234	220	212	212	224
Lecturers	191	174	154	134	119	113	120
Other	220	210	171	139	132	156	128
Total	756	754	705	648	625	643	633

14. Statistical Information

Table 15: Total Staff FTE by Organisational Unit

	2003	2004	2005	2006	2007	2008	2009
Arts and Social Sciences	369	329	196	178	174	179	173
Computing and Mathematical Sciences	92	93	87	77	78	75	74
Education	291	297	305	302	300	285	292
Law	46	49	43	37	35	37	35
Māori and Pacific Development	46	51	51	40	38	34	29
Science and Engineering	177	184	174	176	185	193	188
Waikato Management School	197	231	232	222	212	196	186
Other organisational units	570	560	590	544	519	561	551
Total	1,788	1,795	1,678	1,577	1,542	1,560	1,528

Table 16: Ratio of EFTS to Academic FTE (counting all Academic FTEs and EFTS)

	2003	2004	2005	2006	2007	2008	2009
Total Academic FTE	756	754	705	648	625	643	633
Total EFTS	11,575	11,417	10,641	10,134	9,708	9,685	10,606
EFTS to Academic FTE ratio	15.3:1	15.1:1	15.1:1	15.6:1	15.5:1	15.1:1	16.7:1

Table 17: Ratio of EFTS to Academic FTE (excluding specific categories of staff and students (see Glossary and Definitions))

	2003	2004	2005	2006	2007	2008	2009
Academic FTE				496	494	483	480
EFTS				9,369	8,866	8,761	9,544
EFTS to Academic FTE ratio				18.9:1	17.9:1	18.1:1	19.9:1

Table 18: Ratio of EFTS to Other FTE

	2003	2004	2005	2006	2007	2008	2009
Total Other FTE	1,032	1,042	973	929	917	916	895
Total EFTS	11,575	11,417	10,641	10,134	9,708	9,685	10,606
EFTS to Other FTE ratio	11.2:1	11.0:1	10.9:1	10.9:1	10.6:1	10.6:1	11.9:1

Table 19: Research Revenue

	2003	2004	2005	2006	2007	2008	2009
Annual Research Revenue	\$17.934M	\$18.398M	\$20.137M	\$20.317M	\$23.296M	\$21.894M	\$27.838M
Academic FTE (Research)	512	529	530	507	508	505	500
Research Revenue per Academic FTE (Research)	\$34,930	\$34,808	\$37,971	\$40,074	\$45,897	\$43,355	\$55,676

14. Statistical Information

Table 20: 2009 Staff Publications by Organisational Unit

	Books	Chapters	Journals	Conference Contributions	Creative Works	Other	Total
Arts and Social Sciences	11	35	61	94	24	108	333
Computing and Mathematical Sciences		4	36	60	0	8	108
Education	6	32	60	70	1	44	213
Law	1	6	10	10	0	2	29
Māori and Pacific Development	2	0	3	5	21	16	47
Science and Engineering	3	20	170	227	0	38	458
Waikato Management School	11	48	130	163	0	102	454
Other organisational units	0	1	6	13	0	4	24
Total	34	146	476	642	46	322	1,666

Table 21: Buildings

	2003	2004	2005	2006	2007	2008	2009
Total gross area of buildings (m ²)	171,155	155,015	153,991	157,077	153,791	154,525	155,648
Total net area of buildings utilised for teaching research and administration (m ²)	108,007	113,550	110,308	113,799	110,513	114,744	115,565
Total number of buildings owned and leased	195	199	199	199	194	196	207
Total net useable area per EFTS (m²)	9.33	9.95	10.37	11.23	11.38	11.85	10.90

Table 22: Library

	2003	2004	2005	2006	2007	2008	2009
Total value of collections	\$20.513M	\$20.868M	\$20.789M	\$21.974M	\$23.214M	\$24.048M	\$25.109M
Bibliographic resources:							
Books and other non-serials (volumes)	813,654	835,111	850,580	860,520	857,540	861,670	865,885
Serials (print volumes)	197,535	199,962	203,201	206,252	201,566	183,436	184,918
Total volumes held	1,011,189	1,035,073	1,053,781	1,066,772	1,059,106	1,045,106	1,050,803
Electronic titles	29,448	68,923	72,991	76,202	80,575	90,514	112,027

15. University of Waikato Council and Senior Management

Council – 2009 Membership

Four members appointed by the Minister for Tertiary Education

Dr Brian Linehan (Pro-Chancellor)

Dr Rob Pringle

Mrs Jenni Vernon (from 1 June 2009)

Mr Peter Schuyt

The Vice-Chancellor of the University of Waikato

Professor Roy Crawford

One permanent member of the academic staff of the University of Waikato elected by the permanent members of that staff

Professor Alexandra Barratt

One academic staff member elected by and from the members of the Academic Board of the University of Waikato

Professor Barry Barton

One permanent member of the general staff of the University of Waikato elected by the permanent members of that staff

Mr Tony Dicks

One student member appointed

a. *if membership of the Waikato Students' Union Inc. is compulsory, in the capacity as President of the Waikato Students' Union*

b. *in any other case, following an election conducted in accordance with the University of Waikato Election of Members of the*

Council Statute

Mr Ben Delaney

One member appointed by the Council after consultation with Business New Zealand

Dr John Gallagher

One member appointed by the Council after consultation with the New Zealand Council of Trade Unions

