

Audit Report

To the readers of University of Canterbury and Group's financial statements for the year ended 31 December 2007

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 of the financial statements and statement of service performance of the University and group, on his behalf, for the year ended 31 December 2007.

Unqualified opinion

In our opinion:

- the financial statements of the University and group on pages 49 to 79:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the university and group's financial position as at 31 December 2007; and
 - the results of operations and cash flows for the year ended on that date.
- the performance information of the University and group on pages 13 to 47 fairly reflects its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 26 March 2008, and is the date at which our opinion is expressed.

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

Basis of opinion

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

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

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

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

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

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement 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 2007. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The Council is also responsible for preparing performance information that fairly reflects the service performance achievements for the year ended 31 December 2007. 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 Institute of Chartered Accountants of New Zealand.

In addition to the annual audit of the University and its subsidiaries, we perform an annual audit of the Vice-Chancellor's declaration on the performance-based research fund external research income and other audit-related assignments. These assignments are compatible with those independence requirements.

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



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 statement of service performance

This audit report relates to the financial statements and statement of service performance of the University of Canterbury and Group for the year ended 31 December 2007 included on the University of Canterbury's web site. The University of Canterbury's Council is responsible for the maintenance and integrity of the web site. We have not been engaged to report on the integrity of the web site.

We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the web site.

The audit report refers only to the financial statements and statement of service performance named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements and statement of service performance. 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, statement of service performance and related audit report dated 28 March 2007 to confirm the information included in the audited financial statements and statement of service performance presented on this web site.

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

2007 at a Glance

	2004	2005	2006	2007 ¹
Students enrolled (Headcount) ²	13 430	13 555	13 908	17 966
Equivalent Full-time Students (EFTS) ³	12 731	12 654	12 090	14 646
Full-time Equivalent Academic Staff (FTE)	656	680	681	778
Staff : student ratio	1 : 19.4	1 : 18.6	1 : 17.8	1 : 18.8
EFTStudents				
Undergraduate – sub-degree	558	495	376	642
Undergraduate – degree	10 272	10 304	10 083	12 215
Total undergraduate	10 830	10 799	10 459	12 857
Postgraduate – taught	917	868	863	955
Postgraduate – research	984	987	768	834
Total postgraduate	1 901	1 855	1 630	1 789
Total returned to Ministry of Education	12 731	12 654	12 090	14 646
Plus contract teaching and unfunded PhDs	+219	+222	+239	+82
Total Taught EFTS	12 950	12 876	12 329	14 728
International students enrolled in degree courses (EFTStudent)	1 947	2 006	1 660	1 667
PBRF funding received	\$1.9m	\$4.7m	\$13.6m	\$22.0m
Completed PhD theses	91	64	83	99
Completed Masters theses	187	188	166	207
Operating				
(All amounts net of GST)⁴	In \$ 000	In \$ 000	In \$ 000	In \$ 000
Government grant	\$81 482	\$82 716	\$79 744	\$105 730
Tuition fees	\$68 346	\$71 017	\$69 300	\$76 001
Research funding ⁵	\$10 462	\$19 153	\$31 305	\$42 315
Cost per EFTStudent	\$13.9	\$14.9	\$16.4	\$16.7
Capital expenditure (as per cashflow)	\$19 550	\$17 998	\$19 334	\$30 071
Financial position				
Fixed assets	\$420 950	\$553 601	\$554 779	\$700 978
Net current assets (liabilities)	(\$3 567)	\$6 072	\$18 565	\$25 742

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

² Excludes UC Opportunity students.

³ EFTStudents Returned to the Ministry of Education.

⁴ In the "Operating" and "Financial position" sub-sections of this table 2004 and 2005 figures are not comparable with 2006 and 2007 since figures for these latter two years have been prepared in accordance with NZ IFRS (New Zealand International Financial Reporting Standards).

⁵ All figures include PBRF funding received.

“It is with satisfaction that I present the 2007 annual report, and commend it to you as a record of a demanding year in which the University performed admirably and moved ahead in terms of size, quality and reputation.”



Chancellor's Welcome

Welcome to the 2007 Annual Report of the University of Canterbury.

2007 was a momentous year as the University grew in size some 20% following the merger with the Christchurch College of Education, and embarked on a capital development programme after five years of relative austerity.

