

Annual Report

09

Directory 2009

Chancellor

Rex Williams, BE(Hons)

Pro-Chancellor

L John Wood, Amb(Rtd), QSO, MA(Cant), MA(Oxon), LLD(honoris causa)

Vice-Chancellor from February

Rod Carr, BCom(Hons), LLB(Hons)(Otago), MBA(Col.), MA, PhD (Wharton School, Penn.)

Deputy Vice-Chancellor and Acting Vice-Chancellor

Ian Town, MBChB(Otago), DM(Soton)

University Registrar

Jeff Field, JP, MA, DipJ, DipTColl(ChCh.TColl.), DipTchg(DeptEd), APR, MFINZ

Bob Hall, JP, BA(Hons)(Stirl.), MA(ANU), PhD (Acting September and October)

Assistant Vice-Chancellor (Academic)

Jan Cameron, BSc, MSocSc, DPhil(Waik.)

Assistant Vice-Chancellor (Māori)

Sir Tipene O'Regan, Kt, BA(Hons)(Well.), DipTchg(Well.TColl.), DCom(honoris causa) (Lincoln(NZ)), DCom(honoris causa)(Well.), LittD(honoris causa)

Assistant Vice-Chancellor (Student Services) Acting

John Vargo, BBA(Mich.), MBA(Santa Clara), CPA(Calif.), PhD

Assistant Vice-Chancellor

Steve Weaver, BSc(Hons)(Birm.), PhD(Lond.), DSc(Birm.), FNZIC, FGS, FRSNZ (Acting January)

Pro-Vice-Chancellor (Arts)

Ken Strongman, BSc(Hons), PhD(Lond.), FBPS, FRSNZ, FNZPS (January to July)

Jarg R. Pettinga, BSc, PhD(Auck.), FGSAm (Acting August to December)

Pro-Vice-Chancellor (Business and Economics)

Nigel Healey, BA(Nott.), MA(Leeds), MBA(Warw.), FCMI, FHEA, FNZIM, MIODNZ

Pro-Vice-Chancellor (Education)

Gail T Gillon, BEd(Cant.), PhD(Qld.), DipSpth, DipTchg(ChCh.TColl.), LTCL, NZSTA, ASHA Fellow

Pro-Vice-Chancellor (Engineering)

Peter Jackson, ME(Auck.), PhD(Camb.), FIPENZ, FRAeS (January to May)

Richard Duke, BSc, BE(Hons), ME, PhD, DipTchg(Auck.TColl), MIEEE (Acting May to August)

Jan Evans-Freeman, BSc(Hons), PhD(Manc.), FInstP (from September)

Pro-Vice-Chancellor (Science)

Ian Shaw, BSc(Hons)(Bath), PhD(Birm.), FIFST, FIBiol, CBIol, FRSC, CChem, FNZIC, FRCPATH (January)

Jarg R. Pettinga, BSc, PhD(Auck.), FGSAm (Acting February to July)
Bryce Williamson, BSc(Hons)(Well.), PhD(ANU), FNZIC (Acting August to November)

Paul Fleming, BEd(Belf.), MSc(Leeds Met.), PhD(Ulster), FRIPH, FHEA, MIHPE (from November)

Chief Financial Officer

Yvonne Shanahan, BBS, DipBA, DipBS(Massey), MSc(Syr.), PhD, Fellow CPA, CA

Director of Human Resources

Paul O'Flaherty, MBA(Otago), MHRINZ, MInstD

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Bank

Bank of New Zealand

Solicitors

MDS Law

Annual Report 2009 was produced by staff of the Planning, Information and Reporting Unit in conjunction with Financial Services and Communications and Development

Statement of Service Performance

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Annual Report 2009 Contents

1	Overview
2	<i>Audit Report</i>
3	<i>2009 at a Glance</i>
4	<i>Chancellor's Welcome</i>
6	<i>Vice-Chancellor's Report</i>
9	<i>University Statement of Strategic Intent</i>
11	<i>Council Membership 2009</i>
12	<i>Achievements and Awards 2009</i>
14	<i>Statement of Responsibility</i>
15	Statement of Service Performance
16	<i>Key Strategic Area 1: Research and Creative Work</i>
18	<i>Key Strategic Area 2: Teaching and Learning</i>
21	<i>Key Strategic Area 3: Students</i>
25	<i>Key Strategic Area 4: Staff</i>
28	<i>Key Strategic Area 5: Community Engagement</i>
32	<i>Key Strategic Area 6: Māori and the University</i>
38	<i>Key Strategic Area 7: Financial Viability</i>
40	<i>Key Strategic Area 8: Governance, Leadership and Management</i>
43	University Annual Financial Statements
44	<i>Statement of Accounting Policies</i>
49	<i>Statement of Financial Performance</i>
50	<i>Statement of Comprehensive Income</i>
50	<i>Statement of Changes in Equity</i>
51	<i>Statement of Financial Position</i>
52	<i>Statement of Cash Flows</i>
54	<i>Statement of Commitments</i>
54	<i>Statement of Contingencies</i>
55	<i>Notes to the Financial Accounts</i>
73	Equity and Diversity
75	<i>Equity and Diversity</i>

Note: The statistical tables that in previous years appeared as appendices to the Annual Report are now provided electronically as a Data Handbook on the University's website.

Audit Report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

TO THE READERS OF THE UNIVERSITY OF CANTERBURY 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 Canterbury (the University) and group. The Auditor-General has appointed me, Julian Tan, 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 43 to 72:
 - 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 their operations and cash flows for the year ended on that date.
- the performance information of the University and group on pages 15 to 42 fairly reflects its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 24 February 2010, and this is the date at which our opinion is expressed.

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

Basis of opinion

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

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

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material

misstatements that were not corrected, we would have referred to them in our opinion.

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

Audit procedures generally include:

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

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

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

Responsibilities of the Council and the Auditor

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

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

We are responsible for expressing an independent opinion on the financial statements and statement of service

performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

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

In addition to the audit, we have carried out other assurance engagements for the University. These included an audit of the University's philanthropic bond prospectus, a review report to the United States Department of Education in relation to the Federal Family Education Loan Programme and a review of the University's Performance-Based Research Fund external research income. These engagements are compatible with those independence requirements.

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



Julian Tan
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Matters relating to the electronic presentation of the audited financial statements and performance information

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

The audit report refers only to the financial statements and performance information named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and performance information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and performance information as well as the related audit report dated 24 February 2010 to confirm the information included in the audited financial statements and performance information presented on this website.

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

2009 at a Glance

	2006	2007 ¹	2008	2009
Students enrolled (Headcount) ²	13 908	17 966	17 587	18 537
Equivalent Full-time Students (EFTS) ³	12 090	14 646	14 777	15 624
Full-time Equivalent Academic Staff (FTE)	681	778	764	769
Staff : student ratio	1 : 17.8	1 : 18.8	1 : 19.3	1 : 20.3
EFTStudents				
Undergraduate – sub-degree	376	642	778	890
Undergraduate – degree	10 083	12 215	12 285	12 828
Total undergraduate	10 459	12 857	13 063	13 718
Postgraduate – taught	863	955	879	982
Postgraduate – research	768	834	835	923
Total postgraduate	1 630	1 789	1 714	1 906
Total returned to Ministry of Education	12 090	14 646	14 777	15 624
EFTS not required to be returned to Ministry of Education	+239	+82	+83	+68
Total Taught EFTS	12 329	14 728	14 860	15 692
International students enrolled in degree courses (EFTStudent)	1 660	1 667	1 425	1 446
PBRF funding received	\$13.6m	\$22.0m	\$22.0m	\$25.3m
Completed PhD theses	83	99	129	119
Completed Masters theses	166	207	187	178
Operating				
(All amounts net of GST)	In \$ 000	In \$ 000	In \$ 000	In \$ 000
Government grant	\$79 744	\$105 730	\$111 405	\$115 009
Tuition fees	\$69 300	\$76 001	\$77 754	\$86 809
Research funding ⁴	\$31 305	\$42 315	\$44 670	\$50 310
Cost per EFTStudent	\$16.4	\$16.7	\$17.4	\$17.5
Capital expenditure	\$19 334	\$30 071	\$49 329	\$45 445 ⁵
Financial position				
Non-current assets	\$554 779	\$700 978	\$729 594	\$747 167
Net current assets	\$14 571	\$25 742	\$16 927	\$58 815

¹ 2007 increases reflect the impact of the merger of the Christchurch College of Education with the University.

² Excludes Continuing and Bridging Education non-assessed students.

³ EFTStudents returned to the Ministry of Education.

⁴ All figures include PBRF funding received.

⁵ Capital Expenditure is taken from the Statement of Cash Flows and is the actual cash amount spent.

Chancellor's Welcome

Welcome to the 2009 Annual Report of the University of Canterbury, my first year as Chancellor and the University's 137th.

2009 was a dynamic year with the appointment of a new Vice-Chancellor and many other major developments.

Dr Rod Carr took up the role of Vice-Chancellor in February and quickly engaged in an intensive strategic planning process, consulting widely and in depth with the University Council, staff, students and external stakeholders. The resulting Statement of Strategic Intent, adopted by Council on 30 September 2009, sets out the broad direction for the University for the next ten years and the goal of creating a world-class learning environment.

The wide-ranging discussion provided a framework to look at key issues such as the structure of support services, selection and progression of students, resourcing of teaching, learning and research, and new funding initiatives.

Concrete outcomes from the planning process include:

- the introduction of the Student Services Levy to ensure Government support goes entirely to its purpose of funding teaching and learning
- stricter enforcement of student progression standards to ensure the places funded by Government go to students with the best potential to succeed
- the STAR (Supporting Teaching and Research) project, restructuring support staff units to optimise services for students and staff
- the establishment of two new research institutes, the New Zealand Institute of Language, Brain and Behaviour and the Biomolecular Interaction Centre
- the uptake of \$50 million in University of Canterbury Philanthropic Bonds to advance work on a number of major capital projects.

The last initiative was a first in New Zealand and generated well-priced, long-term capital funding for the University as well as offering friends of the University philanthropic options through the opportunity to forego interest and forgive capital on the bonds. The Bond issue was an intensive exercise which required the full commitment of all members of the

Committee, with excellent support from the Financial Services team, who ensured Council members received the information they needed to fulfil their governance role.

The major capital project was the School of Biological Sciences research facility. The new eight-storey building has risen to its full height and the project is on time

“2009 was a dynamic year with the appointment of a new Vice-Chancellor and many other major developments.”

Senior Management Team, the University of Canterbury Foundation and the University Council – my thanks go to all members and to the dedicated staff and external advisors who made it happen.

The continuing financial support provided by the UC Foundation was much appreciated. During 2009 \$3.9 million was raised by this independent charitable trust and \$2.7 million was disbursed to the benefit of students and staff.

As always, the core role of the University of teaching and research has remained the key focus and some 18,500 students and a variety of external stakeholders have benefitted. There were over 3,000 quality-assured research publications by staff and a record \$50.3 million in total research income, including PBRF.

The end of year financial result was a surplus of \$9.1 million, representing a 3.2% return on income. While this was within the Tertiary Education Commission's guidelines it was lower than planned and a reflection of pressure on university budgets throughout New Zealand and around the world.

Oversight of the University's \$284 million budget was ably led by my Council colleagues, Ms Wendy Ritchie as Chair of the Finance, Planning and Resources Committee and Mr John Simpson as Chair of the Audit and Risk

and on budget. The proposed National Conservatorium of Music, to be built at the Arts Centre, occupied a great deal of staff time as a vocal group of opponents used legal means to prevent the scheduled resource consent hearing.

There were a number of changes to Council membership during the year. John Simpson stood down from Council mid-year so he could take on the role of Chair of the Arts Centre Trust Board, and fellow ministerial appointees Ferne Bradley and former Chancellor Dr Robin Mann retired from their roles.

They were replaced by Ms Sue McCormack, Ms Catherine Drayton and Mr Kiki Maoate, who brought legal, financial and medical skills to the table as well as experience and expertise in governance and the tertiary sector. Ms McCormack was appointed to the Vice-Chancellor Employment Committee and Ms Drayton to the Finance, Planning and Resources Committee. Ms Ritchie was reappointed by the Minister for a further four-year term.

Co-opted member Syd Bradley resigned from Council in May and the position was left vacant. Associate Professor Lou Reinisch (Physics) left the University and his position as a representative of the academic staff was taken up by Associate Professor Euan Mason

(Forestry). The representative of the Council of Trades Union, Ms Chris Wilson, stood down from her role because of other commitments and was replaced late in the year by unionist Mr David Ivory.

The 2009 representatives of the University of Canterbury Students' Association, President Steve Jukes and Mr Nick McDonnell, were outstanding representatives of the student body and effective advocates in support of Council's commitment to excellence in teaching and research. Mr McDonnell's election as UCSA President for 2010 ensures useful continuity of student representation.

At the end of the year, long-serving Council member Dr Paddy Austin resigned to take up work in England; her excellent contributions on Council and in many committee roles over a long period merit special acknowledgement.

The University's graduation ceremonies are one of the most enjoyable and rewarding aspects of the role of Chancellor and the satisfaction of the graduates and the pride of friends and families make for joyful occasions. A total of 4,200 students graduated at eight ceremonies, four in April and three in December in Christchurch and one in Rotorua in December for distance students from the College of Education. In addition, special celebrations were held for Māori and Pacific students.

Honorary Doctorates were awarded at the April ceremonies to two distinguished alumni, Mr Neville Jordan and Dr Andrew McEwan. Mr Jordan, President of the Royal Society of New Zealand, received a Doctor of Engineering degree and Dr McEwan, former Director of the National Radiation Laboratory, received a Doctor of Science degree.

Another satisfying element for Council is recognition of long-serving staff with award of the title Emeritus/Emerita Professor. At the end of the year all the Professors Emeriti were invited to a function at which their newly retired colleagues – Professor Murray Munro (Chemistry), Professors Graham and Cynthia MacDonald (Philosophy), and Professor David

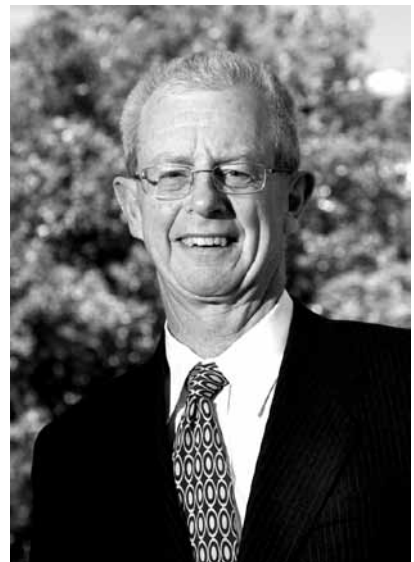
Thorns (Sociology) – were acknowledged. Distinguished professorial staff bring credit to their alma mater in retirement as well as during their careers and it was a pleasure to celebrate with them at an event which will become an annual fixture.

The University's alumni are a far-flung diaspora and it has been a privilege to be involved with the annual programme of alumni engagement. I had the pleasure of leading the University delegation to meet alumni in Malaysia, Singapore and Perth and my Deputy, Pro-Chancellor Dr John Wood, was part of a delegation to Washington D.C and New York.

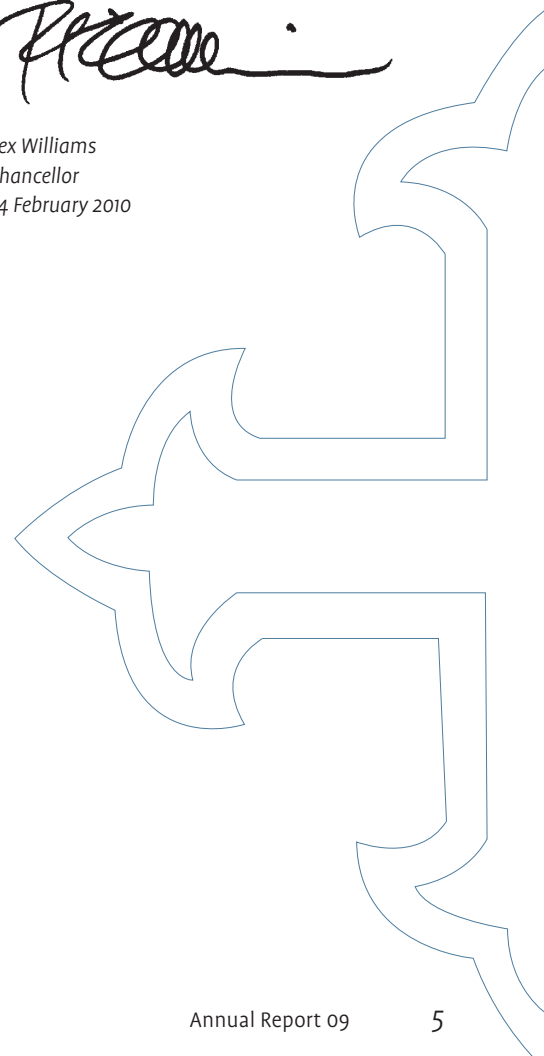
The significant contribution of all Council members and their support for me as Chancellor has been much appreciated. In addition to the ten formal meetings of Council there were 12 workshops, eight strategic planning sessions, ten meetings of the Finance Committee, five meetings of the Audit Committee, eight appeals to the University Council Appeals Committee, three meetings of the Vice-Chancellor Employment Committee and one of the Ad Hoc Honorary Doctorates Committee.

I am also grateful to those who took on roles representing the University Council on external bodies and would note the appointment during 2009 of Ms Gillian Heald to the Arts Centre Trust Board, University Registrar Mr Jeff Field to the Canterbury Tertiary Education Millennial Trust in the role of Chair, and Associate Professor Richard Hartshorn (Chemistry) to the Rutherford's Den Charitable Trust.

Finally, I would like to pay a special thanks to the Officers of the University – Pro-Chancellor Dr Wood, Vice-Chancellor Dr Carr, Deputy Vice-Chancellor Professor Ian Town and University Registrar Mr Field, for their support. The collective effort of Council, senior management and staff has ensured another fine year for the University of Canterbury.



Rex Williams
Chancellor
24 February 2010



Vice-Chancellor's Report

2009 was a busy year for the University of Canterbury with increased enrolments, a record level of income, significant new investment in facilities, extensive review of course offerings and greater engagement with the local community, businesses and alumni.

It was also a year of considerable change, with a new Vice-Chancellor and a change of leadership on the University Council – Rex Williams assuming the role of Chancellor, aided by new Pro-Chancellor John Wood.

Setting a course for the University of Canterbury's future development and promoting a world-class learning environment is something I have given significant thought to since taking up the position of Vice-Chancellor in February 2009.

To attract talent, we need to be recognised as being among the best at what we do. To be the best, we need to offer the finest and most stimulating learning environment. First and foremost the learning environment is about people – students and staff – and the programmes that allow them to create, critique, disseminate and protect knowledge. The quality of our learning environment is also influenced by our facilities. Places where students and staff can engage with each other effectively, laboratories where they can experiment, and modern technologies that allow them to access and share knowledge.

The University's new Statement of Strategic Intent sets out the broad direction for the University for the next ten years. The University has a vision of people prepared to make a difference – people who are willing and able to change, and who can influence the world around them. The primary components of our strategy are to challenge ourselves, concentrate more and connect better. We seek to be known as a University where research, teaching and learning take place in ways that are inspirational and innovative.

Our present investment plan is constrained by the funds we retain from grants and fees for teaching and research, one-off grants from government and our generous supporters who donate funds to advance education. Over the next 10 years, we plan to invest around \$500 million in infrastructure developments such

as building refurbishments, new buildings, ICT infrastructure and alternative technologies. The scale of investment requires us to operate more efficiently, to borrow conservatively and seek additional sources of revenue.

Realisation of the demands for capital works over the coming decade and recognition of the need to seek resources beyond central government led to two significant strategic initiatives – the launch of a Philanthropic Bond and the introduction of a Student Services Levy.

In October we went to the market with New Zealand's first philanthropic bond issue. Investors showed their willingness to invest in New Zealand for New Zealand and the

would not be possible in the current funding environment.

UC has also sought alternative funding for a proposed National Conservatorium of Music at the Arts Centre, the University's original home. Late in 2009 the Christchurch City Council agreed to build the new conservatorium, subject to a number of conditions, on the Arts Centre's Hereford Street car park site and enter a long-term rental agreement with the University. The University will be responsible for fitting-out the new building and will pay construction costs through lease payments and fund the running of the music programme. Subject to receiving resource consent, the

“The University has a vision of people prepared to make a difference – people who are willing and able to change, and who can influence the world around them.”

bond issue was fully subscribed raising \$50 million. The money will allow us to accelerate the development of our Biological Sciences facilities, science and engineering lecture theatres, and other laboratories and advance plans to develop a world-class learning environment for staff and students. The bond offer's success also means the University will be able to invest its own funds in other projects such as the establishment of a new hub for student-related activities and improved technology to support research and teaching thereby significantly improving the student experience at the University.

From 2010 students will pay a \$600 non-tuition levy, generating \$80 million over the next 10 years. This new transparent fee structure will ensure students know that their tuition fees are funding their tuition, and they will know exactly how much they are paying for other services. They will also be able to tell the University if they want particular services continued, amended or improved. The pool of funding will allow us to invest in the academic advancement of the University in a way which

conservatorium – designed by Sir Miles Warren and Warren & Mahoney – will be occupied by staff and students from the University's School of Music and be a national leader in music performance and education. The proposal is an investment in education, economic development and cultural enrichment. The University believes that a location at the Arts Centre allows differentiation, enhancing our ability to attract talented staff and students, connecting performers and audiences more easily and creating a stage for world-class learning.

Just as we seek alternative sources of funding we also seek efficiencies in our delivery of teaching and research. The continuing review of all courses to create a common course size (15 points) and identification of small enrolled taught courses are further initiatives to ensure effective use of resources. The decision to make explicit the requirement for academic staff to create demonstrable, measurable research outputs will again drive some to increase focus and outputs and may cause others to retire or seek employment elsewhere.

Project STAR (Supporting Teaching and Research) has been established to advance the review of service provision at the University and to ensure our non-academic services are fully aligned to the University's teaching and research aspirations. It is a top down review, starting with a look at the structure of the University's Senior Management Team, and then considering what the structure of service functions should look like underneath that team. Changes will seek to reduce fragmentation and duplication in service delivery, flatten reporting structures to reduce complexity and improve communications, and to be sustainable and consequently allow greater investment in teaching and research.

We will also expect our students to make the best use of the opportunities we provide for them and prove to us that they are learning and progressing. The decision to make explicit progression standards (a grade point average of less than 1.5 leads to an automatic review of progression rights) will over time have a profound effect on the quality of our students and the reputation of the University. Hundreds of students who might otherwise have continued with grades averaging between a C and C- will now either improve their performance or risk being excluded.

The University is embarking on a new international strategy with the target of significantly increasing the number of full fee paying students and internationalising the curriculum and experience for all. It plans to achieve this by targeting recruitment overseas and by the improvement of current facilities to make the University increasingly attractive. In 2009 the University retained its *Times Higher Education* ranking in the top 200 universities in the world.

Consistent with the themes of the Statement of Strategic Intent, the process of seeking and selecting two Research Institutes has culminated with the announcement of additional funding of \$6.5 million over three years for the Bio-molecular Interactions Centre and the NZ Institute of Language, Brain and Behaviour.

One of the highlights of the year was the official opening by Prime Minister John Key of NZi3 – the national ICT Innovation Institute.

A collaborative venture with founding partners HP, IBM, Jade Software Corporation and Tait Electronics, NZi3 is a "hothouse" of ICT research and innovation and an icon for the ICT industry in New Zealand. The opening coincided with the announcement that the New Zealand Green Building Council had given the new purpose-built facility a five-star green rating, a first for an educational building in New Zealand.

The international regard in which the University is held was recognised with the decision to base the international secretariat of the Council of Managers of National Antarctic Programmes (COMNAP) at Gateway Antarctica for the next six years. Created in 1988, COMNAP is the international association that brings together national Antarctic programmes from around the world to develop and promote best practice in managing the support of scientific research in Antarctica.

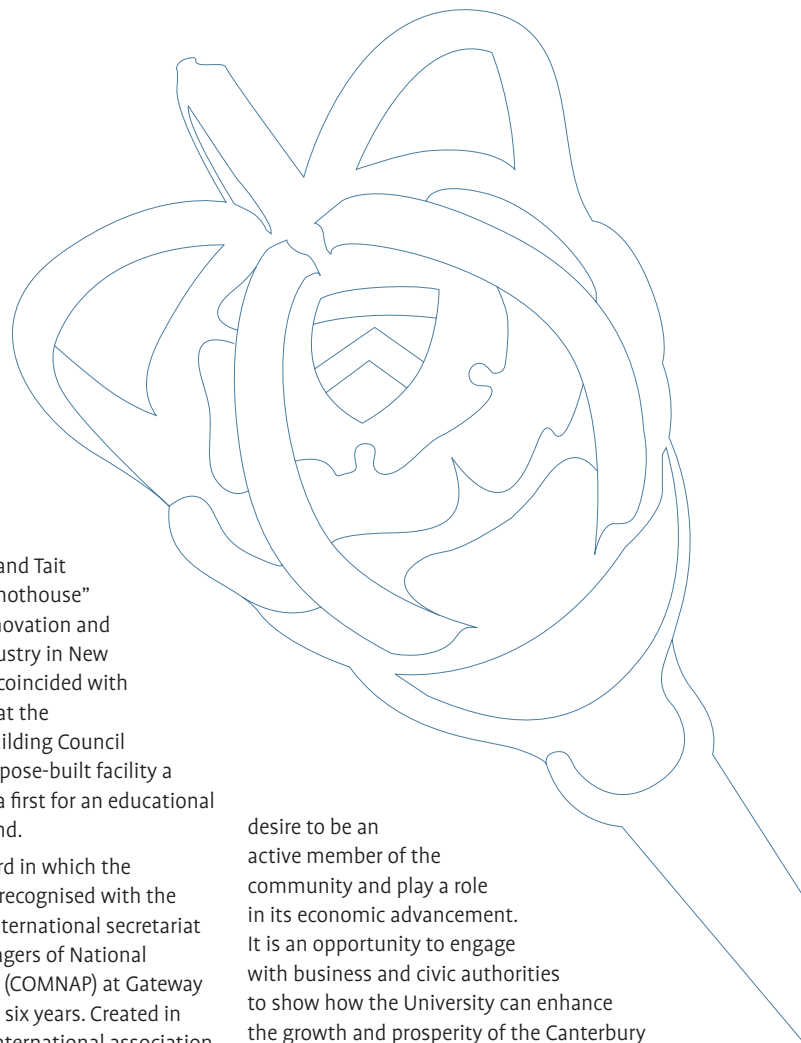
Further international endorsement came with the establishment of a Confucius Institute at the University, with the agreement being signed in the presence of the First Vice-Premier of the State Council of the People's Republic of China, His Excellency Mr Li Keqiang. Mr Li would be among the most senior world leader to have visited the University. Confucius Institutes are not-for-profit centres within foreign universities designed to support the teaching of Chinese language and culture. They operate in partnership with a Chinese university – in our case the Huazhong University of Science and Technology (HUST) in Wuhan – and are financially supported by the Chinese Ministry of Education.

The University partnered with the Canterbury Development Corporation and the Canterbury Employers' Chamber of Commerce to encourage growth in Canterbury through the V5 initiative. Under the initiative, up to five projects will be identified that each has the potential to generate \$100 million of revenue for the region within five years or \$1 billion or more within 20 years. Our involvement in this initiative demonstrates the University's

desire to be an active member of the community and play a role in its economic advancement. It is an opportunity to engage with business and civic authorities to show how the University can enhance the growth and prosperity of the Canterbury region. The University has agreed to provide up to \$1 million of staff services to support the selected five projects.

It is always pleasing to follow the successes of our staff and students. Fifteen University research projects were awarded more than \$7 million (including GST) in funding in this year's Marsden Fund round, the most contracts awarded to the University in a single Marsden round. University academics Professor Mike Steel (Mathematics and Statistics) and Associate Professor Lianne Woodward (Psychology) were awarded prestigious James Cook Research Fellowships to undertake concentrated work in their fields of expertise for two years. At the annual Royal Society of New Zealand science awards Professor Peter Steel (Chemistry) was presented with the prestigious Hector Medal for his outstanding contribution to the advancement of the chemical sciences while Professor Matthew Turnbull (Biological Sciences) was awarded the Roger Slack Award in Plant Biology for his outstanding contribution to the study of plant biology. Our teaching talent was recognised nationally at the annual Tertiary Teaching Excellence Awards with geography professor Eric Pawson one of 10 lecturers nationwide to receive an award.

Continued on following page



PhD student Amy Whitehead won the Understanding Planet Earth category award and was the overall runner-up in the 2009 MacDiarmid Young Scientists of the Year for research centred on the Whio, or native blue duck, an iconic species of New Zealand's mountain rivers. She was one of four University researchers recognised at the awards.

PhD student Michael Newcombe became the first university student to be named Young Engineer of the Year at the New Zealand Engineering Excellence Awards in recognition of his work on the development of an innovative timber construction technique.

Attracting more students like Amy and Michael is the reason the University has agreed to fund new scholarships for future young leaders. From 2010 the University is inviting head boys and head girls at all South Island secondary schools north of the Waitaki River to apply for 30 new first year scholarships each worth up to \$5,000. Duxes from all South Island secondary schools are also being offered first year scholarships by the University. The scholarships will allow some of the South Island's most talented youngsters to benefit from a University of Canterbury education and, ultimately, join a community of people prepared to make a difference. These scholarships are part of a \$2.4 million increase in scholarships to be available in 2010.

The University has many stakeholders on and off campus and in the coming year we will benefit from their support in many ways. Let me express my appreciation for that support.

Government funding constraints in the form of caps on domestic student fees, capped funding for teaching and caps on the numbers of enrolled students are binding. Our policy is to keep entry to University open to as many qualified students as possible for as long as possible and to ensure continuing places are held by those most able to take advantage of the opportunity and prepared to make a difference.

The "war for talent" is real with increasing focus on those students and faculty who can demonstrate their engagement with learning – be it through creating knowledge, critiquing knowledge, disseminating knowledge or protecting it.

In the coming year we will continue to review the effectiveness and efficiency of how we use the resources entrusted to us. We will seek demonstrable, measurable research outputs and we will seek to better understand how to assess and improve the way we teach and how our students can best be enabled to learn. The University has much to be proud of and so many ways in which it could enhance its contribution.

Finally, I would like to thank the University Council, in particular Chancellor Rex Williams, the Senior Management Team and the wider University community for their support during a year of considerable change.



A handwritten signature in black ink that reads "Rod Carr". The signature is written in a cursive style.

Dr Rod Carr
Vice-Chancellor
24 February 2010

University Statement of Strategic Intent

*We have a vision of
People prepared to make a difference
– tangata tū, tangata ora.*

*Our mission is to
contribute to society through knowledge
in chosen areas of endeavour
by promoting a world-class
learning environment
known for attracting people
with the greatest potential to make a difference.*

*We seek to be known as a
university where knowledge is
created, critiqued, disseminated and protected
and where research, teaching and learning
take place in ways that are inspirational and innovative.*

*Looking towards 2023,
the 150th anniversary of our founding,
the primary components of our strategy are to
Challenge, Concentrate and Connect.*

Adopted by UC Council, 30 September 2009

Council Membership 2009

The composition of the University Council in 2009 was:

Council Members	First Appointed	Current Term Appointed	Current Term Ending
<i>Four Persons Appointed by the Minister</i>			
Ms Catherine Drayton	2009	2009	05/2013
Mr Kiki Maoate	2009	2009	05/2013
Ms Sue McCormack	2009	2009	05/2013
Ms Wendy Ritchie	2005	2009	03/2013
<i>Vice-Chancellor</i>			
Dr Rod Carr	2009	02/2009	
<i>Three Members of the Academic Staff</i>			
Associate Professor Jim Tully	2007	2007	12/2010
Associate Professor Euan Mason	2009	2009	12/2012
Professor Steve Weaver	2007	2007	12/2010
<i>One Member of the General Staff</i>			
Mr Michael R Shurety	2003	2003	12/2010
<i>Two Students</i>			
Mr Steve Jukes	2009	2009	12/2009
Mr Nick McDonnell	2009	2009	12/2009
<i>One Member Appointed in Consultation with the Employers' Federation</i>			
Dr Paddy Austin (Resigned – 31 December)	2003	2007	12/2010
<i>One Member Appointed in Consultation with the Combined Trade Unions</i>			
Ms Chris Wilson (Resigned – 29 July)	2003	2003	12/2010
Mr David Ivory	12/2009	2009	12/2010
<i>One Member Appointed Following Consultation with Ngāi Tahu</i>			
Ms Sacha McMeeking	07/2008	07/2008	07/2010
<i>Two Members Appointed by the Council</i>			
His Honour Judge Colin Doherty	2005	2005	12/2008
Mr Syd Bradley (Resigned – 8 May)	08/2007	08/2007	07/2011
<i>Four Graduates Elected by the Court of Convocation</i>			
Ms Anna Crighton	2007	2007	12/2010
Mr Trevor J McIntyre	2005	2005	12/2012
Mr Rex Williams	2006	2006	12/2012
Dr L John Wood	2008	2008	12/2010

UC Council



Back row, from left: Mr Jeff Field (Council Secretary), Ms Sacha McMeeking, Mr Nick McDonnell, Mr Trevor McIntyre, Mr Michael Shurety, Professor Steve Weaver, Associate Professor Jim Tully.
Front row, from left: Ms Anna Crighton, Ms Wendy Ritchie, Mr Rex Williams (Chancellor), Dr Rod Carr (Vice-Chancellor), Ms Sue McCormack, Ms Catherine Drayton, Mr David Ivory.
Absent: Dr Paddy Austin, Mr Syd Bradley, His Honour Judge Colin Doherty, Mr Steve Jukes, Mr Kiki Maaate, Associate Professor Euan Mason, Dr L John Wood (Pro-Chancellor).

Achievements and Awards 2009

New Vice-Chancellor

On 2 February Dr Rod Carr, former managing director of Jade Software Corporation, took up his position as the University's new Vice-Chancellor. Dr Carr was officially welcomed with a powhiri on 9 February. Several hundred staff were joined by the Christchurch mayor and mayoress, members of the Vice-Chancellor's whanau and representatives of Christchurch Polytechnic Institute of Technology, Ngāi Tahu and Jade Software Corporation. The University also began the year with a new Chancellor, Mr Rex Williams, and a new Pro-Chancellor, Dr John Wood.

Philanthropic bond

In October the University launched New Zealand's first listed Philanthropic Bond. When it closed on 30 November the bond issue was fully subscribed, raising \$50 million that will allow the University to accelerate its 10-year capital works programme and advance plans to develop a world-class learning environment for staff and students. Philanthropic options associated with the bond issue provide the University with new opportunities to engage with alumni, friends and supporters.

Statement of strategic intent

During July and August the Vice-Chancellor led a series of workshop consultations with staff that culminated in the development of a draft Statement of Strategic Intent. The final version was signed off by Council at its 30 September meeting and was then promulgated to staff. The primary components of the strategy are to challenge, concentrate and connect. A strategic plan will now be developed from the document in 2010.

NZi3 opening

In April Prime Minister John Key officially opened the NZi3 ICT Innovation Institute building. He was joined by three Cabinet members, senior representatives of the Institute's founding partners – HP, IBM, Jade Software Corporation and Tait Electronics – and other stakeholders. The opening of the building coincided with the announcement that the New Zealand Green Building Council had given the new purpose-built facility a five-star green rating, the first educational building in New Zealand to be awarded such a rating. The launch of NZi3 provided a showcase facility to celebrate the University's commercial relationships in the ICT and engineering fields.

New research institutes

In August a multi-year, multi-million dollar investment by the University in the establishment of a number of new research institutes was announced. In line with the "concentrate" theme in the Statement of Strategic Intent, the aim is to raise the University's international profile and become world-renowned in areas of real research strength. The internal bidding process for 2010 triggered a number of new research collaborations. In December it was announced that the first of the new research institutes would be the Biomolecular Interaction Centre (BIC) and the New Zealand Institute of Language, Brain and Behaviour. A call for further expressions of interest from other researchers is expected to be made in 2010.

Professor of Māori Research

In April Professor Angus Hikairo Macfarlane took up an appointment as the University's first Professor of Māori Research to help facilitate Māori research and scholarship throughout the University, assist with consultation processes and build partnerships with local iwi. One of his early initiatives was to help stage a wananga (learning convention) for Māori staff in August that focused on the status of Māori research at the University. The goal was to provide a roadmap towards developing a framework for future research endeavours. It followed on from the 2008 Ngā Kete a Rehua Inaugural Māori Research Symposium.

Marsden awards

Fifteen University of Canterbury-led research projects secured grants, totalling nearly \$6.5 million (excluding GST), in the 2009 Marsden Fund round. The success rate from preliminary concept to award was 16.3% representing the most contracts awarded to the University in a single Marsden round.

MacDiarmid Young Scientists of the Year

In August, four University of Canterbury researchers were recognised at the MacDiarmid Young Scientists of the Year awards. The premier recipient, PhD student Amy Whitehead, won the Understanding Planet Earth category award and was runner-up in the overall MacDiarmid Young Scientist of the Year category, another was runner-up in the Understanding Planet Earth category, a third was runner-up in the Science and Our Society category and a fourth was a finalist in the Future Science and Technologies category.

James Cook Research Fellowships

University academics Professor Mike Steel (Mathematics and Statistics) and Associate Professor Lianne Woodward (Psychology) were awarded prestigious James Cook Research Fellowships in October to undertake concentrated work in their fields of expertise for two years. They were two of only five researchers to receive the awards. Administered by the Royal Society of New Zealand on behalf of the Government, the fellowships are awarded to "forward thinking" researchers who will make a significant contribution to New Zealand's knowledge base.

International role for Gateway Antarctica

In September the International Secretariat of the Council of Managers of National Antarctic Programs (COMNAP) relocated to Gateway Antarctica for a period of six years. Michelle Rogan-Finnemore, former Gateway Antarctica centre manager, was appointed to the position of COMNAP Executive Secretary. Created in 1988, COMNAP is the international association that brings together National Antarctic Programmes from around the world to develop and promote best practice in managing the support of scientific research in Antarctica.

Research and Teaching medals

The University's Research Medal for 2009 was awarded to Professor Jack Copeland (Philosophy) and the Teaching Medal to Associate Professor Richard Hartshorn (Chemistry). The awards were presented at the December graduation ceremonies. The Research Medal is the University's highest recognition of an outstanding contribution to research. The Teaching Medal recognises an outstanding and sustained contribution to teaching.

Confucius Institute

First Vice-Premier of the State Council of the People's Republic of China Li Keqiang visited the University in early November. During his visit an agreement establishing a Confucius Institute at the University was signed by China's Ambassador to New Zealand, Zhang Limin and the Vice-Chancellor. The new institute, a joint venture with Huazhong University of Science and Technology (HUST) in Wuhan, will support the teaching of Chinese language and culture. HUST is widely regarded as one of the top 10 universities in the Chinese higher education system.



First Vice-Premier of the State Council of the People's Republic of China, Li Keqiang (left), and UC Vice-Chancellor Dr Rod Carr at the signing of an agreement to establish a Confucius Institute at Canterbury.



UC PhD student Amy Whitehead, runner-up in the 2009 MacDiarmid Young Scientists of the Year Awards.



Professor Eric Pawson has had his 33-year teaching career recognised with a national teaching award.



Prime Minister John Key outside the new NZi3 building.

Honorary doctorates

Two University of Canterbury alumni – one an internationally renowned radiation scientist and the other a leading investor and contributor to technological and scientific endeavour – received honorary doctorates from the University in April. Dr Andrew McEwan, former director of the National Radiation Laboratory, received an honorary Doctor of Science degree, while an honorary Doctor of Engineering degree was conferred on Neville Jordan, President of the Royal Society of New Zealand.

Tertiary Teaching Excellence award

In July, Professor Eric Pawson (Geography) was recognised as one of New Zealand's top tertiary teachers. Professor Pawson, who has taught geography at the University since 1976, was one of 10 recipients of a national Tertiary Teaching Excellence Award at a ceremony at Parliament.

European research grants

In September the University received six major grants valued at more than \$1.5 million for European research projects. The largest award was from the European Commission, worth €400,000 (\$816,000) over three years, which will allow the National Centre for Research on Europe to co-ordinate a project researching ways in which European researchers can link with researchers in New Zealand.

Emerging Leaders scholarships

In September the University launched a new \$180,000 Emerging Leaders scholarships scheme comprising 30 new first-year scholarships for head boys and head girls at all South Island secondary schools north of the Waitaki River and six new sports scholarships. Duxes from all South Island secondary schools are also being offered first-year scholarships by the University.

University Teaching awards

Seven University Teaching Awards were presented to staff at graduation ceremonies in April in recognition of their teaching excellence. The recipients were: Professor Bill Davison (Biological Sciences); Richard Fisher (Accounting and Information Systems); Gina Haines (Literacies and Arts in Education); Dr Alex James (Mathematics and Statistics); Associate Professor Lucy Johnston (Psychology); Professor Eric Pawson (Geography); and Dr Gareth Pritchard (History).

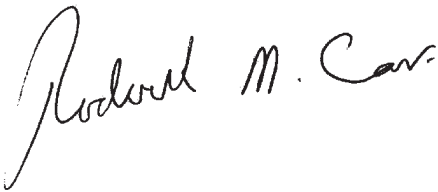
Statement of Responsibility

In terms of Section 155 of the Crown Entities Act 2004 we hereby certify that:

- We have been responsible for the preparation of these financial statements and statement of service performance and for the judgements used therein; and
- We have been responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and
- We are of the opinion that these financial statements and statement of service performance fairly reflect the financial position and operations of the University and group for the year ended 31 December 2009.

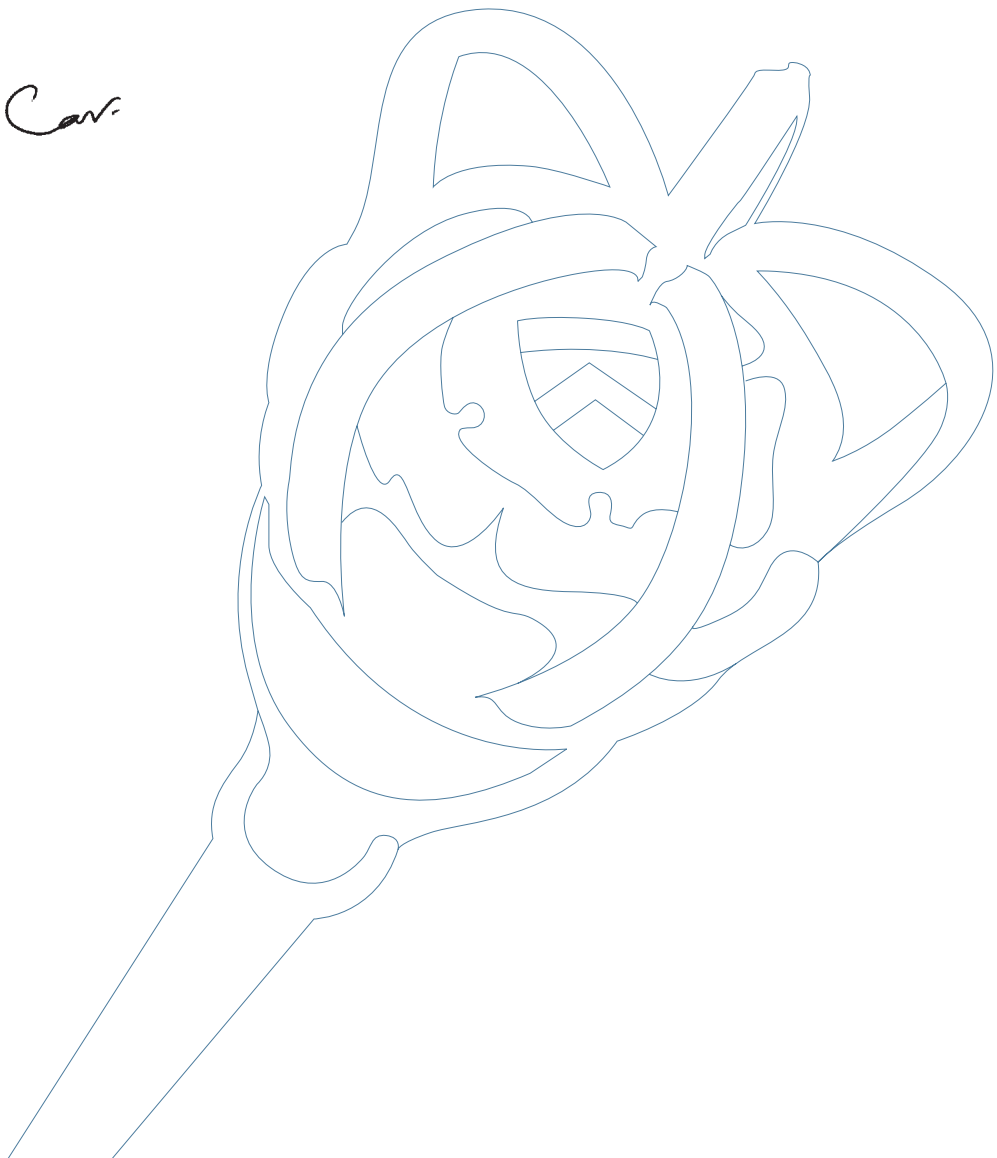


Chancellor



Vice-Chancellor

Date: 24 February, 2010





Statement of Service Performance

Key Strategic Area 1: Research and Creative Work

To consolidate and maintain the University's status as a top research-led university⁶

Strategic Target 1.1: Research Quality

Enhance the quality and impact of University research outputs⁷

Planned activities to achieve this target included implementing the University's PBRF strategy and implementing strategies to value, reward and celebrate research excellence within Colleges and the University.

- Preparations for the 2012 Performance-Based Research Fund (PBRF) assessment round took place during the year. Research & Innovation staff worked with researchers, departments, schools and Colleges to ensure that the requisite information is recorded in the UC People & Research database. PBRF targets for research-active staff in Colleges will be agreed between Pro-Vice-Chancellors and the Vice-Chancellor.
- An internal PBRF review took place in the College of Education in the first half of 2009 with the intention of supporting the development of the research culture within the College. The results of the review were encouraging. Indications are that the College will improve its PBRF score substantially in 2012.
- In August it was announced that the University would create a number of new research institutes with the aim of raising its international profile and becoming world-renowned in areas of real research strength. The internal bidding process triggered numerous new research collaborations. In December it was announced that the first of the new research institutes will be the Biomolecular Interaction Centre (BIC) and the New Zealand Institute of Language, Brain and Behaviour. A total of \$6.5 million of funding will be made available over the next three years. A call for further expressions of interest will be made in 2010.
- Research excellence was celebrated at the December graduation when Professor Jack Copeland (Philosophy) was presented with the University's Research Medal for 2009.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Quality assured research publications	2,458	3,009	2,600	Available 2010 ⁸
Doctoral thesis completions ⁹	99	129	135	119
Masters thesis completions	207	187	175	178

Strategic Target 1.2: Research Activity

Increase research activity throughout the University

Planned activities to achieve this target included implementing strategies to increase research activity within Colleges; increasing the amount and value of external research grants; and continuing to build strong relationships with funding agencies and the private sector.

- University researchers were awarded nearly \$6.5 million (excl GST) in funding in the 2009 Marsden Fund round. This funding covered a record 15 projects.
- A University-led research project focusing on the rehabilitation of coastal ecosystems received \$1 million in funding from the Foundation for Research, Science and Technology (FRST) in July. The project team comprised researchers from the University and the National Institute of Water and Atmospheric Research.
- The launch of the National ICT Innovation Institute (NZi3) in April provided an opportunity to celebrate the University's commercial relationships in the ICT and engineering fields.
- Capacity to engage with the private sector and build external research income was increased during the year with the appointment to Research & Innovation of a Director, Dr Nigel Johnson, and a second Business Development Manager.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Total contract value of external research grants awarded	\$35.5m	\$37.6m	\$35.0m	\$26.1m ¹⁰
Postgraduate research EFTS as a percentage of total enrolments	5.7%	5.7%	6.0%	5.9%

⁶ In the 2009 Times Higher Education (THE-QS) World University Rankings, the University was ranked 188-equal, two places lower than its 2008 ranking, making it the third-ranked New Zealand university.

⁷ Strategic targets in this section mirror key aspects of the University's Research Plan which underwent a process of review and revision in late 2009.

⁸ Research & Innovation does not collate research publication information until the middle of the following year when the annual Research Report is prepared. Research publication figures for 2009 will therefore not be available until mid-2010.

⁹ In this context 'completion' means that all academic requirements have been completed in the year concerned, even though the candidate may not yet have graduated. Masters thesis completions exclude dissertations. Doctoral thesis completions were lower than planned due to increased numbers of students engaged in thesis corrections and others being granted extensions.

¹⁰ The reduced value of grants awarded in 2009 is due in part to the cyclical nature of some funding schemes (i.e., fewer and/or smaller rounds in 2009), and also to the impact of the economic downturn. During Quarter Three the end-of-year forecast was revised downwards to \$27 million in anticipation of this.

Strategic Target 1.3: Research Collaboration

Pursue national and international research collaborations with other leading tertiary institutions and research organisation

Planned activities to achieve this target included encouraging and supporting research collaborations with national tertiary institutions and research organisations as well as leading universities and research institutions worldwide.

- In July the University adopted a new internationalisation strategy a key focus of which is to build deep, long-term research partnerships with a network of peer universities worldwide. Implementation will commence in 2010.
- The National Centre for Research on Europe (NCRE) continued to cement its relationship with the European Commission through research contracts valued at €498,513, approximately NZ\$1 million (“Opportunities for access of European Researchers to the NZ Research System”) and €1,000,000, approximately NZ\$2.3 million (“Establishment of European Union Centres in Australia and New Zealand”).
- A Memorandum of Understanding was signed in September with the China Scholarships Council to bring 10 to 12 top Chinese PhD students to the University each year. A Memorandum of Understanding on postgraduate studies was also signed in March with the University of Tasmania.
- The Deputy Vice-Chancellor met with all 63 Erskine visitors during the year and co-hosted two functions with the Vice-Chancellor and staff. All Erskine visitors have been added to the University’s alumni database and were asked to assist with the peer review panel exercise that informed the 2009 THE-QS world university ranking survey.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number and value of NZ industry research contracts	14 \$0.66m	21 \$2.5m	13 \$1.5m	12 \$3.5m
Number and total contract value of research grants with other NZ tertiary institutions	25 \$11.14m ¹¹	24 \$2.0m	17 \$1.5m	12 \$1.6m
Number and total contract value of research grants with other NZ research institutions (CRIs)	6 \$0.67m	21 \$2.3m	18 \$1.9m	14 \$1.6m
Number and total contract value of research grants with overseas organisations	23 \$1.51m	16 \$0.8m	13 \$1.0m	21 \$4.55m

Strategic Target 1.4: Research Capability

Enhance research capability and productivity through investment in current and future researchers

Planned activities to achieve this target included implementing strategies to enhance research capability and productivity within Colleges; and continuing to increase support for postgraduate research students.

- After receiving 982 applications for the University’s Summer Scholarship scheme, mostly from its own students, 228 scholarships were awarded. A significant number of recipients are expected to progress to postgraduate study at the University so the venture has proved to be very successful.
- An Associate Dean of Postgraduate Studies (0.5 FTE) was appointed during the year to support the Dean (1.0 FTE) and help bolster postgraduate initiatives, especially in relation to doctoral enrolments.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number and value of research scholarships funded by the University	195 \$3.8m	229 \$4.1m	230 \$4.1m	301 \$4.9m
Number and value of internal research grants, including equipment	201 grants \$1.8m	274 grants \$2.4m	220 grants \$2.2m	288 grants \$1.9m

¹¹ This figure includes contracts for CORES (MacDiarmid and Allan Wilson Centre) that were awarded in 2007.

Key Strategic Area 2: Teaching and Learning

To consolidate and maintain excellence in curricula, teaching and learning to standards appropriate to an international research-led university

Strategic Target 2.1: Teaching and Learning Quality

Encourage, support and reward excellence in teaching and learning ¹²

Planned activities to achieve this target included continuing to develop and implement strategies to value, reward and celebrate excellence in teaching and learning; and continuing to develop teaching and learning benchmarks.

- In July Professor Eric Pawson (Geography) was recognised as one of New Zealand's top tertiary teachers when he was awarded a 2009 national Tertiary Teaching Excellence Award.
- At the December graduation the University's Teaching Medal for 2009 was presented to Associate Professor Richard Hartshorn (Chemistry). Seven University Teaching Awards were presented to staff at graduation ceremonies in April in recognition of their teaching excellence.
- In September the University launched a new \$180,000 Emerging Leaders scholarships scheme comprising 30 new first-year scholarships for head pupils at all South Island secondary schools north of the Waitaki River and six new sports scholarships. Duxes from all South Island secondary schools continue to be offered first-year scholarships.
- Reciprocal benchmarking activities with the University of Adelaide continued to be advanced during the year. Regular video conference meetings took place and reciprocal exchange visits involving senior staff occurred in July, September and November, including a visit by the Adelaide Vice-Chancellor, Professor James McWha in July. University participation in the Australasian Survey of Student Engagement (AUSSE) provided valuable benchmark data on student engagement.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Develop and implement appropriate teaching and learning benchmarks	"Test suite" identified and tested	Benchmarking discussions with University of Adelaide underway	Benchmark strategy implemented	Benchmarking project is ongoing
UC Teaching Awards	7	7	10	7
NZVCC and Bright Futures Doctoral Scholarships won	37	27	35	16
Erskine Fellowships in (Fellows)	66	69	70	63
Erskine Grants out (University staff)	16	23	20	30

¹² Strategic targets in this section mirror key aspects of the University's Learning and Teaching Plan.

Strategic Target 2.2: Teaching and Learning Relevance

Ensure that curricula, teaching and modes of assessment are relevant to learners' needs and reflect accepted academic and professional standards

<p>Planned activities to achieve this target included preparing for the academic audit in 2010; carrying out planned academic programme reviews; implementing the Moodle (Learn) learning management system; and reviewing academic programmes in conjunction with implementation of the Common Course Size project.</p>	<ul style="list-style-type: none"> • Preparations for the May 2010 Academic Audit were all but complete by year end. Self assessments reports were completed by working groups during the year and were presented to Academic Board and the Senior Management Team. The reports formed the basis of the evidence portfolio that has been prepared for the New Zealand Universities Academic Audit Unit (NZUAAU) audit panel. • Six academic programme reviews were successfully carried out during the year and six Graduating Year Reviews were submitted to NZVCC.¹³ Normal processes were successfully followed to gain approval for new programmes in Rounds One and Two of the NZVCC Committee on University Academic Programmes (CUAP) review process.¹⁴ • Learn (Moodle) the new learning management system went live in July with over 750 courses. By the end of 2009 almost 2,500 courses had been added to the system. Implementation was supported by over 200 orientation and specialist workshops as well as one-on-one support. • The progressive implementation of the Common Course Size project prompted significant reviews of most undergraduate programmes during the year. Course changes have been determined and new regulations drafted. Formal implementation will take place from 2010. Data from two years of the Australasian Survey of Student Engagement (AUSSE) have been used for seminars and also for internal curricular revision guidelines.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of new programme proposals approved by CUAP	5	10	8	14
Number of programmes gaining professional and international accreditation	4	3	4	0
Percentage of programmes that are externally moderated	KPI under development	Methodology undergoing refinement	Regular reporting	Work continues on gathering relevant data
Number of programme reviews carried out ¹⁵	14	34	12	6

¹³ Programme reviews were completed for the Bachelor of Forestry Science; Forest Engineering; the Bachelor of Commerce; the Graduate Diploma in Management; the Graduate Diploma in Economics; and the Postgraduate Diploma in Engineering Geology). Graduating Year Reviews were completed for: Biological Sciences for BSc; Master of Audiology; Master of Health Science/Postgraduate Diploma in Health Science; Hazard and Disaster Management for BSc(Hons), MSc, PGDipSc, PhD; Te Pouua: Diploma in Arts Māori Studies; and the Certificate in Science.

¹⁴ See <http://www.nzvcc.ac.nz/aboutus/sc/cuap> for an indication of University of Canterbury approvals.

¹⁵ The relatively high number of programme reviews in 2008 reflected the fact that a number of educational qualifications needed to be reviewed following the merger of the Christchurch College of Education with the University.



Strategic Target 2.3: Teaching and Learning Capability

Support and further enhance key aspects of teaching and learning capabilities

Planned activities to achieve this target included continuing with initiatives and strategies to support and enhance teaching and learning capability; and ensuring that teaching and learning interests are appropriately represented in facilities projects relating to teaching spaces.

- The University hosted the annual Quality Enhancement Meeting (QEM) between 10-11 September. Jointly sponsored by the New Zealand Universities Academic Audit Unit and the universities, the meeting focused on benchmarking and provided an opportunity to discuss audit experiences, share good practice, and consider current academic issues affecting both Australia and New Zealand.
- Education projects received a boost in November when two research projects involving College of Education academics received combined two- to three-year funding of approximately \$650,000 in the Teaching and Learning Research Initiative's 2009 funding round. The fund is coordinated by the New Zealand Council for Educational Research and was set up by the government in 2003 to build knowledge about teaching and learning. Both projects involve collaboration with researchers from other New Zealand universities.
- Facilities projects with a teaching focus included the establishment of an interactive teaching space within the College of Education and the relocation of the Learning Skills Centre to refurbished facilities on the South Bank, adjacent to UCSA. Plans to refurbish the Science Lecture Theatre Block were advanced.
- Building on the University's participation in the Australasian Survey of Student Engagement (AUSSE) in 2008, extensive use of the data was made by staff of the University Centre for Teaching and Learning (UCTL) during 2009 to support academic development work within the University. Links were made with other New Zealand universities to enhance the usefulness of this resource.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Teaching Development Grants, number and value	14 \$103,184	13 \$93,083	15 \$120,000	12 \$118,958
Number of staff enrolled in tertiary teaching qualifications	17	13	20	8 ¹⁶
Proportion of new staff enrolled in teaching induction courses	58%	60%	62%	64%

¹⁶ The decrease in staff enrolments in tertiary teaching qualifications reflects a change in enrolment patterns.

Key Strategic Area 3: Students

To attract, value, retain and graduate students from a wide diversity of backgrounds, especially those who are dedicated to the pursuit and achievement of excellence

Strategic Target 3.1: Participation

Develop and implement strategies to optimise student participation rates¹⁷

Planned activities to achieve this target included researching and analysing participation rates; developing and implementing a domestic student recruitment plan for 2010; and developing and implementing an international student recruitment plan for 2010.	<ul style="list-style-type: none"> Monitoring of the University's student participation rates continued throughout the year. As at year-end domestic EFTS were 14,116 which was 100.4% of the plan agreed with the Tertiary Education Commission. Full fee (international) EFTS were 1,576 which was 98% of budget. In July the Senior Management Team endorsed an internationalisation strategy for the University setting out indicative targets for international student recruitment. A key provision of the strategy is to double undergraduate international student numbers by 2019.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Participation Rates:				
Domestic students	89%	89%	89%	90%
Domestic students under 25	72%	74%	75%	73%
Domestic students 25 and over	28%	26%	25%	27%
International students (full fee)	11%	11%	11%	10%
Māori students	5.5%	5.5%	5.4%	5.7%
Pacific students	2.0%	2.3%	2.4%	2.2%
Tertiary Students with Disabilities ¹⁸	3.3%	3.5%	3.4%	3.7%

Strategic Target 3.2: Retention

Develop and implement strategies to optimise student retention rates¹⁹

Planned activities to achieve this target included researching and analysing retention rates; and developing and implementing student retention plans.	<ul style="list-style-type: none"> Retention and progression issues were the subject of extensive discussion within the University during the year, including by Academic Board. In large part this was in response to the implications of higher than expected enrolments within a capped tertiary funding environment. Implementation of "firm but fair" progression standards during the year resulted in 3,606 student records being reviewed. As a result 1,857 warning letters were issued, 762 students were excluded from their faculty or award and 65 from the University entirely. Forty appeals were lodged at the end of the semester one review. This resulted in 20 exclusion decisions being confirmed and 20 being reversed. The outcome of the end-of-year appeals process is still to be determined. During the first half of the year a range of retention-related reports were produced by staff from the the Planning, Information and Reporting Unit (PIRU) and the University Centre for Teaching and Learning (UCTL). Retention and successful completion figures for Māori, Pacific and adult students were disseminated to interested parties. Retention activities within the Student Recruitment and Development Unit (SRDU) included evidence-based initiatives designed to create "community" within particular first year groups, such as students in their 20s, international students, and school leavers. Efforts to improve retention rates for Pacific students were aided by the fact that an SRDU initiative ("The Pacific Leadership and Career Pathways" project) received Priorities for Focus funding from the Tertiary Education Commission.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Retention Rates:				
Domestic students	71%	77%	77%	Final retention rates for 2009 will not be available until early 2010 ²⁰
Domestic students under 25	78%	81%	82%	
Domestic students 25 and over	60%	68%	66%	
International students (full fee)	61%	65%	68%	
Māori students	65%	72%	70%	
Pacific students	65%	64%	65%	
Tertiary Students with Disabilities	71%	75%	72%	

¹⁷ Participation: The number of equivalent full-time students or EFTS in a given year as a proportion of all EFTS.

¹⁸ It should be noted that Tertiary Students with Disabilities (TSDs) self-identify at enrolment.

¹⁹ Retention: The proportion of undergraduate and postgraduate students (Qualification Register level 7 to 10) who re-enrol the following year.

²⁰ Because of the nature of the measurement, actual results for 2009 will not be available until 2010. This applies also to successful course completion, attrition and graduation rates. Despite the lag in reporting, however, these measures are important in the context of the Government's Tertiary Education Strategy.

Strategic Target 3.3: Successful Course Completion

Develop and implement strategies to optimise successful course completion rates²¹

Planned activities to achieve this target included researching and analysing course completion rates; and developing and implementing a coordinated approach to addressing course completion rates.

- UCTL staff continued to work with the School of Biological Sciences and the Sociology programme on identifying predictors of 1st year success. In some instances data from the Australasian Survey of Student Engagement (AUSSE) were used to inform the process of internal review.
- A report on 2008 successful course completion (pass) rates by gender, ethnicity, disability status, age and citizenship was provided by the Planning, Information and Reporting Unit (PIRU) to the Equity and Diversity Advisory Committee (EDAC) in May and was subsequently tabled at a meeting of the Senior Management Team.
- Student Recruitment and Development Unit (SRDU) staff monitored Māori and Pacific as well as International and Students with Disabilities pass rates to determine what adjustments, if any, needed to be made to support plans or strategies. Initiatives focused on increasing successful course completions of students in their first year of study. Students were registered in mentoring, learning support and academic programmes to facilitate this and academic progress was monitored throughout the year. Students receiving warning or exclusion letters were interviewed.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Course Completion Rates:				
Domestic students	82%	83%	84%	Final course completion rates for 2009 will not be available until early 2010 ²²
Domestic students under 25	83%	83%	84%	
Domestic students 25 and over	80%	83%	83%	
International students (full fee)	79%	79%	79%	
Māori students	74%	77%	77%	
Pacific students	60%	63%	62%	
Tertiary Students with Disabilities	73%	72%	71%	

Strategic Target 3.4: First-Year Qualification-Level Attrition

Develop and implement strategies to optimise first-year qualification-level attrition rates²³

Planned activities to achieve this target included researching and analysing first-year qualification-level attrition rates; and developing and implementing a coordinated approach to addressing first-year qualification-level attrition rates.

- During the first half of the year a range of attrition-related figures with a particular focus on Māori, Pacific and adult students were produced by the Planning, Information and Reporting Unit (PIRU) and distributed to relevant departments.
- In an effort to reduce first-year attrition, staff from the University Centre for Teaching and Learning (UCTL) worked with the College of Engineering and the School of Biological Sciences to provide targeted communication and writing skills assistance to first-year students in an attempt to reduce attrition rates.
- Building on similar surveys in 2007 and 2008, a PIRU-initiated survey of students who withdrew from study in 2009 was carried out in the last quarter of the year. Of the 356 students who were contacted 145 responded, a response rate of 41%. As with the earlier surveys, preliminary results confirmed that most students withdrew from study for personal, family or health reasons rather than reasons related to the University. A full report will be available early in 2010.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
First-year Attrition Rates:				
Domestic students	27%	22%	20%	Final attrition rates for 2009 will not be available until early 2010 ²⁴
Domestic students under 25	18%	18%	18%	
Domestic students 25 and over	38%	30%	33%	
International students (full fee)	16%	14%	21%	
Māori students	33%	27%	36%	
Pacific students	31%	33%	36%	
Tertiary Students with Disabilities	26%	29%	29%	

²¹ Successful course completion: The proportion of Qualification Register level 7 course enrolments that are successfully completed in a given year (i.e., that result in a "pass" grade) over the total number of known completions (successful and unsuccessful).

²² See footnote 20.

²³ First-year qualification-level attrition: The proportion of Qualification Register level 7 to 10 students who start a qualification and are no longer studying at the same qualification level or higher in their second year.

²⁴ See footnote 20.



Strategic Target 3.5: Qualification-Level Graduation

Develop and implement strategies to optimise qualification-level graduation rates²⁵

Planned activities to achieve this target included researching and analysing qualification-level graduation rates; and developing and implementing a coordinated approach to addressing qualification-level graduation rates.

- Extensive work was carried out within the University Centre for Teaching and Learning (UCTL) on levels of PhD success and support. Workshops in UCTL and the College of Education as well as discussions with Deans and heads of academic schools and departments aided the development of strategies for improving student support and guidance at this level.
- “Seeking Balance,” a report on the 2008 UC Postgraduate Experience Questionnaire (UCPEQ) for Masters Students, was released in July. This built on the previous Masters survey of 2005 and complemented the 2008 “Making Progress” report which examined the experience of PhD students. The report showed that the provision of resources for Masters students had improved across the University as had overall satisfaction levels.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Qualification-level:				Final graduation rates for 2009 will not be available until 2010 ²⁶
Degree and Graduate Diploma [Level 7]	43%	41%	41%	
Postgraduate [Levels 8 and 9]	74%	71%	71%	
Doctorate [Level 10]	54%	60%	48%	
Year first enrolled	2002 cohort	2003 cohort	2004 cohort	2004 cohort

²⁵ Qualification-level graduation: The proportion of each qualification-level enrolment cohort who graduated within five years of the initial enrolment date (i.e., by 2008, 42% of the 2003 level 7 enrolments had graduated).
²⁶ See footnote 20.

Strategic Target 3.6: Support Mechanisms

Develop and enhance mechanisms for attracting, supporting and retaining students, especially those from under-represented groups

<p>Planned activities to achieve this target included developing targets and plans for increasing the participation, retention and success rates of students from under-represented groups; monitoring their patterns of participation, retention and success; and investigating and implementing appropriate academic models for increasing and enhancing these rates.</p>	<ul style="list-style-type: none"> • During the year Human Resources and Student Advisory Services successfully offered a series of “Inclusive Learning Environment” professional development seminars designed to raise staff awareness of a number of topics pertinent to diversity within the University’s student population Seminars included: Facets of Islam and Middle Eastern Culture; Students with Language Processing Difficulties; Deaf and Hearing Impaired Students; The Autism Spectrum; Pacific Students; and Blind and Sight Impaired Students. • The Student Recruitment and Development Unit (SRDU) implemented a 2009 student retention plan for Māori and Pacific students with a clear focus on first-year, adult, Certificate of University Preparation (CUP) and Equal Education Opportunity (EEdO) students. SRDU also put in place a range of initiatives to support other students such as online mentoring for distance students, dedicated social learning spaces, A-Z electronic directory of support services and direct financial support to succeeding students in hardship. • In 2009 the University Council approved the introduction of a Student Services Levy to ensure the continued provision of high quality student support services. The University is partnering with the University of Canterbury Students’ Association (UCSA) to achieve this. The oversight body charged with monitoring the expenditure and services funded from this levy and advising the Vice-Chancellor accordingly includes equal numbers of University and UCSA staff.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of active articulation agreements related to credit transfer	KPI under development	Measure partially implemented	Regular reporting	Reporting commenced ²⁷
% of TSDs registered with Disability Resource Service ²⁸	61%	55%	58%	44%
% of TSDs accessing the Alternative Format Centre services ²⁹	1.8%	17.57%	14.8%	11%
Number of students assigned to mentors:				
Māori	45	62	80	98
Pacific	40	60	60	66
International	205	145	175	266 ³⁰
Adults	68	82	100	113
First year	95	126	150	34 ³¹
Undergraduate scholarships	105	114	115	153
Number and value ³²	\$290,000	\$356,000	\$330,000	\$376,000
Targeted scholarships for under-represented groups	21	24	25	21
Number and value	\$178,000	\$150,000	\$195,000	\$142,500
Preparatory programme EFTS ³³	385	537	516	655
Number of students transferring with credit from TEOs	482	430	420	409

²⁷ Reporting has commenced. Eight active articulation agreements are in place. These are with Christchurch Polytechnic Institute of Technology, Wairariki Institute of Technology, Yantai University, Whitireia Polytechnic, University of Hong Kong, Hong Kong Community College, Hong Kong Baptist School of Continuing Education and Maple Leaf Educational Institution.

²⁸ TSD is an acronym for “Tertiary Students with Disabilities.” When disability services first appeared in universities they dealt predominantly with physical access issues. As institutions have become more inclusive these students frequently no longer need these services and may not even identify as having a disability.

²⁹ The low proportion reported for 2007 reflects the fact that the calculation was done on a different basis from 2008. This in turn reflected the high turnover of staff in Disability Resource Services following restructure in 2007. The lack of reporting continuity was addressed and rectified in consultation with Audit NZ.

³⁰ In 2009 mentoring was made compulsory for all first-year-at-UC international students, hence the increase in numbers.

³¹ Informal networks appear to have contributed to the reduction in mentee numbers by attending to the need for short-term mentoring relationships.

³² These figures relate only to undergraduate scholarships that are centrally administered.

³³ These include certificates in University Preparation, Foundation Studies and English for Tertiary Studies, plus short courses in English for Academic Purposes, all taught within Continuing and Bridging Education.

Key Strategic Area 4: Staff

To attract, retain and develop high quality, motivated and enthusiastic staff at all levels who contribute to achieving the University’s mission, vision and strategic direction

Strategic Target 4.1: Orientation

Implement effective staff orientation practices³⁴

Planned activities to achieve this target included monitoring the implementation of the new orientation programme.	The University’s orientation programme for new staff was further enhanced during the year and continued to be a popular complement to departmental induction programmes. An ongoing feature of staff orientation is an annual pōwhiri, organised by Aotahi and Human Resources. Two hundred people attended the 20 February event.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Proportion of new staff completing orientation	70%	80%	90%	85%

Strategic Target 4.2: Learning and Development

Ensure that all staff are receiving the learning opportunities they need to perform their roles and develop their careers

Planned activities to achieve this target included continuing to implement the University’s core learning plan for staff.	<ul style="list-style-type: none"> The range of programmes within the University’s core learning plan continued to be delivered during the year.³⁵ Of note was the successful introduction of a new workshop entitled “Te Reo, Tikanga me Te Tiriti” (Māori Language, Customs and the Treaty of Waitangi). Forty-one staff attended during the year.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Learning and development “spend” as a proportion of total personnel costs	KPI under development	8.63%	8.0%	7.0%

Strategic Target 4.3: Professional Development and Review

Implement effective professional development and review processes

Planned activities to achieve this target included monitoring the implementation of the Professional Development and Review programme.³⁶	<ul style="list-style-type: none"> During the year the Professional Development and Review (PD&R) programme was successfully implemented across all units within the University. The review round for 2009 was completed satisfactorily. At the instigation of the Vice-Chancellor, discussions took place with academic staff during the year to ensure that they were made aware of University expectations in relation to research productivity. This was done as part of the Professional Development and Review (PD&R) process.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Proportion of business units actively participating in the PD&R programme	50%	80%	100%	96%

³⁴ The strategic targets in this section reflect themes from the University’s Human Resources planning framework.

³⁵ These included: Delivering Service at the University of Canterbury; Thriving Under Fire; Growing Personal Resilience; Coaching; Personal Efficiency; Leading and Managing in an Academic Environment; NZ Women in Leadership 09; Planning for Retirement; Career Planning for the Early Career Academic; and the Early Career Academic Staff Mentoring programme.

³⁶ The Professional Development and Review process involves reviewing a staff member’s contribution over the previous year; setting future professional goals and objectives that are aligned with those of the University, College and Department, and identifying the learning activities, professional development and support that the staff member will need to meet those objectives.



Health Centre Director Dr Joan Allardyce (left) and practice nurse Theresa Madden in the University's new emergency buggy. Dr Allardyce is carrying a first aid bag similar to the one used on campus in the 1970s.

Strategic Target 4.4: Staff Well Being

Continue to develop and maintain a work environment and employee support climate that contributes to the well-being, satisfaction and motivation of all employees and meets statutory requirements

Planned activities to achieve this target included implementing 2009 priority elements from the University's Health and Safety plan.

- Subsequent to the staff survey that was successfully carried out in the College of Arts earlier in the year, a similar survey was carried out among Service Unit staff during August. Both surveys were carried out in partnership with the Voice Project (Macquarie University). The response rate in the Service Unit survey was 76% (738 staff participating out of a total staff of 969). Results were shared with relevant staff. Further surveys will be conducted in Colleges during 2010.
- In August the University hosted the annual New Zealand Tertiary Sector Health and Safety conference. Ninety-five delegates attended from tertiary institutions, Crown Research Institutes and Institutes of Technology. A number of University staff presented to the conference including the Chancellor.
- By year's end the University was 99% compliant with the primary level of the Accident Compensation Committee (ACC) Partnership Programme. The remaining 1% is dependent on the formal incorporation of health and safety provisions into the Professional Development and Review process. This is taking place.
- An inaugural set of Health and Safety Awards took place in the first half of the year and resulted in a number of health and safety advocates being recognised across campus.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of lost time injuries ³⁷	KPI under development	11	0	15

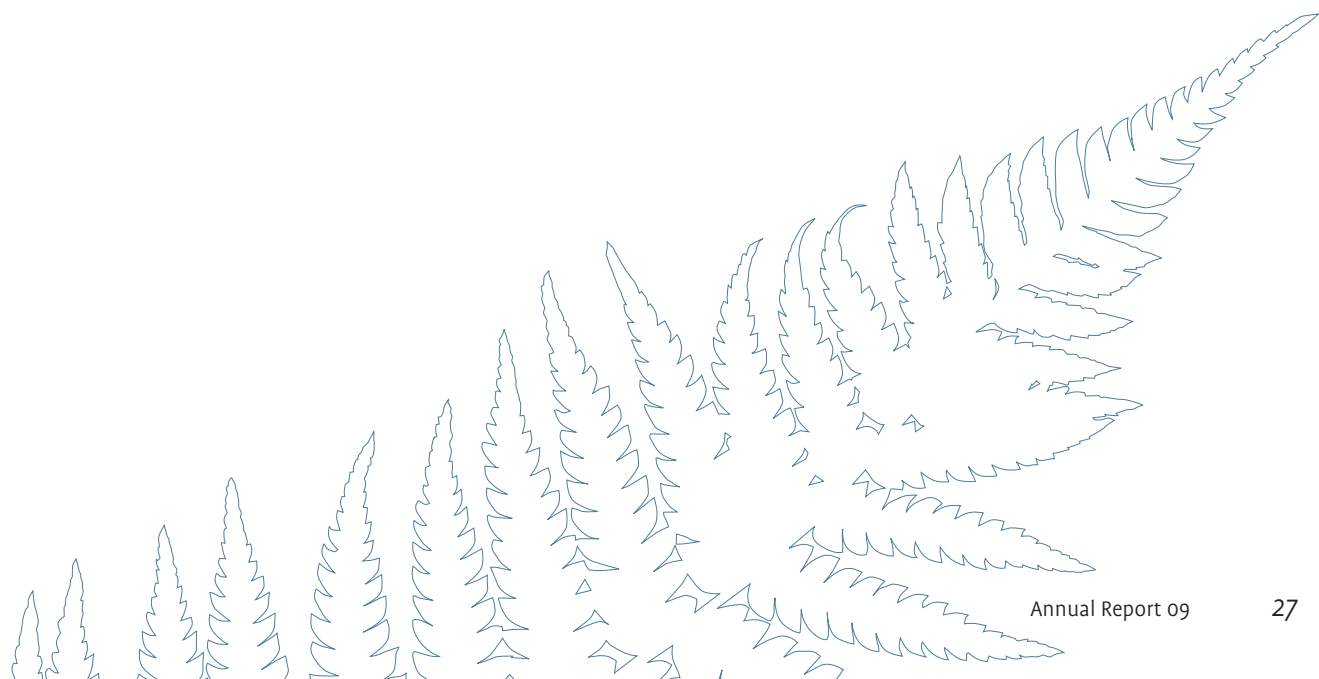
³⁷ By lost time injuries is meant "absence from work for more than one day."

Strategic Target 4.5: Equity And Diversity

Continue to set and achieve participation and retention targets for under-represented groups of staff

<p>Planned activities to achieve this target included continuing to promote the University as an employer to Māori and Pacific audiences; continuing to promote and encourage participation in the NZVCC and UC Women In Leadership programmes; implementing a mentoring programme for female staff; implementing priority items from the Equity and Diversity plan; and convening and conducting regular meetings of the Equity and Diversity Advisory Committee.</p>	<ul style="list-style-type: none"> • Five senior female staff, the University's full complement for the year, attended the Women and Leadership programme during 2009. The programme is run by the New Zealand Vice-Chancellors' Committee (NZVCC). • The University's mentoring programme for female staff continued during 2009. Encouraging feedback was received from both mentors and mentees at progress meetings held during the year. Approximately fifty academic staff were involved in the programme. • Priority items from the Equity and Diversity plan for 2009 included enhancing and improving the Equity and Diversity information on the University intranet; analysing conditions for part-time staff with respect to opportunities for promotion and advancement; and giving consideration of matters such as a prayer-room for Muslim students. All of these were addressed by the committee. • In August the Equity and Diversity portfolio was assumed by Professor Gail Gillon (PVC Education and Ngāi Tahu). The Equity and Diversity Advisory Committee (EDAC) met regularly throughout the year. Equity committees have been established in Colleges and Service Units.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Female staff FTEs				
% of Academic FTEs	37%	37%	38%	35%
% of General FTEs	60%	60%	60%	61%
% of all FTEs	52%	52%	52%	52%
Māori staff FTEs				
% of Academic FTEs	3.5%	4.3%	4.3%	4.6%
% of General FTEs	2.4%	2.8%	2.8%	2.9%
% of all FTEs	2.8%	3.3%	3.3%	3.5%
Pacific staff FTEs				
% of Academic FTEs	0.9%	0.6%	0.6%	0.7%
% of General FTEs	1.0%	1.0%	1.0%	1.2%
% of all FTEs	1.0%	0.9%	0.9%	1.0%



Key Strategic Area 5: External Engagement

To maintain strong, collaborative and mutually beneficial relationships with external communities and thus contribute to economic, social and cultural development, regionally and nationally.

strategic target 5.1: community engagement

Foster links and collaborative relationships with a broad range of local, national and international communities of interest

<p>Planned activities to achieve this target included implementing community engagement items from the external communications plan³⁸ and the Continuing and Bridging Education (CBE) business plan.</p>	<ul style="list-style-type: none"> • During September the International Secretariat of the Council of Managers of National Antarctic Programs (COMNAP) relocated to Gateway Antarctica for the next six years. Created in 1988, COMNAP is the international association that brings together National Antarctic Programmes from around the world to develop and promote best practice in managing the support of scientific research in Antarctica. • In August Professor Ken Strongman (formerly PVC Arts) took up an appointment as Assistant Vice-Chancellor (Government and Community Relations) to promote the interests of the University in Wellington as well as locally, particularly its contribution to the region's artistic and cultural endeavours. • Community Education staff ran a successful Climate Change lecture series from April to June which attracted over 70 enrolments and received very positive feedback. The team also offered a Sustainability Symposium in May in collaboration with the UC Sustainability Advocate as well as a workshop on Developing Community Leadership in conjunction with Project Lyttelton from April to June. These and other aspects of the Community Education programme did much to enhance the University's profile in the local community. • An agreement establishing a Confucius Institute at the University was signed in early November. Confucius Institutes are not-for-profit centres within foreign universities designed to support the teaching of Chinese language and culture. The University's institute is a joint venture with Huazhong University of Science and Technology in Wuhan.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Engagement with external stakeholders	Initial planning	For implementation in 2009	Regular reporting	KPI to be developed as part of strategic planning ³⁹
Number of media releases	173	187	190	248 ⁴⁰
Number of University events open to the public (public lectures and creative arts activities)	711	723	760	776

³⁸ The external communications plan is contained within the Communications and Development Operational Plan for 2009 https://intranet.canterbury.ac.nz/piru/documents/Service%20Plans/2009/cd_operational_plan_2009.pdf

³⁹ Development of this KPI will be done in conjunction with strategic planning related to the "Connect" theme in the University's new Statement of Strategic Intent.

⁴⁰ The increase in media releases reflects an increased emphasis on targeting key messages, such as those related to the National Conservatorium of Music, research outputs and dissemination of opinions on matters of national interest.



Strategic Target 5.2: Relationship with Key Communities

Nurture effective relationships with Pacific, Asian and other key communities and support their educational aspirations

Planned activities to achieve this target included continuing to action priority items from the Pacific Plan; and convening regular meetings of the Pacific Peoples' Advisory Group.	<ul style="list-style-type: none"> • Meetings of the Pacific Peoples' Advisory Group took place in June and December. A working group has been established to review and revise the University's Pacific Plan. Work on this will commence early in 2010. • The focus of the 2009 Macmillan Brown Lecture series was on the emergence of Māori culture as a force for New Zealand's social and scientific advancement. The three lectures were given by Te Ahukaramu Charles Royal, a musician and researcher who belongs to Ngāti Raukawa, Marutūāhu and Ngā Puhi; Professor Lisa Matisoo-Smith, Professor of Biological Anthropology at the University of Auckland; and Professor Michael Walker of the Ecology, Evolution and Behaviour Group of the University of Auckland and also Joint Director of Ngā Pae o te Māramatanga, New Zealand's Māori Centre of Research Excellence. • The University was successful in securing \$144,000 in Priorities for Focus funding for 2009 and 2010 from the Tertiary Education Commission (TEC) for collaborative projects relating to strengthening Pacific programmes and providing a solid basis for Pacific students to progress to postgraduate study. • A group of Tongan students experienced what it was like to take classes at the University when a videoconferencing trial using KAREN linked teachers at the University with the students in Tonga. The trial was organised by Continuing and Bridging Education in conjunction with the School of Biological Sciences and Tongan partners.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Regular meetings of Pacific Peoples' Advisory Group	Half-yearly meetings held	Half-yearly meetings held	Half-yearly meetings held	Half-yearly meetings held
Implementation of the University's Pacific plan	Implementation commenced	Regular reporting	Regular reporting	Regular reporting

Strategic Target 5.3: Relationship with Schools

Develop strong and mutually beneficial relationships with schools in the Canterbury region and beyond

Planned activities to achieve this target included engaging with principals during the year; monitoring access by and performance of STAR students; and developing and implementing a liaison plan for the year to enhance the development of strong and mutually beneficial relationships with schools in the Canterbury region and beyond.	<ul style="list-style-type: none"> • In 2009 the University enhanced its undergraduate scholarship Emerging Leaders programme by introducing "Head Boy/Head Girl" scholarships. This was welcomed by participating schools. In addition a more focussed liaison effort with North Island schools was embarked on to attract top students from targeted schools. • As part of the programme of maintaining regular contact with secondary school principals, letters from the Assistant Vice-Chancellor (Academic) were sent out in June and August. The second of these letters highlighted the University's new Emerging Leaders scholarships scheme. • In July sixty-one top South Island Year 12 and 13 students took part in the eighth annual Golden Key Youth Forum at the University. The theme for the forum was "Empty Horizons – The Frozen Frontier of Antarctica" and featured presenters from inside and outside the University. • A two-day UC Information Day event was held in July and attracted more than 4,200 visitors. According to staff, a noticeably higher number of parents were in attendance than had previously been the case.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of Liaison visits to schools	463	464	412	435
Number of on-campus tours and prospective students attending	184 tours 552 students	186 tours 588 students	196 tours 570 students	238 tours 778
Students in STAR programme ⁴¹	159	195	200	186

⁴¹ STAR is an acronym for the Secondary Tertiary Alignment Resource programme under which the University offers a range of courses for secondary school students. These provide a challenging and stimulating option for more able secondary school students. Students are nominated by their school and can enrol in a maximum of 36 points in any one year.



Professor Phil Butler (rear) and Dr Andrew Butler hope colour X-rays will help save more lives.

Strategic Target 5.4: Relationship with Commercial Entities

Develop strong and mutually beneficial relationships with commercial entities in the Canterbury region and beyond

Planned activities to achieve this target included continuing to build and develop working relationships with key industry and commerce partners; and identifying new partnerships and areas for research collaboration with potential for national and international co-funding.

- The University partnered with the Canterbury Development Corporation and the Canterbury Employers' Chamber of Commerce in the Canterbury V initiative with the aim of identifying up to five projects with the potential to each generate \$100 million of revenue for the region within five years or \$1 billion or more within 20 years. As well as acting as joint sponsor, the University is involved with various partners in three projects that have proceeded to the final round of judging.
- During the year a series of colloquia were hosted by the Chancellor at which the University's strategic direction was discussed with local business leaders. Seven events were held with just under 50 in attendance overall.
- The University continued to work during the year on partnership proposals with a number of commercial entities and government bodies including Pernod Ricard, Airways Corporation, Pyrotek, the Ministry of Agriculture and Forestry, and Biosecurity NZ.
- A University project awarded FRST funding in 2008 to develop a new 3D spectroscopic X-ray imaging technology for monitoring atomic and molecular content of tissues attracted international interest and funding. The Medipix All Resolution System (MARS) scanner was developed as part of ongoing collaboration with CERN (European Organisation for Nuclear Research), the Mayo Clinic, the Czech Technical University and the University of Otago and was shipped to partners in North America in December.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of internships with local and regional businesses	Initial planning	Delayed until early 2009	Regular reporting	KPI still under development ⁴²

⁴² The KPI is still under development. Discussions have been held with relevant College staff and also with UC Careers and Employment (SRDU) with a view to using CareerHub as a centralised software tool not only for coordinating the various internship programmes but also for gathering systematic data that can then form the basis of reports. Reporting against the KPI will commence when this is in place.

Strategic Target 5.5: Relationship with Alumni, Friends and Supporters

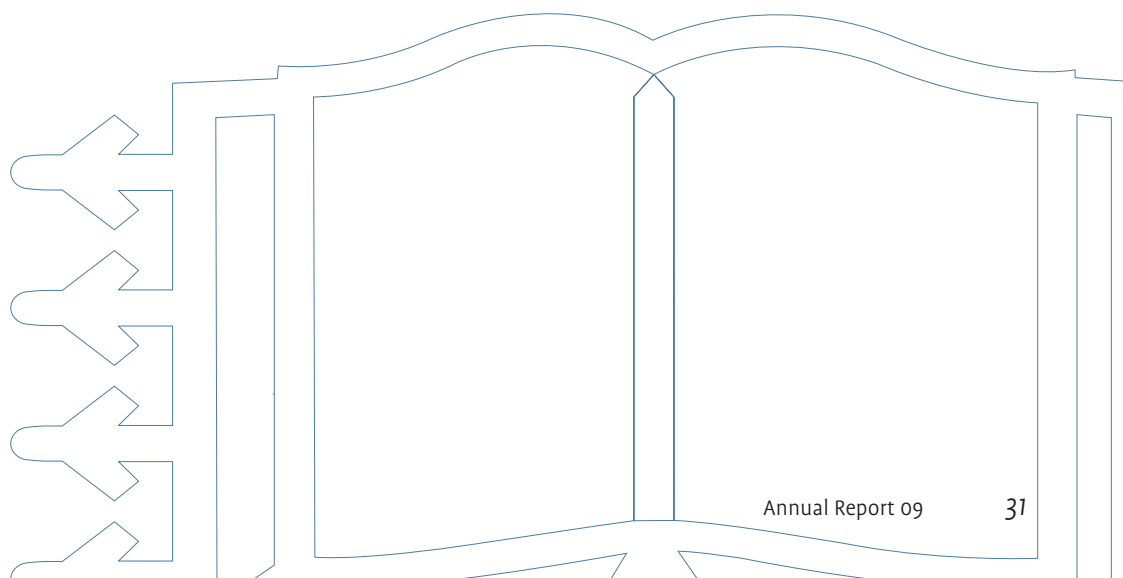
Engage with alumni, friends and supporters nationally and internationally in mutually supportive and productive relationships

Planned activities to achieve this target included implementing priority items from the Development and Alumni plans.⁴³	<ul style="list-style-type: none"> • At the beginning of October the University hosted more than 650 alumni, staff and friends at its second annual Alumni Reunion Weekend. Guests came from as far afield as the USA, Canada, the UK, Dubai, Fiji and Australia and ranged in age from 21 to 92. More than 40 events and activities filled the three day programme. In addition to Alumni Reunion Weekend, a further six alumni functions were staged in New Zealand. • When it closed on 30 November the University's fixed rate, unsubordinated, unsecured bond issue had been fully subscribed, raising \$50 million to accelerate its 10-year capital works plan. Philanthropic options associated with the bond provide the University with new opportunities to engage with alumni, friends and supporters. • Successful alumni functions held early in the year in Los Angeles, San Francisco and Seattle were followed up with individual letters to all eligible alumni asking for support for University scholarships. The Chancellor and a team from the University travelled to Malaysia, Singapore and Perth, Australia, in August to hold alumni functions and promote the Malaysian Student Scholarship Fund. Further overseas alumni functions were held in Washington, New York and London in October and in Sydney and Melbourne in November. Altogether, a total of 18 overseas functions were staged. • Two new Alumni Chapters were launched in the UK and Seattle, with functions in May and December, and the first discipline-based network was established with the launch of the Social Work and Human Services Chapter in December. Alumni communications were greatly enhanced during the year by the utilisation of a number of online networking tools such as Facebook, Twitter and LinkedIn. This greatly increased interactivity with and between alumni.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Total income through UC Foundation	\$2.5m	\$4.0m	\$3.0m	\$3.9m
Total number of alumni and percentage with current addresses	103,599 36% ⁴⁴	108,087 37%	111,114 41%	110,067 43%
Number and percentage of active/engaged alumni	–	4,793 12% active	5,466 12% active	9,589 20% active

⁴³ The Development and Alumni plans are contained within the Communications and Development Operational Plan for 2009 https://intranet.canterbury.ac.nz/piru/documents/Service%20Plans/2009/cd_operational_plan_2009.pdf

⁴⁴ The decrease in the proportion of "active" alumni compared with 2006 reflects the impact of the merger of the Christchurch College of Education with the University in January 2007.



Key Strategic Area 6: Māori and the University

To make a significant and sustained contribution to regional and national Māori development aspirations by working with Māori

Strategic Target 6.1: Relationship with Māori Communities

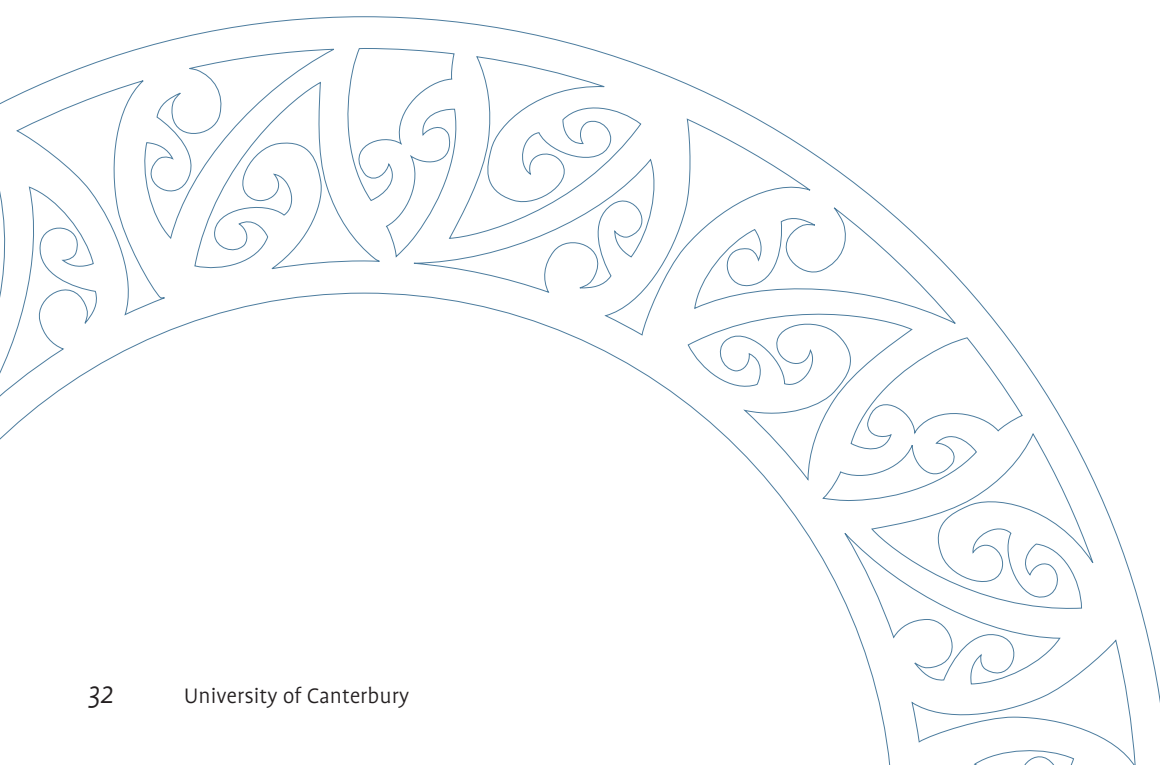
Maintain strong partner relationships with Te Rūnanga-o-Ngāi Tūāhuriri (mana whenua) and Ngāi Tahu (tangata whenua), and also with Ngā Mātā Waka and other Māori groups ⁴⁵

Planned activities to achieve this target included ensuring that regular consultative meetings are held with Ngāi Tahu; and supporting consultative meetings with other Māori groups.

- Following his appointment in February, the Vice-Chancellor initiated meetings with senior management and governance representatives of Te Rūnanga o Ngāi Tahu to further the relationship between the University and Ngāi Tahu. Discussions progressed satisfactorily during the year.
- Early in the year Māori staff from the College of Education worked collaboratively with Te Rūnanga o Ngāi Tahu to co-host a bilingual education hui. This will now become a regular annual event.
- Discussions took place during the year to investigate setting up a joint Carbon Centre in partnership with Te Rūnanga o Ngāi Tahu. Following the staging of a workshop on the topic in October the project has progressed satisfactorily to the next phase which will involve setting up a research centre and inviting other parties to join the venture.
- Aotahi – School of Māori and Indigenous Studies initiated discussions on a Tribal Histories project with Te Rūnanga o Ngāi Tahu and Waikato-Tainui Te Kauhanganui. This project is set to proceed in 2010. The School continued an annual hui with Ngā Mātā Waka at Ngā Hau e Whā marae with 50 staff and students from the school visiting. A new annual visit was inaugurated with Rēhua marae at which 40 staff and student attended. The School has also established two consultative committees; Kōmiti Mana Whenua with Ngāi Tahu; and Hapori Whānui for representatives from other Māori iwi.
- College of Education, School of Māori, Social and Cultural studies staff have been contracted to work on a two-year community bilingual language initiative with six Ngāi Tahu Papatipu Rūnanga.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Regular discussions with mana whenua, tangata whenua and other Māori groups	Discussions held	Discussions held	Discussions held	Discussions held

⁴⁵ For the purposes of this document, mana whenua refers to the rūnanga (Ngāi Tūāhuriri) which has responsibility for the area that includes the part of Christchurch City within which the University of Canterbury is located. Tangata whenua means (i) specifically – Ngāi Tahu within the takiwā of Ngāi Tahu Whānui; and (ii) generally – iwi katoa (all tribes).



Strategic Target 6.2: Treaty Awareness

Increase understanding among staff and students of tikanga Māori and of the relevance that the Treaty of Waitangi has to the University

<p>Planned activities to achieve this target included developing and implementing a schedule of College and campus-based initiatives to raise awareness of Māori protocols, tikanga and the Treaty; integrating tikanga into graduation ceremonies; and organising and staging campus-wide pōwhiri for new staff.</p>	<ul style="list-style-type: none"> • The professional development programme, Te Reo, Tikanga me te Tiriti (Māori Language, Customs and the Treaty of Waitangi) was run successfully during the year. The programme consists of six two-hour modules to aid staff members develop their skills in Te Reo and their knowledge and awareness of tikanga and the Treaty of Waitangi. Forty-one staff attended the four sessions that were run during the year. • Aotahi and the Registrar organised a pōwhiri in February to welcome the Vice-Chancellor to the campus. Several hundred staff were joined by the Christchurch mayor and mayoress, members of the Vice-Chancellor's whanau and representatives of CPIT, Ngāi Tahu and Jade Software Corporation. Aotahi and Human Resources organised a pōwhiri for new staff on 20 February. Two hundred people attended. • Staff from Aotahi contributed to 30 other pōwhiri and mihi whakatau during the year, including attending 8 graduation ceremonies, welcomes for the February Māori Orientation and for all new students to Aotahi as well as various other occasions. Staff from the School also mentored two Senior Management Team members and one Head of School on tikanga and mihi. College of Education staff held several pōwhiri for new intakes of teacher education students across the Early Childhood, Primary and Secondary programmes. College staff taught and delivered 25 treaty education workshops for 820 year-one teacher education students in Christchurch, Tauranga, Rotorua, Nelson and New Plymouth. • Māori Tikanga continued to play a significant part in the University's graduation ceremonies during the year.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Attendees at Treaty workshops				
Staff attendees	–	Measures subject to reconsideration	Measure implemented	Measure implemented ⁴⁶
Student attendees	–			

⁴⁶ Given the difficulties of identifying and gathering information on the range of treaty awareness workshops that are run across campus, particularly by academic departments, the focus of this key performance indicator has been shifted to encompass staff attendance at the Te Reo, Tikanga me te Tiriti sessions (Māori Language, Customs and the Treaty of Waitangi) run by Human Resources in conjunction with Aotahi: School of Māori and Indigenous Studies.



Strategic Target 6.3: Māori Research Programmes

Develop research programmes which will contribute to achieving Māori development aspirations and will advance Māori knowledge, culture and identities, particularly those that reflect Kaupapa Māori aspirations and are led by Māori

Planned activities to achieve this target included supporting the implementation and awarding of academic based scholarships, merit and progress awards to Māori postgraduate students; exploring new strategies for increasing and enhancing the recruitment, support and success of Māori postgraduate research students; and consulting with Ngāi Tahu and Te Tapuāe o Rehua Tertiary Partnership regarding consultation, community engagement and joint academic-iwi opportunities for collaboration around Māori research and consultancy.

- In April Professor Angus Hikairo Macfarlane took up an appointment as the University's first Professor of Māori Research to guide research, assist with consultation processes and build partnerships with local iwi. A Research Consultant (Māori) was also appointed to Research & Innovation in May. Professor Macfarlane and the Research Consultant organised a status of Māori research wānanga (learning convention) at the University in August. The goal was to canvass possible roadmaps for developing frameworks for future research endeavours.
- In conjunction with a range of other partners, Aotahi hosted three research-related conferences during the year: (1) Te Reo Taketake, an indigenous languages symposium run as part of Te Wiki o Te Reo (Māori Language Week) and which included a delegation from the University of Hawaii; (2) The Waitaha Canterbury Region Māori and Indigenous Studies Postgraduate Research Symposium which involved students from Canterbury and Lincoln universities; and (3) A Māori Staff Professional Advancement Symposium which included attendees from the University, Lincoln University, Te Whare Wānanga o Aotearoa and various government departments, local bodies and community groups. These events followed on from the Aotahi-organised 2008 Ngā Kete a Rēhua Inaugural Māori Research Symposium.
- Aotahi hosted the Manu Ao symposium series featuring 21 weekly video-conference seminars from prominent Māori scholars, researchers and leaders across the country as well as a 9-speaker Mana wahine – Māori and Indigenous Women series. Aotahi also established the Ngā Kete a Rēhua Conference Grant to assist non-Aotahi Māori staff to present at conferences. Four grants totalling \$6,000 were made during the year.
- College of Education School of Māori, Social and Cultural studies staff were contracted in 2009 to conduct research Scoping the Provision of Te Reo Māori in Te Waipounamu for Te Rūnanga o Ngāi Tahu and the Ministry of Education; and Scoping Literature in Immersion Teacher Education for the New Zealand Teachers Council. Both of these projects have been successfully completed and peer reviewed.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Māori postgraduate research students as a % of total Māori EFTS	3.6%	3.0%	3.3%	3.2%

Strategic Target 6.4: Māori Content In Curricula

Develop and implement strategies for increasing, extending and enhancing Māori content in the University's curricula, particularly those that reflect Kaupapa Māori aspirations and are led by Māori

Planned activities to achieve this target included developing and implementing strategies for increasing, extending and enhancing the scope and coverage of Māori content in the curricula.

- The number of Māori-led Kaupapa Māori courses for 2009 was 29 (23 in the College of Art's School of Māori and Indigenous Studies and 6 in the College of Education's School of Māori, Social and Cultural Studies).
- The Hōaka Pounamu programme in the College of Education was upgraded during 2009 from level 7 to level 8 and renamed the Post Graduate Diploma in Education (Hōaka Pounamu – Māori Bilingual and Immersion Teaching). This equates to the first year of a Masters degree. Two other new Masters courses in the College of Education which offer a strong bicultural approach and are taught by new Māori staff were developed and approved for 2010.
- Aotahi developed new postgraduate qualifications during 2009 including new separate Post Graduate Diploma, Bachelor of Honours and Master of Arts qualifications in Te Reo Māori, and, Māori and Indigenous Studies. Two new Masters of Māori and Indigenous Studies and Masters of Te Reo Māori were also developed. Formal approval for all of these new qualifications will be sought in 2010.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of Māori-led Kaupapa Māori courses	Deferred because of other priorities	Deferred pending the appointment of appropriate staff in early 2009	Measure implemented	Reporting commenced

Strategic Target 6.5: Te Reo Māori

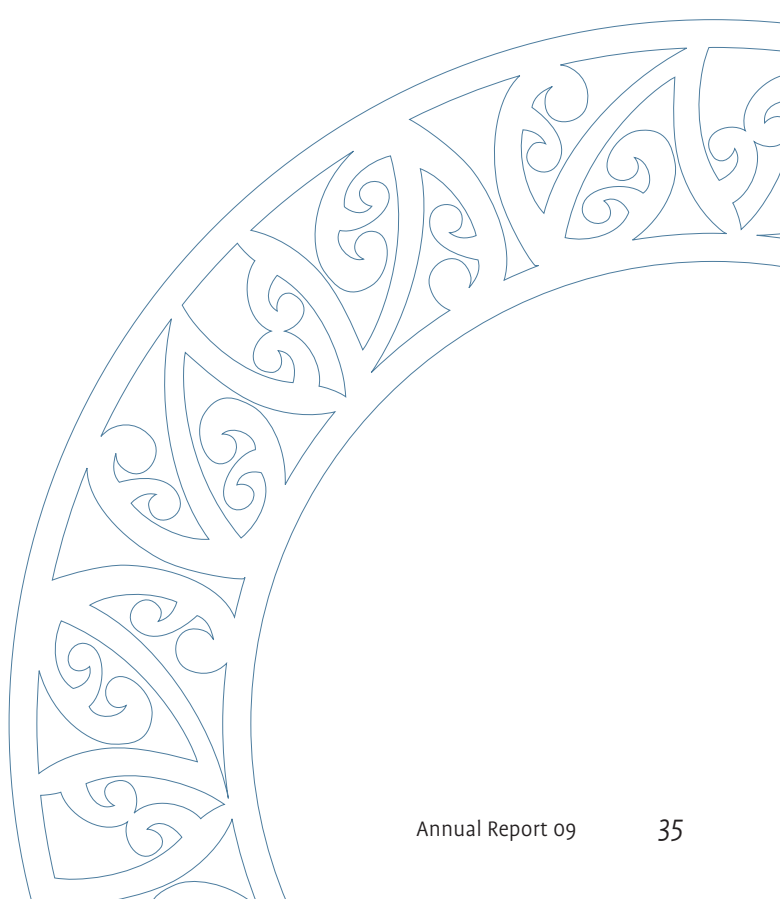
Support the preservation and revitalisation of Te Reo through teaching, scholarship and advocacy giving particular emphasis to Māori participation

<p>Planned activities to achieve this target included exploring strategies for enhancing the delivery of academic programme te reo courses on campus; and ensuring that effective profile and publicity is given within the University to Māori Language Week.</p>	<ul style="list-style-type: none"> • Early in the year the University secured Priorities for Focus funding from the Tertiary Education Commission for up to 300 Te Reo Māori scholarships to be awarded to students who successfully complete stage one te reo courses in 2009 and 2010. Two hundred and forty-two scholarships in all were awarded in 2009, 143 in the first half of the year and 99 in the second half. • Māori Language Week took place between 27 July and 2 August. The theme was Te Reo i te Hapori – Māori Language in the Community. The celebrations were a collaborative effort between Aotahi: School of Māori and Indigenous Studies, the School of Māori, Social and Cultural Studies in Education, the Māori Development Team (Student Recruitment and Development Unit) and Te Akatōki Māori Students Association. • A symposium on revitalising indigenous languages was the centrepiece of the Māori Language Week and attracted more than 150 students, academics and community language advocates. The symposium featured a four-person delegation from the heads of the four Hawaiian studies and language schools at the University of Hawaii. • During the year Aotahi continued to participate in the Māori Studies Ipukarea: Institute of Excellence for Te Reo Māori with AUT, the University of Auckland, University of Waikato, Victoria University, Lincoln University, Massey University, Māori Television and Te Taurawhiri i Te Reo – the Māori Language Commission.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
EFTStudents enrolled in Te Reo courses	163	161	170	188
Successful course completion rates for Te Reo courses	86%	88%	88%	86%



Te Rita Papesch presented her research on kapa haka during the 2009 Theatre and Film Studies Postgraduate Seminar Series.



Strategic Target 6.6: Recruitment and Retention of Māori Staff and Students

Develop and implement strategies to recruit, retain and support increasing numbers of Māori staff and students

Planned activities to achieve this target included supporting the development and implementation of initiatives for increasing and enhancing the recruitment, retention and support of Māori staff and students; and supporting initiatives that promote positive Māori role models among Māori students.

- Aotahi is the site of the Manu Ao programme at the University for 2008-2012.⁴⁷ During the year the programme hosted several professional development workshops for all Māori staff, hosted a conference and established a conference grant for Māori staff. Two new Māori academic staff were recruited early in the year in the College of Education and Aotahi advertised four new continuing positions, three Senior Tutors and one Post-doctoral Fellow.
- The Student Recruitment and Development Unit (SRDU) continued to implement initiatives to promote and profile Māori leadership and achievement through the Māori mentoring programme. Postgraduate and undergraduate students were profiled through key events, publications and websites. In addition the effective working of the Māori Liaison officer has been effectual in recruiting Māori students into the University's programmes.
- Aotahi led a partnership with Te Tumu, the School of Māori, Pacific and Indigenous Studies at the University of Otago, that was successful in securing \$420,000 from the Tertiary Education Commission for the Whakamana Tangata (Building People) project. The initiative will establish Postdoctoral Fellowships at both universities as well as develop postgraduate support and research capacity. The project links with similar initiatives at Waikato University, AUT and the University of Auckland.
- During 2009 the Te Ara Whakamua Māori Undergraduate Student Support Programme in Aotahi produced stage one pass rates 20% higher than elsewhere in the College of Arts and retained 30% more Māori stage two students and 25% more stage three Māori students than for Māori in other parts of the College of Arts.⁴⁸ At the same time the Te Ara Whetū Programme, working with STAR (Secondary Tertiary Alignment Resource programme) students in Aotahi, increased from 12 to 49 enrolments over two years and is now the University's second largest STAR programme after Mathematics. Participants in the programme achieved an 89% pass rate at stage one which was 27% higher than for Māori students in other courses and programmes in the College of Arts.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Māori staff FTEs				
% of Academic FTEs	3.5%	4.3%	4.3%	4.6%
% of General FTEs	2.4%	2.8%	2.8%	2.9%
% of all FTEs	2.8%	3.3%	3.3%	3.5%
Māori EFTStudents as a percentage of total domestic EFTS	6.1%	6.1%	6.3%	6.3%
First-year Māori EFTStudents as a percentage of first-year domestic EFTS	6.1%	7.1%	7.1%	7.6%

⁴⁷ Academy for Māori Academic and Professional Advancement – Massey University.

⁴⁸ The Te Ara Whakamua Māori Undergraduate Student Support Programme is to be recognised in a Te Puni Kōkiri (Ministry of Māori Development) and Ako Aotearoa (National Centre for Tertiary Teaching Excellence) report to be releasing in early 2010.

Strategic Target 6.7: Māori Academic Leadership

Actively support the development of Māori academic leadership within the University

<p>Planned activities to achieve this target included developing consultation processes with Māori staff that balance the needs of academic and general staff on the Ilam and Dovedale sites.</p>	<ul style="list-style-type: none"> • As part of the STAR (Supporting Teaching and Research) project initial discussions have been held on the role of an Assistant Vice-Chancellor Māori within the new Senior Management Team structure. Outcomes from these discussions are still awaited. • Aotahi and the Manu Ao programme (Academy for Māori Academic and Professional Advancement – Massey University) have begun planning a leadership training programme for Māori academics. This is scheduled to take place in Christchurch in June. • The College of Education signed a Memorandum of Understanding (The International Indigenous Graduate Education Alliance of Education) with the World Indigenous Nations Higher Education Consortium (WINHEC) supporting a proposal to collaborate with other indigenous educators in the WINHEC consortium to build international collaborations.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Development of a Māori Plan for the University	Initial planning	Deferred until 2009	Plan implemented	Deferred pending further consultation
Leadership positions within the University held by Māori staff	5 6.7%	5 6.7%	5 6.7%	5 6.7%



Tā Moko artist Christine Harvey creates a moko for lecturer Komene Kururangi during a tā moko exhibition on campus during Te Wiki o te reo Māori.

Key Strategic Area 7: Financial Viability

To safeguard the long-term viability and autonomy of the University through excellent financial management

Strategic Target 7.1: Operating Surplus

Generate and maintain a consistent annual operating surplus greater than four percent

Planned activities to achieve this target included reporting monthly progress against budget and updating the forecast as necessary; reporting specific financial risks to SMT and the Finance, Planning and Resources Committee of Council; and ensuring that actions are taken to address issues of financial risk that are raised in reports.	<ul style="list-style-type: none"> Preparation of the 2010 budget was completed on schedule, forecasting a budget surplus of 4.6% for 2010. A 10-year financial model (with 57 assumptions) was created to support the issue of the University's \$50 million Philanthropic Bond. External review of the model was both positive and supportive. Monthly progress reports and forecasts continued to be provided to the Senior Management Team and Council throughout the year.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Operating Surplus to Income (>4%)	5.4%	5.7%	4.2%	3.2%
Surplus plus Depreciation to Income (>12%)	14.8%	15.1%	14.0%	12.9%
Surplus plus Depreciation to Capital Expenditure (≥80%) ⁴⁹	126.5% %	83.4%	82.0%	81.9%

Strategic Target 7.2: Staffing Costs

Maintain staffing costs within predetermined and agreed levels

Planned activities to achieve this target included providing regular reports SMT on the percentage cost of staffing; ensuring that personnel budget targets are met; ensuring that actions are taken to address issues of over-staffing; ensuring that staff cost percentage targets are taken into account in negotiating and approving employment terms and conditions and promotions; and adjusting staff cost targets to take account of negotiated outcomes.	<ul style="list-style-type: none"> The filling of all general staff positions was put on hold from the second half of the year and vacancies were filled on a fixed-term basis only pending the outcome of the STAR (Supporting Teaching and Research) project. The 10-year financial model contains a target to reduce the ratio of academic to general staff from 1 to 1.46 (2009) to 1 to 1.1 (2019). The Vice-Chancellor took a strong lead during the year in issuing guidance to Colleges and Service Units on excess staff capacity. Each SMT member was charged with looking for greater efficiencies within their respective areas in terms of both processes and personnel numbers. In line with strategic policies, staff costs were monitored and mitigating action taken, as appropriate.
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Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Increase/(decrease) in total personnel expenditure (<6%)	23.7% ⁵⁰	5.5%	5.9%	5.3%
Total personnel costs as a proportion of University revenue (≤60%)	59.9%	59.7%	61.0%	60.3%
Total personnel costs as a proportion of University expenditure (<64%)	63.1%	63.3%	63.0%	62.3%

⁴⁹ Capital expenditure is taken from the Statement of Cash Flows and is the actual cash amount spent.

⁵⁰ This increase reflects the impact of the merger of the Christchurch College of Education with the University.

Strategic Target 7.3: Financial Viability Measures

Consistently meet financial viability measures set by Government and the Council⁵¹

Planned activities to achieve this target included providing regular reports to SMT on results against University and Government financial viability measures; working with SMT members to ensure budget targets are met; ensuring that requests for capital expenditure are reviewed by Financial Services and an external auditor for financial impact prior to approval; ensuring that debt levels are monitored; and ensuring that the management of cash is in line with the University's treasury policy.

- As a result of the launch of the Philanthropic Bond two new viability measures were added to the financial viability measures – Debt/EBITDA (3x);⁵² and Net Debt to Net Operating Cash Flow (<1.8). Consistently meeting all financial viability measures is no longer desirable but essential in order to satisfy legal requirements of the bond issue.
- No breaches from pre-determined University treasury policies took place during the year because of strong controls relating to treasury activities that are in place within Financial Services. These relate to all types of financial transactions but predominantly concern the placement of deposits and foreign currency purchases.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Government financial viability measures				
Net Surplus as a proportion of total operating income (> 3%)	5.4%	5.7%	4.2%	3.2%
Operating Cash Inflows as a proportion of Operating Cash Outflows (> 111%)	117.3%	117.0%	115.0%	117.3%
Interest Cover Ratio (> 3.75 x)	64.2 x	60.1 x	30.0 x	41.8 x
Liquid funds ratio (> 12%) ⁵³	20.1%	22.0%	16.0%	43.3%
Debt as a proportion of Debt plus Equity (<10%)	1.4%	1.24%	2.0%	6.95%
Council financial viability measures				
Depreciation to Capital Expenditure (>70%)	80.2%	51.9%	57.0%	61.5%
Current Assets to Current Liabilities ratio (>100%)	166.7%	134.0%	120.0%	205.4%
Total Liabilities to Total Tangible assets (< 20%)	8.0%	12.3%	13.0%	17.8%
Cash reserve in months (≥2 months)	2.4 months	2.4 months	2 months	4.5 months
Return on Assets (> 1.2%)	1.8%	2.0%	1.5%	1.1%

⁵¹ Government financial viability guidelines are set by TEC's Tertiary Investment and Monitoring group (formerly the Tertiary Advisory Monitoring Unit, TAMU). Progress against these measures was reported on monthly to the University's Council.

⁵² EBITDA is an acronym for "Earnings before Interest, Taxation, Depreciation and Amortisation."

⁵³ Liquid Funds Ratio is calculated as follows: (Cash at bank + Short term investments + Liquid investments) / Total operating cash paid, expressed as a percentage.

Key Strategic Area 8: Governance, Leadership and Management

To have governance, leadership and management capabilities and processes that ensure the achievement of strategic goals

Strategic Target 8.1: Governance, Leadership and Management Capability

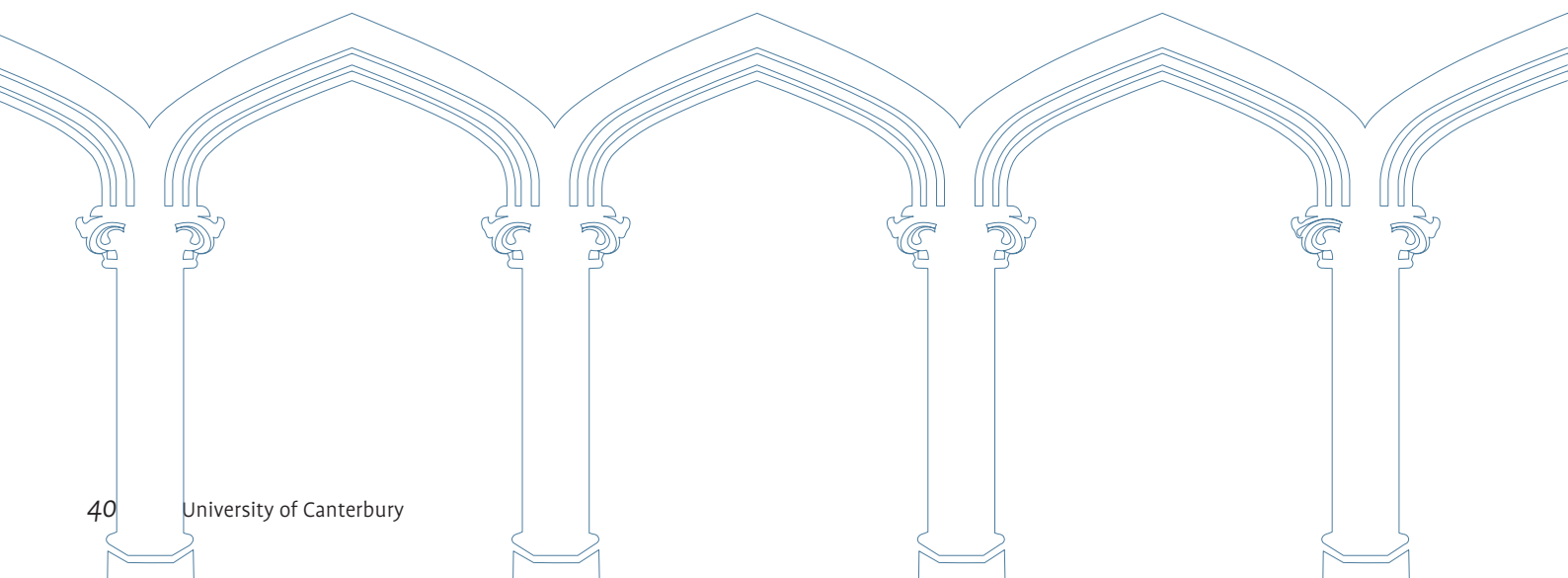
Develop and implement effective strategies to build governance, leadership and management capability across the University

Planned activities to achieve this target included developing and implementing a schedule of attendance at TAMU governance and management workshops; continuing to offer leadership workshops to University staff; reviewing the University's risk management framework, redeveloping the Master Risk Register, testing the Emergency Management Plan, developing and testing Business Continuity plans and continuing to monitor statutory compliance.

- In August Project STAR (Supporting Teaching and Research) was launched. The focus of the project is a review of service provision within the University. The project title reflects the Vice-Chancellor's intention that non-academic services are fully aligned to the University teaching and research aspirations. The project is expected to be fully implemented by the end of 2010.
- During July and August the Vice-Chancellor led a series of workshop consultations with staff that culminated in the development of a draft Statement of Strategic Intent. The final version was signed off by Council at its 30 September meeting and was then promulgated to staff. The primary components of the strategy are to Challenge, Concentrate and Connect. A strategic plan will now be developed early in 2010.
- The University's register of key strategic risks was reviewed and updated during the year in conjunction with the internal auditors (PricewaterhouseCoopers) prior to being considered by the Audit and Risk Committee of Council and the Senior Management Team (SMT). The University's Risk Management framework was assessed at the same time. Business Continuity Plans continued to be developed during the year and received high priority because of the H1N1 pandemic threat. Compliance with statutory requirements was measured and reported on during the year to the Audit and Risk Committee of Council and also to the Senior Management Team.
- The University's emergency management programme received national and international exposure during the year with members of the team being invited to address conferences and workshops both in New Zealand and Australia on the University's journey towards emergency preparedness.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of UC attendees at TAMU governance and management workshops	8	16	15	5 ⁵⁴
Number of attendees at UC leadership workshops	13	11	15	15

⁵⁴ The low attendance reflects the fact that these governance workshops were put on hold during the year and then abandoned.





strategic target 8.2: infrastructural support

Further develop and maintain high quality infrastructural support appropriate to research, teaching, learning and administrative needs across the University

Planned activities to achieve this target included reviewing, revising and preparing an annual report on the University's Asset Management Plan; continuing development of a Campus Master Plan; and reviewing and updating the 10-year Capital Plan.

- Work continued during the year on major capital infrastructural projects including progress with the School of Biological Sciences, preparations for the refurbishment of the Science Lecture Block, a capital expenditure case for the upgrade and refurbishment of the Engineering Library and a proposal for a National Conservatorium of Music. Such activity will in future be informed by the development of a Campus Master Plan which is under development.
- Preparation of the capital budget for 2010 was greatly aided by the application of prioritisation processes developed for use by sub-committees of the Senior Management Team. These were the Facilities Capital Group and the Information Systems and Services Steering Group (ISSSG).
- Capital spend on infrastructure will be greatly accelerated over the next few years as a result of the successful launch of the Philanthropic Bond.
- Reviews of ICTS and Facilities Management undertaken in 2009 will have significant implications for the provision of support service and infrastructure across campus.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Facilities as a % of total Capex	40.2%	61.9%	55.7%	56.5%
Library as a % of total Capex	23.0%	15.7%	17.2%	17.3%
IT as a % of total Capex	12.2%	3.0%	4.2%	3.1%



Professor Niki Davis is researching the use of digital technologies in education.



UC's scientific glass-blower Rob McGregor works on a new project in the Glass Workshop.



PhD student Lindsey Underwood is the recipient of a Prime Minister's Support Team Scholarship.

strategic target 8.3: internal communication

Devise and implement robust and effective communication processes that will assist in building and sustaining an internal culture that supports the achievement of strategic goals

Planned activities to achieve this target included implementing priority items from the internal communications plan for the year that will enhance the effectiveness of communication within the University and support the achievement of strategic goals.⁵⁵

- A series of staff forums and workshops took place during the second half of the year focusing on the draft statement of strategic intent and also on likely outcomes of the STAR (Supporting Teaching and Research) project. In relation to each, opportunities were made available for staff to provide submissions.
- Discussions were initiated with the University's Web Group to create an integrated news service to allow the sharing of news between colleges and departments. Staff profiles were launched on the University home page to raise the profile of key researchers.
- The University's web template was refreshed and web search upgraded, with new rotating home-page features a key tool for disseminating important, topical information to a wide audience on and off campus.
- As a means of enhancing internal communication within the University the Vice-Chancellor initiated a regular all-staff email update newsletter which paralleled the reports provided to Academic Board and Council. These updates were complemented by regular all-staff forums where staff were able to enter into dialogue with the Vice-Chancellor on University matters of topical interest.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Planned	2009 Actual
Number of issues of UC Diary	49	48	48	50
UC Chronicle				
Number of issues	20	20	20	20
Distribution	3,200	3,200	3,350	3,200
Intranet announcements	148	128	160	150
UC Intranet page views	775,000	944,404	550,000	1,199,168 ⁵⁶

⁵⁵ The internal communications plan is contained within the Communications and Development Operational Plan for 2009: https://intranet.canterbury.ac.nz/piru/documents/Service%20Plans/2009/cd_operational_plan_2009.pdf.

⁵⁶ UC Intranet page views are much higher than expected. Initial growth estimates were too low in the light of the large increase in "useful" content that has occurred on the University intranet site.

University Annual Financial Statements

NZ3 New Zealand
ICT Innovation Institute

Statement of Accounting Policies

For the year ended 31 December 2009

REPORTING ENTITY

The University of Canterbury Group is domiciled in New Zealand and consists of the University of Canterbury and its subsidiary, Canterprise Limited (100% owned). Canterprise Limited is incorporated in New Zealand. Both the Group and the University's financial results are disclosed.

The University is a Tertiary Education Institution governed by the Education Act 1989.

The primary objective of the University of Canterbury is to provide education and as such has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of the University of Canterbury and group are for the year ended 31 December 2009. The financial statements are authorised for issue by Council on 24 February 2010.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

BASIS OF PREPARATION

Statement of compliance

The financial statements of the University and group have been prepared in accordance with the requirements of the Crown Entities Act 2004 and the Education Act 1989, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

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.

Measurement base

The financial statements have been prepared on an historical cost basis, adjusted by the revaluation of certain assets.

Functional and presentation currency

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

Changes in accounting policies

There have been no changes in accounting policies during the year.

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 the introduction of 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 separate income statement and a 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.

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

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

- NZ IFRS 3 *Business Combinations (revised 2007)* & NZ IAS 27 *Consolidated and Separate Financial Statements (revised 2007)* are effective for reporting periods beginning on or after 1 July 2009 and must be applied prospectively from that date.

The main changes the revised NZ IFRS 3 and amended NZ IAS 27 will make to existing requirements or practice are:

- Partial acquisitions. Non-controlling interests are measured either as their proportionate interest in the net identifiable assets (which is the original NZ IFRS 3 requirement) or at fair value.
- Acquisition-related costs. Acquisition-related costs are generally recognised as expenses (rather than included in goodwill).
- Contingent consideration. Contingent consideration must be recognised and measured at fair value at the acquisition date. Subsequent changes in fair value are recognised in accordance with other NZ IFRS, usually in the surplus or deficit (rather than by adjusting the cost of acquisition).
- Transactions with non-controlling interests. Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for as equity transactions.

The University and group will adopt the revised NZ IFRS 3 and amended NZ IAS 27 for the year ending 31 December 2010, which will apply to business combinations that occur on or after 1 January 2010.

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 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on 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 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 ending 2013. The University and group has not yet assessed the impact of the new standard and expects it will not be adopted early.

SIGNIFICANT ACCOUNTING POLICIES

The following are the particular accounting policies that have a material effect on the measurement of financial performance and the financial position.

Consolidated Financial Statements

The consolidated financial statements include the University of Canterbury and its subsidiary, Canterprise Limited.

The subsidiary is accounted for by aggregating like items of assets, liabilities, revenue, expenses and cash flows on a line-by-line basis.

All significant inter-entity transactions are eliminated on consolidation.

The University's investment in its subsidiary is carried at cost in the University's 'Parent Entity' financial statements.

Budget Figures

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

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

Revenue

- Government grants are recognised as revenue on entitlement.
- Student tuition fees are primarily recognised as revenue over the twelve month period.
- Research grants are recognised as revenue on a percentage completion method, which is based on the proportion of costs incurred as a percentage of the total costs. Research grant revenue not expended is shown in the Statement of Financial Position as 'Funds Received in Advance'. Research grants that are milestone specific are treated as revenue as milestones are achieved.
- Donations of money are recognised as revenue upon entitlement. Where an obligation is attached a liability is recognised. Once any obligation has been fulfilled the donation is recognised as revenue.
- Donations of assets are recorded at fair value on receipt and recognised as revenue.

Borrowing costs

The University 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.

Financial Instruments

The University is party to financial instruments as part of its ordinary operations. These financial instruments include bank accounts, short term deposits, receivables, investments, accounts payable and loans, all of which are recognised in the Statement of Financial Position. Revenue and expenses in relation to these instruments are recognised in the Statement of Financial Performance.

The University enters into forward currency exchange contracts to manage exposure to risk on foreign currency transactions.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short-term highly liquid cash investments with original maturities of three months or less from date of acquisition.

Trade and Other Receivables

Receivables are initially measured at fair value and then adjusted for amounts not considered recoverable.

All receivables that are 180 days past due date are considered unrecoverable unless there is a clear agreement for repayment. Receivables over \$1,000 that are 90 -180 days overdue are also assessed for recoverability based on the type of debtor, relationship to the University, communications with the debtor and predicted chances of recovery and costs associated with recovery.

Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

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.

Any obsolete inventories have been written off.

Other Financial Assets & Liabilities

The University classifies its financial assets into the following three categories: financial assets at fair value through the Statement of Financial Performance (being foreign exchange); loans and receivables; and financial assets at fair value through equity (being investments). The classification depends on the purpose for which the investments were acquired. The University determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Term deposits are classed as loans and receivables and are accounted for at amortised cost less any impairment.

All investments, including those in subsidiaries, are stated at cost. Any write-downs are recognised in the Statement of Financial Performance.

The University's interest in companies is primarily for educational purposes rather than monetary gain. The University adopts the cost approach as there is no active market for these investment types and cost provides a materially correct approximation to the fair value of the investment. Any impairment in investments is considered by reference to the financial position of the investment company and any market evidence of investments they hold.

In November 2009 the University issued a \$50M fixed rate (7.25%) unsubordinated unsecured bond. The bond is recognised on an amortised cost basis.

All other financial assets and financial liabilities are initially recognised at fair value.

Property, Plant and Equipment

Land and Buildings

- Land has been valued at fair value by CB Richard Ellis Limited as at 31 December 2007. The fair value of land is normally determined from market based evidence and by reference to its highest and best use.

- Buildings have been valued at depreciated replacement cost as at 31 December 2007, on a component basis by CB Richard Ellis Limited. The depreciated replacement cost methodology is based on the fair value of the land plus the current gross replacement cost of improvements less allowances for physical deterioration, and optimisation for obsolescence and relative surplus capacity. Optimisation is not applied in determining the land component of depreciated replacement cost.

- Independent registered valuers undertake revaluations of Land and Buildings every three years, unless there is reason to suggest that values have changed considerably in the intervening years, in which case a revaluation may be undertaken outside of the three yearly cycle.

This occurred as at 31 December 2009 and a comprehensive review valuation by CB Richard Ellis Ltd was carried out. However, it was deemed that considerable movement in value had not taken place and that the value of depreciated replacement cost as at 31 December 2007 would remain as stated.

Library

- The Current Collection is valued at historical cost less depreciation.
- The Permanent Collection is valued on a fair value basis as at 31 December 2007 by DTZ New Zealand Limited. The Permanent Collection is revalued every three years by an independent registered valuer.
- Donated books have been included at fair value.

Artworks/Medals

- Artworks are initially recorded at cost and then revalued on a three yearly cycle. They were valued at fair value by Independent Art Valuations Ltd as at 31 December 2007. Artworks with a cost lower than \$2,500 are expensed on acquisition.
- Donated artworks have been included at fair value and will be subject to the three yearly revaluation cycle.
- Medals are initially recorded at cost and then revalued on a three yearly cycle. They were valued at fair value by R. J Watt & Associates as at 18 December 2008.

Plant and Equipment

- Assets including plant, equipment, motor vehicles and furniture are recorded at cost less accumulated depreciation. Assets with a cost value lower than \$2,500 are expensed on acquisition, with the exception of computers and data projectors, which are capitalised regardless of cost.

Capital Work-in-Progress

- Capital work-in-progress is valued on the basis of expenditure incurred and certified gross Progress Claim Certificates up to balance date. Work-in-progress is not depreciated. The total cost of a project is transferred to the relevant asset class on completion and then depreciated accordingly.

Additions to Property, Plant and Equipment

- Additions to all assets subsequent to the date of valuation are recorded at cost.

Intangible Assets

Software acquisition and development

- Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Amortisation of Software

- The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Financial Performance.
- The useful lives of the University's software ranges from 3-10 years.

Disposals of Property, Plant and Equipment

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Financial Performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Accounting for Revaluations of Property, Plant and Equipment

The University accounts for revaluations on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Financial Performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Impairment of Property, Plant and Equipment

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets any impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the Statement of Financial Performance.

For assets not carried at a revalued amount, any impairment loss is recognised in the Statement of Financial Performance.

The reversal of any impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the Statement of Financial Performance, a reversal of the impairment loss is also recognised in the Statement of Financial Performance.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the Statement of Financial Performance.

Depreciation of Property, Plant and Equipment

All items of property, plant and equipment other than Land, the Permanent Collection, and the Artworks Collection are depreciated using the straight-line method (except for the Current Collection for the Library which uses the diminishing value method), at rates that will write off the cost of assets less their residual values, over their estimated remaining useful lives. Depreciation rates used are as follows:

- Buildings Components
 - Structure 1.25% SL
 - Building Services 2.50% SL
 - Fittings and Fit-out 4.00% SL
 - Furnishings (chattels) 5.00% SL
 - Other Plant and Equipment 6.7% to 33.3% SL
 - Leased Equipment 20% to 50% SL
 - Current Collection (Library) 6% to 15% DV

Leases

Finance Leases

- Leases which effectively transfer substantially all the risks and benefits of ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset and the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the period of expected benefit from the asset's use on a straight line basis.

Operating Leases

- Leases that do not transfer the risks and rewards incidental to ownership are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.
- The University has entered into a thirty-five year lease of its student accommodation facilities with Campus Living Villages Ltd. Lease rental was received in advance in 2005, and will be recognised as income equally over the period of the lease.

The present value of Term – Revenue Owing from this transaction is reflected as a separate Non Current Asset and corresponding Non Current Liability.

Provisions

Provisions are required for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, that makes it probable that expenditure will be required to settle the obligation. Provisions are only recognised when a reliable estimate can be made as to the amount of the obligation. Provisions are not made for future operating losses.

Employee Entitlements

Provision is made in respect of the University's liability for annual leave, long service leave, retirement leave and sick leave.

- Annual leave which has vested in the employee (an entitlement has been established) has been measured at nominal value using remuneration rates current at reporting date. This provision is shown as a Current Liability.
- Long Service leave for all eligible staff is equal to the present value of the estimated future cash flows as a result of employee service, as calculated at balance date by an independent actuary. The portion which has already vested in the employee (an entitlement has been established) is presented as a Current Liability using remuneration rates current at the reporting date. The balance is shown as a Non-Current Liability.
- Retirement leave for all eligible staff is equal to the present value of the estimated future cash flows as a result of employee service, as calculated at balance date by an independent actuary. This provision is shown as a Non-Current Liability, except for the amount attributable to known retirees for the following financial period – this is shown as a Current Liability.
- Sick leave for all eligible staff is calculated at balance date by an independent actuary and is an actuarial function of the extent to which absences are expected to be greater than sick leave entitlements earned over the next twelve months and future years. The liability balance is split into a current and non-current portion.

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

During 2009 the official cash rate tracked downwards but was slight in comparison with the previous year. By the end of 2009, longer term rates had started to rise. Discount rates are set using a long-term basis. Nevertheless, the independent actuary determined that there had been sufficient movement to merit adjustment to the discount rates applied as at 31 December 2009.

Superannuation

Defined Benefit Plan

- The University is party to the Government Superannuation Fund (GSF) but has no underwriting responsibilities as any shortfall is met by the Government. As such the scheme is accounted for as a defined contribution plan.

Defined Contribution Plan

- Any superannuation defined contributions are undertaken and reflected as normal operating expenses and are included within both the Statement of Financial Performance and Statement of Financial Position as appropriate.

Foreign Currencies

- Foreign currency transactions throughout the year have been translated to New Zealand currency at the ruling rates of exchange at date of payment.
- Realised and unrealised exchange gains or losses are accounted for in the Statement of Financial Performance.
- Any unrealised gains and losses on forward currency exchange contracts, are recognised in the Statement of Financial Performance. The corresponding receivable or payable position at balance date is recognised in the Statement of Financial Position as either 'Other Financial Assets' or 'Other Financial Liabilities'.

Borrowings

- Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.
- Borrowings are classified as current liabilities unless the University or group has an unconditional right to defer settlement of liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of the balance date.

Borrowing Costs

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

Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated GST inclusive. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense. GST owing to the Inland Revenue Department as at 31 December 2009 is included in Accounts Payable.

Taxation

The University and its subsidiary are exempt from the payment of income tax as they are treated by the Inland Revenue Department as charitable organisations. Accordingly, there is no provision for income tax.

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 judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Land and Buildings Valuations

- In performing depreciated replacement cost valuations with respect to buildings, estimates are made when determining the remaining useful lives over which the asset will be depreciated. If useful lives do not reflect the actual consumption of the benefits of the asset, then the University could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Financial Performance.
- A key assumption of the land valuation was that an allowance was made to reflect the possible legal impediments to achieving the fair market value of the land's highest and best use.

Long Service, Retirement and Sick Leave

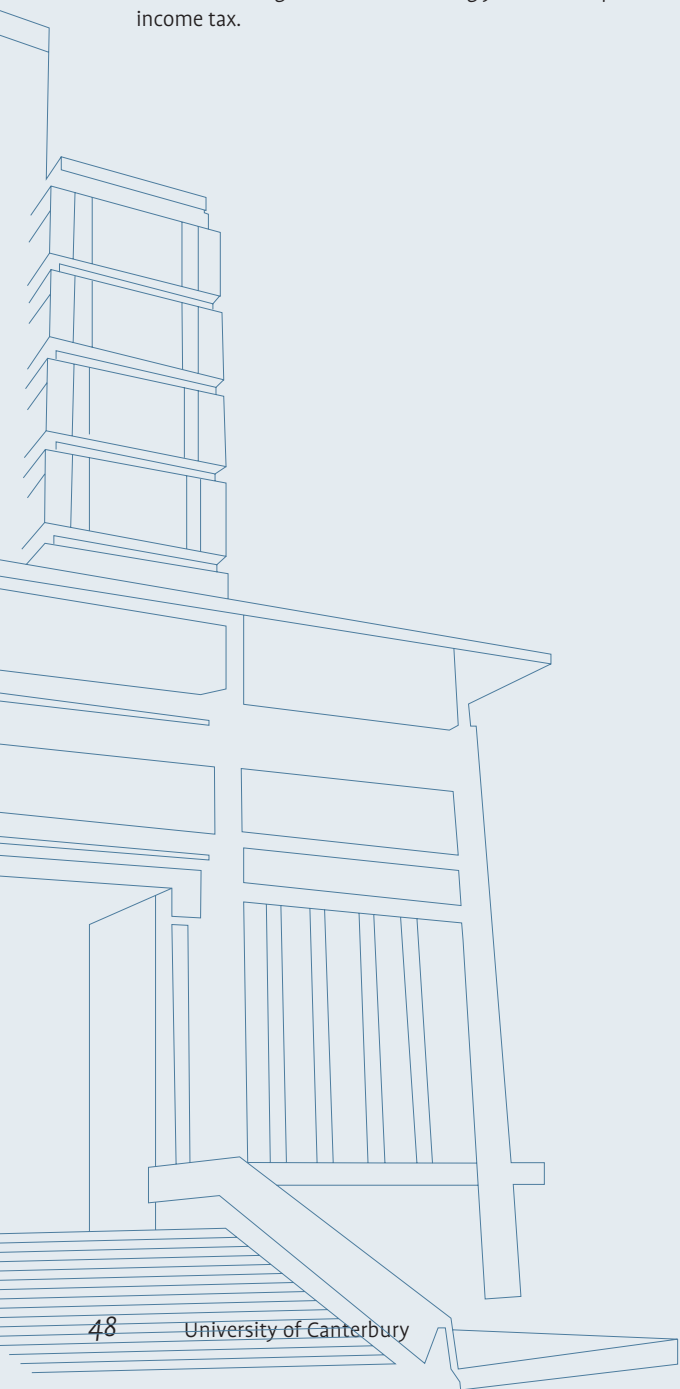
- The estimates and uncertainties surrounding these valuations include estimations of salary growth rates, resignation rates, retirement rates and discounting rates.

Reversionary Interest

- A reversionary interest is recognised representing the progressive recognition of the value of the Campus Living accommodation which reverts to University ownership in 2040. The key assumption used in calculating this revenue is the discount rate. Any changes in this rate will impact on the revenue recognised.