Ms Jeanette Clarkin-Phillips

One member appointed by the Council after consultation with Te Rōpū Manukura

Dr Apirana Mahuika

One member appointed by the Council on the nomination of Te Arikinui

Mr Maharaia Paki

Up to five members who may be co-opted by Council

Rt Hon. Jim Bolger (Chancellor)

Ms Jan Jameson

Mr Todd Muller

Mr Tony Whittaker

Vice-Chancellor's Committee – 2009 Membership

Vice-Chancellor

Deputy Vice-Chancellor

Pro Vice-Chancellor (Māori)

Head of Corporate Services

Head of Human Resources

Head of Planning, Policy and Information

Dean, Faculty of Arts and Social Sciences

Dean, School of Computing and Mathematical Sciences

Dean, School of Education

Acting Dean, School of Law (to 31.1.09)

Acting Dean, School of Law (1.2.09 -1.9.09)

Dean, School of Law (from 27.8.09)

Dean, School of Māori and Pacific Development (on leave to 7.6.09)

Acting Dean, School of Māori and Pacific Development (to 18.10.09)

Dean, School of Māori and Pacific Development (from 19.10.09)

Dean, School of Science and Engineering

Dean, Waikato Management School

Professor Roy Crawford

Professor Doug Sutton

Professor Linda Smith

Mr Raymond McNickle

Ms Anna Bounds

Ms Helen Pridmore

Professor Dan Zirker

Professor Geoff Holmes

Professor Alister Jones

Professor Nan Seuffert

Professor Al Gillespie

Professor Bradford Morse

Professor Aroha Yates-Smith

Mr Tom Roa

Professor Linda Smith

Professor Richard Price

Professor Frank Scrimgeour

16. Glossary and Definitions

ACE	Adult and Community Education
ECE	Early Childhood Education
EFTS	Equivalent Full-Time Student
FCI	Full-Cost International
FCO	Full-Cost Other
ICT	Information and Communication Technology
IP	Intellectual Property
IT	Information Technology
KPI	Key Performance Indicator
MF	Ministry-Funded
NCEA	National Certificate of Educational Achievement
NZVCC	New Zealand Vice-Chancellors' Committee
PBRF	Performance-Based Research Fund
STAR	Secondary Tertiary Alignment Resource
TEC	Tertiary Education Commission

Rounding

Numbers may not add due to rounding.

Ethnicity

Ethnicity is self-reported.

Origin

'Origin' refers to the first address recorded for a student:

- Core Region: (Main Catchment) Waikato, the Coromandel and the Bay of Plenty
- Inner Periphery: Counties Manukau, Gisborne, Taranaki, Manawatu, and Wanganui
- Outer Periphery: Hawkes Bay and Northland
- Auckland: Auckland region excluding Counties Manukau
- Wellington: Wellington region
- South Island: Entire South Island.

Statistical Information

Tables 1 - 7

The data in these tables take account of students enrolled in formal programmes only. They exclude 5,386 students enrolled solely in non-assessed programmes because each one represents only a very small fraction of an EFTS count.

Tables 5 and 6

- 'Foundation' refers to sub-degree level qualifications (excluding non-assessed programmes).
- 'Undergraduate' refers to bachelors degrees, undergraduate certificates and diplomas, and graduate certificates and diplomas.
- 'Graduate/Postgraduate' refers to honours degrees, masters qualifications (excluding the MPhil), postgraduate certificates and postgraduate diplomas.

Table 7

'Completed' refers to papers for which students received either a pass or fail grade. (Papers for which students received Incomplete, Withdrawn, No-Credit and Continuing grades are excluded from this count.)

'Passed' refers to papers for which students received a passing grade, including a Restricted Pass.

Table 8

Table 8 counts all EFTS in both formal and non-assessed programmes.

Table 13

'Academic' refers to staff whose conditions of employment require teaching and/or research to be undertaken.

'Other' refers to staff whose conditions of employment do not require teaching and/or research to be undertaken.

Both categories include continuing, fixed-term and casual staff.

16. Glossary and Definitions

Tables 16 – 18

Table 16 has been derived counting **all** Academic Staff FTEs (including fixed-term and casual staff), and **all** EFTS.

Table 17 has been derived using a different methodology (which is also used for the University's internal planning processes). Data for this methodology are available only from 2006. Academic Staff FTE in this table refers to 'Teaching and Research' and 'Teaching Only' staff, and excludes:

- 'Research Only' staff
- Casual and fixed-term staff
- Academic staff not attached to EFTS generating organisational units
- Academic staff and student EFTS attached to the Pathways College. (A significant proportion of Pathways College staff are fixed-term or casual and therefore excluded under this methodology; to avoid skewing the ratio, the associated Pathways College EFTS are also excluded.)

Table 18 has been derived counting **all** EFTS and **all** 'Other' staff, (i.e. staff whose conditions of employment do not require teaching and/or research to be undertaken, including fixed-term and casual staff).

Table 19

'Annual Research Revenue' counts both PBRF-eligible and non-PBRF-eligible research revenue.

'Academic Staff FTE (Research)' refers to 'Teaching and Research' and 'Research Only' staff on continuing appointments.

Table 20

For publications that have more than one University of Waikato author, the publication has been counted once only, in the Unit of the first author.

Table 22

Library statistics are provided by the Library using agreed CAUL/CONZUL conventions. The significant growth in electronic titles between 2003 and 2004 is attributable to the fact that the University joined several large services in 2004 including JSTOR, Springer, Cambridge University Press and EPIC. Growth between 2008 and 2009 can be attributed primarily to the University acquiring access to the Westlaw service which provides approximately 17,000 titles.

17. References

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