The merger brought to fruition a process initiated in 2005 and as a result, in 2007:

- The student roll rose 29% to 17,966
- The number of equivalent full-time students rose 21.1% to 14,646
- The number of full-time equivalent staff rose 20.2% to 2,242
- Revenue increased by 24.1% to \$257 million

Inevitably there were teething problems but they were minor, and the goodwill built up over 130 years of collaboration and the commitment of both partners ensured a successful implementation.

A capital development programme was commenced as well, after five quiet years while the University brought its finances into order. Funding for the construction came from a variety of sources.

Construction started late in the year on NZi3, the New Zealand ICT Innovation Institute, which attracted \$9.6 million in capital funding from Government to match the \$9.6 million raised by the University through four partners, IBM, Microsoft, Jade Software Corporation and Tait Electronics.

Work started on new administrative accommodation for the UC College of Education office, funded by merger funding provided by Government. At the end of the year a new Health Centre was built on the south bank of the Avon River, at the eastern end of the Students' Association car park. The new facility is the largest health clinic in Christchurch and a fine resource for staff and student health.

Construction started late in the year on conversion of existing premises on the Dovedale site into a Data Centre to house all of the University's servers and the super computing facility.

The biggest project in more than a decade was approved late in the year by the University Council and tenders were accepted in December. The first stage of the project is a \$29 million six storey research building for the School of Biological Sciences. The subsequent

phases of the construction project will see the progressive refurbishment of the Plant and Microbial Sciences building, the Zoology building and the Geological Sciences building.

A major development during the year was the purchase of the Blue Gene IBM Super Computer, the largest research computer in Australasia. Council debated this purchase at length and opted to pursue the opportunity after detailed consideration of the financial projections, and of its strategic value in conjunction with the NZi3 development and the University's strengths in information technology, computer science and software engineering.

Financially the University continued its sound results of recent years with a surplus of \$11.9 million, 4.7% of income. There were two unusual non-cash items which contributed a further \$2 million to the surplus. The 4.7% return on income is within the Tertiary Advisory Monitoring Unit range of 3-5% and together with the University's depreciation provided for some \$34 million of capital expenditure.

The successful financial result was achieved thanks to effective interaction between the governance group led by Pro-Chancellor Mr John Simpson, who chaired both the Finance, Planning and Resources and Audit and Risk Committees, and University Financial Services staff, who provided detailed monthly reports and variance explanations that ensured Council was fully informed financially.

Membership of the Council changed significantly during the year with six new members joining: Ms Belinda Bundy joined as the University of Canterbury Students Association President along with fellow student Mr David Steven; Mr Jim Tully, Head of the School of Political Science and Communication, was elected by the academic staff at large and Professor Steve Weaver, the Head of Geological Sciences, was elected by his colleagues on the Academic Board; Ms Anna Crighton was elected at the start of the year by the Court of Convocation, the alumni electoral college; Mr Syd Bradley was co-opted to the Council in August because of his business skills; and Ms Ferne Bradley was appointed by the Minister of Education after consultation with the University.

There were two departures during the year; Mr Russell Caldwell, a member appointed following consultation with Ngāi Tahu resigned in June, following a move to

Wellington and in October Superintendent Sandra Manderson left after four years on Council to take up a police liaison role in Washington. At the end of the year Ms Bundy finished her term on Council, and Professor Hempenstall retired from the University and the Council.

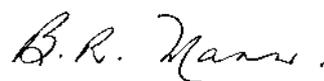
In December Mr John Simpson stood down as Pro-Chancellor after five years service in the role, to be succeeded in 2008 by Mr Rex Williams.

One further consequence of the merger was significant growth in the number of graduates from the University requiring nine graduation ceremonies, a substantial increase on the five held in 2006. They included for the first time a graduation ceremony in Rotorua for the distance education students from the College of Education.

Two honorary doctorates were presented during the year, both Doctor of Commerce degrees. Mr Kerry McDonald, an economics graduate of the 1960s is one of New Zealand's leading businessmen, now a professional director following a distinguished career as CEO of Comalco New Zealand. The second honorary award was to businessman and economics academic, Professor David Teece, a Professor of Economics at the University of California Berkeley and Managing Director of the highly successful consulting company LECC.

2007 saw great progress made by the University of Canterbury in the delivery of high quality teaching and research to the benefit of our many stakeholders. The results are a reflection of the outstanding leadership of Vice-Chancellor Professor Roy Sharp, well supported by his Senior Management Team and the University's excellent academic and general staff.

It is with satisfaction that I present the 2007 annual report, covering the University's 135th year, and commend it to you as a record of a demanding year in which the University performed admirably and moved ahead in terms of size, quality and reputation.



Dr Robin Mann
Chancellor
March 2008

*“...this document...
reflects an institution
which, in 2007, achieved
many milestones and set
out to pursue new ones.”*



Vice-Chancellor's Report

As any researcher or teacher will tell you, the more you achieve the more, it seems, there is to be done. It is, however, always useful for individuals and organisations to stop and take stock of their achievements and the benefits they bring. This is precisely what this document allows us to do. I believe it reflects an institution which, in 2007, achieved many milestones and set out to pursue new ones.

This was done against a background of significant change within the tertiary education sector. The vice-chancellors of New Zealand's eight universities are in broad agreement with the direction of the 2007 reforms designed to reinforce the distinctive contributions made by universities. Whether they will help remedy the funding issues facing the sector remains to be seen.

By its nature an annual report tends to focus on financial performance. If we were a purely commercial organisation, the return to shareholders would be of particular interest. While our relationships with business and industry are stronger and more productive than ever, teaching and research are - and always will be - the reasons why we exist. Therefore, it is our return to our stakeholders that is most important.

As can be seen in the Financial Statement, the University recorded a consolidated surplus of \$13.98 million in 2007. This will undoubtedly deliver tangible benefits to all of our stakeholders. Good examples of these stakeholders are the staff and students in our School of Biological Sciences, and the organisations and individuals that benefit from its world-class research and teaching. The University reaffirmed its commitment to Biological Sciences in 2007 by agreeing to a multi-million dollar upgrade of facilities which, currently, do not meet compliance requirements. The decision that faced us was to upgrade, or close the School of Biological Sciences. The Senior Management Team was delighted that its vision was shared by the University Council which endorsed a multi-million dollar building programme.

Surpluses allow us to make these kinds of financial commitments. It is, therefore, crucial that the University gets the most from its limited resources if it is to maintain its placement in the top tier of New Zealand universities.

Our position as one of the country's best research universities was confirmed in 2007 with the Performance-Based Research Fund (PBRF) quality evaluation. Since the last evaluation in 2003, the number of A-graded researchers at the University increased by more than 25 percent. The University was ranked number one in the country in Foreign Languages and Linguistics, Engineering and Technology and Other Health Studies (including Rehabilitation Therapies). It was ranked number two nationally in Philosophy; Molecular, Cellular and Whole Organism Biology; and Earth Sciences. It was also second equal in Chemistry. Since the 2003 evaluation, the differences in scores between the University and the two other universities in the top tier narrowed significantly. Further to that, the gap between the top tier and other institutions widened.

It was particularly pleasing to see the University's high rankings in a number of disciplines. It showed that not only is the University broad-ranging, it is an institution which makes a significant contribution to New Zealand society and beyond. We are looking forward to enhancing our contribution through developments such as the Biological Sciences project. But that was not the only investment made by the University in 2007 to the benefit of its many and varied stakeholders.

In May the University Council approved the acquisition of an IBM Blue Gene supercomputer. This allowed the University to join the major league of international supercomputing.

We are the only research institution in the Southern Hemisphere to have a Blue Gene and in doing so we have joined United States universities like Harvard, Princeton and Massachusetts Institute of Technology. Our machine, which we have named BlueFern™, currently shares the same international supercomputer ranking as the Blue Gene at Harvard.

Use of the supercomputer is growing steadily and we have had excellent feedback from users about the service levels provided and the new opportunities they now have to tackle grand research challenges. It has been excellent to see interest in BlueFern™ from researchers across a range of academic disciplines.

I would like to acknowledge the support of the MacDiarmid Institute for Advanced Materials and Nanotechnology, Victoria University of Wellington and AUT University, which are foundation partners in the BlueFern™ project. The presence of this internationally-recognised supercomputer in New Zealand represents a major advancement in New Zealand's research capability.

Great institutions are not built solely on technology and buildings. Our people are a very significant element. In 2007 the University's range of expertise broadened with the merger of the University and the former Christchurch College of Education.

Our teaching talent was recognised nationally for the second successive year at the annual Tertiary Teaching Excellence Awards. Ecology staff member Associate Professor Angus McIntosh (Biological Sciences) was one of 10 people across the country who received an award. Administered by the New Zealand Qualifications Authority, these awards recognise exceptional teachers who show outstanding commitment to their subject. I think Professor McIntosh's success is a good reflection of the quality of our academic and general staff. I thank them all for their contribution to the University during 2007. I would also like to acknowledge the support of the University Council and, in particular, Chancellor Dr Robin Mann. We can all be proud of what we have achieved together.



*Professor Roy Sharp
Vice-Chancellor
March 2008*

University Mission and Vision

Mission

Whāia te matauranga
Above all, seek after learning

The University of Canterbury comprises its staff, students, graduates and alumni. The University of Canterbury Act 1961 describes the purpose of the University as existing “for the advancement of knowledge and the dissemination and maintenance thereof by teaching and research.” This is carried through to the Education Act 1989 and informs the mission of the University.

Our purpose within the international community of scholars is to advance knowledge by research; to maintain and disseminate this knowledge through teaching, publications and critical debate; to confirm outcomes through the awarding and conferring of degrees, diplomas and certificates; to serve as a repository of knowledge and expertise; and to act as critic and conscience of society.

Our purpose within the New Zealand tertiary sector is to contribute to a tertiary education system that is characterised by excellence, relevance, academic freedom and improved access for all; to work with others to enrich intellectual discourse, educational quality and research activity; and to contribute to the intellectual, cultural, social and economic life and well-being of our city, region and nation.

Our purpose as a university of Aotearoa New Zealand, acknowledging the Treaty of Waitangi in all our activities, is to respond and contribute to the educational, research and development needs and aspirations of Māori, as tangata whenua.

Vision

Tangata tū tangata ora
People prepared to make a difference

Since its founding the University of Canterbury and its people have made a difference locally and globally. Proud of that past, we now look to the future with fresh vision that blends the best of Canterbury tradition with the innovation necessary for success in a changing world. People are crucial to this process – people who are prepared to make a difference.

We will make a difference by the diligence we bring to our studies; the passion and rigour we bring to our teaching and research; the inclusiveness and transparency we bring to our decision-making; the pride we bring to our administrative tasks; the dedication we bring to service; and the courtesy, collegiality and respect we bring to our interactions.

We will make a difference to our city, region and nation by the quality of our graduates; the relevance and excellence of our research; the inspiration of our creative arts; the positive impact of our collaboration with others; the strength of our bonds with community, business, industry, and government; and the leadership we show in Treaty, equity and environmental issues.

We will make a difference internationally by enhancing the Canterbury tradition of world-class research and scholarship; working with selected overseas institutions; providing a welcoming destination for international students, and sending out well-equipped graduates who are prepared to make their mark on the world stage.



Council Membership 2007

The composition of the University Council in 2007 was:

Council Members	First Appointed	Current Term Appointed	Ending
<i>Four Persons Appointed by the Minister</i>			
Dr B Robin Mann	2001	2005	2008
Ms Ferne Bradley	2007	2007	2009
Ms Wendy Ritchie	2005	2005	2009
Mr John C Simpson	2001	2005	2009
<i>Vice-Chancellor</i>			
Professor Roy Sharp	2003	2003	
<i>Three Members of the Academic Staff</i>			
Mr Jim Tully	2007	2007	2010
Professor Peter J A Hemenstall	2005	2005	2008
Professor Steve Weaver	2007	2007	2010
<i>One Member of the General Staff</i>			
Mr Michael R Shurety	2003	2003	2010
<i>Two Students</i>			
Ms Belinda Bundy	2007	2007	2007
Mr David Stevens	2007	2007	2007
<i>One Member Appointed in Consultation with the Employers' Federation</i>			
Dr Paddy Austin	2003	2003	2010
<i>One Member Appointed in Consultation with the Combined Trade Unions</i>			
Ms Chris Wilson	2003	2003	2010
<i>One Member Appointed Following Consultation with Ngāi Tahu</i>			
Appointment Pending			
<i>Two Members Appointed by the Council</i>			
His Hon. Judge Colin Doherty	2005	2005	2008
Mr Syd Bradley	2007	2007	2011
<i>Four Graduates Elected by the Court of Convocation</i>			
Ms Anna Crighton	2007	2007	2010
Superintendent Sandra J Manderson	2003	2007	2010
Mr Trevor J McIntyre	2005	2005	2008
Mr Rex Williams	2006	2006	2009

Achievements and Awards 2007

The Merger becomes official

On 1 January, 2007 the Christchurch College of Education (CCE) officially merged with the University. The merger was formally acknowledged at a Powhiri in early February attended by more than 420 staff and invited guests. Training the country's teachers, which was the function of CCE since 1877, is now carried out within the University's new College of Education. Heading the College is Pro-Vice-Chancellor (Education) Professor Gail Gillon (Ngāi Tahu) who took up her appointment on 5 September.

New Zealand Centre for Human-Animal Studies

New Zealand's first research centre dedicated to the study of human-animal relationships opened at the University in March. The New Zealand Centre for Human-Animal Studies (NZCHAS) brings together scholars from the humanities and social sciences whose research focuses on the conceptual and material treatment of non-human animals in culture, society and history. As one of the first centres of its kind in the world, NZCHAS is already attracting positive attention from international scholars. It has established affiliations with overseas institutions including the Jane Goodall Institute (USA), Oxford Centre for Human Ethics (UK), the British Animal Studies Network, and the Society and Animals Forum (USA).

Distinguished Canterbury Fellow

Nobel laureate Professor Robert Grubbs was made a Distinguished Canterbury Fellow. The title is reserved for very distinguished visitors who show evidence of outstanding international recognition and achievement. Professor Grubb is the Victor and Elizabeth Atkins Professor of Chemistry at the California Institute of Technology and is recognised as one of the world's pre-eminent research chemists with more than 400 publications to his name. He was a visiting Erskine Fellow at the University in 2005 when he received word of his Nobel Prize in Chemistry. He becomes only the second Distinguished Canterbury Fellow, joining fellow Nobel laureate Professor Clive Granger, who was also visiting Canterbury when it was announced that he was the joint winner of the 2003 Nobel Prize in Economics.

BlueFern™ Supercomputer

The Deputy Prime Minister Dr Michael Cullen was the official guest at the launch of the University's new IBM Blue Gene supercomputer in August ("Blue Fern™"). The University is the first research institution in the southern hemisphere to have a Blue Gene supercomputer. Other universities which already have Blue Genes include Harvard University, Princeton University and Massachusetts Institute of Technology (MIT). The MacDiarmid Institute for Advanced Materials and Nanotechnology, Victoria University of Wellington and AUT University are foundation partners in the BlueFern™ project.

New Zealand Climate Change Centre

In October, the University was named as a founding partner of the New Zealand Climate Change Centre. Researchers from the University and Victoria University of Wellington will work with researchers from AgResearch, Crop and Food Research, ESR, GNS Science, HortResearch, Industrial Research, Manaaki Whenua Landcare Research, NIWA and Scion. The NZ Climate Change Centre will be a virtual centre with some support staff, but most of the work will be carried out at the core organisations. The centre is expected to enhance collaboration between researchers and liaison with government departments, local authorities, producer groups, and industry.

School of Law reunion

The School of Law celebrated the 130th anniversary of the Bachelor of Laws with a Labour Weekend reunion. Some 85 guests attended the festivities, including a significant number of past and present members of the judiciary and two cabinet ministers. The earliest graduate present, Mr Norman Reed, who graduated LLB in 1947 had the honour of cutting the anniversary cake. Cabinet Minister Lianne Dalziel, who graduated LLB in 1984, gave the opening address.

Art School 125

In November, the Christchurch Art Gallery Te Puna o Waiwhetu launched *Art School 125*, a celebration of 125 years of artistic achievement by the University's School of Fine Arts. The exhibition featured the work of notable alumni such as Margaret Stoddart, Leo Bensemann, Bill Sutton, Bill Culbert, Boyd Webb, Shane Cotton, Ronnie van Hout and Francis Upritchard.

Biomolecular Interaction Centre

A new biomolecular research centre was established at the University in September. The Biomolecular Interaction Centre (BIC) is a collaborative project spearheaded by staff from Biological Sciences, Chemistry and Chemical and Process Engineering working in partnership with researchers from Lincoln and Otago universities, Crop and Food, and Environmental Science and Research (ESR). The centre uses state-of-the-art equipment supplied by Bio-Rad Laboratories, some of which has never been used before in the southern hemisphere. The centre's work will focus on drug discovery, biotechnology and the development of new bio-nanomaterials.

Research excellence

In April, results of the 2006 partial round of the Performance-Based Research Fund (PBRF) were announced. These showed that the University's average quality score had risen from 3.83 in 2003 to 4.10 in 2006. On this basis, the University ranked third nationally with the top three universities scoring within the narrow range of 4.10 to 4.22. Nationally the University ranked first in Engineering and Technology, Other Health Studies (including Rehabilitation Therapies) and Foreign Languages and Linguistics; and ranked second in Philosophy, Molecular, Cellular and Whole Organism Biology and Earth Sciences. It also ranked second equal in Chemistry. The number of A-graded researchers at the University increased by more than 25 per cent in the 2006 round.

Honorary degrees

Two University of Canterbury alumni, Kerry McDonald and Professor David Teece, received honorary Doctor of Commerce (*honoris causa*) degrees from the University at the April and December graduations respectively. Mr McDonald has been active in business in New Zealand and Australia for many years. He graduated from Canterbury University with a BCom in 1964 and a MCom (Hons) in 1967. Professor Teece received his degree in recognition of his long and distinguished career as an economist and business leader. After graduating from Canterbury with a BA in 1970 and a MCom in 1971, Professor Teece gained a PhD in economics from the University of Pennsylvania and became a professor at the University of California, Berkeley. He has been named one of the World's Top 50 Living Business intellectuals.

Physicist receives rare award

Associate Professor Roger Reeves (Physics and Astronomy) was awarded the T.K. Sidey Medal in recognition of his superb contribution to research associated with electromagnetic radiation. In a world first, Professor Reeves discovered ways to use two new semiconductors - indium nitride and zinc-oxide - that could revolutionise the way we use and convert energy. Awarded just 15 times in the last 74 years, the first person to receive the T.K. Sidey award was Canterbury alumnus Sir Ernest Rutherford in 1933.

Marsden Fund success

University of Canterbury researchers were awarded more than \$4 million in funding in this year's Marsden Fund round. The awards, which are government funded, are administered by the Royal Society of New Zealand. Illustrating the broad range of research undertaken at the University, the 11 successful research projects were in the areas of biological sciences, gender studies, geological sciences, computer science and software engineering, physics and astronomy, history, speech and language, civil engineering and chemistry.

University Research Medal

Professors Murray Munro and John Blunt (Chemistry) were joint winners of the University of Canterbury Research Medal for 2007. The medal is awarded annually for excellence in research and the presentations were made at the 21 December graduation ceremony. According to international peers, the recipients are an inseparable team, whose names are synonymous with work of the very highest standards of excellence. One supporter of their nomination for the award credited them with effectively creating and dominating the field of marine natural products chemistry in New Zealand.

Tertiary Teaching Excellence Award

Associate Professor Angus McIntosh (Biological Sciences) was one of 10 tertiary teachers to receive a national Tertiary Teaching Excellence Award in 2007. The awards, administered by the New Zealand Qualifications Authority, recognise exceptional teachers who show outstanding commitment to their subject.



Associate Professor Roger Reeves



Associate Professor Angus McIntosh

University Teaching Awards

Teaching excellence at the University of Canterbury was recognised with the annual Teaching Awards for 2007. Seven awards were presented to staff at the December graduation ceremonies in recognition of their outstanding teaching achievements. The recipients were: Nicki Dabner (Literacies and Arts), Dr Wade Enright (Electrical and Computer Engineering), Dr Peter Field (History), Dr Deirdre Hart (Geography), Dr Reiko Itoh (Languages and Cultures), Associate Professor Jamie Shulmeister (Geological Sciences), and Jim Tully (Political Science and Communication).

Geographer's work recognised

Professor Eric Pawson (Geography) has been recognised as one of New Zealand's leading geographers by being awarded the Distinguished New Zealand Geographer Award for 2007. The award was presented at the New Zealand Geographical Society's AGM, held at the University in September, and recognises the outstanding contribution Professor Pawson has made to the discipline and its professional society.

Champion Canterbury Awards

Canterprise, the University's commercialisation arm, repeated its success of two years ago in the 2007 Champion Canterbury Awards when it was presented with the Service Small Enterprise category prize and The Press Supreme Award for Small Enterprise. It received the same accolades at the 2005 awards. The annual Champion Canterbury Awards celebrate the excellence and enterprise of business in the Canterbury region. Among Canterbury's most successful spin-out companies are WhisperTech, which manufactures combined heat and power generation units, and Syft Technologies, which is marketing technologies capable of detecting volatile substances.

World University rankings

The University of Canterbury's placing in the THES-QS World University Rankings improved significantly, from 333 in 2006 to 188 in 2007. The rankings, which are prepared by QS Quacquarelli Symonds Ltd for the Times Higher Education Supplement, are determined by peer review, recruiter review, international faculty ratio, international student ratio, student faculty ratio and citations per faculty. The University is one of three New Zealand universities in the Top 200 list for 2007.

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 for the year ended 31 December, 2007.

Handwritten signature of B. R. Mann.

Chancellor

Handwritten signature of the Vice-Chancellor.

Vice-Chancellor

Date: 28 March, 2007