Restructuring Provision

- The University has started a project to restructure services that support teaching and research (project STAR). The first tranche of change proposals were issued to affected staff and public announcements made in December 2009. Estimates have been made for the financial impact of these change proposals based on assumptions regarding the positions involved and redeployment success. As a result the University has created a provision for the restructure which is reflected in the Financial Statements.



Statement of Financial Performance

For the year ended 31 December 2009

	Notes	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
OPERATING INCOME						
Government Grant		115,009	111,405	115,009	116,265	111,405
Performance-Based Research Funding (PBRF)		25,262	21,979	25,262	23,672	21,979
Student Tuition Fees Domestic Fee Paying		58,531	51,539	58,531	55,238	51,539
Student Tuition Fees Full Fee Paying		24,315	22,867	24,315	24,572	22,867
Student Tuition Fees Other		3,963	3,348	3,963	4,441	3,348
Other Student Related Fees		3,522	3,375	3,522	3,133	3,375
Research Income	6	25,048	22,691	25,048	23,506	22,691
Interest Income		3,888	7,205	3,886	6,415	7,164
Other Income	1	24,635	24,831	24,435	21,718	24,859
TOTAL OPERATING INCOME		284,173	269,240	283,971	278,960	269,227
OPERATING EXPENDITURE						
Personnel Expenses	2	171,217	162,897	171,170	169,956	162,525
Site & Property Costs		9,329	8,368	9,325	8,531	8,347
General / Operating Expenditure	3	66,173	56,710	65,956	62,009	56,514
Finance Charges	4	908	696	897	410	696
Depreciation and Amortisation	9	27,491	25,592	27,487	26,583	25,580
TOTAL OPERATING EXPENDITURE		275,118	254,263	274,835	267,489	253,662
NET SURPLUS		9,055	14,977	9,136	11,471	15,565

The accompanying policies and notes form an integral part of these financial statements.

Statement of Comprehensive Income

For the year ended 31 December 2009

	Notes	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
NET SURPLUS		9,055	14,977	9,136	11,471	15,565
Other comprehensive income						
Movements in revaluation reserves relating to asset valuations	18	11	772	11	–	772
Movements in revaluation reserves relating to retirement of assets	18	25	161	25	–	161
Total other comprehensive income		36	933	36	–	933
TOTAL COMPREHENSIVE INCOME		9,091	15,910	9,172	11,471	16,498

Statement of Changes in Equity

For the year ended 31 December 2009

	Notes	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
Balance as at 1 January		698,104	671,557	698,603	688,979	671,543
Amounts recognised directly in equity						
Crown contributions for Partnerships for Excellence & CORE	18	1,700	10,637	1,700	–	10,561
Total comprehensive income		9,091	15,910	9,172	11,471	16,498
Balance as at 31 December		708,895	698,104	709,475	700,450	698,603

The accompanying policies and notes form an integral part of these financial statements.

Statement of Financial Position

As at 31 December 2009

	Notes	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
CURRENT ASSETS						
Cash and Cash Equivalents	5	81,737	26,117	81,652	43,663	25,635
Other Financial Assets	17	12,960	25,762	12,960	–	25,762
Receivables	7	12,048	9,879	12,004	5,712	9,667
Prepayments		6,512	6,578	6,512	5,911	6,578
Inventories	8	1,480	1,680	1,480	1,537	1,680
Total Current Assets		114,737	70,016	114,608	56,823	69,322
LESS CURRENT LIABILITIES						
Funds Received in Advance	12	24,631	19,530	24,631	16,454	19,530
Accounts Payable	13	16,114	16,738	16,152	18,974	16,294
Loans Payable / Convertible Within 1 Year	14	780	5,788	780	718	5,788
Current Provisions – Employee Entitlements & Restructuring	16	13,390	10,726	13,390	8,712	10,704
Other Financial Liabilities	17	840	78	840	–	78
Total Current Liabilities		55,755	52,860	55,793	44,858	52,394
WORKING CAPITAL		58,982	17,156	58,815	11,965	16,927
NON CURRENT ASSETS						
Land	9	98,301	98,301	98,301	98,301	98,301
Buildings	9	483,771	467,701	483,771	453,402	467,701
Plant & Equipment	9	33,541	31,816	33,538	32,043	31,793
Leased Equipment	9	1,090	2,599	1,090	671	2,599
Library	9	86,642	83,156	86,642	85,240	83,156
Intangible Assets	9	4,939	4,853	4,939	4,939	4,853
Capital Work-In-Progress	9	31,717	33,184	31,717	58,631	33,184
Investments	10	2,053	2,053	2,803	2,803	2,803
Other Non Current Assets	11	3,114	4,033	3,114	2,794	4,033
Term – Receivable	11	1,252	1,170	1,252	1,252	1,170
Total Non Current Assets		746,420	728,867	747,167	740,076	729,594
NON CURRENT LIABILITIES						
Loans & Leases	14	2,206	2,990	2,206	7,214	2,990
Philanthropic Bond	15	50,010	–	50,010	–	–
Term Provisions – Employee Entitlements	16	17,168	16,938	17,168	17,255	16,938
Term – Funds Received in Advance	12	27,123	27,990	27,123	27,123	27,990
Total Non Current Liabilities		96,507	47,918	96,507	51,591	47,918
TOTAL NET ASSETS		708,895	698,104	709,475	700,450	698,603
REPRESENTED BY :						
General Equity	18	443,728	432,973	444,308	436,389	433,472
Revaluation Reserves	18	265,167	265,131	265,167	264,061	265,131
TOTAL EQUITY		708,895	698,104	709,475	700,450	698,603

The accompanying policies and notes form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2009

Notes	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
OPERATING ACTIVITIES					
Cash provided from:					
Government Grant	140,271	133,384	140,271	139,937	133,384
Tuition Fees	87,648	79,087	87,648	87,864	79,087
Other Income	56,228	48,264	56,008	37,325	47,149
Agency Funds	5,264	6,575	5,264	–	6,575
Interest Received	3,614	6,733	3,612	6,515	6,691
	293,025	274,043	292,803	271,641	272,886
Cash applied to:					
Personnel Expenses	168,214	159,580	168,167	165,374	159,208
Site & Property Expenses	9,138	8,368	9,134	8,531	8,347
General / Operating Expenses	65,945	59,762	65,500	59,985	58,688
Agency Funds	5,387	6,534	5,387	–	6,575
Interest Paid	332	684	332	410	684
Net GST Movement	1,070	359	1,070	75	359
	250,086	235,287	249,590	234,375	233,861
Net cash provided by Operating Activities	19 42,939	38,757	43,213	37,266	39,025
INVESTING ACTIVITIES					
Cash provided from:					
Proceeds from disposal of Fixed Assets	31	56	31	–	56
Maturity of Deposits with terms greater than 3 months but less than 12 months from date of acquisition	25,350	5,500	25,350	–	5,500
	25,381	5,556	25,381	–	5,556
Cash applied to:					
Capital Expenditure	45,444	49,341	45,445	44,727	49,329
Deposits with terms greater than 3 months but less than 12 months from date of acquisition	12,960	8,000	12,960	–	8,000
Deposits with terms greater than 12 months from date of acquisition	–	17,338	–	–	17,338
	58,404	74,679	58,405	44,727	74,667
Net cash used in Investing Activities	(33,023)	(69,123)	(33,024)	(44,727)	(69,111)

	Notes	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
FINANCING ACTIVITIES						
Cash provided from:						
		50,010	–	50,010	–	–
	18	1,700	10,638	1,700	1,168	10,563
		–	–	123	–	–
		51,710	10,638	51,833	1,168	10,563
Cash applied to:						
		5,752	854	5,752	844	854
		5,752	854	5,752	844	854
		45,958	9,784	46,081	324	9,709
		55,874	(20,583)	56,271	(7,137)	(20,377)
		26,117	46,043	25,635	50,800	45,355
		(254)	657	(254)	–	657
		81,737	26,117	81,652	43,663	25,635
Cash on hand at end of period						
Represented by:						
		81,737	26,117	81,652	43,663	25,635
		81,737	26,117	81,652	43,663	25,635

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

The accompanying policies and notes form an integral part of these financial statements.

Statement of Commitments

As at 31 December 2009

Capital Commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been paid for or not recognised as a liability at balance date. Capital commitments listed below represent contractual commitments and estimated project completion costs.

Non-cancellable Operating Lease Commitments

The University leases property in the normal course of business.

These leases are predominantly for premises which have non-cancellable leasing periods ranging from six months to 35 years.

The leases have varying terms and renewal rights. There are no restrictions placed on the University by any of its leasing arrangements.

Capital Commitments	2009 (\$000's)	2008 (\$000's)
Not later than one year	11,538	17,944
Two to five years	0	4,422
Total Capital Commitments	11,538	22,366

Non-cancellable Operating Lease Commitments	2009 (\$000's)	2008 (\$000's)
Not later than one year	689	886
Two to five years	925	1920
Later than five years	192	332
Total Non-cancellable Operating Lease Commitments	1,806	3,138

Statement of Contingencies

As at 31 December 2009

The University has no other contingent liabilities or assets as at 31 December 2009 (2008 \$15,100,000).

Notes to the Financial Accounts

For the year ended 31 December 2009

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
1 OTHER INCOME					
Donations / Koha	351	591	351	455	591
Donations from Trusts	2,721	1,499	2,721	2,580	1,499
Rentals	2,023	2,246	2,023	2,241	2,246
External Sales	2,906	3,781	2,906	3,085	3,781
Consultancy	2,899	2,958	2,899	2,968	2,958
Membership Fees	1,170	1,142	1,170	1,304	1,143
Sundry Income	12,565	12,614	12,365	9,085	12,642
TOTAL OTHER INCOME	24,635	24,831	24,435	21,718	24,859
2 PERSONNEL EXPENSES					
Academic Salaries	77,089	72,600	77,089	79,936	72,600
General Salaries*	80,174	77,153	80,174	79,051	76,843
Superannuation Contributions	5,522	4,762	5,522	4,874	4,762
Councillors' Honoraria	93	120	93	120	120
Directors' Fees	47	62	-	-	-
Other Salary Related Expenditure	8,292	8,200	8,292	5,975	8,200
TOTAL PERSONNEL EXPENSES	171,217	162,897	171,170	169,956	162,525
* The General staff classification includes Education Plus staff.					
3 GENERAL / OPERATING EXPENDITURE					
Auditors' Remuneration – External Financial Audit	156	165	156	233	140
Auditors' Remuneration – Other Services	36	28	36	-	28
Bad Debts Written Off	149	227	149	-	227
Increase / (Decrease) in Provision for Doubtful Debts	-	25	-	26	25
Loss on Disposal of Property, Plant & Equipment	133	153	133	-	153
Write-down of Inventories	50	83	50	-	83
Equipment Rentals	551	568	551	649	568
Scholarships & Prizes	12,102	10,267	12,102	11,120	10,267
Exchange Losses	124	28	124	-	28
Reversionary Interest	919	(3,235)	919	-	(3,235)
Other General/Operating Costs	51,953	48,401	51,736	49,981	48,230
TOTAL GENERAL / OPERATING EXPENDITURE & FINANCE CHARGES	66,173	56,710	65,956	62,009	56,514

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
4 FINANCE CHARGES					
Finance Charges – Interest Paid	737	477	737	410	477
Finance Charges – Interest on Finance Leases	171	219	160	–	219
TOTAL FINANCE CHARGES	908	696	897	410	696

5 CASH AND CASH EQUIVALENTS					
Cash at bank and in hand	8,139	9,267	8,254	15,304	8,985
Short term deposits maturing three months or less from date of acquisition	73,598	16,850	73,398	28,359	16,650
TOTAL CASH AND CASH EQUIVALENTS	81,737	26,117	81,652	43,663	25,635

Short term deposits maturing three months or less from date of acquisition are all at fixed rates.

The weighted average rate secured as at end of 2009 for both the Group and University is 3.74% (2008: 5.56%).

The carrying amount approximates the fair value.

6 RESEARCH INCOME

To satisfy NZ Lottery Grants Board disclosure requirements, monies received are detailed below:

Lottery Environment and Heritage

Archives Assistant for the Macmillan Brown Library

\$27,390

Lottery Environment and Heritage

Architectural Drawings Collection-Electronic finding aids to the Macmillan Brown Library

\$31,968

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
7 RECEIVABLES					
Trade Receivables (less provision for Doubtful Debts)	9,523	8,201	9,479	4,852	7,989
Other Receivables	2,525	1,678	2,525	860	1,678
TOTAL RECEIVABLES	12,048	9,879	12,004	5,712	9,667

The carrying value of Trade Receivables and Other Receivables approximates their fair value.

There is no concentration of credit risk with respect to receivables as the balances are made up of a large number of customers.

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

	2009			2008		
	Gross	Impairment	Net	Gross	Impairment	Net
UNIVERSITY						
Not past due	6,630	–	6,630	7,553	–	7,553
1–30 Days Past Due	1,463	–	1,463	423	–	423
31–60 Days Past Due	309	–	309	297	–	297
61–90 Days Past Due	426	–	426	132	–	132
Greater than 91 Days Past Due	1,029	(26)	1,003	1,262	–	1,262
	9,857	(26)	9,831	9,667	–	9,667

	2009			2008		
	Gross	Impairment	Net	Gross	Impairment	Net
UNIVERSITY & GROUP						
Not past due	8,847	–	8,847	7,765	–	7,765
1–30 Days Past Due	1,463	–	1,463	423	–	423
31–60 Days Past Due	309	–	309	297	–	297
61–90 Days Past Due	426	–	426	132	–	132
Greater than 91 Days Past Due	1,029	(26)	1,003	1,262	–	1,262
	12,074	(26)	12,048	9,879	–	9,879

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-08 University Actuals (\$000's)
8 INVENTORIES				
<i>Held for distribution</i>				
Materials and consumables	1,162	1,417	1,162	1,417
Commercial inventory				
Canterbury University Press	258	255	258	255
Other	60	8	60	8
Total Inventory	1,480	1,680	1,480	1,680

The write-down of inventories held for distribution or consumption amounted to \$39,791 (2008: \$24,102).

The write-down of commercial inventories amounted to \$9,726 (2008: \$58,683).

No inventories are pledged as security for liabilities.

9 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

	COST / VALN DEC 07 (\$000's)	ACCUM DEPN & AMORTISATION DEC 07 (\$000's)	NET BOOK VALUE DEC 07 (\$000's)	CURRENT YEAR ADDITIONS DEC 08 (\$000's)	CURRENT YEAR DISPOSALS DEC 08 (\$000's)	CURRENT YEAR DEPN & AMORTISATION* DEC 08 (\$000's)	REVALUATION MOVEMENTS DEC 08 (\$000's)	COST / VALN DEC 08 (\$000's)	ACCUM DEPN & AMORTISATION* DEC 08 (\$000's)	NET BOOK VALUE DEC 08 (\$000's)
UNIVERSITY										
Land at Valuation	98,280	-	98,280	21	-	-	-	98,301	-	98,301
Buildings at Valuation	468,205	-	468,205	11,639	(60)	(12,083)	-	479,784	(12,083)	467,701
Plant & Equipment at Cost	87,070	(58,298)	28,772	10,605	(2,364)	(7,544)	-	95,311	(63,518)	31,793
Leased Equipment at Cost	4,410	(921)	3,489	15	(88)	(905)	-	4,337	(1,738)	2,599
Library / Other Collections at Cost	100,049	(44,402)	55,647	6,891	-	(4,234)	-	106,940	(48,636)	58,304
Library / Other Collections at Valuation	23,465	-	23,465	478	(50)	-	959	24,852	-	24,852
Intangible Assets – Software	10,230	(5,744)	4,486	1,217	(14)	(836)	-	11,433	(6,580)	4,853
TOTAL UNIVERSITY PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES	791,709	(109,365)	682,344	30,866	(2,576)	(25,602)	959	820,958	(132,555)	688,403
SUBSIDIARY										
Plant & Equipment at Cost	48	(26)	22	12	(5)	(12)	-	55	(32)	23
Leased Equipment at Cost	5	(4)	1	-	(5)	-	-	-	-	-
TOTAL SUBSIDIARY PROPERTY, PLANT AND EQUIPMENT	53	(30)	23	12	(10)	(12)	-	55	(32)	23
TOTAL UNIVERSITY AND GROUP PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES	791,762	(109,395)	682,367	30,878	(2,586)	(25,614)	959	821,013	(132,587)	688,426
<i>* Includes any impairments</i>										
UNIVERSITY										
Land at Valuation	98,301	-	98,301	-	-	-	-	98,301	-	98,301
Buildings at Valuation	479,784	(12,083)	467,701	28,263	-	(12,194)	-	508,047	(24,276)	483,771
Plant & Equipment at Cost	95,311	(63,518)	31,793	9,953	(6,217)	(8,060)	-	99,047	(65,509)	33,538
Leased Equipment at Cost	4,337	(1,738)	2,599	-	(45)	(1,507)	-	4,292	(3,202)	1,090
Library / Other Collections at Cost	106,940	(48,636)	58,304	7,696	(49)	(4,433)	-	114,636	(53,070)	61,566
Library / Other Collections at Valuation	24,852	-	24,852	262	(49)	-	11	25,076	-	25,076
Intangible Assets – Software	11,433	(6,580)	4,853	1,379	-	(1,293)	-	12,812	(7,873)	4,939
TOTAL UNIVERSITY PROPERTY PLANT & EQUIPMENT AND INTANGIBLES	820,958	(132,555)	688,403	47,553	(6,311)	(27,487)	11	862,211	(153,930)	708,281
SUBSIDIARY										
Plant & Equipment at Cost	55	(32)	23	-	(16)	(4)	-	55	(52)	3
Leased Equipment at Cost	-	-	-	-	-	-	-	-	-	-
TOTAL SUBSIDIARY PROPERTY, PLANT AND EQUIPMENT	55	(32)	23	-	(16)	(4)	-	55	(52)	3
TOTAL UNIVERSITY AND GROUP PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES	821,013	(132,587)	688,426	47,553	(6,327)	(27,491)	11	862,266	(153,982)	708,284

* Includes the \$722,884 impairment of the Blue Fern supercomputing facility.

As a result of the merger with the Christchurch College of Education the University occupies land and buildings at Solway Ave, Christchurch. The Crown has legal title of the land and a portion of the buildings. However, the University has 'in substance' ownership of the land and buildings and reports these assets as if owned by the University.

The University has a 99 year lease of these land and buildings at a peppercorn rent, subject to the rights of renewal being exercised.

The total amount of Property, Plant and Equipment in the course of construction is \$31,717,000 (2008: \$33,184,000).

There are no restrictions over the title of the University's Property, Plant and Equipment or Intangibles, nor are any pledged as security for liabilities.

Included in the Library / Other Collections at Cost line item are the University's Medal Collection and Logie Collection.

The Medal Collection was revalued 18 December 2008 by R J Wyatt and Associates, independent valuers, and resulted in an increase of \$959,689 in book value.

The University intends to have the Logie Collection valued when a suitable independent valuer can be found to value this specialist collection.

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
10 INVESTMENTS					
Investment Category					
<i>Investments at Cost</i>					
Investment in Canterprise Limited	-	-	750	750	750
<i>Investments at Fair Value Through Equity</i>					
Investment in South African Large Telescope (SALT)	1,774	1,774	1,774	1,774	1,774
Investment in New Zealand Synchrotron Group Limited	279	279	279	279	279
TOTAL INVESTMENTS	2,053	2,053	2,803	2,803	2,803

Canterprise Limited is registered under the Companies Act 1993 and is a wholly owned subsidiary of the University of Canterbury. Canterprise Limited is the commercial arm of the University whose principal business is the management and commercialisation of the intellectual property of the University.

The South African Large Telescope Foundation is a collaboration of various universities and research organisations, to design, construct and operate a ten metre telescope for the advancement of science and the promotion of astronomy and astrophysics. Share capital was obtained over five years as per an agreed payment schedule.

The New Zealand Synchrotron Group Limited is made up of 7 universities and currently 4 Crown Research Institutes.

The New Zealand Synchrotron Group Limited invests as a shareholder in Australian Synchrotron Holding Company, and in return receives access rights.



11 CAMPUS LIVING VILLAGE LEASE

In December 2005 the University entered into an arrangement to lease the student accommodation facilities to Campus Living Village (CLV) for \$35 million. A portion of revenue was received in advance (\$28 million) for the current facilities and will be spread over the term of the lease on a straight line basis. The Term – Receivable (\$1,252k) represents the present value of the amount still owing by CLV. This amount will increase over the term of the lease until payments are made by CLV.

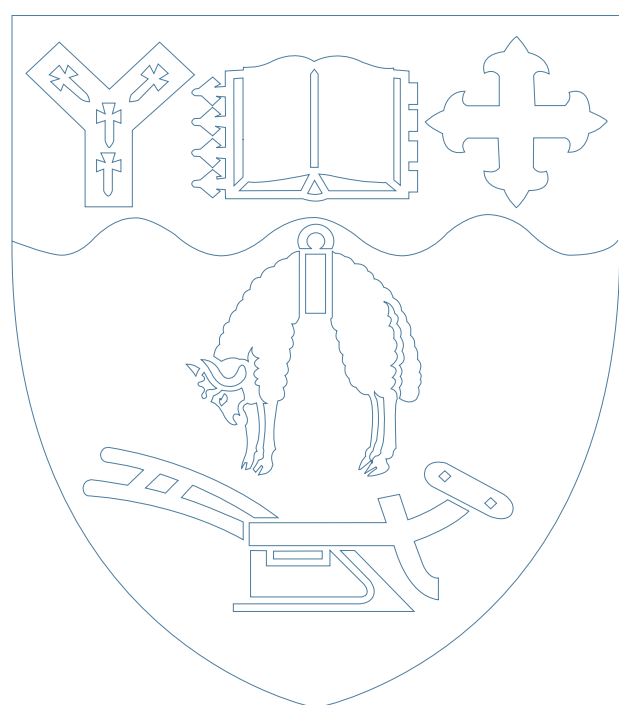
In line with the lease agreement additional buildings have been constructed at Campus Living's cost. Ownership of these buildings will revert to the University at the end of the lease. Other Non-Current Assets (\$3,114k) represents the reversionary interest that the University has in these buildings. The reversionary interest represents the value of the University's interest in these buildings which will increase over time and is valued on a present value basis.

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
12 FUNDS RECEIVED IN ADVANCE					
Future minimum operating lease revenue:					
Later than one year and not later than five years	3,732	3,472	3,732	3,472	3,472
Later than five years	23,391	24,518	23,391	23,651	24,518
Other	–	–	–	–	–
	27,123	27,990	27,123	27,123	27,990
Current Funds Received in Advance					
Student Fees	10,525	9,858	10,525	6,777	9,858
Research Income	6,918	5,918	6,918	5,666	5,918
Future minimum operating lease revenue not later than one year	916	868	916	868	868
Other	6,272	2,886	6,272	3,142	2,886
	24,631	19,530	24,631	16,453	19,530
TOTAL FUNDS RECEIVED IN ADVANCE	51,754	47,520	51,754	43,576	47,520

13 ACCOUNTS PAYABLE					
Trade Payables	4,911	5,071	4,891	9,824	4,927
Other Payables	11,203	11,667	11,261	9,150	11,367
TOTAL ACCOUNTS PAYABLE	16,114	16,738	16,152	18,974	16,294

Trade Payables and Other Payables are non-interest bearing and are normally settled on 30-day terms, therefore their carrying value approximates their fair value.

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
14 LOANS AND LEASES					
Non-current Loans and Leases					
BNZ Term Loan	–	–	–	5,000	–
Sonoda Gakuen Corporation of Japan Loan	1,056	1,088	1,056	1,056	1,088
Finance Leases	1,150	1,902	1,150	1,158	1,902
	2,206	2,990	2,206	7,214	2,990
Loans Payable / Convertible Within 1 year					
BNZ Term Loan	–	5,000	–	–	5,000
Sonoda Gakuen Corporation of Japan Loan	32	32	32	32	32
Finance Leases	748	756	748	686	756
	780	5,788	780	718	5,788



The University operates a purchasing card and this facility had a credit limit of \$12 million as at 31 December 2009.

Sonoda Gakuen Corporation of Japan advanced \$1.6 million in March 1992 to assist with the funding of the construction of the Sonoda Christchurch Campus. The loan is for a term of 50 years at an interest rate of 3%.

The carrying amount for loans and leases approximates their fair value.

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
Analysis of Loan Liabilities					
Within one year	32	5,032	32	32	5,032
Two – five years	128	128	128	5,128	128
Greater than five years	928	960	928	928	960
	1,088	6,120	1,088	6,088	6,120
Analysis of Finance Lease Liabilities					
Total minimum lease payments that are payable					
Within one year	856	922	856	–	922
Two – five years	1,217	2,085	1,217	–	2,085
Total minimum lease payments	2,073	3,007	2,073	–	3,007
Future finance charges	(176)	(349)	(176)	–	(349)
Present value of minimum lease payments	1,897	2,658	1,897	–	2,658
Present value of minimum lease payments that are payable					
Within one year	748	756	748	686	756
Two – five years	1,149	1,902	1,149	1,158	1,902
Total	1,897	2,658	1,897	1,844	2,658
Represented by:					
Current	748	756	748	686	756
Non Current	1,149	1,902	1,149	1,158	1,902
Total	1,897	2,658	1,897	1,844	2,658

The University has entered into finance leases for various items of equipment.

The finance leases can be renewed at the University's option but given the type of equipment leased it is more likely a new lease would be entered into for different equipment.

The finance leases for the Blue Gene and P575 series are lease to own. For all other leases ownership of the item reverts back to the lessor at the lease expiration date.

There are no restrictions placed on the University by any of the finance leasing arrangements.

	Dec 09 University & Group (\$000's)	Dec 08 University & Group (\$000's)	Dec 09 University Actuals (\$000's)
15 PHILANTHROPIC BOND			
Philanthropic Bond	50,010	–	50,010
	50,010	–	50,010

During the year the University successfully launched a 10 Year Fixed Rate Unsubordinated Unsecured Bond at an interest rate of 7.25% per annum fixed for 5 years; reset for a further 5 years at a 1.75% p.a. margin over the then prevailing 5 year swap rate.

Bond covenants

The Bond trust deed requires the University to ensure that the following financial covenant ratios are achieved during the year:

- Secured debt will not exceed 5% of the aggregate of debt plus equity
- Debt will not exceed 25% of the aggregate of debt plus equity

In addition, the Tertiary Education Commission has required the following further covenants to be met:

- Surplus to total operating income to be not less than 3%
- Net debt to be no more than 1.8X net cash from operating activities

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
16 EMPLOYEE ENTITLEMENTS					
Sick Leave	1,105	988	1,105	1,441	988
Annual Leave	6,328	5,258	6,328	6,182	5,236
Long Service Leave	1,588	1,460	1,588	1,360	1,460
Retirement Leave	20,500	19,958	20,500	16,983	19,958
Total	29,521	27,664	29,521	25,966	27,642
Restructuring Provision	1,037	–	1,037	–	–

The restructuring provision has arisen from the restructuring of administrative functions. The restructuring is expected to be completed in March 2010. The provision reflects the estimated cost for redundancy payments arising from the restructure.

Total Employee entitlement and Restructuring provision	30,558	27,664	30,558	25,966	27,642
Made up of:					
Current	13,390	10,726	13,390	8,712	10,704
Non-Current	17,168	16,938	17,168	17,255	16,938
Total	30,558	27,664	30,558	25,967	27,642

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
17 FINANCIAL INSTRUMENTS					
OTHER FINANCIAL ASSETS					
Short-term deposits with maturities over 3 months but less than 12 months from date of acquisition	12,960	8,000	12,960	-	8,000
Long-term deposits with maturities greater than 12 months from date of acquisition	-	17,350	-	-	17,350
Financial Assets at fair value through the Statement of Financial Performance					
Forward Currency Exchange Contracts	-	412	-	-	412
	12,960	25,762	12,960	-	25,762

The carrying amount of both short and long-term deposits approximates their fair value.

Short term deposits maturing over three months from date of acquisition are all at fixed rates. The weighted average rate secured in 2009 for both the Group and University was 4.0% (2008: 7.33%).

As at the end of 2009 there were no long term deposits maturing over twelve months from date of acquisition. The prior year had a weighted average rate for both the Group and University of 7.03%.

OTHER FINANCIAL LIABILITIES					
Financial Liabilities at fair value through the Statement of Financial Performance					
Forward Currency Exchange Contracts	840	78	840	-	78
	840	78	840	-	78

The University has a series of policies to manage the risks associated with financial instruments. In line with statutory and Council guidelines the University is risk averse and seeks to minimise exposure from its treasury activities.

FAIR VALUE HIERARCHY DISCLOSURES

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

- 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 statement of financial position:

	Total (\$000's)	Quoted market price (\$000's)	Observable inputs (\$000's)	Significant non-observable inputs (\$000's)
31 December 2009 – University				
Financial Assets				
Term Receivable	1,252	0	1,252	0
Other non-current asset – Reversionary Interest	3,114	0	3,114	0
Financial Liabilities				
Derivatives	840	840	0	0
Revenue received in Advance	1,109	0	1,109	0
31 December 2009 – Group				
Financial Assets				
Term Receivable	1,252	0	1,252	0
Other non-current asset – Reversionary Interest	3,114	0	3,114	0
Financial Liabilities				
Derivatives	840	840	0	0
Revenue received in Advance	1,109	0	1,109	0

MARKET RISK

Price Risk

The equity investments that are held by the University are reflected within the financial statements at cost. It is deemed that there is limited price risk since at balance date no events had occurred to counter the view that their fair values were significantly different to their respective capitalisation figures.

Currency Risk

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

The University is exposed to currency risk due to import purchases. The main currencies affected are US Dollars, Sterling, the Euro and Australian Dollars.

To minimise this risk the University enters into Forward Currency Exchange Contracts. These have a face value, at balance date, of \$3,959,199 (2008: \$2,768,281).

At balance date these forward exchange contracts showed an unrealised Loss of \$839,930 (2008: Gain \$333,329). This fair value movement has been reflected within the financial statements.

The following is a detailed breakdown of the Forward Currency Exchange Contracts outstanding at each financial year end:

	Foreign Currency		Contract Value		Fair Value	
	2009 FC'000	2008 FC'000	2009 NZ\$ (000's)	2008 NZ\$ (000's)	2009 NZ\$ (000's)	2008 NZ\$ (000's)
Outstanding Contracts						
Buy USD						
Greater than 6 months to maturity	2,375	1,150	3,959	1,633	(585)	396
Buy GBP						
Greater than 6 months to maturity	535	370	1,418	1,028	(191)	(78)
Buy EUR						
Greater than 6 months to maturity	290	50	654	108	(64)	16
TOTAL Gain / (Loss)					(840)	334

Sensitivity analysis identified that if the New Zealand Dollar depreciated by 10% then the unrealised loss would decrease to approximately \$291k, while if the New Zealand Dollar increased in value by 10% then the unrealised loss would increase to approximately \$1,335k.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Financial instruments which potentially subject the University to concentrations of interest rate risk consist principally of Cash and Cash Equivalents, Loans and Leases.

Fair Value Interest Rate Risk

Although overall interest rate risk has been reduced due to the utilisation of fixed interest rates for both borrowing and investment in deposits, this does expose the University to a degree of "fair value interest rate risk" should market conditions move significantly in an adverse direction.

Note 5 provides further details regarding Cash and Cash Equivalents while Note 14 gives analysis in relation to borrowing.

Sensitivity Analysis	2009	2009	2008	2008
	(000's) +100 bps	(000's) -100 bps	(000's) +100 bps	(000's) -100 bps
INTEREST RATE RISK				
Financial Assets				
Cash and cash equivalents	83	(83)	35	(35)
Term deposits	864	(864)	796	(796)
Financial liabilities				
Term Loans	-	-	(50)	50
Total sensitivity to interest rate risk	947	(947)	781	(781)

Credit Risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss.

The University is subject to an element of credit risk principally within receivables, cash and cash equivalents, term deposits and forward currency exchange contracts.

To mitigate risk, the University's treasury management framework is adhered to. Cash, cash equivalents and term deposits are diversified through placements with a number of different New Zealand financial institutions. Credit exposure is further reduced by monitoring individual weightings. Due to the large number of individual debtors, the concentration of credit risk with respect to receivables is greatly reduced.

The University exposure to credit risk is reflected by the carrying amount in the statement of financial position for; cash and cash equivalents, receivables, term deposits, and forward foreign exchange contract assets.

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 & Poor credit ratings (if available) or to historical information about counterparty default rates.



	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
Counterparties with Credit ratings					
Cash at Bank and term deposits:					
AA (All other banks)	84,612	38,397	84,612	43,663	38,397
AA- (Kiwibank)	10,000	13,000	10,000		13,000
Total cash and bank and term deposits	94,612	51,397	94,612	43,663	51,397
Counterparties without Credit ratings					
Existing counterparty with no defaults in the past	12,004	7,321	12,004	5,712	7,321
Existing counterparty with defaults in the past	–	–	–	–	–
Total counterparties without Credit ratings	12,004	7,321	12,004	5,712	7,321

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 and the ability to close out market positions.

The maturity profiles of the University's interest bearing borrowings and investments are disclosed in Notes 14, 15 and 17 respectively.

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
18 EQUITY					
General Equity					
Balance as at 1 January	432,973	407,359	433,472	423,750	407,344
Net Surplus for the year	9,055	14,977	9,136	11,471	15,565
Crown Contributions for Partnerships for Excellence and CORE	1,700	10,562	1,700	1,168	10,562
Capital Contribution	–	75	–	–	–
Balance as at 31 December	443,728	432,973	444,308	436,389	433,472
Revaluation Reserves					
Balance as at 1 January	265,131	264,198	265,131	264,061	264,198
Revaluations	11	772	11	–	772
Revaluation adjustments relating to disposal of revalued buildings	25	161	25	–	161
Balance as at 31 December	265,167	265,131	265,167	264,061	265,131
Being: Buildings	172,581	172,556	172,581	172,446	172,556
Land	73,746	73,746	73,746	73,746	73,746
Plant and Equipment	–	–	–	–	–
Library / Collections	18,840	18,829	18,840	17,869	18,829
Total	265,167	265,131	265,167	264,061	265,131

During 2009, Crown contributions of \$1,700,000 were received in relation to Partnerships for Excellence (2008: \$7,000,000).

In 2008, \$3,561,159 was received in relation to MacDiarmid CORE funding.

19 RECONCILIATION OF NET SURPLUS WITH NET CASH FROM OPERATING ACTIVITIES

	DEC-09 University & Group (\$000's)	DEC-08 University & Group (\$000's)	DEC-09 University Actuals (\$000's)	DEC-09 University Budget (\$000's)	DEC-08 University Actuals (\$000's)
OPERATING ACTIVITIES					
Net Surplus / (Deficit)	9,055	14,977	9,136	11,471	15,565
Add (less) non-cash items:					
Depreciation / Amortisation	27,491	25,592	27,487	26,583	25,580
Donated Assets	(594)	(420)	(594)	–	(420)
Movement in Reversionary Interest	919	(3,235)	919	–	(3,235)
Movement in Long Term Revenue Owing	(82)	(77)	(82)	(306)	(77)
Movement in Total Employee Entitlements	2,894	2,750	2,916	(871)	2,789
Unrealised Foreign Exchange Variations	1,428	(1,031)	1,428	–	(1,031)
Add (less) movements in other working capital items:					
Accounts Payable	(640)	2,186	(174)	2,614	1,688
Revenue in Advance	5,101	1,421	5,101	528	1,421
Accounts Receivable	(2,103)	(2,115)	(2,394)	116	(1,964)
Inventories	200	(166)	200	–	(166)
Add (less) items classified as Investing / Financing Activities:					
Loss on Sale included in Investing Activities	133	153	133	–	153
Movement in Lease Revenue in Advance	(867)	(868)	(867)	(868)	(868)
Movement in Fixed Asset Related Payables / Accruals	4	(410)	4	(2,000)	(410)
NET CASH PROVIDED BY OPERATING ACTIVITIES	42,939	38,757	43,213	37,267	39,025

20 RELATED PARTY TRANSACTIONS

The compensation of Councillors and senior management, being the key management personnel of the University, is as follows:

	DEC-09 (\$000's)	DEC-08 (\$000's)
Short Term Employment Benefits	3,330	3,645
Termination Benefits	152	-
Other Long Term Benefits	-	-
Post Employment Benefits	138	147
	3,620	3,792

Dr Rod Carr, University Vice-Chancellor, was a Director of Jade Software Corporation until 31 January 2009. During 2009 the University has paid Jade Software Corporation \$216,660 (2008 \$285,954). During 2009, Dr Rod Carr also held Directorships with Te Tapuae o Rehua Ltd, \$49,500 (2008 \$49,500) and Geospatial Research Centre (NZ) Ltd, \$24,571 (2008 \$65,893) and is a board member of the Canterbury Employers Chamber of Commerce, \$15,510 (2008 10,262).

All goods and services supplied by these companies/organisations were on normal commercial terms.

The following related parties purchased philanthropic bonds from the University when they were issued in 2009:

- Dr Rod Carr, University Vice-Chancellor, \$10,000
- Christopher Carr, \$12,000
- Wendy Ritchie, University Council member, \$20,000
- Rex Williams, University Chancellor, \$20,000

These were purchased on normal commercial terms.

The University Trust funds (\$2,000,000) purchased bonds from the University. The bonds were purchased on normal commercial terms. The University Foundation (\$6,000) hold University Bonds donated by the original purchasers.

Mr Rex Williams, University Chancellor, and Dr Rod Carr, University Vice-Chancellor, are board members of the University of Canterbury Foundation. During 2009 the Foundation donated \$2,720,969 to the University.

Steve Jukes, UCSA President and University Council member is a Director of the University Bookshop. During 2009 the University purchased \$36,585 (2008: \$70,140) of goods from the University Bookshop. These goods were supplied on normal commercial terms.

Catherine Drayton, University Council member, is a Director of Meridian Energy Limited. For the year ending 31 December 2009, the University has paid Meridian Energy Limited \$3,845,877 for the supply of electricity to the University. Catherine is also a Director of Industrial Research Limited (IRL) and for the period ending December 31, 2009 the University paid IRL \$34,057 in the normal course of business

Anna Crighton, University Council member, and Peter Ballantyne, a co-opted member of the University Audit and Risk Committee are on the board of the Canterbury District Health Board (CDHB) and during 2009 the University paid CDHB \$133,362 (2008 \$269,699)

John Vargo, member of the University senior management, is a Director of Vargo and Lewis Ltd. During 2009 the University paid Vargo and Lewis Ltd \$75,233 (2008: 162,855).

The services supplied during 2009 from Vargo and Lewis Ltd were for John Vargo as acting PVC and for consultations on the College of Arts strategic projects.

These services were supplied on normal commercial terms and the amounts paid have been included in the Employment Benefits note above.

Nigel Healey, member of the University senior management, is a Director of Entre Ltd. During 2009 the University paid Entre \$40,000 (2008 \$40,000).

Paddy Austin, University Council member, is a Director of Francis Group Consultants Limited and during 2009 the University paid them \$5,120 for Paddy in her capacity as consultant.

During 2009 the University entered into a joint venture with the Arts Centre Trust Board named the National Conservatorium of Music JV Limited. The University owns 50% of this company. There have been no transactions with this company in 2009.

Intergroup Transactions	DEC-09 (\$000's)	DEC-08 (\$000's)
During the financial period to 31 December Canterprise Limited had the following inter-group transactions :		
Agency Sales collected from University of Canterbury	8	41
Donation Provided to Entre Programme from University of Canterbury	40	20
Operating Grant from the University of Canterbury	-	230
Payments from the University of Canterbury	15	-
Payments to University of Canterbury	234	339
Suppliers Costs paid to University of Canterbury	2	59
Payable to University of Canterbury	-	97

Agency Creditors to University of Canterbury

In addition to the above transactions that Canterprise Limited had with the University, in 2008 Canterprise had a number of transactions with its own subsidiaries. These were all conducted on an arms length basis.

Intergroup Transactions	DEC-09 (\$000's)	DEC-08 (\$000's)
Receivable from Arcactive Limited	-	81
Sales to Arcactive Limited	-	55
Receivable written off – Canterbury TX Limited	-	14
University Receivable from Nano Cluster Devices Limited Written Off	-	11
Sales to Veritide Limited	-	46

Note all related party transaction figures are stated exclusive of GST.

The University has a 33.3% interest in HIT Lab NZ, which is an unincorporated joint venture. During 2009 the University had no purchases but was required to return \$5,625 in the form of a credit note. In 2008 purchases amounted to \$29,291.

Canterprise Limited transactions amounted to \$Nil (2008: \$Nil)



21 EARLY CHILDHOOD EDUCATION

This financial information is shown for Ministry of Education purposes.
The financial results are already included within the statement of financial performance.

Early Childhood Learning Centre Statement of Financial Performance	DEC-09 (\$)	DEC-08 (\$)
OPERATING INCOME		
Government Grant – Child Funded Hours	647,633	554,314
Government Grant – Support Grant	18,760	7,832
Other Income	269,186	270,846
TOTAL OPERATING INCOME	935,579	832,992
OPERATING EXPENDITURE		
Personnel Expenses	858,510	672,511
Site & Property Costs	50,566	500
General / Operating Expenditure	56,433	166,166
Depreciation	2,602	1,871
TOTAL OPERATING EXPENDITURE	968,111	841,048
NET SURPLUS / (DEFICIT) FOR THE YEAR	(32,532)	(8,056)

The support grants were mainly utilised for staff development, and equipment and maintenance resources.

Te Ao Tamariki Statement of Financial Performance	DEC-09 (\$)	DEC-08 (\$)
OPERATING INCOME		
Government Grant – Child Funded Hours	460,463	471,284
Government Grant – Support Grant	10,005	1,812
Other Income	191,294	205,545
TOTAL OPERATING INCOME	661,762	678,641
OPERATING EXPENDITURE		
Personnel Expenses	577,608	525,395
Site & Property Costs	56,393	283
General / Operating Expenditure	27,839	148,575
Depreciation	25	–
TOTAL OPERATING EXPENDITURE	661,865	674,253
NET SURPLUS / (DEFICIT) FOR THE YEAR	(103)	4,388

The support grants were mainly utilised for staff development, and equipment and maintenance resources.

22 CAPITAL MANAGEMENT

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

The University is subject to the financial management and accountability provisions of the Education Act 1989, which includes restrictions in relation to: disposing of assets or 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 borrowing.

The University manages its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

The University's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing the University's equity is to ensure that it effectively and efficiently achieves the goals and objectives for which the University was established, while remaining financially viable.

23 EVENTS AFTER BALANCE DATE

There have been no significant events after the balance date



*Equity and
Diversity*

Equity and Diversity



Pacific student mentors Sam Latu (front left) and Fili Setu serve lunch to guests at the UC Pasifika Welcome Day.

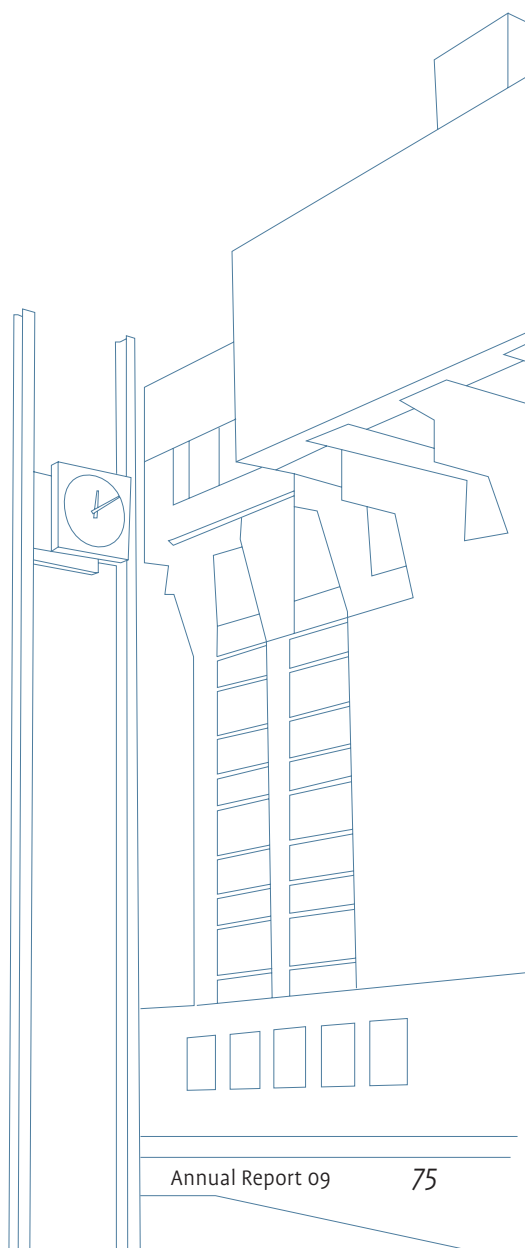
In line with the Human Rights Act (1993), the University considers it to be axiomatic that there should be equality of opportunity in employment and education for all of its staff and students, irrespective of background. Thus it is accepted that age, gender, ethnicity, or disability should not disadvantage or hinder appointment, professional development, promotion, advancement or successful study.

Formal oversight of equity and diversity rests with the Pro-Vice-Chancellor (Education) who holds the Equity and Diversity portfolio within the Senior Management Team. In fulfilling these responsibilities, she is advised in policy making by members of the Equity and Diversity Advisory Committee (EDAC) and in operational matters by members of the Human Resources team. Colleges and Service Units also have their own Equity and Diversity Committees. Equity and diversity issues underpin the core business of the University and hence are considered to be of concern to every member of the University community. The overall aim of Equity and Diversity is to make the University a place where Equity is an integral part of the culture and in which Diversity is celebrated.

During 2009, attention was paid to a variety of equity and diversity issues as part of the EDAC operational plan. These included:

- Ensuring that all College and Service Unit Equity and Diversity committees were formally constituted, meeting regularly and functioning effectively;
- Monitoring the patterns of participation, retention and success of students from under-represented groups and developing targets and plans for increasing these where appropriate;
- Increasing the number of targeted scholarships for students from under-represented groups;
- Promoting the University as an employer to Māori and Pacific audiences through marketing materials and web profiles;
- Involvement in the Women In Leadership programme of the New Zealand Vice-Chancellors' Committee (NZVCC);
- Implementing a mentoring programme for academic staff with a particular emphasis on women;
- Convening regular meetings of the Pacific Peoples' Advisory Group and meeting regularly with representatives of Pacific communities;
- Implementing strategic priorities from the University's Pacific Plan;
- Providing training for staff in specialist support areas;
- Continuing to assess and respond to learning support needs of students with disabilities.

Notes



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