

# Independent Auditor's Report

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## TO THE READERS OF THE UNIVERSITY OF CANTERBURY AND GROUP'S FINANCIAL STATEMENTS, STATEMENT OF SERVICE PERFORMANCE AND APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The Auditor-General is the auditor of the University of Canterbury (the University) and group. The Auditor-General has appointed me, Andy Burns, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, the statement of service performance and the appropriation statement of the University and group on her behalf.

### Opinion on the financial statements, the statement of service performance and the appropriation statement

We have audited:

- the financial statements of the University and group on pages 40 to 79, that comprise the statement of financial position as at 31 December 2015, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the statement of service performance of the University and group in the statement of service performance on pages 18 to 33; and
- the appropriation statement of the University on pages 36 and 37.

In our opinion:

- the financial statements of the University and group on pages 40 to 79:
  - present fairly, in all material respects, the University and group's:
    - financial position as at 31 December 2015; and
    - financial performance and cash flows for the year then ended;
  - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity reporting standards.
- the statement of service performance of the University and group on pages 18 to 33 presents fairly, in all material respects, the University and group's service performance achievements measured against the proposed outcomes described in the investment plan for the year ended 31 December 2015.
- The appropriation statement of the University on pages 36 and 37 presents fairly, in all material respects, what has been achieved with the appropriation by the University.

Our audit was completed on 24 February 2016. This is the date at which our opinion is expressed.

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

### Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards

require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, the statement of service performance and the appropriation statement are free from material misstatement.

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

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

An audit also involves evaluating:

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

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

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

### Responsibilities of the Council

The Council is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and

- present fairly the University and group's financial position, financial performance and cash flows.

The Council is responsible for preparing a statement of service performance that presents fairly the University and group's service performance achievements measured against the proposed outcomes described in the investment plan.

The Council is also responsible for preparing an appropriation statement that presents fairly, in all material respects, what has been achieved with the appropriation by the University.

The Council's responsibilities arise from the Education Act 1989, the Crown Entities Act 2004 and the Financial Markets Conduct Act 2013.

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

### Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements, the statement of service performance and the appropriation statement and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001.

### Independence

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

In addition to the audit, we have carried out other assurance engagements which were providing a report to the University's philanthropic bond trustees and a report on 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.



Andy Burns  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand